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House of Representatives

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mrs. MILLER of Michigan).

DESIGNATION OF THE SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
October 26, 2005.

I hereby appoint the Honorable CANDICE S. MILLER to act as Speaker pro tempore on this day.

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

PRAYER

The Reverend Mark Vander Meer, Pastor, Monocacy Valley Church, Ijamsville, Maryland, offered the following prayer:

Heavenly Father, we come before You in awe and wonder, recognizing that it is by Your grace and sustaining love that we awoke to enjoy the blessings and challenges of this new day.

It is by Your will and providence that You called our great country into being and entrusted leaders to steward and manage it on Your behalf. This is no easy task. The decisions that this body must make are difficult, complicated, and impact the lives of so many. I pray that Your Spirit would inhabit this Chamber and fill the hearts and minds of all who lead with the wisdom, discernment, and insight that only comes from You.

May all that takes place this day be an act of worship, honoring both You and the people we serve. To You be honor and glory. Amen.

THE JOURNAL

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

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

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

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

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

Mr. WILSON of South Carolina. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

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

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentlewoman from West Virginia (Mrs. CAPITO) come forward and lead the House in the Pledge of Allegiance.

Mrs. CAPITO 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.

SPECIALIST RICHARD A. HARDY

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

Mr. NEY. Madam Speaker, I rise today to reflect upon the service and life of a great American, Specialist Richard A. Hardy, who was killed in action while fulfilling his duty to the United States of America.

Specialist Hardy was born in Timken, OH, and last resided in Newcomerstown, OH. He was assigned to A Company, 2nd Battalion, 69th Armor Regiment, 3rd Infantry Division, out of Fort Benning, GA. Specialist Hardy gave the last full measure of devotion to his country in Ar Ramadi, Iraq during Operation Iraqi Freedom.

Madam Speaker, Specialist Hardy represents the best that America has to offer. I want to give my heartfelt condolences to the family and friends of Specialist Hardy. His sacrifice will not be forgotten. May God rest his soul.

THE VALERIE PLAME INVESTIGATION

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

Mr. NADLER. Madam Speaker, it is time for someone in the Bush administration to be held accountable for the leaking of the identity of a covert CIA operative. Washington Republicans are already attempting to minimize in advance the special prosecutor's findings. Anyone who does not believe leaking a CIA operative's identity is a serious breach of national security should listen to the words of our President's father, who served not only as President but as director of the CIA.

During a speech at the CIA in 1999 he said, ''I have nothing but contempt and anger for those who betray the trust by exposing the names of our sources. They are, in my view, the most insidious of traitors.'' That is the President's father, a former Republican President himself.

While his son's administration is working in secret to destroy Joseph Wilson's name, it was the former President Bush who sent a letter to Wilson congratulating him for his service to his country and sending his sympathies that his wife's identity had been made public. President Bush should listen to his father. He should not condone these outrageous actions, should fire anyone involved, and hold them in utter contempt.

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TEXAS SHERIFF RICK FLORES

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

Mr. POE. Madam Speaker, this past weekend I traveled to the United States-Mexico border and spent time patrolling the Rio Grande River with Sheriff Rick Flores and his deputies of Webb County, Texas. Sheriff Flores is a determined lawman. He is fighting invasion of illegal immigration and the war against the dangerous, violent drug cartels that are slithering into the United States.

Flores has only 13 deputies to patrol a county bigger than Delaware. In the tense border towns like Laredo, Rio Bravo and El Cenizo, the war between the drug cartels is waging and getting more dangerous every day. These drug outlaws have more money, extra manpower, better electronic equipment, a better intelligence network, and better firepower than the sheriff and his posse.

The sheriff needs Humvees, body armor, off-road vehicles, satellite phones, GPS systems and much more to fight this battle against drug cartels and human smugglers. Madam Speaker, Sheriff Flores has a passion to protect Texas and all of America. Sheriff Flores put it best when he said protecting our borders is not a partisan issue, it is a red, white, and blue issue. Madam Speaker, that is just the way it is.

CHILDREN AT RISK

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

Mr. BLUMENAUER. Madam Speaker, every day on the floor, we have much spirited debate. Often there is some agreement. But I think there is one thing that every Member of this Chamber can agree, the needless loss to water-borne disease of a child every 15 seconds. Four children will die before I finish my 1-minute here this morning. This sum is a tragedy that we must and should act to avert.

The good news is it is something we can change. We can make water and sanitation a cornerstone of United States foreign aid policy. We have legislation moving through our House International Relations Committee, passed unanimously, that would make this important change. There is legislation on the other body, encouragingly introduced by both the majority leader and the minority leader, that is parallel in nature.

Yesterday, Chairman HYDE and I invited each Member of the House to join over 60 other bipartisan cosponsors to add their names to H.R. 1973, the Paul Simon Water for the Poor Act. This critical bipartisan legislation will enable the United States to fulfill our international obligation and prevent this tragic, unnecessary loss of life around the world.

HONORING THE LIFE OF MR. JOEL STUBBLEFIELD

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

Mr. BOOZMAN. Madam Speaker, I rise today to honor the life of a dedicated educator, Joel Stubblefield, who passed away last week. Mr. Stubblefield assumed the role of chancellor at the University of Arkansas, Fort Smith, in 2002. Without his vision and efforts, that role would have never existed. While he always gave the credit to others, Mr. Stubblefield's initiatives transformed Westark, which was a very successful 2-year community college which he had been president of for many, many years, into a full-fledged 4-year institution that became part of the University of Arkansas system.

Under his stewardship, UAFS blossomed, the faculty ranks doubled, student enrollment nearly doubled and private giving, a measure of the school support, skyrocketed. He worked tirelessly to accomplish these feats. In fact, he worked so hard that at one point the school's trustees had to vote to force him to take a vacation.

Madam Speaker, 2 days ago I joined over 1,000 people at the UAFS campus to say our final good-byes to Joel Stubblefield. While he may no longer be with us, the impact he left on the community of Fort Smith will remain literally for generations to come. He was dedicated in every way to making a difference in the lives of his students, and our communities are a better place because of his efforts.

TEMPORARY PROTECTED STATUS FOR PAKISTANI NATIONALS

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

Mr. AL GREEN of Texas. Madam Speaker, I am on a mission of mercy today to acquire temporary protected status for Pakistani nationals in this country. Madam Speaker, as we know, Pakistan has been devastated by a 7.6 Richter scale earthquake. Thousands upon thousands are without homes. Thousands upon thousands have died. There is much assistance needed. The Pakistani nationals in the country, Madam Speaker, would be given an opportunity to stay for an additional 12 months, which would give the country an opportunity to try to recover from the devastation that it has suffered.

Madam Speaker, this is a bipartisan effort. I thank all of those on both sides who are supporting H.R. 4073. This is the right thing for us to do. The Pakistani people are suffering. These are our allies in the war on terrorism, and this would give us an opportunity to clearly extend the hand of friendship to those who have been of assistance to us.

PRIME MINISTER, FREE THE DALITS

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

Mr. PITTS. Madam Speaker, earlier this month a human rights conference was held on Capitol Hill on the issue of the Dalits of India. We learned that India's caste system was established 3,000 years ago. It allows a powerful few to dominate the many, but not everyone has a caste.

A group once called the Dalits, ''the untouchables,'' have none. They are literally outcast, some 250 to 300 million people. Often the Dalits are treated worse than animals, denied access to water, food, health care, even clothing, because they are deemed unworthy of these things. The vast injustice done to these people is indescribable. The Dalits are attacked not only physically, but various community members, sometimes even the police, attack them.

India is a great friend to America. As the world's largest democracy, it holds limitless potential; but just as slavery and the unequal treatment of African Americans blemished our record for much of our history, so the treatment of Dalits will hold our friend India back.

Countries that protect the rights and freedoms of all people are more stable and more prosperous. Once America came to accept that all citizens were equal and deserved equal opportunity to build a better life, we became a stronger Nation, and our calls for freedom elsewhere carry more credibility, because we grant it to all of our citizens. If they free the Dalits, India's will, too.

OPPOSITION TO PROPOSED BUDGET CUTS

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

Ms. SOLIS. Madam Speaker, today I rise in opposition to the proposed Republican budget cuts and the harmful impact that will have on women across the country. The Republican budget slashes Medicaid by $10 billion, a vital program for the health and welfare of women of all ages. It provides essential care such as family planning, breast and cervical cancer treatment, and care for disabled women to more than 16 million women, including approximately 10 million women of child-bearing age. In California alone, in my State, over 3.7 million women of all ages are enrolled in Medicaid and 1.3 million Medicaid beneficiaries are recipients in Los Angeles County. Medicaid ensures that women receive a full spectrum of maternity coverage, including prenatal, labor, delivery, and postpartum care. Medicaid is one of the largest sources of funding for women over the age of 80 living in nursing homes, covering nursing home costs and long-term care services.

These facts demonstrate that Medicaid is a significant health safety net program for women. The proposed Republican budget cuts billions from Medicaid. I urge my colleagues to reject the Medicaid budget cuts and to provide full funding for women and their children and for the vital safety of children.

□ 1015

SLOGANS, NOT SOLUTIONS, FROM DEMOCRATS

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

Mr. PRICE of Georgia. Madam Speaker, we are at a financial crossroads. My Republican colleagues and I are committed to fiscal responsibility, while Democrats merely propose slogans and catch phrases to hide behind their tax-and-spend policies.

Over the past 3 years, Democrats have offered amendments totaling tens of billions of dollars of additional spending and $392 billion in additional taxes. That is more taxes.

A lot of these proposed spending increases were to be financed by raising taxes on small businesses, which means fewer jobs. Earlier this year not a single Democrat House Member supported the lean budget that passed Congress, not one.

Before Hurricanes Katrina and Rita, our economy was surging, and deficits were shrinking. Fact: The budget deficit shrank last year from $412 billion to $319 billion, a decrease of nearly 25 percent. We had 25 straight months of job growth, falling unemployment, and strong growth in the economy.

Madam Speaker, Americans deserve and expect us to work together. I urge my Democrat colleagues to move from slogans to solutions. We would welcome their productive contributions. The American people are waiting.

ADMINISTRATION OFFICIALS WORK TO UNDERMINE SPECIAL PROSECUTOR'S INVESTIGATION

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

Mr. FILNER. Madam Speaker, it is clear that high-ranking officials in the Bush White House have not leveled with the American people about their involvement in the leaking of CIA agent Valerie Plame's identity to reporters.

When this investigation first began 2 years ago, Deputy Chief of Staff Karl Rove told ABC News that he was not involved in any way. After a steady stream of questions, White House press secretary Scott McClellan said he personally went and asked Karl Rove and Scooter Libby if they were involved, and they both assured him that they were not. McClellan told reporters at the White House press briefing on October 7, ''They are good individuals. They're important members of our White House team, and that's why I spoke with them, so I could come back to you and say that they were not involved.''

Well, like much of what the White House says today, that is simply not true. Both Rove and Libby were involved in the leaking of a covert agent's identity. That means someone in this administration has a lot of explaining to do.

Madam Speaker, this is not the way the American people want their government to be run. It is time for someone to be held accountable at the White House for this outrageous abuse of power. This administration of neocons turns out to be an administration of just plain cons.

REPUBLICANS CALL FOR FISCAL RESPONSIBILITY

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

Mr. WILSON of South Carolina. Madam Speaker, Hurricanes Katrina and Rita delivered disastrous blows to families and communities in the southern part of our country.

As the Federal Government fulfills its commitment on the gulf coast, Congress must make significant sacrifices in other parts of the Federal budget. House Republicans are proposing several commonsense reforms that will decrease the deficit and the size of the Federal Government.

Instead of considering our positive proposals, House Democrats continue to rely upon their tired tax-and-spend plans that ultimately force future generations to pay higher taxes. They have tried to increase Federal spending by billions of dollars at every stage of the legislative process. Earlier this year not a single Democratic House Member supported the lean budget that passed the Congress.

As our Nation continues to recover from these hurricanes, it is time for Democrats to work with Republicans on fresh reforms that will decrease the Federal deficit, strengthen the Federal Government, and help American families.

In conclusion, God bless our troops, and we will never forget September 11.

FIRE ACT GRANTS

(Mrs. MALONEY asked and was given permission to address the House for 1 minute.)

Mrs. MALONEY. Madam Speaker, we as a Nation can do much better in protecting the American people with our limited homeland security dollars.

Recently I released a report on the status of the FIRE Act program, the only homeland security program specifically for firefighters, and we know it was the firefighters on 9/11 who were the true heroes and heroines. The statistics in this report, which can be found on my Web site, would be absolutely laughable if the threats to New York City and other areas in America were not so serious.

In 2004, the FIRE Act program was capped at $750,000 regardless of threat and size; yet we know that the 9/11 Commission report says that all of our homeland dollars should be targeted specifically and only for high threat and risk. In this report, as the Members can see, Montana gets over $7.84 per person, while high-threat, number one threat city, New York City gets a mere 12 cents per person.

This is unfair. This is wrong. We can do better.

BREAST CANCER

(Mrs. MYRICK asked and was given permission to address the House for 1 minute.)

Mrs. MYRICK. October is Breast Cancer Awareness Month, and as a breast cancer survivor, I am very encouraged by all the research that goes on and continues to find, hopefully, a cure one day.

But I want to encourage everybody to be vigilant because this is a disease that each one of us has to take care of our own bodies to find. I am one of those that was seen by five doctors, and I had three mammograms, and everyone told me I was fine and there was nothing wrong. But I knew something was wrong because I had pain. So I persevered, was able to get an ultrasound, and they found it.

So my message today is preventive medicine is so important, but it is especially important for each one of us as individuals to take care of ourselves. And I encourage everyone during this month, to men and women alike, because men get breast cancer, too, to get mammograms; if they know something is wrong to persevere until they find the answers. And one of these days we will not have to stand here because we will have a cure for this bad disease.

CRONYISM IN THE BUSH ADMINISTRATION: APPOINTMENTS BASED ON CONNECTIONS, NOT CREDENTIALS

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

Ms. BERKLEY. Madam Speaker, the Bush administration has systematically abused its power by appointing political allies rather than qualified people to positions that have a direct effect on the safety and well-being of the American people.

This dangerous practice became painfully evident in the devastating aftermath of Hurricane Katrina when the incompetence and inexperience of FEMA Director Michael Brown led to a terribly inadequate response to natural disaster. We now know that President Bush appointed Brown as a favor to a friend, not on his ability to do the job.

Unfortunately, this is not an isolated example. A recent Time Magazine inquiry found that in filling positions at vital government agencies, the Bush administration has put connections ahead of credentials. Time notes in a September 25 article that ''connections, not qualifications, have helped an unusually high number of Bush appointees land vitally important jobs in the Federal Government.''

Madam Speaker, this cronyism must end. Our tax dollars should pay for government that works for everyone, not just the President's friends. The American people deserve better.

SECURITY AGENDA

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

Mrs. BLACKBURN. Madam Speaker, while the Democrats are working to develop a message for the upcoming year, Republicans have more than a message. We have an agenda: the security agenda.

We know that Americans have strong views on how this country ought to run, and this Republican majority represents those views. We believe in focusing on four areas: retirement security, homeland security, economic security, and moral security.

We are aggressively fighting terrorism both here at home and abroad to strengthen our national and homeland security. We continue to work to be certain that our seniors are taken care of and provided for in their retirement years. We are working to keep taxes low, regulation light, and shrink the growth of government to be certain that our economic security is not threatened.

Madam Speaker, we want to preserve the right of every American to worship as we choose, defend the sanctity of marriage, and we are fighting to advance the culture of life in order to guard our Nation's moral security.

Madam Speaker, Republicans are focused on these security issues. We know this is an agenda where the American people join us in the actions they would like to see.

WHITE HOUSE STONEWALLING OF VALERIE PLAME LEAK INVESTIGATION

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

Ms. LEE. Madam Speaker, sadly, 2,000 American troops have now died in Iraq due to a war based on fabrications of weapons of mass destruction in Iraq.

Two years have passed since the Bush White House breached national security by leaking a covert CIA agent's name to reporters to smear a former ambassador who questioned their misleading case for war. Why has President Bush not acted on this reprehensible act?

Anyone who follows the news now knows that the White House Deputy Chief of Staff Karl Rove is implicated in leaking Valerie Plame's identity to Time reporter Matthew Cooper. We also know that it was the Vice President's Chief of Staff, Scooter Libby, at the heart of charges leaking Plame's identity to New York Times reporter Judith Miller.

Two years ago the White House press secretary told reporters, ''If anyone in this administration was involved in it, they would no longer be in this administration.'' But that was before it was clear that Karl Rove was indeed involved. President Bush now says staffers will only be fired if they committed a crime.

Talk about lowering the bar. The Bush administration was right at first when it said that anyone involved in this serious breach of our national security would be handed their walking papers.

The stonewalling and the coverup of the White House must finally come to an end. Our country must do better. The world is watching.

BREAST CANCER AWARENESS MONTH

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

Mrs. CAPITO. Madam Speaker, October is Breast Cancer Awareness Month. In West Virginia alone, 270 women will lose their lives to breast cancer in 2005 while an estimated 1,410 new cases will be diagnosed.

The impact of breast cancer goes well beyond the individual to impact her family, her friends, as well as change the path in life the woman is leading.

Regular breast self-examinations, mammograms, and regular visits with a doctor give a woman her greatest chance for overcoming breast cancer.

These reasons are why women, especially women over 50 and women who have a history of breast cancer, should visit their doctor regularly. My husband Charlie lost his mother and his aunt to breast cancer over 30 years ago. Since that time advancements in treatment and educational efforts have increased the 5-year survival rate to 98 percent if the cancer is found and treated before it spreads.

As this Republican-led Congress continues its commitment to fund research efforts, we must also continue efforts to educate women and ensure they have access to proper health care. We owe it to thousands of women, and their families, we have lost to breast cancer. We owe it to ourselves and our daughters for their futures.

THE SAD MILESTONE OF 2,000 U.S. TROOPS KILLED IN IRAQ

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

Mr. KUCINICH. Madam Speaker, we mark another sad and tragic milestone in the war in Iraq. Two thousand American soldiers have been killed in the war in Iraq.

We must end this war. How many more of America's finest have to die for this war before we realize that the quagmire in Iraq cannot be solved by military force, and that our occupation is counterproductive?

Iraq has been a colossal failure of American policy. From the beginning this administration has waged a campaign of misinformation and has continued to deliberately mislead the public and this Congress about the realities on the ground. The truth is that Iraq will never be free and the insurgency will not end until we end our occupation and allow the decisions about the future of Iraq to be made in Baghdad, not Washington.

As Americans we lament the loss of every American life and every American injury and every Iraqi civilian casualty. We mourn the first casualties as much as the 2,000th casualty.

Now more than ever, we need to support the troops. Support the troops by bringing them home.

IN SPECIAL RECOGNITION OF THE PATRIOTISM OF KATELIN RICHTER OF WATERTOWN, MINNESOTA

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

Mr. KENNEDY of Minnesota. Madam Speaker, I rise today to recognize 16-year-old Katelin Richter, a student at Watertown-Mayer High School in my hometown.

Katelin recently wrote an essay on the importance and relevance of the Pledge of Allegiance, which was published in a large newspaper in our home State. The theme of Katelin's essay is that the language of the Pledge of Allegiance is the core values held by Americans, that we are one Nation under God, and that it should not be attacked by activist judges.

I think she is right.

Madam Speaker, it is my privilege to recognize the patriotism of Katelin Richter. It is through young voices such as hers that our great Nation will remain strong.

CRONYISM IN THE BUSH ADMINISTRATION: DAVID SAFAVIAN, THE MICHAEL BROWN OF PROCUREMENT

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

Mr. OWENS. Madam Speaker, together Americans can do better in showing Iraq and the rest of the world how true democracy will not tolerate corruption. We must set better examples than the Bush administration has set.

One glaring example of Bush corruption came when President Bush nominated a former lobbyist, David Safavian, as the Chief Procurement Officer for the Federal Office of Management and Budget. Mr. Safavian had limited experience with procurement when President Bush chose him for that powerful position. What he did have, however, were strong connections to powerful Republican lobbyist Jack Abramoff. The two lobbyists, Safavian and Abramoff, shared clients at the firm where they worked in the early 1990s. Later, through his position at the GSA, Safavian helped Abramoff lease Federal property for office space. In exchange, Abramoff took Safavian on an expensive golf trip to Scotland.

□ 1030

Not surprisingly, Mr. Speaker, David Safavian was arrested last month for obstructing a Federal examination into Jack Abramoff's questionable business dealings with Washington Republicans. At the time of his arrest, Mr. Safavian was a multibillion-dollar Hurricane Katrina contract awardee.

Together, America, we can do better.

FISCAL RESPONSIBILITY

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

Mr. GINGREY. Mr. Speaker, I rise today as a fiscal conservative, and, more importantly, as a Member who believes in making the tough choices and tightening the belt of the Federal budget. Every American family knows that you do not spend money on big purchases unless you have a way to pay for it. Yet our Federal Government does this every day.

There are two ways to get our fiscal house back in order: we can raise taxes, as some of our colleagues across the aisle have suggested; or we can rein in government spending. Well, we Republicans believe that American families already pay too high a price in taxes, and we know that there are too many places where our bureaucracy is bloated and our programs are redundant and ineffective.

So rather than making the American taxpayers shoulder the burden of excessive Federal spending, I say we put the weight on ourselves, the Congress, and work our hardest to cut the fat out of the Federal budget.

I believe that government should tailor its spending to accommodate lower taxes, rather than tailoring its taxes to accommodate higher spending called for by the Democrats. Now is the time to treat our Federal budget as we would our household budget. We need to make the tough decisions.

WORRYING ABOUT THE REST OF AMERICA

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

Mr. DEFAZIO. Mr. Speaker, that was an interesting speech, but it defies reality. If the government eliminated every general fund program, everything the government does except the Department of Defense, guess what? We would still have a deficit. We would still be borrowing money.

The Republicans are borrowing $1.2 billion a day to run the government, and now they are the party of fiscal responsibility, and, oh, it is those poor working people they are concerned about. Except what they do not talk about is the tax cuts they are talking about, the ones that would cost $70 billion and increase the deficit, flow predominantly to people who earn over $300,000 a year, mostly over $1 million a year, and to estates worth more than $6 million. That is the hard-working families they are worried about, one-tenth of 1 percent of the people in America.

Well, I am worried about the rest of America who are getting screwed by these kinds of priorities.

GOVERNMENT ECONOMIC GROWTH POLICIES WORKING

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

Mr. HENSARLING. Mr. Speaker, we are soon going to debate how we pay for the relief for the devastating hurricanes that hit our gulf coast. There are only three ways: Either, number one, we are going to raise taxes yet again on the American people; number two, we are going to pass debt on to our children; or, number three, we are going to moderate the growth of the Federal budget so that families do not have to moderate the growth of their budget.

Now, you have heard the Democrats claim that somehow the Republicans want to cut, slash, and burn the Federal budget. Since I have been on the face of the planet, the Federal budget has grown seven times faster than the family budget. How much Federal Government do we need? And even if we offset all of this hurricane spending, what most people view as mandatory welfare spending will end up growing at 6.3 percent, instead of 6.4 percent.

Compassion for the poor is not measured by the number of government checks you print. It is measured by the number of jobs you create. Under tax relief policies and economic growth policies of this administration and this Republican Congress, we have created over 4 million new jobs so that families can go out and do their spending and create their American Dream.

TIME TO END IRAQ WAR

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

Mr. MCGOVERN. Mr. Speaker, today we mark another sad milestone in our involvement in Iraq with the announcement that 2,000 Americans have died.

It is time to end this war. This war was based on fiction: there were no weapons of mass destruction, no ties to al Qaeda, no imminent threat. We have spent hundreds of billions of dollars on this war. We are bankrupting our Nation.

Great nations, Mr. Speaker, sometimes make mistakes, as I believe we have done in this case. This war was a mistake. It is wrong; let us fix it. America can do better. Not one more dollar, not one more death.

ENDING FRIVOLOUS LAWSUITS

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

Mr. CARTER. Mr. Speaker, as a State district judge for over 20 years in Texas, I presided over my fair share of frivolous lawsuits. I have seen firsthand the effect they have on small businesses and families.

The current tort system is costing Americans over $200 million a year. Small businesses rank the cost and availability of liability insurance as second only to the cost of health care as their top priority. Both problems are fueled by frivolous lawsuits.

Frivolous lawsuits make small businesses and workers suffer. This year the Nation's oldest ladder manufacturer, family-owned John S. Tilley Ladders Company of New York, filed for bankruptcy protection and sold off most of its assets due to litigation costs.

Founded in 1855, the Tilley firm could not handle the cost of liability insurance, which had risen from 6 percent of sales a decade ago to 29 percent, even though the company never lost an actual court judgment. ''We could see the handwriting on the wall and just want to end this whole thing,'' said Robert Howland, a descendant of the founder, John Tilley.

Mr. Speaker, let us put an end to frivolous lawsuits that are ruining the American Dream.

PRIORITIZING CUTS IN FEDERAL COVERAGE OF HEALTH CARE

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

Mr. OBEY. Mr. Speaker, I note that the majority party is considering a number of actions to cut spending, including actions to cut back child health care under Medicaid and including actions to cut back SSI payments to disabled Americans.

I wonder if some of those same Members of Congress would be willing to eliminate Federal coverage for health care for Members of Congress before

they reach down to the low-income groups in this society and cut their health care. It seems to me that if you are going to start by cutting health care benefits anywhere, we ought to start right on this floor, with the people who work here.

FREEDOM IS WINNING, TERRORISM IS LOSING IN IRAQ

(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, it has been asked in some shrill tones this morning on the floor of this Congress, 2,000 American casualties in Iraq, and what do we have to show for it?

Well, I would offer very humbly, what we have to show for it is a dictator behind bars, a terrorist haven vanquished, 100,000 Iraqis in uniform with another 100,000 yet being trained in the next year, millions freed from tyranny, national elections in January, and, as the headlines today attest, a constitution ratified in a new, free, and democratic Iraq. That is what we have to show for it.

Because of the ongoing sacrifices of the American soldier, those at their post and those in glory, and their families, freedom is winning, terrorism is losing in Iraq.

CAPTAIN JAMES R. JONES

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

Ms. FOXX. Mr. Speaker, I rise today to pay tribute to Vietnam War hero Captain James R. Jones, who gave his life for his country. This past weekend, I had the pleasure to award the late Captain Jones the Purple Heart for his bravery and courage.

Captain Jones was an extraordinary man. Born in Surry County, North Carolina, in 1939 to Buster and Myrtle Jones, Captain Jones received degrees with honor from J.J. Jones High School in Mount Airy, A&T College in Greensboro, and a dentistry degree from Howard University. Upon his graduation in 1964, he was commissioned as a captain under the ROTC program and subsequently entered military service.

In 1967, he was assigned to a small dental clinic at an outlying base in Vietnam. Sadly, his care would never be received. The aircraft he was on board crashed soon after takeoff and caught fire. Everyone on board perished. Captain Jones is remembered today for his commitment to his fellow man and his country.

Mr. Speaker, Captain James R. Jones is to be commended for his bravery, his fierce determination, and his patriotism. His self-sacrifice should be a testament to us all.

BEING BITTER AND ANGRY

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

Mr. KINGSTON. Mr. Speaker, ''Together We Can Do Better.'' That is the new motto of the Democrat Party. Well, you can judge the future by their past, and let us see how they did in the past.

Social Security, take an issue. What was their solution? Still waiting. No solution. Hello Democrat Party, put it on the board. You did not like our solution? What is your better solution?

Taxes? You do not like tax cuts. The government knows how to spend your money better than you do. And when tax revenues went up $94 billion because of our tax cuts creating new jobs, what did the Democrats have to say? We just do not like tax cuts.

Fiscal responsibility. Now they have a chance. We know in the Committee on Appropriations they have offered $61 billion in spending increases in the last 3 years. Now is their chance to show ''we did not mean it.'' They can do better.

9/11, what was their response? Whining and pining and hand-wringing, saying, Why do they hate us? That is what we must find out.

Iraq, well, let us turn Iraq over to Cindy Sheehan. She should run our foreign policy.

Together we can do better? I think they ought to look at ''together we can be bitter, bitter and angry.''

DEFENDING CRITICISM AGAINST DEMOCRATS

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

Mr. FRANK of Massachusetts. Mr. Speaker, I do not want the gentleman from Georgia to wonder all day about some of these things, so I have one answer and one correction.

Our response to 9/11, the gentleman's memory seems to be failing him, was to vote virtually unanimously with only one dissent to invade Afghanistan and put an end to that regime. I am sorry we were not able to catch Osama bin Laden. But I have heard few distortions as great as to say that our response to 9/11 was whatever he said. In fact, we all but one on this side voted to go to war in Afghanistan. Now, that may seem a triviality to him, but it seems to me that that was a very useful response.

Secondly, the gentleman wants to know what is our answer to Social Security. It is very simple: put the money back. If Social Security receives every dollar which has been paid into Social Security and the interest that it is legally entitled to receive on that, it is fully funded until sometime in the 2040s.

Now, having spent some of the Social Security surplus for the war in Iraq, for tax cuts for the very wealthy, the President now says, Well, those are just IOUs. We do not have the money.

But here is my answer: put the money back. If you just put the money back into Social Security, we will be okay.

APPOINTMENT OF CONFEREES ON H.R. 2419, ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 2006

Mr. HOBSON. Mr. Speaker, pursuant to clause 1 of rule XXII and by direction of the Committee on Appropriations, I move to take from the Speaker's table the bill (H.R. 2419) making appropriations for energy and water development for the fiscal year ending September 30, 2006, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. HEFLEY). The question is on the motion offered by the gentleman from Ohio (Mr. HOBSON).

The motion was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Messrs. HOBSON, FRELINGHUYSEN, LATHAM, WAMP, MRS. EMERSON, Messrs. DOOLITTLE, SIMPSON, REHBERG, LEWIS of California, VISCLOSKY, EDWARDS, PASTOR, CLYBURN, BERRY, and OBEY.

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 1461, FEDERAL HOUSING FINANCE REFORM ACT OF 2005

Mr. SESSIONS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 509 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 509

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. 1461) to reform the regulation of certain housing-related Government-sponsored enterprises, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Financial Services. After general debate the bill shall be considered for amendment under the five-minute rule. 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 Financial Services 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. Notwithstanding clause 11 of rule XVIII, no amendment to the committee amendment in the nature of a substitute shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Each such amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against such amendments are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

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

□ 1045

Mr. SESSIONS. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts (Mr. MCGOVERN), 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.

This structured rule provides for 1 hour of general debate, equally divided and controlled by the chairman and ranking minority member of the Committee on Financial Services. It waives all points of order against consideration of the bill, and provides that the amendment in the nature of a substitute recommended by the Committee on Financial Services now printed in the bill shall be considered as an original bill for the purpose of amendment and shall be considered as read. It waives all points of order against the amendment in the nature of a substitute and makes in order only those amendments printed in the Rules Committee report accompanying the resolution.

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

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

Mr. Speaker, I rise today in strong support of this rule and the underlying legislation, H.R. 1461, the Federal Housing Finance Reform Act of 2005. This bill, cosponsored by my good friend, Chairman RICHARD BAKER, was accepted at its full committee markup last May and reported to the House by an overwhelming bipartisan vote of 65 to 5. This balanced rule under debate makes in order a manager's amendment and an equal number of additional amendments from Members of both sides of the aisle, with four Republican and four Democrat amendments also made in order.

The purpose of this legislation is simple: to provide for the creation of a world-class regulator to oversee the housing government-sponsored entities that help make America's mortgage and capital markets the envy of the world.

Currently, approximately 70 percent of American households own their own home, a fact that is due in no small part to the liquid and strong capital markets that allow families to achieve the American dream of homeownership at rates never seen before.

But the same GSEs that help to drive high ownership rates are also among the largest U.S. financial institutions, with approximately $2.5 billion in assets. Between the two largest GSEs, Fannie Mae and Freddie Mac, nearly half the residential market is either owned or guaranteed. Because of their size and potential to have a disproportionate impact on America's capital markets, they require strong and effective oversight of their operations. The Federal Housing Finance Reform Act, brought forth by Chairman MIKE OXLEY and Chairman RICHARD BAKER, will accomplish this goal.

This bill will provide for the continued strength of our mortgage markets by creating a new, world-class regulator with strong safety and soundness and mission powers to oversee these GSEs. It merges the Office of Federal Housing Enterprise Oversight, which currently regulates Fannie Mae and Freddie Mac, with the Federal Housing Finance Board, which currently regulates the Federal home loan banks, into a single entity. This new entity, the Federal Housing Finance Agency, will be headed by a Director who is appointed by the President and confirmed by the Senate. It will also be comprised of an advisory board, represented by the Department of the Treasury, HUD, and two nongovernmental members.

This regulator will be empowered to ensure the safety and soundness of GSEs through a number of increased powers similar to ones already given to bank regulators, including the ability to determine minimum and risk-based capital standards, to review and adjust portfolio holdings, to approve new programs and business activities, to mandate prudent management and operational standards, to take prompt corrective and enforcement actions, and to put critically undercapitalized GSEs into receivership, to require corporate governance improvements, and, lastly, to hire examination and accounting experts.

This legislation also establishes an Affordable Housing Fund, based on the Affordable Housing Program already in place for the Federal home loan banks. Fannie Mae and Freddie Mac will now have the opportunity to manage affordable housing programs funded by a percentage of their earnings. These funds will be awarded through a competitive application process to for-profit builders, State housing agencies, and nonprofit organizations; and, this fund will streamline HUD's current affordable housing goals for the GSEs to meet pressing needs in low-income and rural communities.

Under this rule we also have the opportunity to discuss a manager's amendment to this legislation, which makes a significant number of improvements to the bill. Chief among these is the recognition that Congress must provide strong, market-based incentives to rebuild the devastated gulf coast region in the wake of Hurricanes Katrina and Rita. The manager's amendment will ensure that during the first 2 years, additional weight will be given to Hurricane Katrina and Rita disaster areas and to those families affected by these catastrophes. Priority will be given for other disaster areas and to areas of greatest impact and geographic diversity.

The manager's amendment also recognizes the need for fast action in the gulf region, and speeds up the effective dates of this legislation from 1 year to 6 months after enactment. Finally, the manager's amendment sunsets the fund after 5 years, at which point the Director will report to Congress on whether funds should be extended or modified to improve its efficiency and effectiveness so that Congress can exercise appropriate oversight of this new program.

Mr. Speaker, I strongly support this legislation to reform and improve oversight of housing GSEs, and I would like to thank Chairman RICHARD BAKER and Chairman MIKE OXLEY and their colleagues on the Financial Services Committee for their hard work on this important legislation. I encourage my colleagues to support this fair and balanced rule and the underlying legislation.

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

Mr. MCGOVERN. Mr. Speaker, I want to thank the gentleman from Texas (Mr. SESSIONS) for yielding me the customary 30 minutes, and I yield myself 5½ minutes.

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

Mr. MCGOVERN. Mr. Speaker, I rise today in opposition to this restrictive rule and to the manager's amendment made in order under the rule. H.R. 1461, the Federal Housing Finance Reform Act, as reported out of the Committee

on Financial Services, was a thoughtful, reasonable, bipartisan piece of legislation. As evidenced by the 65–5 committee vote in favor of the bill on May 25, H.R. 1461 clearly has the support from both Democrats and Republicans.

Chairman OXLEY and Ranking Member FRANK worked together to craft bipartisan legislation that provides real oversight and a stronger, more powerful regulator for Freddie Mac, Fannie Mae, and the Federal home loan banks. The Federal Housing Reform Act, as reported out of the committee in May, is the kind of legislation that the Framers intended Congress to pass. Not only is it legislation that will do good and will improve people's lives, it is legislation that was created out of bipartisan negotiations and compromise.

I commend Chairman OXLEY and Ranking Member FRANK for their actions on the Financial Services Committee and for producing an excellent bill.

But, Mr. Speaker, it is clear that the Republican leadership cannot handle bipartisan success. Despite overwhelming bipartisan support in committee, the Republican leadership held the bill hostage for 5 months, merely because a radical faction of their party opposes affordable housing and, specifically, opposes the Affordable Housing Fund included in the bill.

Unfortunately, after being strong-armed by the Republican Study Committee, the Republican leadership forced changes that not only weakened the Affordable Housing Fund provision, but will actually restrict the ability of low-income people from voting in future elections. Here is the deal: They have a manager's amendment that has some very good things in it, but tucked in that manager's amendment there is included some language that many of us find offensive. And the gentleman from Massachusetts, the ranking member of the Financial Services Committee, wanted to have an amendment made in order to strike that offensive language and was denied that opportunity last night in the Rules Committee.

The language that I am talking about specifically denies faith-based and nonprofit groups from funding simply if they express their first amendment rights. Under these restrictions, any nonprofit community group, or church would be ineligible to receive funding if either they or their ''affiliates'' have engaged in nonpartisan voter registration and get-out-the-vote activities. Furthermore, affiliation is defined so broadly that it includes having overlapping board members sharing physical space or other public communications.

It is worth noting that for-profit companies are exempt from these restrictions. Why would we protect companies from these restrictions, and impose them on low-income and faith-based communities, the very people who this legislation is supposed to empower? I would ask my colleagues, what do you have against faith-based organizations? We need to enhance access to affordable housing, not reduce it.

Mr. Speaker, these restrictions are undemocratic. They are part of a pattern by the extreme right in the Republican Party in an attack on poor people. They are written with the intent to deny poor people the access to vote. These provisions are a direct affront on the democratic principles upon which this country was founded.

It seems clear that these restrictions are unconstitutional. They would require any organization that wanted to receive funding from the Affordable Housing Fund to sacrifice their freedom of assembly, which protects their right to associate with one another in groups for economic, political, or religious purposes.

We can provide and expand the affordable housing market without trouncing on the Bill of Rights. Just as easily as these restrictions were added into the legislation, they can be removed without affecting the goals of the Affordable Housing Fund or the overall legislation.

A multitude of organizations across the country, ranging from the United States Conference of Catholic Bishops to the National Alliance to End Homelessness, have expressed their strong disapproval of these egregious provisions. For one reason, these groups realize how harmful these restrictions would be toward fighting homelessness.

Homelessness cannot be combatted unless our Nation's affordable housing stock is increased. Affordable housing cannot be expanded if we bar nonprofits and community organizations from tapping into the appropriate resources.

Mr. Speaker, affordable housing should not be a partisan issue, but, unfortunately, the Republican leadership has made it so. The battle against homelessness and the expansion of affordable housing needs to be addressed through a coordinated effort between the government and nonprofit and faith-based communities. This language in this manager's amendment severely restricts the ability of affordable housing professionals to fulfill their role.

After Hurricane Katrina, President Bush and the leadership in the House talked about the need to help poor Americans rise out of poverty. They talked about improving people's lives. Well, Mr. Speaker, their actions clearly do not match their rhetoric. When the Republican leadership had a chance to help the poorest of Americans to receive affordable housing, they acted to restrict access to a proposed affordable housing fund. When the Republican leadership had a chance to stand up for people who do not have a voice, for people who need help making ends meet, they made a conscious decision to turn their backs on them.

Mr. Speaker, at the heart of this debate is the ability to provide affordable housing and access to voting for low-income families. One of the icons of the civil rights movement, Rosa Parks, died on Sunday. We all mourn her passing. But it is hard not to see the irony that 2 days after her death, we are going to debate and vote on a bill that will restrict the ability of the poor to have access to affordable housing and to vote in democratic elections in this country.

This is a lousy way to run this Congress. I urge my colleagues to vote against this undemocratic and restrictive rule.

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

Mr. SESSIONS. Mr. Speaker, it is right out there in front of everybody: Republicans are good on policy and, evidently, the Democrats do not like the politics. The policy is what this Financial Services Committee is all about. That is why they produced this great bill.

I am pleased to yield 3 minutes at this time to the gentleman from Florida (Mr. FEENEY) who serves on that committee.

□ 1100

Mr. FEENEY. Mr. Speaker, I want to thank the gentleman from Texas for yielding me this time.

I want to speak in favor of the manager's amendment, if it is adopted, certainly a great and important bill, and the rule itself.

The actual truth of the matter is that housing ownership in America is at an all time high. This Congress and this President have established policies that allow virtually every American that has a job to find a way, if they desire, to own a home.

The GSEs, Fannie Mae and Freddie Mac, have played an important part in that. They provide liquidity in the secondary market so that there are more opportunities for people to borrow at relatively low rates of interest. We ought to preserve that system, and we ought to protect that system.

These are enormous entities. Fannie alone is $1.7 trillion in terms of assets, and both of these entities had some accounting troubles. The gentleman from Ohio (Mr. OXLEY) and the gentleman from Louisiana (Mr. BAKER) have led the way so that we can reform and have appropriate oversight for those enormous, but important, entities that help the housing market in America flourish.

The question here today is whether the rule ought to be adopted. Some of our friends on the other side are very upset, because rather than providing money for bricks and mortar, what they would like to do is to provide money for politics. They want to allow folks that engage in political activity, including voter registration, to have access to money that otherwise would go to low-interest loans or to help affordable housing builders at the local level actually build bricks and mortar.

People that want a home do not need a lobbyist; they do not want a politician. They want somebody that will actually build them, with the sticks and the bricks and the mortar, a home to live in. That is what this fight is about. One of the largest advocates, the groups that the other side would like to have receive up to 2 or $3 billion this fund may reach in the next 5 years, is a group called ACORN.

Now, ACORN is an important group. They are a first amendment group. The gentleman is right. They have every right to participate in first amendment activity, but not with money that we give them from Congress. Thomas Jefferson said that to force a man to contribute to a cause in which he does not believe is the definition of tyranny.

We want to build homes. They want to buy liberal lobbyists and politicians. That is what this debate is about. ACORN had a game plan in the year 2003 in Florida. By the way, they do this in many other competitive States. ACORN wanted to register voters. They argued to the public that this was about support for a minimum wage constitutional amendment in Florida.

But their three bottom-line goals here are very important. Increasing the minimum wage was the least important thing as part of their voter registration drive. What they argued to contributors, who have the right to contribute to this activity, who we should not force probably to contribute to this activity, is they had three goals. And I want to read these into the RECORD.

The goals of this campaign are threefold: To increase voter turnout of working class, mainly Democratic voters without increasing opposition turnout; number two, to increase the power of progressive constituencies by moving a mass agenda, putting together the capacity to get on the ballot and win and by putting our side on the offensive; number three, to deliver a wage increase to hundreds of thousands of Floridians. That was an afterthought.

Chairman OXLEY and Chairman BAKER have fashioned a great compromise. Let us build homes. Let us pay for bricks and mortar. Let us not pay for a liberal lobbyist.

Mr. MCGOVERN. Mr. Speaker, I include in the RECORD the following letter from Catholic Charities USA, which strongly opposes the language in the manager's amendment.

CATHOLIC CHARITIES USA,
Alexandria, VA, October 25, 2005.

Hon. JAMES P. MCGOVERN,
House of Representatives, Cannon House Office Building, Washington, DC.

DEAR CONGRESSMAN MCGOVERN: On behalf of Catholic Charities USA, the national association of Catholic social services agencies and institutions serving over seven million people in need every year, I urge you to support H.R. 1461, the Federal Housing Finance Reform Act of 2005, and to oppose amendments that would prevent experienced faith-based and community-based organizations from successfully competing for the proposed affordable housing funds.

We strongly support the creation of the housing funds and are convinced that this initiative would increase the development of affordable housing, but we have learned that the Rules Committee will be asked to put in order a managers' amendment to bar organizations with proven experience in mobilizing community support and resources.

We applaud efforts to develop additional non-governmental funding resources to support affordable housing efforts that will be cost neutral to the federal budget. At the same time, we oppose limiting language that essentially bars non-profits whose mission extends beyond the provision of affordable housing. Not only our Catholic Charities agencies, but many religious orders and some parishes, whose missions are serving the poor and vulnerable in their communities, develop and manage very effective affordable housing programs alongside programs that provide food, clothing, counseling, and other health and social services. These agencies should not be barred from affordable housing funds simply because their primary purpose goes beyond affordable housing.

In addition, we oppose amendments that restrain non-profits from receiving these funds if they are engaged in any non-partisan voter registration activities, even if these activities are funded by their own resources. One of the strengths of our democratic system has been the almost universal involvement of community-based and religious organizations in encouraging all citizens to register and vote. National religious bodies, regional bodies, such as Catholic dioceses, and local congregations throughout the country organize voter registration efforts and provide transportation to the polls for isolated seniors and people with disabilities. Non-profits with expertise in housing should not have to choose between two equally important missions: supporting full participation in our democracy and providing affordable housing.

While this Administration has worked diligently to remove barriers to full participation in federal programs and funding by faith-based organizations, these amendments would bar these very same groups from being considered for this funding while for-profit agencies remain free to engage in these same voter activities. We are puzzled and troubled by the double standard being applied to faith-based and non-profit organizations.

Existing limits in H.R. 1461 on activities that qualify for affordable housing funds prevent abuse of this funding. In addition, Catholic Charities agencies routinely sign certifications to receive federal, state, and local government funds that prohibit diversion of program funds for political and lobbying purposes. There are multiple vehicles available to ensure that the new Affordable Housing Funds are protected from inappropriate use by grantees.

The proposed Affordable Housing Fund to be created under H.R. 1461 is sorely needed, especially in the devastated Gulf Coast region where hundreds of thousands of families have not been able to return to their homes. In such challenging times, it would be unfortunate if experienced faith-based organizations and non-profits that have performed laudably in meeting the needs of these survivors would be barred from participation in funding that would help meet critical housing needs.

Sincerely,

REV. LARRY SNYDER,
President.

Mr. Speaker, I yield 3½ minutes to the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Mr. Speaker, the problem is, I tell the former Speaker from the Florida legislature, you do not have the courage of your convictions on your side. You are not prepared to put your proposition to a democratic vote on your side.

Mr. Speaker, once again this House majority is resorting to heavy-handed tactics that are designed to do one thing only, to achieve a preordained result by shutting down a full and fair debate in this House.

Let me remind my colleagues what the chairman of the Rules Committee, Mr. DREIER, said on this floor 12 years ago, in March 1993: ''Frankly, it seems to me that the process of representative government means that a person who represents 600,000 people here should have the right to stand up and put forth an amendment and then have it voted down if it is not supportable. We are simply asking that we comply with the standard operating rules of this House.''

Why will you not do that today? Because you do not have the confidence you have the votes. Again, today, the gentleman from California (Mr. DREIER) and his Republican colleagues are violating their own promise to allow free and fair debates. It is another stark example of the arrogance of power and the abuse of power.

This Republican majority has blocked Mr. FRANK's amendment, as well as other Democratic amendments, and thus stifled, shut down, democracy and stifled debate.

The manager's amendment, among other provisions, will prohibit non-profit organizations from using their own funds, I tell the gentleman from Florida, their own funds, from voter registration drives or get-out-the-vote activities for a period beginning 12 months before a grant application until it is over.

Mr. Speaker, it is outrageous that this House would take such an action, any action that would inhibit or prevent anyone from engaging in non-partisan voter registration, unless, of course, you fear the wrath of the voters in response to your abuse of power. Let us be clear. This provision is nothing more than a transparent attempt to disenfranchise voters who otherwise may not register to vote.

The gentleman mentioned the Catholic Conference. Let me read just two sentences, I hope I have the time to do it: ''Proposals that would limit eligible recipients to organizations that have as their primary purpose the provision of affordable housing would effectively prevent Catholic dioceses, parishes and Catholic charity agencies from participating in affordable housing programs.''

That is the Catholic Conference of Bishops speaking. They say it would force Catholic agencies, not ACORN, would force Catholic agencies to choose between participating in affordable housing fund programs, or engaging in constitutionally protected voter registration and lobbying activities with their own funds.

This is Catholic bishops, I tell my friend, speaking. These provisions are an outrage, and this process is an outrage. As one Member of this body complained, once again the vast majority of Americans are having their representatives in Congress gagged by the closed-rule committee.

That was the gentleman from California (Mr. DREIER), the now-chairman of the Rules Committee. This undermines democracy in this the People's House. What a shame.

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

I am very disappointed that the gentleman from Maryland referred to this as a closed rule, when in fact he knows it is not a closed rule.

The gentleman from Maryland understands that what we have done and undertaken in this rule is the opportunity that would allow any Member, but in particular a Member of the minority, a chance to vote on a manager's amendment, a motion to recommit, and certainly final passage.

Mr. HOYER. Mr. Speaker, will the gentleman yield?

Mr. SESSIONS. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Speaker, so the public understands and our colleagues understand, what I indicated was that the gentleman from Massachusetts (Mr. FRANK), the ranking Democrat on this committee, who has been here over a quarter of a century, wants to offer an amendment that was supported in the committee; and he has been precluded from offering that amendment.

To that extent, the Republicans have undermined the free and fair debate on this floor. That was my point. And I believe I was absolutely correct.

Mr. SESSIONS. Mr. Speaker, reclaiming my time, so that the gentleman does understand the facts of the case, the committee had no discussion on this point. The discussion took place in the Rules Committee, because a decision was made well after May, at the time that the committee brought it forward.

Mr. FRANK of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. SESSIONS. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Speaker, I agree with the gentleman, it was never discussed in committee. That is precisely the point. The restrictive language being put forward, which would say no faith-based group could participate, has never been debated in this committee and we are not allowed to do an amendment on the floor.

Yes, it is part of the manager's amendment along with a number of other things such as preference for the gulf. All we asked for was an ability to vote on some of these specific things. I agree, it was not brought up in committee. It was brought up in a private session between the Republican Study Committee and the then-majority leader. That is not an appropriate forum to be the only place where we discuss things.

Mr. SESSIONS. Mr. Speaker, reclaiming my time, my point is that the gentleman from Maryland referred to this as being a closed rule. It is not a closed rule.

Mr. Speaker, I will insert in the RECORD a campaign plan from ACORN that is very much a part of this debate today about what organizations and groups plan to do with politics and money.

FLORIDIANS FOR ALL—CAMPAIGN PLAN FOR A NOVEMBER 2004 MINIMUM WAGE CONSTITUTIONAL AMENDMENT INITIATIVE

INTRODUCTION

A Florida constitutional amendment initiative to create a minimum wage of $6.15 with indexing will help defeat George W. Bush and other Republicans by increasing Democratic turnout in a close election, will deliver wage gains to at least 300,000 Floridians, and will catalyze the construction of permanent progressive political infrastructure that will help redirect Florida politics in a more progressive, Democratic direction.

The 2004 election in Florida is shaping up to be just as close as 2000, which Al Gore won by 537 votes. Although there have been demographic changes and growth throughout Florida when the 2000 total is adjusted for 2004 it is still-razor thin: Unofficial NCEC analysis shows that Gore's adjusted margin is 404, combined with the 2004 adjusted Nader voter—25,138 (assuming 25 percent stay home, 25 percent vote for Bush and 50 percent vote for Gore). The 2004 adjusted margin is 25,542—too close for comfort.

The 2004 projections indicate addition turnout of 370,000 a total of 6.4 million, increasing the vote goal by 200,000 in order to have a winning margin. The other significant change in preliminary analysis is that the electorate will have 10 percent fewer ticket splitters than 2000. With less persuadable voters, the need to increase base voters and turning out more infrequent voters is critical to reach the vote goal in Florida.

Given that turnout is down when the economy is bad, since our voters are more discouraged, the need for a exciting ballot initiative strategy that works to address the needs of the most economically needy, and also likely Democratic voters, is a fundamental part of a winning strategy in Florida.

Florida ACORN is building a coalition, called Floridians for All, that will unite labor unions, community and civil rights organizations, the faith community, elected officials, sectors of the business community, political organizations, and thousands of grassroots activists behind the proposed strategy. At the same time, we are building the infrastructure to carry out the campaign and ensure the accomplishment of our objectives.

The empirical evidence from other states indicates that initiatives generally increase voter turnout, and that minimum wage initiatives can significantly increase the turnout of supporters without increasing turnout from the opposition. [ACORN's own experience running municipal and state minimum wage ballots [Denver, Houston (1996), Missouri (1996), New Orleans (2002)] supports the conclusion that these efforts are highly motivating to low-wage voters.] In 2000, 6.1 million voters came to the polls in Florida, a turnout of approximately 70 percent. A targeted campaign that works to turn out 1 percent of that electorate, approximately 61,000 voters, would not only make the difference for the Democratic Presidential candidate but also lend significant support to Congressional and local races. [As an example, Congressional District 5 was won by conservative Republican Ginny Brown-Waite, by little over 4,000 votes. From the top of the ticket on down, a ballot initiative strategy which mobilizes infrequent voters and energizes unregistered Democratic constituency will help defeat George W. Bush and allow Floridians to vote themselves a raise.]

An estimated 300,000 Florida workers would receive a direct raise from our proposal. Moreover, thousands more would receive residual raises because of their wage level just above the new minimum. Floridians sorely need this proposed raise. In 2001 over 28 percent of Florida's workers earned less than the poverty line (approximately $8.70 an hour). A full 20 percent of those workers earned less that $7.69 an hour, a result that can be partially explained by the concentration of workers in the lowest wage job sectors—retail and service. A whopping 37.3 percent of the state's workforce is employed in service sector jobs, with another 19.6 percent in the low wage retail sector. The additional earnings of minimum wage workers, almost $700 million in the first year alone, would be directly pumped back into the economy, helping to stimulate the stagnant economy created under the watch of Bush's destructive tax cuts. Not only is this proposal beneficial to Florida's economy, it also helps to seed a mass constituency for future change.

Because we are starting this campaign early, and because we have a plan, the Floridians for All Campaign will challenge the institutional forces for progressive and Democratic change in the state to build permanent political capacity. This is particularly important to rehabilitating the long-term prospects of our side. In a state where Democrats control only 53 of 160 legislative seats, and zero Constitutional offices, the need to rebuild infrastructure and capacity to win, has never been more important. For example, the signature gathering phase of the campaign will lead to the construction of a vast database of hundreds of thousands of economic justice activists and voters in the state. These are the same voters the Democratic Party must court and win to regain a presence in state politics. The campaign will also force organizations like ACORN to build massive field capacity to deliver these necessary signatures and GOTV. A vast network of activists and voters, combined with sophisticated field campaign will act as a unifying force among Democratic electoral forces. The combined strength of community, labor, and—faith organizations committed to mobilizing their members and leaders at the grassroots level, will result in a cohesive strategy to retake the White House in 2004 and rebuild the Florida Democratic Party.

CAMPAIGN GOALS

The goals of this campaign are threefold:

1. To increase voter turnout of working class, mainly Democratic voters without increasing opposition turnout;

2. To increase the power of progressive constituencies by moving a mass agenda, putting together the capacity to get on the ballot and win, and by putting our side on the offensive;

3. To deliver a wage increase to hundreds of thousands of Floridians.

Increasing turnout is crucial to a successful 2004 electoral strategy from the top of the ticket all the way down, through the many key races in Florida that include not only the Presidency, but also a key Senate race, Congressional seats and also significant turnover in the Florida Legislature. Given these many key races, exciting and mobilizing constituency has never been more important, but in order to do this there must be a compelling issue on the ballot. Though presidential year elections always result in

higher turnout, the 2000 elections demonstrate the importance of every vote in Florida; and we do not want to leave turnout to chance. These turnout figures from the most recent Florida elections demonstrate the overall decline in voter participation and the need to refocus efforts on mobilizing and motivating our base.

	Percent
1992	83
1994	66
1996	67
1998	49
2000	70
2002	55
AVG	64

General Election Turnout Statistics from the Florida Secretary of State http://election.dos.state.fl.us/online/voterpercent.shtml

Giving our constituency the opportunity to vote themselves a raise is probably the most compelling reason to go the ballot box. Candidates will make many promises, but turning out to vote for a higher minimum wage is a voter's guaranteed chance to affect real chance at the ballot box.

The process of building a statewide network of progressive forces can be accelerated greatly through the use of the minimum wage ballot initiative. Though there are many groups that represent and advocate for the needs of social justice, civil liberties, and environmental concerns, the strength of these forces is limited through a lack of coordination amongst these groups. While the groups promote diverse agendas, a coalition of necessity is required in the face of organized and unilateral support amongst opposition groups. This ballot initiative will bring together progressive forces from around the state around a common goal: increasing turnout in the 2004 election in order to support campaigns which represent the interests of all our groups.

Approximately 303,000 workers would be directly affected by a minimum wage increase, putting millions of dollars into the pockets of working families across Florida. In addition to the workers who are directly affected, many more will benefit through the rising tide of wages that results from raising the baseline wage level. Unlike tax cut policies which supposedly put money into peoples pockets, but really just raid state and federal treasuries, a minimum wage increase will put real in the hands of those who need it the most: working families.

CAMPAIGN STRATEGY

We define winning here as accomplishing the three campaign objectives:

1. Driving heightened Democratic turnout;
2. Passing the initiative;
3. Building permanent political capacity for future gains.

Our plan to win centers on a series of strategic premises, layed out as follows:

1. First, we will divide the electorate into targeted groups of voters/potential voters, and make a strategic plan vis-à-vis each group. We are in the process of completing this plan, but roughly, the categories/plans are as follows:

*African American voters—According to NCEC, there are 440,000 unregistered VAP (Voting Age Population) African-Americans in Florida. Of the 440,000 unregistered voters statewide, 176,000 of these voters live in the 475 majority African-American precincts in Florida. This campaign will work to register 50,000 of these potential voters through voter registration drives in the following major metropolitan areas:

	Total VAP	White	Latino	Black	County
VAP (from 2000)					
Miami:					
M-Dade	283,673	32,116	195,859	49,000	1.7M
Orlando:					
Orange	144,987	81,100	23,414	32,563	670K
Tampa:					
Hillsborough	228,681	126,387	42,711	50,109	746K
Fort Lauderdale:					
Broward	122,821	77,807	11,282	28,620	1.2M
St. Petersburg:					
Pinellas	194,796	141,797	7,618	36,752	744K
Jacksonville:					
Duval	539,278	353,983	20,759	139,700	573,888
Tallahassee:					
Leon	124,431	74,942	5,341	39,327	188,445

This potential universe of newly registered voters, and highly motivated activists can be the deciding factor in the 2004 election. Registering 50,000 new African-American voters in these majority precincts can result in a net vote gain of approximately 21,000 votes (assuming 70 percent turnout of new registrations and 60 percent approval for the measure).

*Non-Cuban Latino voters—There are 800,000 Hispanic voters in Florida, 400,000 of whom are non-Cuban, and 345,000 new potential Hispanic voters of Voting Age Population. The Hispanic population is the fastest growing population in Florida, and presents the Democratic Party with an opportunity to build a new, revitalized constituency within Florida.

Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. GILLMOR).

Mr. GILLMOR. Mr. Speaker, I appreciate the gentleman from Texas for yielding. I rise in support of the rule, rise in support of the bill, and I also want to note that government-sponsored enterprise reform is way overdue, and it does pose a systemic risk to our financial system.

Also I want to commend Chairman OXLEY, Chairman BAKER and also Ranking Member FRANK for all of the work they have put into bringing this bill to this point.

Mr. Speaker, I would like to discuss briefly an amendment that I had offered that was adopted by the committee by voice vote back in May. That amendment adds an important disclosure requirement to ensure that shareholders are fully informed on the charitable giving practices of Fannie Mae and Freddie Mac.

The language would authorize the Federal Housing Finance Agency to require that Fannie Mae and Freddie Mac make publicly available each year the total value of contributions made to nonprofit organizations during the previous fiscal year, and it would also request specific disclosures on donations to insider-affiliated charities.

The housing GSEs, Fannie Mae and Freddie Mac, were established by congressional charter and give special privileges to provide a service to the American people by creating a secondary mortgage market and increasing liquidity.

Given their unique status and responsibility to improve access to the housing market, it is both their shareholders' and the public's right to know how these profits are being spent.

Mr. MCGOVERN. Mr. Speaker, I include the following editorial that appeared in today's New York Times entitled, ''A Ban on Voter Registration,'' which is very much opposed to the offensive language in the manager's amendment.

[From the New York Times, Oct. 26, 2005]

A BAN ON VOTER REGISTRATION

Hurricane Katrina made it politically necessary for Republican Congressional leaders to tone down their effort to kill off federal programs for affordable housing. But it has not stopped them from dragging their feet on an important bill to create a valuable housing fund by tapping into a small portion of the after-tax profits of the federally backed mortgage giants Fannie Mae and Freddie Mac. The fund would initially be aimed at the hurricane-ravaged gulf states, but would eventually help to house poor, elderly and disabled people nationally.

Not satisfied with just delaying the bill, House ideologues are advocating an outrageous and potentially unconstitutional provision that would bar the nonprofit groups that build most affordable housing from participating in the fund if they also participate in even nonpartisan voter registration. This would force such nonprofits to choose between their historically important roles: promoting civic engagement and providing housing and other services for low-income people. The provision would conflict with state laws that require housing grant recipients to do things like register voters and would put the federal government in the unacceptable position of actively discouraging political participation.

The long-overdue housing fund contains numerous safeguards that would prevent grant recipients from using federal dollars for advocacy. A measure that would bar them from nonpartisan activities has absolutely no place in a democracy.

Mr. Speaker, I yield 3½ minutes to the gentlewoman from California (Ms. MATSUI).

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

Ms. MATSUI. Mr. Speaker, I rise today in opposition to the rule, House Resolution 509. The Federal Housing Finance Reform Act as reported by the Committee on Financial Services is a strong bipartisan effort.

It represents several years of work that will ensure the safety and soundness of the government-sponsored entities, helping working Americans achieve the dream of homeownership. Unfortunately, this rule has a potential to undercut the committee's fine effort and may severely undermine critical GSE reform.

The availability of affordable housing keeps our communities strong. So wisely, the committee bill includes a fund to build and preserve affordable housing and, I would add, support these activities at no cost to the Federal Government. Unfortunately, the manager's amendment mars this fund by forcing nonprofit, affordable housing groups to make a choice. They can work to bring affordable housing to working families, or they can register voters in the most nonpartisan of ways; but they cannot do both, not even to drive an elderly person to the polls.

Over 60 national organizations, many of them faith-based, such as the U.S. Conference of Catholic Bishops, the Episcopal Church, the Presbyterian Church, have come out opposing this provision. These organizations represent the mainstream values of this Nation, and their efforts should not be hindered by roll-backs in these constitutionally protected rights.

I urge my colleagues to maintain the broadly supported language that came out of the Committee on Financial Services by rejecting the rule and the manager's amendment.

This rule also provides for consideration of another amendment worthy of a ''no'' vote. I am referring to the measure by the gentleman from New Jersey (Mr. GARRETT) that would strike the bill's conforming loan limit provision. Like many other metropolitan locations, my constituents in Sacramento face escalating housing prices that are making it harder and harder for working families to achieve the dream of homeownership: firefighters police officers, the teachers in our schools. They deserve to live in the same communities they work in.

□ 1115

Increasing the conforming loan limit would bring fairness to the housing market by giving working families in more expensive parts of the country the same opportunity as everyone else to own their own home.

Once again, this commonsense provision was included in the bipartisan committee bill, and so I urge my colleagues to reject the Garrett amendment.

In closing, I reiterate to my colleagues the importance of maintaining the bipartisan version of H.R. 1461 that came out of the committee. Vote no on this rule which will tar the Affordable Housing Fund without giving the majority an opportunity to vote on it.

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

Mr. MCGOVERN. Mr. Speaker, I yield 4 minutes to the gentleman from Missouri (Mr. CLEAVER).

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

Mr. CLEAVER. Mr. Speaker, I would like to thank my friend for yielding me time.

Mr. Speaker, at no time in our Nation's history has the need for affordable housing been so great. As the price of owning a house has risen all over America, the poverty level has risen to almost 13 percent, and now Hurricanes Katrina and Rita have left thousands more Americans, many of limited income, homeless.

The bill we will consider today takes a critical step toward addressing our Nation's affordable housing crisis. By establishing an affordable housing fund, we are increasing the supply of affordable homes to low- and very low-income families. As a member of the Committee on Financial Services, I was proud to see the inclusion of an affordable housing fund in the bill and proud to support the bill in committee.

Seeing this bipartisan support for this bill provided one of those moments when we can just say, oh, happy days. But this important provision will be for naught should one amendment made in order by the Rules Committee pass. The Oxley amendment would disqualify nonprofit organizations, including faith-based organizations, from participating in the fund if they engage in voter participation or get-out-the-vote activities. And it effectively prevents many nonprofits from participating.

As an ordained minister in the United Methodist Church, I come to this discussion from a unique perspective. Mr. Speaker, it is the mission of the United Methodist Church and every denomination and every faith group in our world to serve the poor and vulnerable. For my church, the St. James United Methodist Church in Kansas City, an important part of the mission is to shelter the poor, and that is why we started in 1985 a section 202 project not far from our church.

Mr. Speaker, I grew up one of those vulnerable citizens. I am not sure how many Members of the United States Congress lived in public housing, but I did. My family, including my three sisters and mother and father, lived in a shack, literally a two-room shack. My mother and father both worked all day every day, and I can tell you, growing up in public housing, not one time did we ever see a candidate canvassing our community, not one time do I remember any kind of effort to get the citizens to vote.

I do not ever even remember seeing a voting precinct until I was about 17 years old because the elected officials knew that the poor do not vote. They knew that if you were poor, you were preoccupied with survival, and so there was no civic or political involvement. It was, how can we make it one more day?

We have created a culture in low-income neighborhoods where people do not participate in the political process, and what we need is to democratize the low-income neighborhoods of our communities. And if you go around, I do not care whether you are Republican or Democrat or just a lazy person, if you go and look at the voting returns, you will find that people who live in low-income neighborhoods do not vote. And I do not care who you are, you ought to want to get people to vote.

This is the United States of America. We are strong only if we are able to get all of our citizens to participate in the political process.

Someone used the term ''liberal.'' If liberal means that I care, then color me liberal. And understand this: Caring may hurt, but not caring hurts more. We can do better than this. America can do better than this.

Mr. Speaker, at no time in our Nation's history has the need for affordable housing been so great. As the price of owning a home has risen all over America, the poverty level has risen to almost 13 percent. And now Hurricanes Katrina and Rita have left thousands more Americans, many of limited means, homeless.

The bill we will consider today takes a critical step forward toward addressing our Nation's affordable housing crisis. By establishing an affordable housing fund, we are increasing the supply of affordable homes to low- and very low-income families. As a member of the Financial Services Committee, I was proud to see the inclusion of affordable housing fund in the bill, and proud to support the bill in committee. Seeing the bipartisan support for this bill provides one of those moments when we can say, "O Happy Day". But this important provision will be for naught should one amendment made in order by the Rules Committee pass. The Oxley amendment would disqualify nonprofit organizations, including faith-based organizations, from participating in the fund if they engage in voter registration or get-out the vote activities, and it effectively prevents many nonprofits from participating.

As an ordained minister in the United Methodist Church, I come to this discussion from a unique perspective, Mr. Speaker. It is the mission of the United Methodist Church, and every denomination and faith group in our world, as it is of many religious orders and communities, to serve the poor and vulnerable. For my church, St. James United Methodist in Kansas City, an important part of that mission is to shelter the poor by providing affordable housing. But an equally important part of that mission is empowering the poor and vulnerable by supporting their full participation in the Democratic process.

I grew up one of those vulnerable citizens—my family, by any standard of measurement was financially poor. Until the age of 7, I lived in a shack—literally a two room shack—with my mother, my father, and my three sisters. We had no indoor plumbing and for a while, no electricity. My family moved into public housing when I was 7. I can tell you, growing up, no candidates canvassed our community and few, if any residents in our projects voted. My great-grandfather, who lived until age 103, never once voted in his life. I say this as a point of illustration. The poor and vulnerable are often those who need the most help to fully participate in our democracy. When you

live in public housing, you are preoccupied with economic survival.

Let me be perfectly clear, Mr. Speaker, by forcing faith-based organizations and other nonprofits to choose between participating in the Affordable Housing Fund or engaging in constitutionally protected voter registration and get out the vote activities with their own funds, the Oxley amendment limits the full participation of our Nation's most vulnerable citizens in our democracy.

I keep a photograph of the shack where I grew up hanging on the wall in my office to remind me that I have been given the opportunity to speak for those who cannot, and represent in this the interests of the most vulnerable and voiceless American citizens here in the Congress. Every day when I go to work for the people of my district and the citizens of our country, I walk out of the front door of that shack. But whose interests are being served by passing these restrictions? We're not serving the interests of the faith-based community or the poor. These restrictions serve only the political purposes of some study group that should not have the power to derail democracy in our land. It is an assault on the poor in this country, and it is obscene.

Vote "no" on the Rule and vote "no" on the Oxley amendment.

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

Mr. Speaker, the gentleman from Kansas City very clearly articulated the exact reason why this bill is moving forward, and the reason why Chairman RICHARD BAKER and the chairman of the committee, Chairman MIKE OXLEY, have moved forward a bill that is so powerful, that will include more dollars.

But I believe that the argument that is here is about politics, pure and simple politics, rather than policy. And this bill is about policy. It is about getting millions of dollars that will be given to the source at which we will create more and better housing for really poor people.

The gentleman referred to him being a member of the United Methodist Church. I am a member of the United Methodist Church. When you look at a Web site for Habitat for Humanity, you will see large corporations on that list who contribute to new houses in this country, not-for-profits and others; and number four on that list is my church, of the entire country, my church the Highland Park United Methodist Church of Dallas, Texas. We build houses in Dallas, Texas, for poor people, people who are without that ability for their families.

But what we are asking here is the ability to move this bill to create thousands of more homes. And I think what MIKE OXLEY wants in this bill is to make it about policy, not about politics. And I am proud of how we are doing this.

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

Mr. MCGOVERN. Mr. Speaker, the gentleman from Texas keeps on saying this is about policy, not politics; but what would be more political than the language in here that denies poor people the right to vote?

Mr. Speaker, I yield 2½ minutes to the gentleman from Pennsylvania (Mr. KANJORSKI).

Mr. KANJORSKI. Mr. Speaker, I rise today with a heavy heart. We need to have a strong, independent and world-class regulator for Fannie Mae, Freddie Mac, and the Federal home loan banks.

The committee I serve on, the Committee on Financial Services, has labored for 6 years, 20 hearings, hundreds and hundreds of hours, and hundreds of witnesses to put together what I think is probably one of the best examples of bipartisan activity this House has seen in many years. It is unfortunate that we come here today with the manager's amendment excluding faith-based entities from participating in the Affordable Housing Fund.

I am convinced that the overwhelming majority of our friends on the other side of the aisle, if they understood the restrictions in the manager's amendment and the denial by the Committee on Rules of a right to vote on the issue, that is all we asked, it was never considered in the subcommittee. It was never considered in the full committee. It has never had an up-and-down vote or any consideration of this issue. It appeared at the 11th hour to satisfy some political fears of some of the majority party's members, and they felt this was a way of solving it. Maybe it was directed at one entity, but in fact it has encompassed in its grasp the faith-based entities of this country which provide most of the affordable housing.

I have to say that with this we are making our religious institutions choose between a joint mission of serving God their number one mission, and then helping the poor. They are going to have to give up helping the poor because if they were to do so, they will be restricted from spending their own funds, not these affordable housing funds, but their own funds, to bring out the vote, to have voter education, and to have even carrying a voter to the polls for people who do not have a ride.

We have taken 15 protections in the bill to see that the intended purposes were not abused. We did not need these additional restrictions. They are there, I think, probably for political reaction purposes, and it is unfortunate. As a result, we are going to compromise an otherwise perfectly bipartisan bill that could have shone with great favor in this House at this particular time in our history. I find it unfortunate that we are denied this right to have an up and down vote, and, as a result, I urge my colleagues to vote no on the rule.

Mr. SESSIONS. Mr. Speaker, I yield 3 minutes to the gentleman from the Fifth Congressional District of Texas (Mr. HENSARLING).

Mr. HENSARLING. Mr. Speaker, I thank the gentleman for yielding me time, and I rise in support today of this rule.

I have been listening with great interest to some of the debate, which I must admit is a little bit confusing to me. I hear some of my colleagues on the other side of the aisle argue that essentially this is a closed rule; yet I look at the fact that we will be voting on a number of amendments later today, a number of which were offered by Democratic Members.

I understand there is an accusation that somehow language dealing with the Affordable Housing Fund, that Members do not have an ability to weigh in on that. As I look at the manager's amendment, substantially all of it has to do with the Affordable Housing Fund issue. So if for some reason you do not like this language, you have an opportunity to vote on it. So it seems to me that the process and procedures dealing with this very important issue are quite open. If you do not like it, vote against the manager's amendment. Vote for the underlying bill.

Now, let us move to the substance of the arguments as far as the creation of the so-called Affordable Housing Fund. I for one am not convinced of the need for yet another government so-called affordable housing program. Already we have over 80 different government programs ostensibly aimed at affordable housing. We have got Community Development Block Grant for Insular Areas; Shelter Plus Care, S Plus C Emergency Shelter Grant. We have housing opportunities, the HOPWA program, One- to Four-Family Mortgage Insurance, section 203(b). We have got counseling for home buyers, Supporting Housing for the Elderly, and the list goes on and on and on.

Mr. Speaker, the truth is there is no greater housing program than the American free enterprise system, which is created by the creation of jobs, which, under the economic policies of this administration and this Republican Congress, are working. Over 4 million new jobs have been created. And guess what, Mr. Speaker? We now have achieved the highest rate of homeownership in the entire history of the United States of America. That is astounding. We have the highest rate of homeownership in the entire history of America.

The question or the debate is not how much money we are going to spend on housing; the question is who is going to do the spending? Is it going to be American families, or is it going to be government bureaucracies?

Now, I know this fund is included in the bill, and so be it, I support the legislation. But the question is, going forward, if we are going to have yet another housing fund, should not it be used for housing? Why open up the opportunity for it to be subverted into things like political activities? I do not understand if those who have advocated on behalf of the funds truly want to help the low-income, then why do we not simply increase the section 8 voucher program? Why do we not cut out the middleman? That is what we need to do.

□ 1130

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

Mr. HINOJOSA. Mr. Speaker, I rise in strong opposition to the rule on H.R. 1461. It adds an anti-minority, anti-family provision that was not included in any of the sections of the legislation I supported in committee.

The rule will prohibit nonprofit groups involved in voter registration and get-out-the-vote activities from receiving money from the affordable housing fund created by the bill.

It will negatively impact good civic organizations in my district such as Amigos del Valle, National Council of La Raza, and Catholic and faith-based organizations.

This rule is strongly opposed by large Latino groups, including NALEO, LULAC, NCLR, and others.

The newly added provision is included in the manager's amendment and appears to be aimed at suppressing the civic engagement of low- and moderate-income and minority families. I respectfully urge that these provisions be removed before the amendment and bill come to the House floor for a vote.

I will insert at this point in the RECORD two letters to Speaker HASTERT. One is dated October 24, 2005, by NCLR, LULAC, and the League of United Latin American Citizens. The second letter is from the Jesuit Conference, and that letter is signed by the Reverend Bradley Schaeffer.

OCTOBER 24, 2005.

Hon. DENNIS HASTERT,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: It has come to our attention that the House Leadership has forged a compromise with members of the House Financial Services Committee regarding the Federal Housing Finance Reform Act of 2005 (H.R. 1461). The newly-added provision is included in the Manager's amendment and appears to be aimed at suppressing the civic engagement of low- and moderate-income and minority families. We urge that these provisions be removed before the amendment and bill come to the House floor for a vote.

With strong bipartisan support, H.R. 1461 (Federal Housing Finance Reform Act of 2005) passed the House Financial Services Committee. The bill contained a measure that would create an affordable housing fund, potentially generating billions of dollars for development. As you know, with housing prices continuing to rise, many communities suffer from a lack of affordable rental and homeownership opportunities for hard-working families.

Unfortunately, after passage, a compromise was struck between the House Leadership and the Financial Services committee that would preclude most nonprofits from accessing the funds. Many of the organizations that would be left out are uniquely positioned to develop the affordable housing needed in their communities. Specifically, nonprofit applicants would be restricted from participating in voter registration and many classic civic engagement activities in the twelve months before the time of application. In addition, the nonprofit applicants would be deemed ineligible if they are affiliated with an organization that engages in these activities. Notably, for-profit organizations would not have the same restrictions.

As representatives of diverse Hispanic constituencies, we have the following concerns:

Minority Voter Suppression. The Latino community has experienced a long history of voter suppression. Nonprofit community-based organizations have played a critical role in fighting against those who would limit the voice of Latinos. The groups often serve as the main point of contact in Hispanic communities and, in many cases, they are the only local organization addressing their social, civic, and educational needs. The proposed Manager's amendment to H.R. 1461 will force these trusted community centers to choose between providing civic education and affordable housing.

For-Profit Double Standard. Inexplicably, under this provision, for-profit developers would not face similar restrictions and would likely become the majority of fund recipients. Even for-profits with a dubious track record would be eligible to receive funds while public interest social service providers would not.

We urge you to preserve the integrity of H.R. 1461 by fighting to remove the restrictions on nonprofits.

Sincerely,

National Association of Latino Elected and Appointed Officials.
National Council of La Raza.
National Puerto Rican Coalition, Inc.
League of United Latin American Citizens.

JESUIT CONFERENCE,
OFFICE OF THE PRESIDENT,
Washington, DC, October 25, 2005.

Hon. J. DENNIS HASTERT,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: I am writing to you on behalf of the Jesuit Conference board of the Society of Jesus in the United States to express our concern regarding an amendment to H.R. 1461, the Federal Housing Finance Reform Act of 2005, that concerns the Affordable Housing Fund. We support the Fund but strongly oppose a manager's amendment that would severely restrict the organizations eligible to build much needed affordable housing and would be an affront to the promotion of civic engagement.

Today there are approximately 3,300 Jesuit priests and brothers working in our domestic programs and abroad which include: over 100 parishes, various social works throughout the country, 28 Jesuit-affiliated colleges and universities, and around 60 Jesuit-affiliated secondary and middle schools. Many of our projects put us in direct contact with low-income people that benefit from affordable housing programs, or that suffer from a lack of housing.

Our nation desperately needs more housing that is affordable to those struggling to get by. The U.S. Catholic bishops, in their statement, Putting Children and Families First, comment that, ''Many families cannot find or afford decent housing, or must spend so much of their income for shelter that they forego other necessities, such as food and medicine . . . [The Catholic bishops] support housing policies which seek to preserve and increase the supply of affordable housing and help families pay for it.'' The Affordable Housing Fund would address some of this great need by increasing the supply of affordable homes for very low and extremely low-income families. We applaud the effort to increase the affordable housing stock in the country.

However, the manager's amendment that will be introduced would disqualify any nonprofit organization, including faith-based groups, from using resources from the Fund to build affordable housing if that organization has engaged in voter registration, get-out-the-vote, and other nonpartisan voter participation activities. Furthermore, language in the amendment also disqualifies organizations that are ''affiliated,'' a term broadly defined, with any organization that engages in such activities.

Concerns that the Affordable Housing Fund would finance partisan grassroots lobbying are unfounded. Current law, and language in H.R. 1461, already contains sufficient restrictions to ensure that funds are used solely for affordable housing and not for other activities. However, the manager's amendment will prevent even those groups that both build housing and that conduct constitutionally protected voter registration activities from receiving funds.

We strongly urge you to allow a vote on an amendment to delete the harmful provisions of the manager's amendment described above. H.R. 1461 and the Affordable Housing Fund present Congress with an opportunity to provide housing relief to the families that need it most. Don't let the unconstitutional manager's amendment get in the way.

In the Lord,
Very Reverend Bradley M. Schaeffer, S.J.

Mr. SESSIONS. Mr. Speaker, I yield 4 minutes to the gentleman from Baton Rouge (Mr. BAKER), the author of the bill.

Mr. BAKER. Mr. Speaker, I thank the gentleman for yielding time and wish to express my appreciation to him and members of the Rules Committee who have delivered a rule enabling consideration by the House today of significant legislation relative to the reform in the regulatory structure of government-sponsored enterprises.

For many years, that has been the subject of discussion by the Committee on Financial Services and, prior to that, the Committee on Banking. I cannot express enough appreciation to Chairman OXLEY for his long-standing tolerance on this matter, the many hours of agony I am sure I have caused all Members on this subject matter; and I am very appreciative for his courtesies extended in bringing to the floor a bill which has been over many months hammered into the shape we currently find it.

As to the current issue before the House in the consideration of the rule now pending, I wish to make clear that the manner in which the manager's amendment was constructed is no different from the construction of hundreds of manager's amendments over the years in this body. From the time at which a matter leaves committee until it arrives on the House floor can be a matter of days, weeks, or months. Circumstances change.

In this case, one element of that manager's amendment is the establishment of assistance for victims of the significant hurricanes the country has experienced, a highly appropriate utilization of a new fund. I think it important to understand this is the first time such fund has been constructed. The entity which will manage and distribute the funds does not now exist; and so, for some Members, constraining the utilization of the fund in its beginning stages was a logical precaution.

It is about restoration of housing in the case of hurricane victims, many of whom do not live in my district, but

certainly reside in my State. At the moment, they are without a home. They are living in a FEMA trailer or a tent or with family and friends or in any number of circumstances around the country. They are desperate for the opportunity to come home, to live in that structure that they call their own.

The bill now provides resources to construct homes. It was never intended that the bill would become the basis for political activism. The choice is clear: If we have limited resources to meet overwhelming need, should we not ensure that those resources are used as intended for the construction, for affording opportunity for low-income individuals and those who are requiring homeownership opportunities for the first time to have every cent go for that utilization? Of course it does.

It is regrettable, of course, that there would be those to say the amendment is flawed and that you should oppose it because we will not allow a voter registration campaign or political activism. I think in light of the concerns expressed, the overwhelming need for housing inventory, the fact that this is a 5-year program which will end at the end of 5 years, that we do not have yet an entity to manage, supervise or distribute the funds, it is highly appropriate that the constraints adopted in the manager's amendment be favorably considered by this House and adopted.

More broadly, I think the rule has made in order a number of amendments that were not discussed in committee, which the House will consider and vote on accordingly; and I think at the end of the day, no matter the construct of the final bill, it is important to understand that a government-sponsored enterprise reform is absolutely essential.

I will speak more to that matter during general debate; but I think those who only listen to the debate on the rule should understand, a government-sponsored enterprise is created by an act of Congress. It is given a privileged position in the marketplace. They utilize taxpayer-guaranteed debt in order to make a profit for their shareholders. They are unique in their construct in that they are authorized by the Congress, but are shareholder-driven institutions. They take on great risk and, accordingly, deserve the highest standard of regulatory oversight possible. This bill achieves that.

Mr. MCGOVERN. Mr. Speaker, I yield 2 minutes to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY. Mr. Speaker, I rise in support for the underlying bipartisan bill on GSEs, but in strong opposition to the rule that was put in at the last minute, a provision that prevents any nonprofit recipient of a housing grant from conducting nonpartisan civic voter registration.

This is an outrageous, undemocratic provision that imposes restrictions on promoting the most fundamental of our civil liberties, the right to vote. Of all our rights, this is the one that our Founding Fathers held most dear. What in the world are we doing today in this Congress in an attempt to limit this great right on which our country was founded?

Restricting the right of nonprofits in this way violates these organizations' first amendment rights. Voter ID, civic awareness, civic activities are protected by the first amendment. Yet this provision forbids any nonprofits from even applying for a grant if they have encouraged voting in the recent past.

There is absolutely no justification for preventing nonprofits' efforts to encourage civic activities such as voting. Many faith-based organizations, including the Catholic Church, the Presbyterian Church, the American Jesuit Conference, have come out in opposition to this provision; and I will place in the RECORD at this point a list of these organizations that have come out in opposition to this provision.

THE EPISCOPAL CHURCH,
OFFICE OF GOVERNMENT RELATIONS,
Washington, DC, October 20, 2005.

Hon. DENNIS HASTERT,
House of Representatives,
Washington, DC.

DEAR SPEAKER HASTERT. The Episcopal Church supports the Affordable Housing Fund as part of the Federal Housing Finance Reform Act of 2005 (H.R. 1461). However, we are strongly opposed to the inclusion of language in H.R. 1461 that restricts non-profits—including religious organizations—from receiving Affordable Housing Funds if they have engaged in any voter registration, voter identification, get-out-the-vote, and other nonpartisan voter participation activities or voter encouragement efforts within 12 months of the application. They very people in need of affordable housing are those who often need the most help in fully participating in our democracy as voters. It is highly ironic that at the very moment when we have seen in the starkest of terms the great need for affordable housing, important legislation to meet that need is encumbered with language that undermines our democracy.

The Episcopal Church, through Jubilee Ministries and Episcopal service providers, offers housing assistance to many of our nation's poor. Jubilee Ministries administers grants to over 70 Jubilee Centers throughout the United States as well as the wider Anglican Communion. Including a provision that would prohibit Episcopal organizations that encourage democratic engagement from participating in Affordable Housing Fund programs would limit our response to God's call to serve the least among us and severely restrict our efforts to provide safe, decent, and affordable housing.

In supporting the Affordable Housing Fund in H.R. 1461, we are acting upon a resolution passed at our 2003 General Convention that reaffirmed our commitment to providing affordable housing for the poor. The resolution calls for the legislative branches of the federal government to provide ''rental and owner-occupied housing that is safe, accessible, and affordable for low-income and moderate-income persons and their families including persons with disabilities'' and ''to ensure that housing assistance programs are adequately funded to address the growing gap between the number of affordable housing units available and the number of renter households in the bottom quartile of income in this nation.''

As a church we have also acknowledged ''the use of the political process as an act of Christian stewardship'' and recognized that a ''faithful commitment to voting is an extension of our baptismal covenant to 'strive for justice and peace and the dignity of every human being.'" We have asked ''all Episcopalians to actively engage in advocating for voter rights, encouraging voter registration, getting out the vote, and volunteering to assist voters at the polls.''

Mr. Speaker, we ask that you do all in your power to see that the provisions related to voter participation are removed from H.R. 1461. No organization should be asked to choose between providing homes for those in need or enabling citizens to fully participate fully in our democracy.

Sincerely,

REV. KWASI A. THORNELL,
Chair, National Concerns Committee of the Executive Council.

RT. REV. JOHN BRYSON CHANE, D.D.,
Bishop of Washington.

NATIONAL ORGANIZATIONS OPPOSED TO VOTER RESTRICTIONS IN H.R. 1461,
Washington, DC, October 19, 2005.

Hon. DENNIS HASTERT,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER, The undersigned national organizations have learned that the compromise reached by House Leadership on H.R 1461, the Federal Housing Finance Reform Act of 2005, includes provisions that would restrict the ability of American citizens to engage in our democratic process. We urge that these provisions be removed before the bill comes to the House floor for a vote probably during the week of October 24.

Specifically, we object to the restrictions on non-profit organizations that apply for grants through the Affordable Housing Fund established in H.R. 1461. The egregious provisions, which we strongly oppose, disqualify any nonprofit organization that has engaged in voter registration, voter identification, get-out-the-vote, and other nonpartisan voter participation activities in the 12 months prior to application from eligibility for the Affordable Housing Fund grants. It further prohibits non-profit organizations that receive grant funds from engaging in these activities.

These grants are to be used solely to produce and preserve housing that is affordable to extremely low and very low income families. For the first two years, the funds will be prioritized to rebuild housing in the areas devastated by Hurricane Katrina. The anti-democratic provisions do not just prohibit the use of Affordable Housing Fund dollars from being used for these purposes. The prohibition applies to any resources of a grantee, including funds specifically for civic engagement activities.

Moreover, even if a particular non-profit organization does not itself engage in any of these activities itself, ''affiliation'' with an organization that does would disqualify the nonprofit from applying for Affordable Housing Fund grants. Notably, for-profit companies are exempt from these restrictions.

These provisions are blatantly undemocratic and raise substantial constitutional questions in the attempt to limit the rights of affiliation. They are intended for no other purpose than to reduce access to voting by low income people. People of color are over-represented in the low income population, making this a civil rights issue. Moreover, these provisions have serious implications for the broader nonprofit community by setting a very dangerous precedent.

The low income housing community has worked tirelessly to establish the Affordable

Housing Fund in H.R. 1461, because we know the dire need for funds to increase the nation's affordable housing stock. But nothing is worth compromising the right of all Americans to participate in our precious democracy.

Sincerely,

Alliance for Healthy Homes.
Alliance for Justice.
American Counseling Association.
American Federation of State, County and Municipal Employees.
American Network of Community Options and Resources.
Americans for Democratic Action.
Association of Community Organizations for Reform Now (ACORN).
Campaign for America's Future.
Center for Community Change.
Center for Law and Social Policy.
Child Welfare League of America.
Children's Defense Fund.
Cities for Progress at the Institute for Policy Studies.
Coalition on Human Needs.
Consortium for Citizens with Disabilities.
Corporation for Supportive Housing.
Enterprise Foundation.
Environmental Working Group.
Episcopal Church.
Lawyers' Committee for Civil Rights Under Law.
Leadership Conference on Civil Rights.
Local Initiatives Support Corporation.
Lutheran Services in America.
Mercy Housing.
National AIDS Housing Coalition.
National Alliance of HUD Tenants.
National Alliance on Mental Illness.
National Alliance to End Homelessness.
National Association for the Advancement of Colored People (NAACP).
National Association of Housing Cooperatives.
National Coalition for the Homeless.
National Committee for Responsive Philanthropy.
National Community Reinvestment Coalition.
National Council on the Aging.
National Council of Nonprofit Associations.
National Council on Independent Living.
National Fair Housing Alliance.
National Head Start Association.
National Health Care for the Homeless Council.
National Housing Conference.
National Housing Law Project.
National Housing Trust.
National Law Center on Homelessness & Poverty.
National Low Income Housing Coalition.
National Neighborhood Coalition.
National Policy and Advocacy Council on Homelessness.
National Urban League.
OMB Watch.
Poverty and Race Research Action Council.
Presbyterian Church (U.S.A.) Washington Office.
Public Housing Authorities Directors Association (PHADA).
RESULTS.
Smart Growth America.
Stewards of Affordable Housing for the Future.
Technical Assistance Collaborative.
The Arc of the U.S.
U.S. Public Interest Research Group (U.S. PIRG), National Association of State PIRGs.
United Cerebral Palsy.
United Church of Christ Justice and Witness Ministries.
Women's Committee of 100.
YWCA USA.

Mr. Speaker, clearly, these organizations recognize an attack on faith-based values when they see one.

These restrictions force faith-based organizations to make a decision between providing low-income housing or promoting civic activities, and that choice is not one Congress should be forcing.

It goes against our deepest principles and strikes at those who can least protect themselves, and I feel that it is particularly inappropriate that the majority is trying to limit the rights of the disadvantaged this week in the wake of the death of Rosa Parks, who stood up for the right to vote in so many courageous ways.

I urge a ''no'' vote on this rule.

Mr. Speaker, I rise in opposition to this rule which did not permit a vote on Congressman FRANK's amendment to strike from this bill the provision that prevents any nonprofit recipient of a housing grant from conducting nonpartisan civic voter registration.

This is an outrageously bad provision that imposes unconstitutional restrictions on promoting the most fundamental of our civil liberties: The right to vote.

Of all our rights, this is the right that our Founding Fathers held most dear; that thousands have come to this great democracy to hold; and that right now our men and women are dying to protect in Iraq.

What are we doing here limiting this great right on which our Nation is founded?

Restricting the rights of nonprofits in this way violates these organizations' fundamental First Amendment rights. Voter registration, voter identification, and get-out-the vote activities are protected by the First Amendment. Yet this provision forbids nonprofits from even applying for grants if they have encouraged voting in the recent past. There is just no justification for preventing nonpartisan civic efforts to encourage voting.

Many faith based organizations strongly oppose these restrictions. The Catholic Church is just one of many organizations whose faith-based mission to serve the disadvantaged leads them to both provide low-cost housing and help the disadvantaged exercise their right to vote.

Indeed, faith based organizations are strongly united in their opposition. Among them are the Lutheran Church, the United Church of Christ, the Presbyterian Church, the U.S. Jesuit Conference, and the American Jewish Congress, just to name a few.

Clearly these organizations recognize an attack on faith-based values when they see one.

These restrictions force faith based organizations to make a choice: Provide low-income housing or promote the ability to vote. That choice is not one Congress should be forcing. It goes against our deepest principles and strikes at those who can least protect themselves.

It is particularly inappropriate that the majority is trying to limit the rights of the disadvantaged to vote this week, in the wake of the death of Rosa Parks. Rosa Parks was a national icon, a symbol of what one courageous person can do to achieve civil rights and liberties. This amendment to preserve nonpartisan voter registration could be called the Rosa Parks Amendment—to remind us that she co-founded the Rosa and Raymond Parks Institute for Self Development to help young people register to vote, and I am confident that she would have supported it with the quiet dignity and faith that she demonstrated in her own life.

I urge my colleagues on both sides of the aisle to repudiate these provisions that strike all faith-based organizations.

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

Ms. WATERS. Mr. Speaker, I find it rather embarrassing to have to come to the floor of the Congress of the United States to protect the constitutional rights of the citizens of this country when, in fact, that is what we were all elected for, to make sure that this democracy works.

I am opposed to this rule, and I cannot believe that my colleagues on the opposite side of the aisle would jeopardize the opportunity for us to provide housing for people who are victims of these hurricanes that have hit this country because they have interjected politics into this bill.

This is absolutely outrageous. There is nothing in this bill that would allow any nonprofit or profit-making organization who wished to produce housing for low- and moderate-income people to use this money for any political activity. It is not fair. My colleagues are making it up, and it is absolutely outrageous.

As a matter of fact, we were so concerned about making sure that everybody had an opportunity to provide housing, to produce housing, we put in an amendment that would make sure that this money would not go to one or two big organizations; that it would be available in rural communities; it would be available to the faith-based communities; it would be available all over this country to small- and medium-sized organizations, not just a few large ones.

So we have been very democratic. We know that there are some people on the opposite side of the aisle that did not like the idea of providing funds for low- and moderate-income housing; but we also know, because of the leadership of some people on the other side of the aisle who understood the homelessness and the crisis that we have in America, lack of housing, the low-income people, that they were able to prevail, and we came out with a good bill.

Do not get up here and fuss and talk about closed rule, modified rule, manager's amendment. It has nothing to do with that. My colleagues either want to provide low-income housing and not put politics in it and prevent people from exercising their constitutional rights or they do not want anything for anybody.

Mr. MCGOVERN. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Massachusetts (Mr. FRANK), the ranking member on the committee.

Mr. FRANK of Massachusetts. Mr. Speaker, first, as to the rule, let us be very clear. This is democracy denied squared. Substantively, this imposes restraints on getting lower income people to vote.

One of the Members of the majority, one of the authors of this restruction, the gentleman from Florida, talked about ACORN. In fact, under provisions of the bill which are agreed upon unanimously, what ACORN proposed would have disqualified them from getting funds. There is agreement that if groups are engaging in partisan activity they should be excluded.

One thing that the majority forgot to mention, one of the pieces of their amendment to which we object is the piece that says you can only participate in this program if housing is your principal purpose. The faith-based initiative, rest in peace. Apparently, it did not last very long.

The primary purpose of faith-based organizations is faith. It is not housing. They would like to do housing. It is part of their mission, but it is not their primary purpose. That is why not just Catholic charities but the Conference of Catholic Bishops of the United States has asked that this be amended, because this provision that only if your primary purpose is housing can you participate denies any faith-based group the right to participate. Apparently, the fear of low-income people voting outweighs the support for faith-based groups.

What are the substantive restrictions? We agree that there should be no partisanship. There would be a lot of restrictions if my very small, specific amendment were to pass. You could do not electioneering. You could not do lobbying beyond a very limited amount, but you could get out the vote. You know what that means? We had the Episcopalians, the Methodist, the Orthodox Jews, all of which do a lot of housing. You are the Methodists and you run an elderly housing project, under the Republican provision, you cannot do get-out-the-vote activity if you help build housing. So you cannot hire a bus to go take the old people to vote. You cannot have somebody come in and get them to register.

That is what we are talking about. There is an extremism here that is not comprehensively accepted in the history.

The committee voted on this bill. It is contentious as anything I would write, as anybody would write. It is a good bill which sets up a world-class regulator. Much of what has been said on that side I agree with.

Then the Republican Study Committee, the most conservative Members of the House who appear to be able to run the House by using their influence with the majority leadership, an influence which does not seem to have changed since the majority leadership changed, they were able to take this bill hostage.

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They tried to kill this whole thing. Members on their side now say, we are for doing this affordable housing. Well, then why did they try to kill it?

There was an amendment to kill the whole affordable housing fund, not restricted. It lost 53 to 17, and so then they went to the majority leader and said we cannot win a fair fight. Hijack the bill. So now it comes to the rules situation. Here it is. Yes, we will get the vote on the manager's amendment. The manager's amendment includes what the gentleman from Ohio, the gentleman from Louisiana, myself, and the gentleman from Pennsylvania all agree to, along with the gentlewoman from California, to give a preference for those areas affected by the hurricane.

So what the gentleman from Texas would have Members believe, both gentlemen from Texas, it is an open rule on this issue because if you are willing to vote not to give a preference to the hurricane areas, you can also vote to let the Catholic Church participate in low-income housing. They come as a package. If you think the Catholic Church and the Episcopal Church and the Methodist Church and other churches ought to be able to participate in this, then you have to vote not to give preference to the hurricane areas. That is their idea of a fair rule.

All I asked for was a chance to agree to everything in the manager's amendment except for three things: Allow faith-based groups to participate. Let it be one of their primary purposes. Let them do nonpartisan voter registration and let them do nonpartisan get-out-the-vote. We are not given a chance to vote on that.

I hope Members will vote against the manager's amendment. It is a tough vote for Members in the hurricane areas because they will be demagogued.

If the manager's amendment is defeated, let me announce now, I will then offer a motion to recommit which will be everything in the manager's amendment except these three things. So Members over there who have told these low-income groups, as often happens, I do not like what these people have done, I do not want to exclude the Catholic Church, but my hands are tied, we will untie your hands. We will give you a chance to vote on it, but it is still not a fair vote.

I think it is very clear that there is one reason why the Members are not allowed to vote on a specific amendment that says let us take all of the restrictions on the groups, and when people say we do not want the money spent on other things, it has always been clear that the money can only be spent on affordable housing. We are talking about whether groups with their own money can do other things. People have said the money is fungible. Well, when we were debating faith-based groups, when we said if you give money for day care, is that going to go to religious activities, we were told, no, they will be segregated. I agreed with that. So the argument about fungibility, apparently, appears to be itself very fungible.

Mr. Speaker, all we are asking for is a chance for an up-or-down vote on three provisions which have never been voted on which were inserted here because the most conservative elements in the Republican Party, the Republican Study Committee, got the majority leader to make them a condition of the bill coming to the floor. I guess if the rest of the Republicans want to be held hostage by that group, they will show us by their votes today.

Mr. SESSIONS. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio (Mr. OXLEY), chairman of the Committee on Financial Services.

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

Mr. OXLEY. Mr. Speaker, let me thank the gentleman from Texas (Mr. SESSIONS) for conducting a worthwhile debate on this issue and the rule.

While we will have plenty of time to debate the merits of the legislation, and there are a great deal of those out there, and I think both sides would agree, I want to thank the gentleman from Louisiana (Mr. BAKER) for his excellent work, as well as the gentleman from Massachusetts (Mr. FRANK), the ranking member.

The approach that we took, beginning with the need, the glaring need for a world-class regulator for the GSEs, became quite evident with the revelations of some of the accounting scandals that took place in both of those institutions and to a lesser extent with the Home Loan banks.

Looking back in the past when Chairman BAKER was a lone voice in trying to get changes in the regulatory structure to where we are now is quite extraordinary. It is quite extraordinary that we are actually debating a rule that would bring up a major piece of legislation totally changing the way we look at GSEs and their role in the housing market and the secondary market, particularly as it relates to their regulation and how they are regulated. I do not think anybody can argue that the structure we set up is less than superlative and provides a world-class regulator.

Some of the issues we debated that were so contentious, I think of receivership, and all of the debates that we had about the necessity for including receivership language in it so in case one or both of the GSEs, that the regulator could actually put them in receivership, essentially became a nonissue just a few months ago. I think that points out the kind of progress we made in the committee. The 65–5 vote that we had on final passage was quite extraordinary.

We also needed to look at the whole issue of affordable housing. The gentleman from Ohio (Mr. NEY) and his subcommittee really deserve a lot of credit for putting together, I think, a very solid plan borrowed from the Home Loan bank system from which they set aside 10 percent of their profits towards affordable housing. Let me point out that program has been incredibly successful over the years, borrowing a page from the Home Loan

banks, in this case, to set aside 5 percent from Fannie Mae and Freddie Mac that would potentially provide hundreds of millions of dollars towards affordable housing. Again, I think Members agreed with that, and the concern was always, I think, in the back of everybody's mind to make certain that this money was accountable and it was used for bricks and mortar, actually building the homes instead of political advocacy and the like. Indeed, I think we came to a reasonable conclusion on that.

We have differences as to the application of that. It was always our goal to make those funds available only to groups that had housing as a function and that they had a track record. I am thinking of Habitat for Humanity as a good example, but also State housing agencies and for-profit companies that would compete for those funds and would have to be approved by the board we set up in the legislation, again, providing accountability where that money goes because it is technically, certainly, not government funds, taxpayer funds, but private sector funds. We want to make certain that every dollar that was made available went into building affordable housing.

And then, of course, along came Hurricane Katrina, Hurricane Rita, and now Wilma; and those events provided another glaring need for affordable housing in those heavily struck areas. That is why we wanted to include those and provide them with the opportunity to essentially be first in line for those funds because of the enormous complications that have developed down there in terms of housing and exacerbated an already difficult situation. That is where we are now.

I am proud of the committee and the work we have been able to do. I think we are in a position where we can debate the manager's amendment under the rule. There are several Democrat amendments made in order, Republican amendments made in order, four on each side. I think the Rules Committee has done a superb job in doing that. I know the gentleman from Massachusetts will probably offer a motion to recommit based on the issue of fund availability. That is precisely within his rights, and I would expect that.

But this vote on the rule that I support is moving us forward to get to legislation passing to help the hurricane victims and to better regulate the GSEs. I think there is a broad bipartisan consensus for that. Let us vote up the rule and get on with the debate.

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

Mr. Speaker, over the past 5 years, we have seen 100,000 Federal housing units lost. We are down 50 percent in real terms in elderly and disabled housing at a time when the leadership on the other side of the aisle has tried to eliminate the Community Development Block Grant Program. They have significantly cut back on the number of section 8 vouchers for low-income housing assistance, and they have tried to limit housing assistance overall, so it is important that this underlying bill pass and at the same time that this reprehensible provision, this attack on poor people, be struck from the bill.

Mr. Speaker, to prohibit organizations from receiving funding for housing, many of these organizations, faith-based organizations, that participate in nonpartisan activities, as the New York Times said today, has no place in our democracy. We can do so much better. The fact of the matter is that many of these faith-based organizations that do an incredible job in housing will be barred from participating because of this provision. Vote down the rule. Let us fix this provision.

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

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

Mr. Speaker, I heard the gentleman from Massachusetts refer to his 25 years of service in this distinguished body, and I have great respect for that; but I want him to know, and I am certain he remembers this, that the Democrats when they were in the majority, many times denied Republicans an opportunity in the legislative and rulemaking process to have motions to recommit. In fact, the Republican majority has given the minority that under this rule, as we have the entire time we have been in the majority.

This vote today is simply on the rule. The committee voted for the bill 65–5. Members are going to have an opportunity during consideration of these amendments to voice their disapproval of the manager's amendment and vote it down if that is what they choose to do.

The purpose of these changes that we are talking about in the manager's amendment is to prevent nonprofits from receiving these funds and engaging in political activity, to ensure that the scarce and available funds for housing resources are allocated effectively and for their intended purpose, pure and simple. We want to make sure that they are used for rebuilding houses with the primary emphasis in the gulf region.

This legislation does not prevent nonprofit organizations from pursuing a political agenda if they so choose. It simply prevents them from accepting these funds if they put politics first. It is their choice.

Hurricanes do not take party affiliation into account, and these funds are being contributed by the housing GSEs to rebuild this important region of our country. It should not be done on a political basis. I am very proud of this bill and the underlying legislation.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in opposition to H. Res. 509 as reported out of the Committee on Rules last night relative to our debate of the GSE legislation, H.R. 1461. While many substantive amendments were made in order, the committee blocked what we undoubtedly consider one of the most substantive amendments that was offered by the gentleman from Massachusetts, Mr. FRANK, the ranking member of the body from which the underlying measure was discharged.

The gentleman's amendment would have removed language contained in the current manager's amendment that bars organizations with proven experience in mobilizing community support and resources—a nonpartisan initiative. In addition, the manager's amendment would constrain the ability of experienced faith-based and community-based organizations to successfully compete for the affordable housing funds that are proposed in the underlying bill.

My district of Houston, TX, has a plethora of faith-based organizations that have plans that would provide much-needed affordable housing for the surrounding community. Our affordable housing stock has suffered for a long time, and I have been working steadfastly with the Secretary of Housing and Urban Development to facilitate the obtainment of opportunities by these groups. The nugatory provisions in the manager's amendment will contravene the hard work that I and many other Members have done to this end.

While I applaud the effort made by the administration to remove barriers to full participation in Federal programs and funding faith-based entities, proposals such as the manager's amendment will bar these groups from access to this funding while for-profit agencies remain free to engage in the democratic process which is every American's birthright. This double-standard must be removed. It contravenes the spirit of the U.S. Constitution.

Mr. Speaker, I oppose this rule.

Mr. HOLT. Mr. Speaker, I rise today to oppose an outrageous provision attached to previously strong legislation. I am shocked and disappointed that the majority has chosen to destroy what was an effective, responsible, and bipartisan bill by including an indefensible provision to restrict nonpartisan civic activity of nonprofit organizations.

This legislation started out as an example of how the legislative process should work. The Financial Services Committee reported a bill to reform Government Sponsored Enterprises, GSEs, and establish an Affordable Housing Fund, AHF. The bill would increase home ownership among low-income families, increase investment in housing in low income and economically distressed areas, and in general increase the Nation's supply of affordable housing. The bill received broad bipartisan support, reported by a vote of 65–5.

It is unfortunate that the majority has chosen to mandate consideration of a bill that includes a provision restricting nonpartisan civic activities of nonprofit organizations, even if they use their own funds to conduct such activities. Nonprofit organizations (and any affiliate of the nonprofit) would be prohibited from engaging in nonpartisan voter registration or get-out-the-vote activities. These restrictions would force low-income housing groups and faith-based groups to choose between obtaining funding for low-income housing and using other funds to engage in nonpartisan voter registration and get-out-the-vote activities.

In my home State of New Jersey, organizations like Catholic Charities provide vital social services to vulnerable people in need, such as food, clothing, counseling, and health services. They also routinely hold voter registration drives before elections and provide elderly and

disabled voters with transportation to the polls. Their activities are nonpartisan and play a vital role in ensuring that people are able to vote if they so desire. Under this legislation, they would no longer be able to fulfill this function. This body should not prohibit social service organizations from conducting nonpartisan civic activities.

The majority protests loudly when its actions are judged to be motivated by a desire to suppress voter turnout and civic participation in urban or low-income areas. From the inclusion of this discriminatory provision, it is difficult to reach any other conclusion. Today this rule blocks an amendment by Representative BARNEY FRANK that would remove this provision.

It is disheartening to see that, at a time when the majority and the administration claims to support removing barriers for faith-based organizations, this provision has been included to restrict the activities they are permitted to conduct. Inclusion of the provision has sunk the prospects of passing strong and bipartisan legislation that will help the most vulnerable obtain affordable housing. I urge my colleagues to reject this rule.

Mr. CROWLEY. Mr. Speaker, I rise to lament the wrecking of a solid, bipartisan bill that, at one time, both established a tough new regulator for our Nation's secondary mortgage market and created a new national housing trust to build affordable housing.

Our Nation's economic security and the housing opportunity of millions of Americans is being played with on the floor today.

But more than this particular bill, I also lament the fact that this Congress is held hostage to the extreme right wing agenda of the majority. A small cabal of 50 or so Members who, though small in number, loud in voice, threaten this Republican Majority and hold this Congress and our country hostage.

They claim they want smaller government but they are saddling our children with trillions in the notorious birth tax—yes, every child born in America today comes into this world with a $30,000 debt to the Government thanks to the skewed economic policies of the so-called fiscally conservative Republican Party.

They claim to help people but want to strip away student loans from college kids, Medicaid from the poor, and aid to farmers, for bigger tax cuts for the richest Americans.

They claim they support families, but they are robbing the basic tenet of the American Dream—home ownership—right here in this very bill.

They claim to represent people of faith, but they are stripping away the ability of groups like Catholic Charities, Baptists and other people of faith to use this new funding to benefit their communities and make America stronger.

If this rule passes the Republicans will have done what they do best, stripping away the American Dream of owning a home for millions of Americans. As well as continuing on their path to destroying what this country stands for, religious freedom, home ownership and the ability of child to live a better life than his or her parents.

This debate is bigger than this rule, bigger than this bill. It goes to the heart of who the Republican Party is today, and it is a party that does not stand for working people.

This rule demonstrates this fact. Vote down this anti-religion, anti-American rule.

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

The previous question was ordered.

The SPEAKER pro tempore (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.

Mr. MCGOVERN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

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

MESSAGE FROM THE SENATE

A message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed a bill of the following title in which the concurrence of the House is requested:

S. 443. An act to improve the investigation of criminal antitrust offenses.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

Record votes on postponed questions will be taken later today.

HURRICANE KATRINA FINANCIAL SERVICES RELIEF ACT OF 2005

Mr. BAKER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3945) to facilitate recovery from the effects of Hurricane Katrina by providing greater flexibility for, and temporary waivers of certain requirements and fees imposed on, depository institutions and Federal regulatory agencies, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3945

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 ''Hurricane Katrina Financial Services Relief Act of 2005''.

SEC. 2. FINDINGS.

The Congress finds as follows:

(1) On August 29, 2005, Hurricane Katrina, a category 4 storm with an impact area of 90,000 square miles, reached landfall devastating the States of Louisiana, Mississippi and Alabama, causing loss of life and property.

(2) Levee breaches in the flood control system for the city of New Orleans as a result of Hurricane Katrina resulted in tragic flooding, causing additional loss of life and property.

(3) Due to the substantial damage to both property and infrastructure, more than 1,000,000 people were made homeless or brought under financial duress by the effects of Hurricane Katrina.

(4) At least 120 insured depository institutions and 96 insured credit unions are located in the areas of Texas, Louisiana, Mississippi and Alabama, declared as major disaster areas by the President.

SEC. 3. DEFINITIONS.

For purposes of this Act, the following definitions shall apply:

(1) APPROPRIATE FEDERAL BANKING AGENCY.—The term ''appropriate Federal banking agency'' has the same meaning as in section 3 of the Federal Deposit Insurance Act.

(2) INSURED CREDIT UNION.—The term ''insured credit union'' has the same meaning as in section 101 of the Federal Credit Union Act.

(3) INSURED DEPOSITORY INSTITUTION.—The term ''insured depository institution'' has the same meaning as in section 3 of the Federal Deposit Insurance Act.

(4) QUALIFIED DISASTER AREA.—The term ''qualified disaster area'' means any area within Alabama, Louisiana, or Mississippi in which the President, pursuant to section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, has determined, on or after August 28, 2005, that a major disaster exists due to Hurricane Katrina.

SEC. 4. SENSE OF THE CONGRESS ON CASHING OF GOVERNMENT CHECKS.

It is the sense of the Congress that—

(1) it is vital that insured depository institutions and insured credit unions continue to provide financial services to consumers displaced or otherwise affected by Hurricane Katrina, which includes the cashing of Federal government assistance and benefit checks;

(2) the Secretary of the Treasury and the Federal financial regulators should seek to educate insured depository institutions and insured credit unions on the proper application of the guidance issued by the Secretary on cashing of Federal government assistance and benefit checks and published in the Federal Register while such guidance is in effect; and

(3) the Federal financial regulators should continue to work with the insured depository institutions and insured credit unions operating under extraordinary circumstances to facilitate the cashing of Federal government assistance and benefit checks.

SEC. 5. WAIVER OF FEDERAL RESERVE BOARD FEES FOR CERTAIN SERVICES.

Notwithstanding section 11A of the Federal Reserve Act or any other provision of law, during the effective period of this section, a Federal reserve bank shall waive or rebate any transaction fee for wire transfer services that otherwise would be imposed on any insured depository institution or insured credit union that as of August 28, 2005, was headquartered in a qualified disaster area.

SEC. 6. FLEXIBILITY IN CAPITAL AND NET WORTH STANDARDS FOR AFFECTED INSTITUTIONS.

(a) IN GENERAL.—Notwithstanding section 38 of the Federal Deposit Insurance Act, section 216 of the Federal Credit Union Act, or any other provision of Federal law, during the 18-month period beginning on the date of enactment of this Act, the appropriate Federal banking agency and the National Credit Union Administration may forbear from taking any action required under any such section or provision, on a case-by-case basis, with respect to any undercapitalized insured depository institution or undercapitalized insured credit union that is not significantly or critically undercapitalized, if such agency or Administration determines that—

(1) the insured depository institution or insured credit union derives more than 50 percent of its total deposits from persons who

normally reside within, or whose principal place of business is normally within, a qualified disaster area;

(2) the insured depository institution or insured credit union was at least adequately capitalized as of August 28, 2005;

(3) the reduction in the capital or net worth category of the insured depository institution or insured credit union is directly attributable to the impact of Hurricane Katrina; and

(4) forbearance from any such action—

(A) would facilitate the recovery of the insured depository institution or insured credit union from the disaster in accordance with a recovery plan or a capital or net worth restoration plan established by such depository institution or credit union; and

(B) would be consistent with safe and sound practices.

(b) CAPITAL AND NET WORTH CATEGORIES DEFINED.—For purposes of this section, the terms relating to capital categories for insured depository institutions have the same meaning as in section 38(b)(1) of the Federal Deposit Insurance Act and the terms relating to net worth categories for insured credit unions have the same meaning as in section 216(c)(1) of the Federal Credit Union Act.

SEC. 7. DEPOSIT OF INSURANCE PROCEEDS.

(a) IN GENERAL.—The appropriate Federal banking agency and the National Credit Union Administration may, by order, permit an insured depository institution or insured credit union, during the 18-month period beginning on the date of enactment of this Act, to subtract from such institution's or credit union's total assets in calculating compliance with the leverage limit, applicable under section 38 of the Federal Deposit Insurance Act or section 216(c)(2) of the Federal Credit Union Act with respect to such insured depository institution or insured credit union, an amount not exceeding the qualifying amount attributable to insurance proceeds, if the agency or Administration determines that—

(1) such institution or credit union—

(A) derives more than 50 percent of its total deposits from persons who normally reside within, or whose principal place of business is normally within, a qualified disaster area;

(B) was at least adequately capitalized as of August 28, 2005; and

(C) has an acceptable plan for managing the increase in its total assets and total deposits; and

(2) the subtraction is consistent with the purpose of section 38 of the Federal Deposit Insurance Act, in the case of an insured depository institution, and section 216 of the Federal Credit Union Act, in the case of an insured credit union.

(b) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) LEVERAGE LIMIT.—The term ''leverage limit''—

(A) with respect to an insured depository institution, has the same meaning as in section 38 of the Federal Deposit Insurance Act; and

(B) with respect to an insured credit union, means the net worth ratio that corresponds to the leverage limit, as established in accordance with section 216(c)(2).

(2) QUALIFYING AMOUNT ATTRIBUTABLE TO INSURANCE PROCEEDS.—The term ''qualifying amount attributable to insurance proceeds'' means the amount (if any) by which the institution's or credit union's total assets exceed the institution's or credit union's average total assets during the calendar quarter ending before the date of the earliest Presidential determination referred to in section 3(4), because of the deposit of insurance payments or governmental assistance, including government disaster relief payments, made with respect to damage caused by, or other costs resulting from, the major disaster within a qualified disaster area.

SEC. 8. EFFECTIVE PERIOD.

(a) IN GENERAL.—Except as provided in sections 4(2), 6(a), and 7(a) and subject to subsection (b), the provisions of this Act shall not apply after the end of the 180-day period beginning on the date of the enactment of this Act.

(b) 30-DAY EXTENSION AUTHORIZED.—With respect to the provisions of section 5, the 180-day period referred to in subsection (a) may be extended for 1 additional 30-day period upon a determination by the Board of Governors of the Federal Reserve System that such extension is appropriate to achieve the purposes of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Louisiana (Mr. BAKER) and the gentleman from Massachusetts (Mr. FRANK) each will control 20 minutes.

The Chair recognizes the gentleman from Louisiana (Mr. BAKER).

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

Mr. Speaker, I rise today in support of H.R. 3945 and express appreciation to the chairman and the ranking member and the members of the Committee on Financial Services for their continuing assistance for those who are victims of Hurricane Katrina.

In this instance, it is relative to financial institutions who now find themselves under some financial duress as collateral for loan obligations has been impaired, or in the case of loan repayments, the revenue streams available to the borrower are no longer available for repayment of loan obligations.

Under current regulatory law, the regulator must act when a financial institution's financial characteristics take on certain problems. In the instance of this legislation, we are providing unprecedented flexibility for the regulator with regard to capital and net worth standards for lending institutions. Stated another way, we know these institutions are only impaired as a result of the consequences of Hurricane Katrina as they were all adequately-to-well-capitalized the day before the storm made landfall.

In addition to that capital and net worth forbearance, we also extend terms relative to deposit of insurance proceeds. Normally, when there is a large influx of assets into the bank, deposits or really liabilities, the bank is then required to take certain financial actions to ensure its financial solvency. This provides the regulator with the ability to allow that aberrant behavior brought on by Hurricane Katrina insurance payments not trigger normal regulatory responses.

To say it a different way, the bill provides relief to financial institutions which today could be found to be troubled which are fully capable of restoration of their responsibilities over time if the regulator is given the ability to exercise the powers in this legislation.

□ 1200

I think it is well crafted. I think it is responsive to the problems identified, and I would hope the House would act favorably on its consideration.

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

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

Mr. Speaker, I concur with the gentleman from Louisiana, this is a very narrowly and appropriately drafted bill that provides relief that is both in timing and geography restricted. It allows flexibility in dealing with the affected area.

None of us believe that this is enough. None of us believe that this resolves all the problems. There continue to be serious problems for people there, but what this will do will be to give the financial institutions the flexibility and give the regulators the power to allow this flexibility to help us get through this immediate period.

We will, I hope, soon be working on in our committee some broader measures of relief, not just in our committee, but elsewhere. But at this point, this relief, which is carefully restricted, is entirely necessary to minimize the damage.

The financial system in this country serves us well. Our financial intermediaries do an excellent job. While not everything worked well, obviously, during the response to the hurricane, I think credit should be given to the financial regulators, to the Federal Reserve, the FDIC, the Office of Thrift Supervision, the Comptroller of the Currency, the Credit Union Administration, because sometimes the news is what you do not hear. It is the dog that does not bark that could be significant.

Among the things that you have not heard in these months since that problem, nearly 2 months now, you have not heard criticism of the financial regulators. They deserve credit for having taken maximum advantage of the flexibility they have.

What this bill does is, frankly, to say, yes, we have confidence in them. We believe that they have behaved appropriately, and this gives them even more flexibility to take into account the short-term concerns that we have there while we work collectively on a longer-term fix. I think this is an entirely appropriate piece of legislation. I am glad to support it.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

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

Mr. Speaker, I certainly appreciate the comments of the gentleman from Massachusetts and his courtesy extended during the course of consideration of this and a number of other measures relating to the response to the Katrina effort. I feel it entirely appropriate, in light of the many people who are still adversely affected by the storm, to not appear that we are only expressing interest in the financial institutions.

There are many individuals today where their employment is no longer

possible because the structure where they worked is no longer there. There are folks who cannot go back to work because other employees are unable to be located. There are many people still without homes living in a variety of circumstances across the country. The state of emergency continues.

In reaching out to those individuals, we are at work on a number of measures, one of which I hope the House will soon consider, H.R. 4100, relative to the Louisiana Recovery Corporation. I will be speaking to that issue at length in hearings over time, but I certainly wanted to take advantage of the opportunity presented to let individuals adversely affected by the current storm circumstance understand that this is only one small part of a very large effort by all of the members of the House delegation from Louisiana, as well as the members of the Committee on Financial Services, to be responsive to the entire array of identified difficulties.

In fact, the corporation, once created and authorized by the Congress, would enable to assist financial institutions and homeowners with the acquisition of mortgages and assuming the debt obligations for those borrowers, as well as some restoration of the equity homeowners may have in their property prior to the storm.

It is intended to help communities rebuild, not simply build homes. The overall effort from extending assistance and forbearance through the regulatory process to financial institutions, as well as extending assistance to homeowners who are now displaced from their property, is a massive long-term effort, which will require the work of this Congress, I suspect, for years to come.

To those who are concerned about Louisianans rebuilding in circumstances which are less than desirable, we share the view. Only when levee restoration is complete, only when environmental remediation is complete will the rebuilding begin, and then to the highest hurricane standards available and applicable for our circumstance.

But make no mistake. Because of the vital nature of the energy industry, the aquaculture industry, the shipping and exporting business, which is conducted through one of the world's largest ports, the Baton Rouge/New Orleans, there is an evident and obvious necessity for people to return to the great city of New Orleans and the surrounding area because of the jobs that are necessary to provide the rest of the Nation with energy independence and the abundance of natural resources which our State produces.

Accordingly, the bill now before us is an important measure to help provide that economic stability going forward. It is a small part of a much larger package, but there is a plan, coming through in various pieces through each of the appropriate committees, to respond to the needs of the people of Louisiana in an appropriate and professional manner.

I simply ask the indulgence of those people in Louisiana who are still dealing with FEMA, living in a trailer, not certain about tomorrow, to understand the Congress is responsive to their concerns, and over the course of the next several weeks, actions will be taken we hope all will find appropriate and responsive.

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

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the motion offered by the gentleman from Louisiana (Mr. BAKER) that the House suspend the rules and pass the bill, H.R. 3945, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. BAKER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this question will be postponed.

GENERAL LEAVE

Mr. BAKER. 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 H.R. 3945.

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

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

Votes will be taken in the following order:

Adopting H. Res. 509, by the yeas and nays.

Approving the Journal, by the yeas and nays.

The first electronic vote will be conducted as a 15-minute vote. The second electronic vote will be conducted as a 5-minute vote.

PROVIDING FOR CONSIDERATION OF H.R. 1461, FEDERAL HOUSING FINANCE REFORM ACT OF 2005

The SPEAKER pro tempore. The pending business is the vote on adoption of House Resolution 509 on which the yeas and nays are ordered.

The Clerk read the title of the resolution.

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

The vote was taken by electronic device, and there were—yeas 220, nays 196, not voting 17, as follows:

[Roll No. 539]

YEAS—220

Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Burgess
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole (OK)
Conaway
Crenshaw
Cubin
Culberson
Cunningham
Davis (KY)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Dent
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Feeney
Ferguson
Fitzpatrick (PA)
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Green (WI)
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Issa
Istook
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Poe
Pombo
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Rogers (LA)
Rogers (KY)
Rogers (MI)
Rohrabacher
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schmidt
Schwarz (MI)
Sensenbrenner
Sessions
Shadegg
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (NJ)
Smith (TX)
Sodrel
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)

NAYS—196

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (NY)
Blumenauer
Boren
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Case
Chandler
Clay
Cleaver
Clyburn
Conyers
Cooper
Costa
Costello
Cramer
Crowley
Cuellar
Cummings
Davis (LA)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr

Fattah
Filner
Ford
Frank (MA)
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Harman
Hastings (FL)
Herseth
Higgins
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy
McCollum (MN)
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meeks (NY)
Melancon
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Ross
Rothman
Ruppersberger
Rush
Ryan (OH)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Woolsey
Wu
Wynn

NOT VOTING—17

Bishop (GA)
Boswell
Brown-Waite, Ginny
Diaz-Balart, L.
Diaz-Balart, M.
Emanuel
Foley
Meek (FL)
Platts
Reyes
Reynolds
Ros-Lehtinen
Roybal-Allard
Shaw
Wasserman Schultz
Wexler
Young (FL)

□ 1232

Messrs. CARDIN, CUMMINGS, and BERRY, and Ms. CARSON changed their vote from ''yea'' to ''nay.''

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 (Mr. SIMPSON). Pursuant to clause 8 of rule XX, the pending business is the question of agreeing to the Speaker's approval of the Journal on which the yeas and nays are ordered.

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

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 349, nays 62, answered ''present'' 2, not voting 20, as follows:

[Roll No. 540]

YEAS—349

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Biggert
Bilirakis
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boucher
Boustany
Boyd
Bradley (NH)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Cardin
Cardoza
Carnahan
Carter
Case
Castle
Chabot
Chocola
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Conyers
Cooper
Costa
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeGette
Delahunt
DeLauro
DeLay
Dent
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Flake
Forbes
Ford
Fortenberry
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Green (WI)
Green, Al
Gutierrez
Hall
Harman
Harris
Hastings (WA)
Hayes
Hayworth
Hensarling
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Honda
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Langevin
Lantos
Larson (CT)
LaTourette
Lee
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
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Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCrery
McGovern
McHenry
McHugh
McIntyre
McKeon
McKinney
McMorris
Meehan
Meeks (NY)
Melancon
Menendez
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Mollohan
Moore (WI)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Obey
Ortiz
Osborne
Owens
Oxley
Pallone
Pascrell
Paul
Payne
Pearce
Pelosi
Pence
Peterson (PA)
Petri
Pickering
Pitts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
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Rahall
Rangel
Regula
Rehberg
Reichert
Renzi
Rogers (AL)
Rogers (KY)
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Rohrabacher
Ross
Rothman
Royce
Ruppersberger
Rush
Ryan (OH)
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Salazar
Sánchez, Linda T.
Sanders
Saxton
Schiff
Schmidt
Schwartz (PA)
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Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shays
Sherman
Sherwood
Shimkus
Simmons
Simpson
Skelton
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stark
Stearns
Sullivan
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tierney
Towns
Turner
Upton
Van Hollen
Walden (OR)
Walsh
Wamp
Waters
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Westmoreland
Whitfield
Wicker
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Davis (KY)
DeFazio
English (PA)
Filner
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Fossella
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Hastings (FL)
Hefley
Holt
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Kennedy (MN)
Kucinich
Larsen (WA)
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McCotter
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Miller, George
Moore (KS)
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Thompson (CA)
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Tiberi
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Watson
Weller
Wu

ANSWERED ''PRESENT''—2

Carson
Tancredo

NOT VOTING—20

Bishop (GA)
Boswell
Brown-Waite, Ginny
Diaz-Balart, L.
Diaz-Balart, M.
Feeney
Foley
Green, Gene
Leach
Meek (FL)
Moran (VA)
Platts
Reyes
Reynolds
Ros-Lehtinen
Roybal-Allard
Shaw
Wasserman Schultz
Wexler
Young (FL)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

□ 1241

So the Journal was approved.

The result of the vote was announced as above recorded.

GENERAL LEAVE

Mr. OXLEY. 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 H.R. 1461, the Federal Housing Finance Reform Act of 2005.

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

There was no objection.

FEDERAL HOUSING FINANCE REFORM ACT OF 2005

The SPEAKER pro tempore. Pursuant to House Resolution 509 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. 1461.

□ 1243

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. 1461) to reform the regulation of certain housing-related Government-sponsored enterprises, and for other purposes, with Mr. SIMPSON in the chair.

The Clerk read the title of the bill.

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

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

The Chair recognizes the gentleman from Ohio (Mr. OXLEY).

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

Mr. Chairman, today the House will consider H.R. 1461, the Federal Housing Finance Reform Act of 2005. This legislation creates a world-class regulator for the housing Government-Sponsored Enterprises, or GSEs, Fannie Mae, Freddie Mac, and the Federal home loan banks.

Last May, the Committee on Financial Services overwhelmingly approved H.R. 1461 by a vote of 65 to 5.

We have worked a long time on GSE regulatory reform. Since the 106th Congress, we have had over 20 hearings and received testimony from more than 100 witnesses on GSE-related matters. Capital Markets Subcommittee Chairman BAKER has worked hard on these issues for many, many years. He should be commended for his many efforts.

I also want to thank Housing Subcommittee Chairman NEY for taking a leadership role in developing the housing goals and Affordable Housing Fund sections of the bill, as well as our ranking member, Mr. FRANK, for his constructive input on many of the bill's key provisions.

The GSEs are among the largest financial institutions, with $2.5 trillion in assets. Fannie Mae and Freddie Mac own or guarantee nearly half of the residential mortgage market. Eight thousand banks, thrifts, and credit unions have $550 billion in loans from the 12 Federal home loan banks. For decades the GSEs have served the housing finance system well.

We have heard from some that Congress should be cautious in creating a GSE regulator and mindful not to harm the housing market. However, we are here today largely because we have learned over the past 2 years about multiple accounting violations and widespread corporate mismanagement by the GSEs, resulting in billion-dollar earnings restatements.

□ 1245

This has brought to light the fact that current GSE regulators lack many of the supervisory and enforcement powers bank regulators currently have. H.R. 1461 will remedy this troublesome situation by consolidating GSE regulation and providing all of the tools needed to oversee these huge, complex institutions.

It is time for a new GSE regulator who can prevent problems from developing and take swift action if the problems arise, thus ensuring that the housing market and financial system remains strong. Some believe that the GSEs should be more tightly controlled. Federal Reserve Chairman Greenspan has called for a mandatory reduction in their $1.5 trillion in mortgage portfolio holdings.

He is concerned about the systemic risk posed by the GSEs, based on investor perception that GSE debtholders are backed by the Federal Government. I do not take this concern lightly, nor the potential for any taxpayer financial liability.

Today OFHEO can reduce a GSE's portfolio only if the company is already seriously undercapitalized. H.R. 1461 gives a new regulator broad discretionary authority to require portfolio adjustments depending on the circumstances at the time, even if the GSE meets minimum capital standards.

Such action must be consistent with the GSE's safe and sound operations or mission, relying on the regulator's expertise. H.R. 1461 strikes the right balance by fully empowering the GSE regulator, while at the same time allowing the GSEs to pursue their mission in the housing market.

Specifically, the bill merges OFHEO, FHFB, and part of HUD into a new independent regulatory agency, the Federal Housing Finance Agency, to oversee the GSEs. It is funded by annual assessments on the GSEs, not subject to the congressional appropriations process. The agency is headed by a director appointed by the President and confirmed by the Senate for a 5-year term.

There are three deputy directors for divisions of enterprise regulation, Federal Home Loan bank regulation, and housing. A housing finance oversight board advises the agency on overall strategies and policies, but has no executive authority. The board is comprised of the Secretaries of the Treasury and HUD, two appointed members and the director as chairman.

The agency's director is authorized to determine minimum and risk-based capital standards, review and adjust portfolio holdings, approve new programs and business activities, establish credential management and operation standards, take prompt corrective and enforcement actions, put a critically undercapitalized GSE into receivership, require corporate governance improvements, and hire examination and accounting experts.

H.R. 1461 also greatly expands the affordable housing role of Fannie and Freddie. By charter, they must assist in providing mortgages for low- and moderate-income families. The bill includes new single-family and multifamily housing goals, duty to serve lower income markets and a new affordable housing fund with contributions from the enterprises.

The bill establishes a fund to finance construction of houses for underserved people. It is modeled after the successful Affordable Housing Program of the Federal Home Loan Bank system. Fannie Mae and Freddie Mac will manage programs funded by a percentage of their after-tax earnings, initially 3.5 percent, then 5 percent, or $450 to $650 million annually combined.

In comparison, CBO estimated that in 2003, GSE status provided Fannie Mae and Freddie Mac a $20 billion Federal subsidy, one-third of which was retained by stockholders and management, not passed through to borrowers.

Twenty-five percent of the GSEs' contributions will go to the Treasury Department to help pay off REFCorp, that is the old S&L bonds, with the remainder going to the fund. Funds will be awarded through a competitive, transparent application process to for-profit builders, State, and local housing agencies and nonprofit organizations.

This should result in Fannie and Freddie leading the market rather than lagging behind private sector lenders as HUD has found in promoting affordable housing for underserved communities. Moreover, a greater amount of the GSE subsidy will go where Congress intended.

I intend to offer a manager's amendment that includes a number of important changes to the fund, which I will specify at that time.

Mr. Chairman, H.R. 1461 is of great importance to the safety and soundness of the housing mission of the GSEs, as well as to the stability of this Nation's housing and financial system. I urge Members to support its passage.

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

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

Mr. Chairman, I agree with a great deal of what the gentleman from Ohio (Mr. OXLEY) has said, as I agree with a great deal of what is in the bill. In the nature of parliamentary debate, we will be focusing on some specific points where I disagree, but I do not want that to obscure the fact that there is a great deal of agreement.

Mr. Chairman, I yield 4½ minutes to the gentlewoman from California (Ms. WATERS) who as ranking member of the minority on the Housing Subcommittee has had a major role in shaping our position and in the impact of the affordable housing front.

Ms. WATERS. Mr. Chairman, I would like to thank the gentleman from Massachusetts (Mr. FRANK) for yielding me the time and for the job he has done to shape this legislation.

I would like to thank the gentleman from Ohio (Mr. OXLEY) for the tremendous cooperation and the leadership that has been shown that helped to get bipartisan support for this legislation. When it left our committee, it was a good bill. It was a bill that even some people who had not wanted to support it went along with, because in the final analysis, it was going to bring about reform of the GSEs.

Now, some of us know that there is a need for reform with the GSEs. We are concerned. We do not want them carrying debt that is not shown, that we do not understand, because we do not want these humongous general services enterprises to somehow get in trouble and we have to bail them out the way we did with the S&Ls.

So despite the fact that we think there was an effort by some on the opposite side of the aisle to basically deal with the some of the arguments of the banks and savings and loans about the GSEs being too big, getting too retail, basically taking over their markets, we support reform; and we voted for the bill because we support reform.

Because of the vision of the gentleman from Massachusetts (Mr. FRANK), we were able to do something for working people and for poor people by creating this very, very special arrangement that could be used for the production and preservation of low-income affordable housing, this kind of set aside.

It would be the after-tax profit from these GSEs that will be used to produce low-income housing. And so despite the fact that for years there has been kind of a confrontation between the GSEs and the banks and S&Ls about market share and all of that, we thought it made good sense to make sure that the GSEs were not too big, carrying too much debt. So this reform is good.

But what is absolutely mind-boggling about what has happened, from the time the bill left committee until the time it has reached the floor today, is this politicizing of the fund by some of those on the opposite side of the aisle who never supported this fund for low- and moderate-income housing to begin with.

What did they do? After the bill left committee, they decided that they were going to try to put some unconstitutional boundaries on nonprofits, and I guess profit-making organizations alike, that would not allow them to participate in the production of low- and moderate-income housing no matter what the need, no matter what the crisis, if, in fact, they exercised their constitutional rights to assist people and lead people in doing voter registration.

That is so unbelievable because, number one, it is unconstitutional. It is absolutely unconstitutional. This government has shown that it indeed supports reaching out to the citizens of this country to encourage them to be involved in voting and participating in this democracy. We have the Motor Voter Act, which says motor vehicle departments all over the country, when people register their vehicles, encourage them to vote; give them voter regulation slips; do whatever you can to get them involved in the political process. We are on record with doing that.

And now to have those Members from the opposite side of the aisle say that you cannot produce low-income housing if you exercise your constitutional right by helping people to get registered to vote is absolutely mind-boggling. And let me tell you what is even more mind-boggling about this. We know that we have gone through some terrible, terrible times recently here in this country, down in Florida, where there were databases that were developed of people supposedly who had been incarcerated and committed felonies that were supposedly not allowed to vote. But it turned out to be fraudulent databases.

We have had attempts to stop people and discourage them from voting by having uniformed officers question them when they come into the polling place. I would think that they would not want to continue with that kind of reputation.

I will not vote for this bill no matter how much it is needed, as long as the constitutional rights are violated.

Mr. OXLEY. Mr. Chairman, I yield 3½ minutes to the gentleman from Texas (Mr. HENSARLING).

Mr. HENSARLING. Mr. Chairman, I thank the gentleman for yielding me the time. I thank the gentleman for his great leadership on this bill, H.R. 1461. This has clearly been a long, long time in the making. It has taken unbelievable negotiation, incredible legislation, incredible patience from our chairman. I want to congratulate the gentleman from Louisiana (Mr. BAKER), as well, for his steadfast work, his incredible leadership in bringing this bill to the floor, something, frankly, that has been in the making for well over a decade.

I think it would be good, Mr. Chairman, to remind people why we are here in the first place. For a lot of Americans they do not quite understand what the GSEs are, Fannie and Freddie. Admittedly they play a very critical role in our housing market, in helping produce what we now enjoy, the highest rate of homeownership in the history of America.

But at the same time, we have given them a very special charter. We have given them unique government-granted benefits that we do not grant their competitors, and we give them these benefits so that they can create liquidity in the secondary mortgage market and help create the American Dream for so many people.

But, unfortunately, there have been abuses, a number of abuses. We have now seen in recent years the largest financial restatement in history, dwarfing the financial restatements that we saw at Enron and WorldCom.

Now, when we saw all of these accounting irregularities earlier on with the Enrons and WorldComs of the world, Congress was outraged. And Congress rightly answered with critical legislation, Sarbanes-Oxley, to address these types of corporate abuses.

But all of a sudden, there seems to have been a deafening silence when we see Fannie and Freddie engaged in activities that with respect to the financial restatements rival those that I have described. And so these people play an incredible role in our marketplace, but we have given them incredible powers as well, and there must be increased accountability.

So I think that this legislation takes a very significant step forward in bringing about a significant regulator for these enterprises, because we know that we have been warned by the Chairman of our Federal Reserve that particularly with respect to the portfolio holdings of their own mortgage-backed securities that this represents a systemic risk to our economy.

This is not something that we can leave unregulated and unabated. And I think this legislation takes a very good step forward. I hope in conference with the other body that we can came up with something that will help address this. I am also concerned about their mission creep.

Again, when we see them engaging in activities like airplane leasing and activities related to loan originations, and the list goes on, if they are going to receive government-granted benefits, we need to ensure that they use their charter to provide this liquidity in the secondary-mortgage market.

Now we know that there is a debate over the affordable housing fund. Again, I would ask my colleagues from the other side of the aisle, if we want to create more affordable housing, why do we not go directly to the people who need it? Why do we not simply increase that section 8 voucher?

□ 1300

Are we trying to have affordable housing, or are we trying to have affordable lobbyists and lawyers? I think we should have affordable housing and support the manager's amendment.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself 30 seconds to welcome the conversion of the gentleman from Texas to an increased section 8 voucher program. We on our side have several times offered amendments to do that in the appropriations bill. I did not remember him as a supporter. But conversion is a great thing, and I celebrate it, and I look forward to the gentleman from Texas voting with us the next time we move to increase the section 8 voucher program. But it does not solve all of the problems.

Mr. Chairman, I yield 3 minutes to the gentlewoman from California (Ms. LEE), someone who has been very hard-working, both on voter registration and on housing.

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

I want to thank Chairman OXLEY and Ranking Member FRANK for their leadership and their really tireless efforts on this bipartisan bill that we reported out of committee. It is really tragic that it has unraveled and that the spirit of bipartisanship has been totally eroded.

Sadly, Mr. Chairman, the bill that I supported, like all of us supported,

coming out of the committee, a product that struck a fair balance, a fair balance between regulatory oversight and the GSEs' housing mission and goals, would be turned on its head and gutted by the undemocratic provisions of the manager's amendment that would be offered today.

It is rare that this House considers housing bills, given our enormous housing crisis in our country. It is shameful, especially given those left homeless by Katrina, that our bipartisan efforts to support increased home ownership and wealth building through the creation of an affordable housing trust fund have fallen victim to the rights wing's ongoing assault on democracy and programs designed to help the poor, the elderly, the disabled, the communities of color, and our underserved community.

Mr. Chairman, once again we have found ourselves in a situation where some of the Republicans giveth, and then they taketh away. They give us a vote on a housing bill, but then they ensure that it will be undercut by an extremist provision inserted into the manager's amendment at the bidding of right-wing ideologues. Then, just to ensure that these provisions prevail, the Republicans deny a fair vote on the Frank amendment to strike it.

The nonprofit gag provision is not only extreme and undemocratic, it is possibly unconstitutional. It would gag nonpartisan speech and civic engagement and participation in our most fundamental of democratic activities.

Let us be clear about the exact consequences of this outrageous gag provision. It prohibits nonprofits that build affordable housing from engaging in nonpartisan voter registration. It prohibits nonprofits from engaging in nonpartisan get-out-to-vote efforts. It prohibits nonprofits from engaging in nonpartisan election activities period.

What does that mean? For example, it means a preacher whose church received affordable housing funds would be prohibited from calling on his parishioners to vote or even identify voting locations. It means that residents of a building constructed with affordable housing funds will not be able to host a debate or an election watch party if their housing units are affiliated with the supportive housing program.

These measures are unconscionable. They hurt the very people we are trying to help, the poor, the low-income communities, the elderly, the disabled and our underserved communities.

Mr. Chairman, it is a testament to just how far right this House has tilted that the gentleman from Massachusetts and Democrats have been denied a fair vote. That is all we ask for is a fair vote on this critical issue that goes to the core of our democracy and has such dire consequences for our communities. This is un-American. It is shameful. And I am left with no choice but to reject the extreme provisions of this amendment.

Mr. OXLEY. Mr. Chairman, I yield 2 minutes to the gentlewoman from Ohio (Ms. PRYCE).

Ms. PRYCE of Ohio. Mr. Chairman, I would like to congratulate the chairman and Mr. BAKER and Mr. FRANK and Mr. NEY and the many Members who have worked so hard on this issue for years now.

This is a strong bill that creates a world-class regulator for Fannie Mae, Freddie Mac and the Federal home loan bank at a time when one is much needed.

I rise today, Mr. Chairman, because I am concerned about specific provisions in the manager's amendment which could have unintended consequences on members of our senior population and the ability of nonprofits to work together to serve low-income communities. Specifically, Mr. Chairman, I would like to receive some assurance from you that you will work with me on these issues as we move toward a final bill in conference. And first I would like to work to clarify language in the amendment so it does not disqualify nonprofits from participating in the Affordable Housing Fund if they transport their own senior housing residents to the polls. That is with the understanding that many of these seniors have no other option to get to the polls but for their own nursing home's transportation facilities.

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

Ms. PRYCE of Ohio. I yield to the gentleman from Ohio.

Mr. OXLEY. I look forward to working with the gentlewoman on that issue.

Ms. PRYCE of Ohio. I thank you very much, Mr. Chairman.

Secondly, I would like to see clarification that the intention of the language in the manager's amendment pertaining to ''overlapping board membership'' was not to disallow single individuals from serving on the board of two organizations. Rather, the language was sought to disqualify affiliated organizations from participating in the fund where clear control of one organization is maintained by another which is participating in election activities.

Mr. OXLEY. I look forward to clarifying this language with the help of the gentlewoman from Ohio.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself 1 minute. I would be glad to yield the gentlewoman from Ohio further time to point out the weaknesses in the manager's amendment. I share her appreciation of the extremely excessive language there. I think she is more optimistic than I about some of these little tweaks, but I do appreciate her understanding of its problems.

There are further problems, and there are other ways that we will get at it, but I welcome the gentlewoman's expression of disagreement with the extreme sweep of the manager's amendment.

Ms. PRYCE of Ohio. I am not in need of any further time, and I thank the chairman for his understanding of these issues.

Mr. FRANK of Massachusetts. When the gentlewoman says she is not in need of further time, I think she is being very kind to her colleagues in the Republican Study Committee. She is being very kind to our colleagues who miswrote this amendment.

The only thing that I would differ with the gentlewoman is she said there are unintended consequences. No, to her they are unintended. To the people who think poor people vote too much, they were intended. But we can work together to fix it.

Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania (Mr. KANJORSKI), the ranking member of the subcommittee of jurisdiction here, who has been one of the major architects of what we believe is mostly a very good piece of legislation.

Mr. KANJORSKI. Mr. Chairman, the Committee on Financial Services has studied the need to reform the regulation of housing Government-Sponsored Enterprises for nearly 6 years.

Since convening our first government hearing on GSE reform in March 2000, we have examined these matters extensively. As the ranking Democratic member on the subcommittee of jurisdiction, I have also had the opportunity to participate in more than 20 hearings and to hear scores of witnesses.

The legislation to address these matters that the Committee on Financial Services ultimately reported earlier this year was a very, very good piece of legislation. It would, as long as I have advocated, created a strong, world-class, independent regulatory for housing GSEs. The bill also received the overwhelming backing of my colleagues on the committee, passing by a vote of 65 to 5.

While I still believe this base legislative package is a good bill, I am concerned about some of the amendments that we will debate today. For example, the manager's amendment that we will shortly consider will add a number of new provisions that will severely restrict the ability of faith-based groups to participate in the new Affordable Housing Fund created by this bill and to participate in our democracy.

These changes are controversial, unconstitutional, and immoral. These revisions which were not previously debated in committee, which have generated considerable disagreement, deserve close scrutiny. Because the rule does not allow a clean vote to remove these troubling provisions from the legislation, I must regretfully oppose this bill on final passage.

Beyond the concerns I have with the manager's amendment, I have concerns about those amendments which would alter the delicate balance we crafted in committee to create a strong, world-class, and independent safety and soundness regulator for GSEs. These

amendments, which I will oppose, would remove the Treasury line of credit for the GSEs, impose capital standards based on competition rather than risk, create arbitrary limitations on GSE portfolios for reasons other than safety and soundness, and alter provisions of the bill that will help middle-income families purchase homes in high-cost areas.

Still, there are also a number of good amendments which I will support, including my own amendment to restore the Presidential and regulatory board appointment systems for the GSEs.

I hope all of my colleagues will support this target amendment to retain an independent public voice on Government-Sponsored Enterprise boards. This amendment also has the support of the National Association of Home Builders and the National Association of Realtors.

In closing, Mr. Chairman, while this bill has many admirable aspects, the process by which we have brought it to the floor is flawed. As a result, I will oppose this bill at the end of the day, but hope to work to improve the legislation as it moves on in the process.

Mr. BAKER. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey (Mr. GARRETT), who was an instrumental participant in the construction of the reform legislation under consideration.

Mr. GARRETT of New Jersey. Mr. Chairman, I rise today to compliment both Chairman BAKER and Chairman OXLEY for their work in order to put together a bill that the main purpose which is to regulate and strengthen the regulation of Fannie Mae and Freddie Mac.

If anyone here questions the need for additional remedies such as regulations, all we have to do is look at a brief history going back a couple of years of these two entities.

Back in January of 2003, Freddie Mac issued a press release and stated it will issue an unaudited statement of earnings for the year 2002 and restate accounting results for prior years.

November of the next year, November 2003, Freddie issues a restatement of past accounting results for the year 2000, 2001, 2002, and revises its net earnings upwards by $4.4 billion that they were off in their records.

September of 2004, OFHEO makes public a report highly critical of accounting methods of Fannie Mae. November of 2004, Fannie announces that it is unable again to file a third-quarter earning statement because its auditor, KPMG, refused to sign off on the accounting results.

December of 2004, the Securities and Exchange Commission, the SEC, issues a statement supporting OFHEO's report and orders Fannie to restate its financial results. Again, in December of 2004, the Fannie CEO Franklin Raines and CFO Tim Howard have to resign from those entities.

Finally, in June of 2005, after 3 years, finally Freddie issues its first audited annual report since the year 2002. And now we are here in October, and we look back about a week or so ago, and press reports are out again suggesting that investigators have uncovered again new accounting violations of Fannie Mae, possibly including overvalued assets, underreported credit losses, and misused tax credits.

Mr. Chairman, if there was ever a need of entities that need additional regulation, it is Fannie Mae and Freddie Mac. If there are ever two entities that need to be limited in their size, it is these two entities. If there were every two entities that need not grow, it is these two entities. I applaud the chairmen for their work to regulate them.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia (Mr. LEWIS). Since this is a bill which in its form in the manager's amendment would interfere with voter registration efforts, there can be no more appropriate speaker on our side than the gentleman from Georgia, who, 40 years ago and more, literally risked his life to advance the rights of people to vote. And I do not think he will be deterred any more today than he was by Bull Connor.

Mr. LEWIS of Georgia. Mr. Chairman, I want to thank my friend and my colleague from Massachusetts for yielding me time.

Today we should be doing one thing, providing housing for people who need it. I must tell you, Mr. Chairman, I am deeply disturbed that we would add language to this bill to prohibit nonprofit organizations and groups, churches, synagogues, mosques, from engaging in civic participation, activity like nonpartisan voter regulation and get-out-the-vote drives. That is wrong. That is dead wrong.

The right to vote, the right to participate in the democratic process in our country is almost sacred. The churches, the synagogues, religious institutions, nonprofits have a long history of being involved in efforts to get people to participate, to register and to vote.

□ 1315

Many faith-based groups will be prohibited from providing housing to people who desperately need it, simply because part of their moral mission is to encourage people to vote, to become participants in a democratic process. This provision would stifle people and organizations from engaging in their civic responsibilities.

These groups are engaging in lawful, nonpartisan, civic activity, and I cannot believe that in 2005, this is not 1964, this is not 1965, this is not the OEO. This is not going back to the Nixon administration. What are we saying to the people around the world, telling the people in Iraq they can register, they can vote, they can participate, but we are saying here in America that our own people, nonprofit, churches, synagogues, faith-based groups cannot engage in nonpartisan voter registration and voter turnout? What kind of example are we sending for an emerging democracy?

Voter identification, voter registration and get-out-the-vote activities are fundamental activities protected by the first amendment, the cornerstone of our democracy.

To strengthen our democracy, we need to increase voter registration and increase voter turnout. We must promote these activities, not discourage them or penalize people for engaging in them.

This provision will take us back to the dark past. This is undemocratic and unconstitutional. In my estimation, it is dead wrong. We can do better, much better.

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

I think it important to realize how we came to this point with just the briefest of look-backs over historical performance of the three enterprises that will be subject to the new regulatory standards.

In May of 1996, both HUD and the Treasury agencies issued reports to the committee which were suggestive of reforms which ought to be considered and adopted by the Congress, to which the then-acting Vice President for Corporate Relations at Fannie Mae made the following professional comment: ''This is the work of economic pencil brains who wouldn't recognize something that works for ordinary home buyers if it bit them in their erasers.''

To which the CBO responded to the criticisms: Not only do the managements of Fannie Mae and Freddie Mac have a fiduciary responsibility to defend shareholder interest, but their own financial interests and compensation are closely linked to the continued flow of subsidies to the enterprises.

How prescient were those observations of the CBO in 1996. It required almost a decade longer before it was discovered that earnings manipulations not only had led to significant restatements, they had triggered another consequence.

Bonuses paid by the corporations to management at Fannie Mae were tied directly to earnings per share, and there were categories of earnings that triggered highest, moderate and lowest bonuses that could be paid. Apparently in a given year, the earnings per share target was hit to one-thousandths of a cent accuracy, I was later told by mathematical probability it just happened, that triggered the payment of $65 million in bonuses in a single year. Over the period of 2001 to 2003, the period of time for which financials have still not been certified, total bonuses paid amounted to $154.3 million. These bonuses are in addition to base salaries and other benefits, and represent money provided by the American taxpayers through guarantees of obligations that the agencies are able to use in the business world to yield profits

for shareholders and evidently profits for themselves.

Further examination of the ability of the regulator to intervene even in the matter of the unwarranted bonuses was later proven in court to be insufficient to bar payment of the bonuses until criminal illegality is proved. That matter is still under examination at the moment.

The bill, however, is important for other reasons to taxpayers. This enterprise will stand between the agencies who issue debt and engage in housing activities and significant potential losses to taxpayers should either of the enterprises ever be found under significant financial duress.

The regulator historically has been impaired. It is the only financial regulator in the United States which must come to the Congress for its funding. All other regulators are funded by assessments on the regulated entities. We fixed that problem. All other regulators have the ability to reach inside the organization of a financial enterprise and adjust its capital requirements. That is money put in the sock drawer for a rainy day. In case something goes bad, you need to have capital.

For the OFHEO-regulated enterprises, you had to come to the Congress and pass an act of Congress to adjust the capital. If any other financial enterprise were to get into financial duress and be unwound in the marketplace, that process is called receivership. Not so for Fannie Mae and Freddie Mac. There are special provisions that allow the Congress to intervene in protection of their financial interest. This bill remedies that problem.

There are a host of other matters that the 360 pages of the bill address, but probably the most important is a tool used by regulators today in financial enterprises known as prompt corrective action. That means if a regulator sees an activity that could lead to injury of shareholders and taxpayers, it can intercede at a very early time and require a cessation of those activities or simply prohibit them from doing it again. We provide for prompt corrective action.

What we enable with the passage of this bill is the creation of an independently funded regulator, with all the tools a modern financial regulator should have to oversee vastly complex financial enterprises to protect the American taxpayer from unwarranted losses.

Besides the criticism leveled at the bill today relative to affordable housing, there is another issue which I feel appropriate to address, and that is relative to the growth constraints on the investment portfolios of the two enterprises.

They have, in the aggregate, $1.6 trillion invested in the two portfolios. Under the prudential management and operations standards of the bill, the director of the new enterprise shall examine counterparty risks; management of interest rate risks; adequacy and maintenance of liquidity and reserves; management of asset and investment portfolios; investments and acquisitions; overall risk management processes; and, if we did not cover it in that list, such other operational and management standards as the director determines to be appropriate. That translates into, if you do not see it on our list, Mr. Director, go do it anyway, because we are giving you the authority.

Finally, as to the ability to establish how the portfolio should be reduced and to what level, Secretary Snow testified before our committee he could not tell us how to do it or to what level they should be adjusted, but he did go on to say it should be the subject of professional examination and recommendation.

Finally, on page 273 of the bill, we read: ''An analysis of the potential systemic risk implications for the enterprises, the housing and capital markets, and the financial system of portfolio holdings, and whether such holdings should be limited or reduced over time,'' is the director's obligation to engage in professional study, make recommendations to the Congress if congressional action is needed, or otherwise act in the best interest of the United States taxpayer.

Finally, with regard to the concerns over the affordable housing disposition, it should be pointed out these funds are not available today. This is a new fund. If people are engaged in assistance as a charitable activity in affording housing to low-income individuals and registering people to vote, this bill will not preclude that activity from going forward. What it merely says is that in an instance where we have limited funds available, estimated to be perhaps $500 million spread across the entire country, that those funds first and foremost should be utilized to help people in true need of housing, not political activism.

If one is engaged in political activism and building houses as of today's date, you can continue to do it. If you wish to be engaged in this fund going forward, you will have to make a policy decision, do I wish to continue political activism, or do I really want to help people get in homes?

Mr. Chairman, I represent to the House this is a fair bill, fair compromise and responsible action on the part of this House, and I urge Members to support its adoption.

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

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself 15 seconds to say the gentleman from Louisiana has phrased that conundrum for groups exactly correctly.

I agree with the Roman Catholic Church of the United States that they should not have to make that choice, and the Episcopal Church and the Baptist. That is exactly what the Catholic Church says: We have been doing housing; do not make us choose.

Mr. Chairman, I yield for the purpose of making a unanimous consent request to the gentlewoman from California (Ms. ZOE LOFGREN).

(Ms. ZOE LOFGREN of California asked and was given permission to revise and extend her remarks.)

Ms. ZOE LOFGREN of California. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I am concerned about two provisions in this bill, raising the conforming loan limit and the attempt to limit the ability of American citizens to engage in our democratic process currently contained in the manager's amendment offered by Mr. OXLEY.

Mr. Chairman, in my district, the median price for a home in Santa Clara County is $715,000, yes I said $715,000. The current conforming loan limit is $359,650, about 50 percent of what the median home price is. Mr. Chairman, there are simply not enough homes at or near the conforming loan limit to meet the needs of my constituents.

As a result of this shortage of homes priced near the conforming loan limit, many first-time homebuyers are either forced into taking out jumbo loans or are more likely simply priced out of the market altogether.

Some argue that the conforming loan limit will not make a meaningful cost difference for homebuyers. Currently there is a .25 percent to .40 percent difference between interest rates on a conforming loan versus a jumbo loan. In today's market that difference can be as much as $135.00 per month. That matters to hardworking families.

I remind my Republican colleagues that this administration, in testimony before the House Financial Services Committee spoke in favor of raising the conforming loan limit.

Part of Mr. OXLEY's amendment is simply un-American. Mr. OXLEY seeks to prohibit nonprofit organizations from engaging in nonpartisan, I repeat nonpartisan, voter registration efforts and get out the vote drives in the 12-month period prior to applying for funds made available through the Affordable Housing Fund. If that wasn't bad enough, the amendment further prohibits nonprofits that receive grant funds from subsequently engaging in these important activities.

This Congress should be about promoting the values and the processes of democratic government, not trying to limit or suppress them. What are you afraid of, more Americans exercising their right to participate in their government?

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. BACA), one of our most energetic members on the committee, fully familiar with the need for housing in particular.

Mr. BACA. Mr. Chairman, I thank the gentleman from Massachusetts for the time.

I think we have put together a good bill. It was a bipartisan bill. It addressed a lot of the concerns that a lot of us had about affordable housing for minorities, low-income individuals who have an opportunity to obtain a home, but with the poison pill that has been put in in its final package, it makes the bill very difficult to support.

All of us believe that affordable homes should be available for individuals. This does strengthen regulatory

oversight on Freddie Mac, Fannie Mae and the Federal home loan banks. I think that is positive, and it presents an opportunity for many individuals, especially in my area, San Bernardino County, the Inland Empire, where we have a lot of growth in the area. We have people that are moving from Orange County, L.A., San Diego. They are looking at buying affordable homes. This bill would give many individuals, low income, an opportunity to do that, especially when the average cost of a home in L.A. is $475,000, and in San Bernardino it is $352,000. Many individuals cannot afford to buy a home.

Now that they have that first opportunity, I know what it is like because I came from a family of 15, and I know for the very first time when we were able to buy a home. Had we not bought a home, I would not have had stability in my roots in the immediate area. That is why provisions of this bill are great.

What I do not like about the bill is a poison pill that has been put on there, which I believe it is unconstitutional and restrictions aimed at suppressing the civil rights engaged in by poor minorities for voting. We believe that every person should have the right to vote and to participate, and we say that that does not preclude them, and you have to put a priority whether it is for affordable housing or whether you will be involved in engaging, encouraging individuals.

America has always encouraged individuals to participate in our American democracy, and that is the democracy of voting. We have our veterans who have fought for this country and are now fighting in Iraq, are fighting for the freedoms that we enjoy today. One of those freedoms is the right to get out and vote, to allow every individual to participate and vote, not to restrict individuals, but to allow them to vote.

This would restrict these individuals who are getting funded for the housing to say you are not going to participate in this American democracy by registering individuals to vote. We should allow them. It is part of democracy. This is anti-civil rights, especially when we just have Rosa Parks who just died and fought hard for civil rights. We have Alice Paul who fought for the suffrage of women and others to encourage to make sure that women had the right to vote.

Now what we are saying is, minorities, you are voting in higher numbers; we are not going to include you in part of that process because if you do, and if you get involved in part of that process, we are going to cut out your funding. I believe this is not fair. That is why the National Council of La Raza, NAACP, NALEO, LULAC, Puerto Rican Association, faith-based initiatives are all opposing the restriction of this anti-poison pill that has been put into this bill.

I hope we can make a correction in the Senate and do justice for every individual. We talk about Leave No Child Behind. Now we are saying leave every individual who wants to participate from low-income minority families behind because we do not want them to participate in our American democracy.

This is about America. We are proud Americans, and we should allow every American to participate. We should not deny one organization from going to them and asking them to participate in that process. What we are doing is saying, you will not be involved in that process, you will not be involved in that process. No, that is unfair. It is un-American.

As an American and a Member who served in the Armed Forces, which we fought for many individuals, we have that responsibility, Mr. Chairman. We have the responsibility to make sure that every American has that right.

Let us not go backwards. Let us go forward. Together we can make a difference.

Mr. Chairman, I rise in support of H.R. 1461 to strengthen the regulatory oversight of Fannie Mae, Freddie Mac, and the Federal Home Loan Banks.

I comment my colleagues on the Financial Services Committee for their bipartisan approach and hard work in drafting this important bill.

This bill keeps the Government Sponsored Enterprises (GSEs) safe, sound and focused on their mission while preserving their mission to support financing for low- and moderate- income housing.

Also, this bill includes provisions that will increase housing opportunities for low income families by: establishing a specific requirement for GSEs to serve underserved areas, enhancing the GSEs affordable housing goals and increasing loan limits for high cost areas.

This bill includes an affordable housing fund that will increase affordable housing for low income communities.

This fund is particularly important to me because of its potential to increase affordable housing for many hard-working families in my district. Housing costs in Southern California have skyrocketed. Many families have moved to the San Bernardino area where housing is considered less expensive. But even here, we have seen home prices rise quickly, and I am concerned that many working couples cannot afford a home.

Last week, the Los Angeles Times reported that the median price paid for a Southern California home was $475,000 in September, up 16.1 percent from a year earlier. In San Bernardino County, the median price has risen 32.8 percent in the past year to $352,000.

This issue has great meaning to me personally. I grew up in a family with 15 children without a lot of money. I have been fortunate enough to have worked hard and been able to achieve the American dream of owning a home. But I know that this dream remains unattainable for millions of families.

Hispanic families especially face difficulties buying a home as their incomes on average are lower, and they might not have the same access to or understanding of financial institutions. I hope the Affordable Housing Fund will increase rental and homeownership opportunities for these and other working class families.

As a Catholic, I have learned of our obligation to serve the poor. I am proud of the work that Catholic Charities and other faith-based groups engage in. Their mission to help those in need includes providing shelter and also helping citizens fully participate in America's political process.

While I support the bill for its merits, I am strongly opposed to the restrictions added after it passed the committee that place severe restrictions on nonprofit entities and faith based groups applying for affordable housing grants.

The language inserted would undermine and severely limit the fund by excluding nonprofits involved in non-partisan voter registration efforts.

Republicans are trying to prevent church groups and other respected non-profit organizations from providing important services. They are engaged in yet another backdoor scheme to sneak in unconstitutional restrictions aimed at suppressing the civic engagement of working class and minority families.

These non-partisan community groups often serve as the main point of contact and, in many cases, are the only local groups addressing the social, civic, and educational needs of the people they serve. Yet Conservative Republicans want to force these trusted organizations to choose between providing civic education and affordable housing.

Why? Why do Republicans want to deny low income and minority voters participation in the political process? What do they fear? Do they fear democracy?

During the presidential campaign, Republican leaders made aggressive efforts to woo Black and Hispanic voters who have historically supported Democrats. Now Republicans are determined to deny affordable housing to these same minority groups. Is this payback?

I hope that we would all agree our country is stronger if more Americans register to vote and show up at the polls, whichever party or candidate they support. We need to encourage participation in our great democracy not limit it. I want to mention an American hero, Alice Paul, who made our country better, fairer, more Democratic by leading the struggle for women's rights—including the right to vote.

By the way, she was a Republican, but she was committed to promoting political participation.

So we should encourage community organizations to help register voters and praise them for doing so, not penalize them or prevent them.

The restrictions added by Republicans serve no other purpose than to reduce access to voting by low income people, and I urge my colleagues to vote against the restrictions.

If however, they pass, I am committed to working with my colleagues to strip away these horrible provisions as the bill goes through the Conference Committee Process.

Mr. BAKER. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Delaware (Mr. CASTLE), who is a long-term co-contributor to the preparation of the legislation before us.

□ 1330

Mr. CASTLE. Mr. Chairman, I thank Chairman BAKER for yielding me this time; and to call me a co-contributor, when one considers all the effort he has put into this, is a vast overstatement. I have never seen, during the time I

have been here, which is a number of years now, a legislator work so hard on a particular issue; and I congratulate Chairman BAKER for getting it this far.

And I would like to thank the ranking member. The gentleman from Massachusetts (Mr. FRANK) has been extremely helpful. I do not know where this is going to come out in the end because of the discussion and dispute over the affordable housing fund. But, basically, I think the underlying bill is a heck of a sound bill. I would like to credit both sides.

We do not have a lot of legislation on this floor which is really done with the best interests of America at heart without any consideration for politics, Republican or Democrat; and I think this is one piece of legislation that does this.

I doubt there are those, other than the gentleman from Massachusetts (Mr. FRANK) and the gentleman from Louisiana (Mr. BAKER), and maybe three or four other people in Congress, a few on the outside, who can really describe all that this means in terms of the GSEs.

When you are dealing with Fannie Mae and Freddie Mac and the Home Loan banks, virtually any mortgage out there is in some way touching on them. They have vast investments. They have vast sums of dollars that they are handling on a regular basis. If there are any organizations that need close scrutiny and regulation in this country, to me it is these GSEs. That is what this bill does.

I am not critical of those who have been doing the regulation before, but the bottom line is there were some problems. We do need the most sophisticated kind of regulation that we can have, because they are participating in some of the most sophisticated kinds of investments that one can make. We are dealing with a housing market; and while I hope there will not be a bubble or anything of that nature, there are problems potentially in that area that we will have to deal with, and we want to make sure that they are closely monitored so they will not contribute to that particular problem.

I appreciate the affordable housing fund. I am sorry there is a dispute over it. I think the concept of the affordable housing fund makes a heck of a lot of sense as well.

I would strongly recommend this legislation. I hope it will pass in the House and we can achieve this as final legislation that the President can sign and all of us can take a great deal of pride in doing something that is constructive for America.

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

First, let me say that I am glad that the gentleman from Louisiana (Mr. BAKER) indicated the status of the gentleman from Delaware (Mr. CASTLE), because I would not have wanted him to have been an unindicated co-contributor. I think that was very helpful.

Mr. Chairman, I yield 2½ minutes to the gentleman from New York (Mr. MEEKS), a very active member of the Committee on Financial Services who is very aware of the need for housing.

Mr. MEEKS of New York. Mr. Chairman, as a member of the Committee on Financial Services, I am shocked and disappointed in the result of what up until now has been a true bipartisan policy-making effort.

We in this committee this past May passed a bill, H.R. 1461, by a vote of 65–5. There was true bipartisanship. In fact, just yesterday I was talking about how the committee was working collectively together and there was really bipartisanship and we would come up with a bill that we could agree upon. How wrong, how wrong I am.

Unfortunately, the Republican Study Committee got involved and has pushed for an unjust and unnecessary amendment that restricts nonprofits that do not have housing as their primary purpose or engage in nonpartisan voter registration or education programs from receiving funds and grants. Just look at it. I look at my district. My predecessor at Allen AME is known for developing public-private housing that is affordable to people, and they would not be able to participate. Look at what would be left out with this ridiculous amendment.

Furthermore, if you read this amendment, it clearly states in its language that the restrictions for not-for-profits are not the same restrictions as for-profits. I wonder if for-profits can engage in whatever they want to and still be able to participate in these fundings, but not-for-profits would not.

It seems to me there is a lot of talk, talk about democracy; but we truly do not want democracy. We are trying to lock out a whole group of people from having the opportunity to vote. When we look at the numbers of people who come out to vote, the numbers are far less than the percentages any place else. We should be doing everything in our power to encourage people to come out to vote.

I wonder why the Republicans are doing this. For if they feel so strong and righteous about their manager's amendment, they surely would have allowed the Frank amendment which would have stripped this destructive language before a vote. They did not do this because they are afraid their own Republican Members that support the CDCs and faith-based affordable housing programs would vote in favor of the Frank amendment. There is no democracy for the Republican Caucus. This was an excellent bill that the radical right wing of the Republican Caucus has destroyed.

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

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 2½ minutes to the gentleman from Massachusetts (Mr. LYNCH), who has worked in the building trades and knows this issue very well.

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

Mr. Chairman, I rise in opposition to the measure before us today. Specifically, I stand in this House to condemn the language in this bill which would prohibit faith-based organizations, our churches, my church, our temples and synagogues and mosques, from helping the homeless by providing housing for the thousands of families in this country who are either homeless or in shelters or forced to live in substandard housing.

Under the express terms of this manager's amendment, nonprofit groups that engage in voter participation activities will be prohibited from applying for a grant under the affordable housing fund. I am frustrated as well with the whole process here because my friend and colleague from Massachusetts (Mr. FRANK) was denied the opportunity to offer an amendment to strike these egregious provisions.

In this day and age when we are beset by major crises such hurricanes Katrina and Rita and Wilma, which have destroyed literally hundreds of thousands of homes across the southern part of this country, it is no time to shackle the hands of our nonprofit, faith-based organizations from doing what Americans have always taken pride in, and that is helping their neighbor.

While like most Members I deeply respect the separation of church and State in matters of worship and the freedom to practice religion without government influence, there has always been in this country a recognition, at least until now, that we have faith-based institutions; and when they have sought to provide basic assistance, such as food for the hungry and health care for the sick and elderly and housing for the homeless, free of any effort to persuade or proselytize, they are in the business of solely reducing suffering, and we have recognized the goodness in that.

That would end today if the manager's amendment succeeds. We would have a departure in this country from that long tradition, and for those reasons I oppose this bill.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 2½ minutes to the gentleman from New York (Mr. CROWLEY), one of the most active members of the committee and very familiar with needs for housing.

Mr. CROWLEY. Mr. Chairman, I rise to tell my colleagues of the good bipartisan bill that was crafted by the Financial Services Committee, by Chairman OXLEY and by ranking member BARNEY FRANK.

The members of that committee crafted a bill that passed the committee on a vote of 65–5 that would finally create a tough new regulator for the Federal housing GSEs and the Federal Home Loan Banks, something that was needed after some accounting missteps at the GSEs.

At the same time, this bill also created a massive new Federal housing trust fund, using a percentage of the profits of these housing GSEs to ensure a new stock of affordable housing in every section of this country and providing millions of families the opportunity of attaining the American dream of homeownership. But that is not the bill that is before us under this manager's amendment.

This bill went before the Committee on Rules where it was hijacked by the extremist wing of the Republican Party that holds a grip over the House of Representatives. They added language to ban churches and other houses of worship the ability to tap into these funds if they take part in any type of nonpartisan voter activity, such as helping register people to vote or taking people to the polls.

What this bill really is is an utter disregard for our Constitution. This is not a gray area. This is a limitation on free speech. I am amazed that the same people who champion legislation by the gentleman from North Carolina (Mr. JONES) known as the Houses of Worship Free Speech Restoration Act, which would allow churches and other houses of worship to discuss politics and endorse candidates from the pulpit without losing their tax-exempt status, will now be the same people who are stripping their churches from any of this funding to help their congregations.

This bill could be the greatest housing construction legislation ever passed by Congress and will help people in every district in America and benefit almost every church and house of worship in our country, but the far right wing is opposed to it. They are hypocritically opposed to it and so stuck in ideology that they refuse to debate this bill for the issue it is.

Like scared children, they tuck the provisions into the manager's amendment and refuse any opportunity in the rule to strike it because they know they cannot win.

We are a religious country and we have many members of the cloth in Congress, most of whom, I point out, are Democrats, and the far right knows that their anti-religious language cannot pass on the merits. That is why I regretfully ask all members of faith and all Members who respect the independence of religion and the pulpit to oppose the manager's amendment.

As the gentleman from Massachusetts (Mr. FRANK) has stated, if the manager's amendment is defeated, all of the good sections will be restored, such as targeting this aid to the hurricane-ravaged areas, in the motion to recommit.

Mr. Chairman, stand up for your constituents, stand up for the American dream of homeownership, stand up for people of faith, and stand up to the far right wing extremists who are hijacking this bill for their own purposes.

Mr. OXLEY. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. NEY), the chairman of the housing subcommittee.

Mr. NEY. Mr. Chairman, I rise today in support of the bill. As chairman of the Subcommittee on Housing and Community Opportunity, I have had a keen interest in the strength of the mortgage market. The mortgage market has single-handedly kept the economy afloat during these difficult economic times.

Passage of this bill sends an important signal that we understand the importance of GSEs and the secondary-mortgage markets in maintaining a stable economy.

More importantly, I want to comment on the issues of affordable housing and the effect of the affordable housing fund, which is a great fund to have, and we have worked with the minority on this issue and the gentleman from Ohio (Mr. OXLEY) and his staff and our staff. I believe that we will have a profound impact on the country with the fund.

As Members know, it is very difficult to achieve the delicate balance between meeting public policy goals and ensuring a free market business climate. The creation of the government-sponsored enterprises was one such feat that provides an invaluable public service of creating and maintaining a secondary market for the mortgage markets. As a result, our homeownership rates and our access to capital are the best in the world.

On the other hand, I also understand that because these financial institutions are creatures of the Federal Government, we also have a responsibility to ensure they achieve a public-policy purpose. Homeownership rates among minority families are increasing, but we can obviously do much better than the current average of 50 percent for African Americans, Hispanic urban and rural communities, just to name a few. We have to ensure that these communities that have not been full participants in the pursuit of the American Dream can be reached.

Fannie Mae and Freddie Mac own or guarantee nearly half of this country's residential mortgage market. The legislation we are considering today would markedly improve GSE performance of their housing mission. The Committee on Financial Services approved major sections on new single-family and multi-family housing goals; the duty to serve lower income markets, and I stress duty to serve them; and a new affordable housing fund with contributions from the enterprises.

Of course, there are other parts of this bill that are good, and I give credit to the gentleman from Ohio (Mr. OXLEY) and the gentleman from Louisiana (Mr. BAKER) in strengthening oversight.

Today, I just wanted to speak freely on the actual housing fund. I urge my colleagues to support this legislation.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 2½ minutes to the gentleman from New Jersey (Mr. PASCRELL) to speak regarding a very important provision of the bill as it now exists.

Mr. PASCRELL. Mr. Chairman, I first of all commend the chairman and the ranking member for putting a great bipartisan bill together concerning government-sponsored enterprises.

In addition to establishing a very strong, independent regulator, the legislation will also create a sorely needed affordable housing fund.

The housing fund will help people with low incomes who face the greatest difficulty in finding housing that is available and affordable; but as we put forward this new housing fund, I do not think the manager's amendment is a very good one. We should never force nonprofits to choose between providing affordable housing and encouraging full participation in the American Dream.

The housing trust fund will provide a much-needed stimulus to our American economy, but it is not only low-income Americans who suffer from lack of affordable housing. I would ask the gentleman to please be cognizant of what I am saying. I know my district and the area within my district. A recent study has found that 4.8 million working families, many of them middle-income, have faced critical housing needs in recent years, spending more than half of their income on rent or living in substandard housing.

To help struggling middle-class families, it is essential that we preserve section 123 of this bill, which raises the conforming loan limit by up to 50 percent for certain high-cost housing areas. Without raising that limit, the benefits of the GSE housing subsidies are not distributed evenly or fairly across geographical lines.

In 2003, Fannie Mae and Freddie Mac purchased 35 percent of all mortgages originated nationwide. In several high-cost housing areas, these institutions were able to purchase fewer than 30 percent of the new mortgages. In my area, a large portion of real estate transactions take place over the conforming loan limit.

In my own district, my own area, Bergen, Passaic, and Essex counties, the median price of housing is 125 percent above the existing loan limit, one of the highest rates in the country.

□ 1345

This is an unfair limit. It prevents many middle-class families in New Jersey from being able to own a home in the State.

At a time, Mr. Chairman, when wages are stagnant, energy prices soaring, college tuition skyrocketing, we are well aware of just how much these hardworking families are being squeezed financially. This is common sense. This is not Democrat or Republican. This is common sense that we help middle-class folks out to purchase the homes. And I am not going to talk personally to the gentleman from New Jersey, but on this he is dead wrong.

Mr. OXLEY. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. GARY G. MILLER).

Mr. GARY G. MILLER of California. Mr. Chairman, Chairman OXLEY and Ranking Member FRANK have worked very hard to come up with a very good bill. The goal is to make sure we find liquidity in the secondary marketplace so people in this country have a home. The more liquidity we have in the marketplace, the more stability we have in the marketplace, the better it is for the Nation and the overall vibrant housing market.

GSEs have been at the forefront of creating affordable housing opportunity throughout our Nation for American families. There is an amendment that is coming up later that guts something we tried to do in this bill, and that is to make sure that GSEs can adequately provide loans in the markets throughout this country. And people who happen to live in certain areas that are considered high-cost areas, such as California; New York; Massachusetts, Mr. FRANK's State, currently are not able to acquire Freddie and Fannie loans because the housing market has grown so much and the costs have grown so much that they have exceeded the limits that GSEs can lend in. And it is a shame that if people live in Hawaii, Guam, and places like that, they can still get a Freddie and Fannie loan, yet in California they cannot. And what we have done through this bill, thanks to Chairman OXLEY, is provide for those needs and turned out a very good bill.

I strongly urge my colleagues to support this bill.

I rise in strong support of H.R. 1461, the Federal Housing Finance Reform Act of 2005.

I commend Chairman OXLEY and Ranking Member FRANK for their tireless efforts to produce a balanced bill, that ensures that the housing GSEs are adequately regulated without disrupting our nation's strong and vibrant housing markets.

Government Sponsored Enterprises (GSEs) have been at the forefront of creating affordable housing opportunities for American families.

In my district, for example, Fannie Mae has created employer-assisted housing programs for the City of Brea Police Department to allow police officers to live in the communities they serve.

They have helped to finance affordable housing initiatives in Anaheim, California.

Across the district, they have been able to offer innovative programs to allow those with blemished credit to afford the dream of homeownership, to help seniors convert the equity in their homes into cash to help them meet their needs, and to help families and individuals with special needs become homeowners.

All of this, in partnership with lenders, is intended to meet the ever-growing needs of our communities.

As we have addressed deficiencies in GSE supervision, we worked hard to ensure H.R. 1461 does not lose sight of Congress' original goal in chartering GSEs.

The mission of Fannie Mae and Freddie Mac is to provide stability and on-going assistance to the secondary market for residential mortgages, and to promote access to mortgage credit and homeownership in the United States.

While we make these regulatory reforms, we are also unwavering in our commitment to help Americans achieve the dream of homeownership.

H.R. 1461 seeks to improve regulation of the GSEs while continuing to ensure the accessibility of mortgage funds at the lowest cost.

While there is no question that regulatory changes must be made to ensure the safety and soundness of the secondary mortgage market, H.R. 1461 recognizes that strong regulation provides a means to achieve our ultimate goal of expanding the supply of affordable mortgage credit across this nation.

For generations, the goal of owning a home has been the bedrock of our economy and a fundamental part of the American Dream.

The bill we consider today is about homeownership in this country.

Homeownership benefits our communities and national economy. Indeed, it is the key to promoting long-term economic stability for our citizens and nation. That is why this bill is so important.

H.R. 1461 provides for a strong regulator for the GSEs so that investors and the markets are assured that these companies are sound and that their investments in America's housing markets are safe.

LOAN LIMIT LANGUAGE

I am especially grateful that the bill includes language that recognizes that housing costs differ widely throughout the country.

While GSEs are chartered to operate in every district across the country, their effectiveness in certain areas has been seriously hindered because high housing prices have caused fewer and fewer mortgages to fall within the conforming loan limit.

Those who live in high-cost areas of the country should be able to participate in federal efforts to provide affordable housing opportunities.

This is a simple issue of fairness. It is unacceptable for the federal government to tell my constituents that federal programs exist to increase homeownership in America, but they cannot qualify simply because of where they happen to live and work.

The language in the bill increases loan limits in high cost areas to the median home price of the area, not to exceed the limit for Alaska, Hawaii, Guam, and the Virgin Islands (150 percent of national loan limit). This does not impact the portfolios of the GSEs as all loans made in high-cost areas must be securitized.

By adjusting conforming loan limits in high-cost areas, we can create nearly 250,000 new homeowners at no cost to taxpayers.

I urge my colleagues to support this important provision and reject efforts to remove it during the amendment process.

Mr. OXLEY. Mr. Chairman, I yield 2 minutes to the gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Chairman, I thank the gentleman for yielding me this time. And I particularly want to thank the gentleman from Louisiana (Mr. BAKER) for his efforts for years in this area and for the gentleman from Ohio's (Mr. OXLEY) work and the gentleman from Massachusetts' (Mr. FRANK) work as well.

When Enron was collapsing and Sarbanes-Oxley was created, the gentleman from Louisiana (Mr. BAKER) said to me, But you know what? Fannie Mae and Freddie Mac do not even come under these laws because they do not come under the 1933 Securities Act and the 1934 Securities Exchange Act.

So we thought let us try to get them under it. And I cannot tell the Members the grief that ensued after that. All of a sudden Fannie Mae and Freddie Mac considered us enemies because we wanted them to play by the same rules that everyone else had to play by. And through the work of the gentleman from Louisiana (Mr. BAKER) and others, Fannie Mae was forced to come under, voluntarily as they said, the 1934 act. And when they did that, all of a sudden all this information about all of their problems started to come out because information was being provided to us. This action we are taking today is in response to the information that we have learned about Fannie Mae and Freddie Mac.

I am grateful that the new administrations of these agencies are no longer arrogant like the previous ones. I am grateful that we are starting to say that they should have to play by the same rules as everyone else. And because of that, the taxpayers will be protected, and the investors will be protected.

There are parts of this law that I would like strengthened, but this is a good act. It deserves our support. And, again, I thank our chairman for moving forward, as he always does, in a bipartisan way and for listening to the wisdom of the gentleman from Louisiana (Mr. BAKER).

I rise in strong support of this legislation and appreciate Chairman OXLEY and Chairman BAKER's efforts. Fannie Mae and Freddie Mac play a vital role in our housing finance market, yet for far too long these companies have been playing by their own set of rules. During this time we've witnessed massive earning restatements, accounting irregularities, frequent challenges to their regulator's judgment and authority, and a cookie jar reserve. These were all part of a culture of arrogance at the GSEs, and were enabled by a weak and ineffective regulator. With this legislation, we are beginning to correct this very serious situation.

How serious is the issue of GSE oversight? What's at stake if one or both companies fail? Fannie Mae and Freddie Mac have $1.6 trillion in combined assets; $1.4 trillion in retained mortgages in portfolio; $1.5 trillion in outstanding debt; and $1.5 trillion in notional derivatives. In addition, outstanding mortgage-backed securities guaranteed by Fannie and Freddie, but held by third parties, total $1.7 trillion. Mr. Chairman, in the absence of a world-class regulator to oversee these institutions, we are truly playing Russian roulette.

Creating a new regulator is not about punishing the GSEs—it is in fact vital to the safety and soundness of our Nation's housing market. Both investors and taxpayers have a right to know the financial condition of the GSEs and they deserve a strong, independent regulator that has the resources to oversee their operations.

There has been and will continue to be vigorous debate about this legislation. I want to address a few key issues surrounding this legislation, and share my thoughts on what I

hope is ultimately included in the bill that is sent to the President.

Currently, Fannie Mae and Freddie Mac are the only two publicly-traded companies in the Fortune 500 that are exempt from regulation by the SEC. The only reason Fannie Mae and Freddie Mac were forced to reveal their accounting errors is because in July 2002, under pressure from Congress and the Administration, the two companies finally agreed to comply with certain reporting requirements of the Securities Exchange Act of 1934. Fannie Mae followed through and registered in 2003, but failed to file a report in the third quarter of 2004, and is now in the process of restating those reports it did file. Freddie Mac simply never lived up to the agreement.

I believe all publicly traded firms should play by the same set of rules, and am pleased this legislation codifies the 2002 agreement. This legislation should go even further by requiring Fannie Mae and Freddie Mac to comply fully with the Securities Act of 1933 and the Securities Exchange Act of 1934.

Regarding the powers of the new regulator, due to the enormity of the GSEs' holdings, it seems to me we should go even further in empowering this new office. Economic experts, most notably Federal Reserve Board Chairman Alan Greenspan, have warned this Congress that the tremendous concentration of mortgage assets at Fannie Mae and Freddie Mac coupled with the dangers associated with interest rate risk may pose a systemic risk, not only to the U.S. capital markets, but indeed the global financial system. Later today, I intend to support an amendment to empower the regulator to reduce Fannie and Freddie's mortgage assets if it determines these assets pose a systemic risk. I oppose placing statutory or hard caps on the GSEs' portfolios, but consistent with the Treasury Department's recommendation, it is prudent we provide the new regulator with the authority to consider systemic risk.

Finally, regarding the affordable housing fund, despite my concern that creating this fund will only deepen the perception the GSEs are backed by the Federal government, those concerns are outweighed by the pressing need for more affordable housing in Connecticut and around the country. Year after year, we vigorously debate the amount of Federal funds to allocate for public housing, Section 8 and other housing programs, and it is my strong conviction that we must creatively address the affordable housing crisis. It seems to me this fund is a worthy solution.

Non-profit organizations and social service providers in Connecticut do an amazing job and are continually finding ways to do more with less. But the needs are tremendous, and families continue to struggle to find housing where they can safely raise their children and still afford to feed them too. It's time we empowered housing organizations with additional resources to build more affordable units, including in the Gulf Coast region devastated by Hurricanes Katrina and Rita.

Mr. Chairman, while there is more work to be done before Congress sends this legislation to the President, I support what we have before us today and encourage my colleagues to do so as well.

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

Mr. Chairman, I have noticed a certain level of discomfort on some of my friends on the Republican side and some of my not so good friends on the Republican side. So I want to be very generous and ease their discomfort.

There are people who are not happy with everything in the manager's amendment. A lot of what is in the manager's amendment a lot of us like, the preference for the gulf areas, some of the restrictions on what people do with the use of funds.

There are three small provisions in the manager's amendment that are controversial. The one that says no faith-based groups can go in there, the principal purpose; and the one that says nonpartisan voter registration and nonpartisan get out the vote are not possible.

So I want to tell people this: If the manager's amendment is defeated, I will offer as the recommittal motion the exact manager's amendment minus those three specifics. So if they like the manager's amendment but do not want to keep the Catholic Church out of affordable housing, do not want to have the problem that the gentlewoman from Ohio (Ms. PRYCE) mentioned where they cannot take old people to the polls, and do not want to restrict nonpartisan voter registration, if the manager's amendment is defeated, everything except those three things that were in the manager's amendment will be in the recommit.

And as proof of that, I have given a copy of what the recommit would then be over to the Republican side. They can look it up, as Casey Stengel used to say. They will be able to see that they can then carefully and in good conscience vote against the manager's amendment and then vote for the recommit because it will be their amendment; so they will get permission to vote for the recommit, and they will get everything in the manager's amendment except the one thing that keeps out faith-based, restricting it to people whose primary purpose is here, and the nonpartisan restriction on voter registration. All the other restrictions and everything else will be in it. So do not worry. I am making their life easier.

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

This has been an excellent debate, and we appreciate the efforts on both sides of the aisle for this legislation.

Mr. Chairman, this is historic legislation, the first time that any Congress has reached a stage where we are debating a major reform effort for the GSEs. It is a long time coming. The gentleman from Louisiana (Mr. BAKER) has toiled in the vineyards for all of these years, and we have finally reached a situation where we can finally pass legislation that will improve the regulatory structure of the GSEs, ultimately make them stronger and more accountable, provide affordable housing funds through the GSEs throughout the country and particularly related to the hurricane-affected areas.

This is well balanced. It makes a lot of sense, something that we have been working on for a long time. And I know a lot of the debate has been about one particular part of the manager's amendment that I will be offering next, but at the end of the day, when this bill comes up for final passage, most Members will support it because it makes good sense from a regulatory standpoint, it makes good sense from an affordable housing standpoint.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FINANCIAL SERVICES,
Washington, DC, September 14, 2005.

Hon. F. JAMES SENSENBRENNER, Jr.,
Chairman, Committee on the Judiciary, Rayburn House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: On July 14, 2005, the Committee on Financial Services filed its report on H.R. 1461, ''Federal Housing Finance Reform Act of 2005.'' The bill was then sequentially referred to the Committee on the Judiciary until September 16, 2005. I am writing to confirm our mutual understanding with respect to the further consideration of H.R. 1461.

I am pleased that our staffs have been working together during this period and have reached an agreement on an amendment regarding independent litigation authority (copy attached). I agree that I will request the Rules Committee make this amendment in order as part of a manager's amendment during consideration of the bill, and to consult with your Committee in providing an explanation of its contents. It is my understanding that with this commitment, no further action by the Judiciary Committee on this bill will be required and the time period for the sequential referral will thereby lapse. It is also understood that this procedure is without prejudice to the jurisdictional interests of the Judiciary Committee on this or similar legislation. I will also support the request of the Judiciary Committee for an appropriate appointment of conferees should H.R. 1461 or a similar Senate bill be considered in conference. I will also include this exchange of letters in the Congressional Record during consideration of the bill.

Thank you for your cooperation and your attention to this important matter.

Yours truly,

MICHAEL G. OXLEY,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, DC, September 14, 2005.

Hon. MICHAEL G. OXLEY,
Chairman, House Committee on Financial Services, Rayburn House Office Building, Washington DC.

DEAR CHAIRMAN OXLEY: This letter responds to your recent letter concerning H.R. 1461, the ''Federal Housing Finance Reform Act of 2005,'' which was ordered reported to the House by the Committee on Financial Services on July 14, 2005 and sequentially referred to the Committee on the Judiciary.

As you know the Committee on the Judiciary has jurisdiction over matters concerning independent litigation, bankruptcy laws, civil judicial matters, and other subject matter contained in the bill. I am pleased to acknowledge the agreement between our Committees to address changes that you will include in a manager's amendment to the bill concerning independent litigating authority. In order to expedite this legislation for floor consideration, the Judiciary Committee agrees to forgo action on this bill based on the agreement reached by our Committees

and with the understanding that no other provisions affecting the jurisdiction of the Judiciary Committee are included in the amendment to H.R. 1461. The Judiciary Committee takes this action with the understanding that it in no way prejudices the Committee with respect to the appointment of conferees or its jurisdictional prerogatives on this or similar legislation. I also request that you include this exchange of letters in the Congressional Record during floor consideration of this bill.

Thank you for your attention to this matter and for the cooperation of your staff.

Sincerely,

F. JAMES SENSENBRENNER, Jr.,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON WAYS AND MEANS,
Washington, DC, October 25, 2005.

Hon. MICHAEL G. OXLEY,
Chairman, Committee on Financial Services, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN OXLEY: I am writing with respect to H.R. 1461, the ''Federal Housing Finance Reform Act of 2005,'' which was reported to the House by the Committee on Financial Services on Thursday, July 14, 2005.

As you know, the Committee on Ways and Means has jurisdiction over matters concerning taxes and the Internal Revenue Code of 1986. A provision in Section 144 of H.R. 1461 would provide an exemption for a limited-life enterprise from Federal taxes, and thus falls within the jurisdiction of the Committee on Ways and Means. However, in order to expedite this legislation for floor consideration, the Committee will forgo action on this bill. This is being done with the understanding that it does not in any way prejudice the Committee with respect to the appointment of conferees or its jurisdictional prerogatives on this or similar legislation.

I would appreciate your response to this letter, confirming this understanding with respect to H.R. 1461, and would ask that a copy of our exchange of letters on this matter be included in the Congressional Record during floor consideration.

Best regards,

BILL THOMAS,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FINANCIAL SERVICES,
Washington, DC, October 26, 2005.

Hon. WILLIAM M. THOMAS,
Chairman, Committee on Ways and Means, House of Representatives, Longworth House Office Building, Washington, DC.

DEAR CHAIRMAN THOMAS: Thank you for your letter concerning H.R. 1461, the ''Federal Housing Finance Reform Act of 2005''. This bill was reported by the Committee on Financial Services on July 14, 2005. It is my expectation that this bill will be scheduled for floor consideration in the near future.

I acknowledge your committee's interest in a provision contained in section 144 of the bill which would provide an exemption for a limited-life enterprise from Federal taxes. Such matters concerning Federal taxation fall under the exclusive jurisdiction of the Committee on Ways and Means. However, I appreciate your willingness to forego action on H.R. 1461 in order to allow the bill to come to the floor expeditiously. I agree that your decision to forego further action on this bill will not prejudice the Committee on Ways and Means with respect to its jurisdictional prerogatives on this or similar legislation. I would support your request for conferees on those provisions within your jurisdiction should this bill be the subject of a House-Senate conference.

I will include this exchange of correspondence in the Congressional Record when this bill is considered by the House. Thank you again for your assistance.

Yours truly,

MICHAEL G. OXLEY,
Chairman.

Mr. WEINER. Mr. Chairman, despite the divisiveness of the term ''faith-based,'' most Americans are united in their support of religious organizations. Across the country, these organizations do great work, feeding the hungry, caring for the sick, and in many cases providing affordable housing to those most in need.

That's why it's surprising that the Republicans are using an otherwise worthy effort to reform Government Sponsored Enterprises like Fannie Mae and Freddie Mac to throw a wrench in the relationship between government and the religious community. The Affordable Housing Fund created by the bill will commit 5 percent of Fannie and Freddie profits toward a grant program to build, maintain, and rehabilitate housing for low-income families. Yet language passed in the Managers Amendment stops that money from flowing to faith-based organizations. That amounts to $500 million a year that Republicans don't believe should go to organizations like Catholic Charities.

Today in Brooklyn and Queens alone Catholic Charities operates 3,000 units of affordable housing including 2,090 units for senior citizens, 480 units of family housing and 377 units of supportive housing for formerly homeless individuals. But the Church, the largest non-profit provider of low income housing in Brooklyn and Queens, will be shut out of the new program.

Faith should never be used to divide an electorate or play a political game. I believe that is exactly what Republicans have done in order to take the teeth out of a program designed to help those most in need.

We should all embrace the principle of Tikkun Olam which says that those who have a little more, should do a little more. That is exactly what the Affordable Housing Fund would have allowed faith-based organizations to do in partnership with the Federal Government until Republicans inserted their limiting provisions.

In the words of the Most Rev. Nicholas DiMarzio, Bishop of Brooklyn, in a letter to the Speaker dated October 3, ''There are ample ways to write safeguards into the legislation to prevent the diversion of affordable housing funds to uses other than what they are intended without requiring recipients to forego their constitutionally protected rights as a condition for participating in Affordable Housing Fund programs.''

I include the Bishop's letter for the RECORD.

DEPARTMENT OF SOCIAL DEVELOPMENT AND WORLD PEACE,
Washington, DC, October 3, 2005.

Hon. J. DENNIS HASTERT,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: I write as Chairman of the Domestic Policy Committee of the United States Conference of Catholic Bishops (USCCB) to urge you to retain the Affordable Housing Fund as part of the Federal Housing Finance Reform Act of 2005 (H.R. 1461) and bring the bill to a vote forthwith. The Catholic Bishops have historically urged the federal government to help meet our nation's promise of a decent home for every American family, especially those families with extremely low incomes.

As I noted in my June 10 letter to the House of Representatives, the Catholic Community—through our Charities agencies, dioceses, and parishes—serves tens of thousands of men, women, and children who struggle to maintain adequate housing. Besides sheltering homeless people who turn to us for help, we have built, and continue to maintain, thousands of affordable housing units. All of these experiences have demonstrated to us how inadequate, substandard housing hurts human life, undermines families, destroys communities, and weakens the social fabric of our nation. Despite our efforts—and the efforts of so many others—there just is not enough affordable housing available.

Proposals that would limit eligible recipients to organizations that have as their primary purpose the provision of affordable housing would effectively prevent Catholic dioceses, parishes and Catholic Charities agencies from participating in Affordable Housing Fund programs. Similarly, proposals that would prohibit recipients from engaging in voter registration and lobbying activities with their own funds during the period they are utilizing affordable housing funds would force Catholic agencies to choose between participating in Affordable Housing Fund programs or engaging in constitutionally protected voter registration and lobbying activities with their own funds. I urge you to oppose inclusion of these kinds of unnecessary limitations and prohibitions in H.R. 1461 as it moves to the House floor for a vote. There are ample ways to write safeguards into the legislation to prevent the diversion of affordable housing funds to uses other than what they are intended without requiring recipients to forego their constitutionally protected rights as a condition for participating in Affordable Housing Fund programs.

The Bishops' statement, Putting Children and Families First, notes: ''Many families cannot find or afford decent housing, or must spend so much of their income for shelter that they forego other necessities, such as food and medicine.... [The Catholic bishops] support housing policies which seek to preserve and increase the supply of affordable housing and help families pay for it.'' We must put in place a sustainable source of funds to build affordable housing and this new fund would do that.

As I said in my June letter, this legislation presents Congress with a genuine opportunity to make the shelter needs of extremely low-income families a national priority. I believe that such families who need housing the most should be targeted to receive these limited funds.

With every best wish, I am,

Sincerely,

MOST REV. NICHOLAS DIMARZIO, PHD, DD
Bishop of Brooklyn, Chairman, Domestic Policy Committee, United States Conference of Catholic Bishops.

Ms. KILPATRICK of Michigan. Mr. Chairman, it is with some reluctance I rise now in opposition to H.R. 1461, the Federal Housing Finance Reform Act. In its amended form, the legislation no longer puts the best interest of our Nation at heart, but instead holds a precious resource hostage for the sake of partisan politics.

The provision restricting non-profit organizations, and their affiliates, from using their own funds to engage in non-partisan voter registration or get-out-the-vote activities if they want

to apply for the much-needed affordable housing funds is entirely inappropriate. Election activities promoting good citizenship conducted by unbiased, non-profit organizations should be encouraged, not restricted. To add insult to injury, the new provision imposes a new burden of requiring these groups to list housing assistance as their ''primary purpose'' if they want to apply for funds. The effect of this constraint will be to reduce the diversity of assistance that will be available.

With such a growing need for affordable housing, and for competent groups capable of connecting people with the already scarce resources, I cannot imagine why my colleagues would want to handicap these organizations from providing assistance to our Nation's most vulnerable populations.

It is for these reasons I cannot support this otherwise sound and reasonable measure to improve the regulation of our Nation's largest source of mortgages. I urge my colleagues to vote ''no'' on H.R. 1461.

Mr. NADLER. Mr. Chairman, I rise in opposition to this legislation.

I support increasing oversight of Fannie Mae and Freddie Mac. It is a worthwhile goal, one that the recent scandals at these institutions and on Wall Street illustrate is sorely needed. And I support the creation of a budget-neutral Affordable Housing Fund. Indeed, that this kind of program should be created, given the proclivity of this Republican House of gutting programs for the poor, is nothing short of miraculous.

However, I cannot support a program whose benefits come at the expense of the rights of nonprofit organizations. The provision in question would disqualify any nonprofit group that engages in voter participation activities, such as voter registration and get-out-the-vote efforts, from applying for a grant under the Affordable Housing Fund. This would apply even if the activities are non-partisan and even if they are paid for with non-federal monies. This provision would have a chilling effect on the Constitutional speech and association rights of all nonprofits.

How can the Republicans, in good faith, claim to work with us on the reauthorization of the Voting Rights Act, and turn around and tie the hands of those groups who are trying to incorporate the disenfranchised into the democratic process? What's worse, this provision is entirely superfluous. Nonprofits are already prohibited from using federal funds to lobby. However, they are free to engage in lobbying and nonpartisan voter registration with non-federal dollars. This bill is a slap in the face to those groups who need this money most. What's more, this restriction only applies to non-profit organizations, not any for-profit entities seeking grants from the Fund.

This bill also essentially bars non-profits whose mission extends beyond the provision of affordable housing. Many organizations develop and manage effective affordable housing programs alongside programs that provide food, closing, counseling, and other health and social services. Those who claim to work on behalf of the faith-based community should take a close look at this bill, and should watch this vote closely. By voting aye you are barring church groups from affordable housing funds if their primary mission goes beyond affordable housing.

This is a typical piece of Republican legislation. Once again, my friends from across the aisle have poisoned legislation that would otherwise have received bipartisan support by picking on those who can least afford to defend themselves. I encourage my colleagues to join me in opposing this bill, and supporting the motion to recommit. We can and should do better.

Mr. FOSSELLA. Mr. Chairman as we consider H.R. 1461, the Federal Housing Finance Reform Act, I would like to urge my colleagues to support the inclusion of a provision to provide an increase in Conforming Loan Limits for high cost Metropolitan Service Areas, MSAs.

Since 1980, the price of homeownership in New York has increased by 492 percent, and continues to escalate in the current housing market. With drastically higher prices than other parts of the country, homeownership in the area has limited access for lower and middle income New Yorkers.

The GSE's chartered mission is to expand homeownership for low to middle income Americans, and this should apply to Americans regardless of the geographic region in which they reside. In working towards achieving this mission, Fannie Mae and Freddie Mac are restricted in their ability to participate in these high cost areas because significantly fewer mortgages fall within the conforming loan limit.

The current loan limit is set at $359,650. The median price of a home in the New York area, however, is $435,200—considerably higher even for entry level home prices. While the current loan limit has been raised to the lesser of 150 percent of the statutory limit or the median home price in Alaska, Hawaii, Guam and the Virgin Islands, high cost metropolitan areas like New York City have been left out.

Language included in HR 1461 would increase loan limits in high cost areas to the maximum of the area's median home purchase price, capped at 150 percent of the current limit. Raising these limits will help lower to middle income residents in high cost areas like Staten Island gain access to the lower interest mortgage rates Fannie and Freddie are able to provide—mortgage rates that, compared to jumbo loans, can save my constituents as much as $135 a month.

Fannie and Freddie are able to provide lower interest rates to homebuyers and expand homeownership through the contributions of the American taxpayer. It is time the taxpayers in high cost areas like New York City realize the benefits of their contributions through access to lower interest mortgages. The current disparity is undeniable.

I urge my colleagues to support the Conforming Loan Limits language and vote no on attempts to remove it from the Federal Housing Finance Reform Act.

Mr. RAHALL. Mr. Chairman, today, the House of Representatives voted on H.R. 1461, the GSE Federal Housing Finance Reform Act of 2005. This bill will not only substantially overhaul the safety and soundness of the housing government-sponsored enterprises, but it will also establish an Affordable Housing Fund.

I voted in favor of this legislation, but with some reservation.

The Affordable Housing Fund provides funds to grantees to build housing that is affordable to low income families. This is an important goal, and while I support the bill and the establishment of the Affordable Housing Fund, I do not support the inclusion of language that blocks non-profit organizations from non-partisan activities that encourage citizens to participate in our democratic process. This is why I voted against the manager's amendment to H.R. 1461 earlier today.

The amendment included language that will prohibit grantees from using even their own funds to encourage citizens to exercise their right to vote and would retroactively penalize organizations that have done so in the past. This language would restrict non-profits who engage in first amendment political activity, with their own funds, from receiving Affordable Housing Fund grants. In short, it will have a chilling effect on the free speech rights of non-profit organizations.

By keeping funding out of the hands of non-profit and faith-based organizations that are associated with any kind of voter registration activities and exempting for-profit companies from the same restrictions, I ask, what legitimate governmental interest is there in preventing nonpartisan voter participation activities? Political participation is a foundation of our Constitution.

I hope that when H.R. 1461 reaches Conference, a bi-partisan effort will come together to strike this language from an otherwise worthy piece of legislation. I will continue to protect our citizens' ability to register to vote and have a voice in the political process.

Mrs. MALONEY. Mr. Chairman, when this bill left the Financial Services Committee on a 65 to 5 vote, I felt we were on the way to a great accomplishment. I was truly impressed with the hard work that Chairman OXLEY, Ranking Member FRANK, Congressman BAKER, and others had done to bring the GSEs into this century.

It is no less than tragic that the majority leadership and the administration have deep sixed this bipartisan legislation.

The bill creates the sort of regulator that the GSEs have long lacked and that they demonstrably need, without destroying their housing mission.

I was particularly excited by the Affordable Housing Fund provided by this bill. The Fund is a critical and long-overdue step toward addressing the very real housing crisis that confronts low-income families.

It would be the first concrete step the Congress has taken in support of housing in this administration.

We know that without Federal assistance, housing for low-income families does not get built or made available. Yet each year this administration has cut its support for housing. In this bill, we found a bipartisan way to support housing using a new funding source.

The GSEs were chartered by the Federal government for the purpose of providing housing to more Americans, and they enjoy a benefit as a result of their Federal charter. Thus, it is uniquely appropriate that they plow a percentage of their profits—up to 5 percent—back into the low-income end of the housing market.

This would be $500 million or more annually. That is serious money.

We built on success: the Fund is modelled after the successful Affordable Housing Program of the Federal Home Loan Bank Program.

We wanted all players involved. Funds would be awarded through a competitive process to for profit builders, State housing organizations, and non-profits.

We put in place safeguards to prevent abuse. The funds must be used for low-income housing. They may not be used to lobby or to conduct partisan political activities. Recipients who misuse funds will not be allowed to participate again.

This bill is the best thing that has come along for housing in a very long time.

Therefore it is particularly tragic that the majority has injected a poison pill into the bipartisan bill that left our Committee: the provision that prevents any nonprofit recipient of a housing grant from conducting nonpartisan voter registration or get-out-the-vote activities.

This is an outrageously bad provision that imposes unconstitutional restrictions on promoting the most fundamental of our civil liberties: the right to vote.

It is profoundly disturbing that the majority and the administration are willing to use any tool available to kill this bill and prevent the Housing Fund from becoming a reality.

I urge my colleagues on both sides of the aisle to repudiate these provisions that strike at faith based organizations and the fundamental right to vote.

I cannot in good conscience vote for this bill with this provision in it. Even the promise of housing money comes at too high a price when we must compromise the principles on which this Nation is built.

Ms. PELOSI. Mr. Chairman, I thank the gentlemen from the Financial Services Committee, Mr. FRANK and Mr. OXLEY for working in a bipartisan way to build broad support for the GSE reform bill they bring to the Floor today. This bill was reported from the Committee by a vote of 65–5.

But today that spirit of working together for common sense reforms and for the good of the people seems to have vanished.

The first order of business will be to consider a manager's amendment that will eviscerate a provision of the bill that is central to the broad support it enjoys—the Affordable Housing program funded through a small percentage of the profits of Fannie Mae and Freddie Mac. If enacted, it will be the first affordable housing resource created without using Federal dollars since Congress established the Federal Home Loan Banks Affordable Housing Program in 1989.

Mr. Chairman, for too long many of America's low-income families have struggled to find affordable, safe, decent housing. Budget cuts and rising development costs mean that fewer units are built under existing programs each year. We are losing more affordable housing than we are building. Therefore it is vital that a new dedicated funding stream for affordable housing be created.

Unfortunately, my Republican conservative colleagues hijacked this bill in an effort to strip away the bipartisan housing fund. When they were not able to completely get rid of it, they limited its use by blocking nonprofit organizations and faith-based groups, who engage in vote registration with their own funds, from even applying for grants to build affordable housing. There are no similar restrictions on ''for-profit'' organizations.

This is not fair. As Catholic Charities has pointed out, ''Encouraging citizens to exercise their right to vote is an integral part of the Catholic Church's religious and moral mission and reinforces individual responsibility for the common good . . . Catholic Charities agencies should not be forced to choose between affordable housing funds and fulfillment of their religious mission.''

It is unacceptable to force a poisoned choice on these entities: to help fill critical housing needs or to exercise their basic civic responsibilities. Most importantly, it is an unacceptable barrier to Americans' right to vote.

Our democracy depends on protecting the right of every American citizen to vote—and to register to vote—in every election. As the Supreme Court noted: ''No right is more precious in a free country than that of having a voice in the election of those who make the law, under which, as good citizens, we must live.''

We dare not, we must not create barriers on the right to vote and undermine 40 years of progress. It is a chilling precedent and a path we should refuse to walk. No church, no religious order, no faith-based group or non-profit organization should face the prospect of being deemed ineligible for money to help low-income, elderly, or disabled individuals find affordable homes simply because they offer a full range of services, including counseling, clothing, mentoring, and—yes—helping people fulfill their right to participate in their government.

Mr. Chairman, today we honor the life of Rosa Parks. We must use the opportunity in this bill to recommit ourselves to the ideals of equality and opportunity that are both our hope and our future. We must defeat this cynical, political strategy to divide us once again. I urge my colleagues to support our effort to strip these mean-spirited restrictions from the bill.

Mr. GUTIERREZ. Mr. Chairman, I am very proud of the committee print of H.R. 1461, legislation designed to improve the regulatory structure of the Government Sponsored Enterprises, GSEs. I am pleased that two amendments I offered at markup are part of the bill. One of my amendments preserves the minority component of the single family housing goals relating to underserved areas, with a major improvement in its implementation. My other amendment provides protection from liability for a GSE that makes reports to its regulator concerning transactions involving fraudulent loans or financial instruments. This provision was modeled after the protection from potential liability for such reports that banking institutions currently have under the Bank Secrecy Act.

H.R. 1461 also contains a much-needed expansion of Fannie and Freddie's affordable housing goals. The legislation directs each company to establish and manage an affordable housing fund to promote affordable housing and assist victims of Hurricane Katrina. The GSEs would devote 3.5 percent of after tax profits to the fund beginning in 2006, which increases to 5 percent annually beginning in 2007.

In 1989, in the FIRREA legislation, we created a similar Affordable Housing Program in the Federal Home Loan Bank System. The AHP requires the FHLBs to devote 10 percent of each year's net profits as grants for affordable housing projects sponsored by their member financial institutions. The AHP's success can be measured by the fact that today it constitutes the largest private source of funding for affordable housing and community development projects.

In my hometown of Chicago, the Federal Home Loan Bank of Chicago's AHP plays a key role in local efforts to address the housing needs of low- and moderate-income families by providing financial assistance for rental and owner-occupied housing, assisted living facilities, senior housing developments, homeless shelters and group homes.

In 2004 alone, the Chicago FHLB awarded $32.1 million of subsidies to 109 projects in Illinois and Wisconsin, and another 15 projects in other States. As a result, 5,680 housing units were created or rehabilitated, of which 58 percent were for very low-income households. Another $10.4 million was funded in downpayment assistance to help 2,278 families buy their first home in Illinois or Wisconsin.

While these figures are impressive, numbers do not quite tell the whole story. Let me describe one AHP project in the Humboldt Park/West Town area of Chicago to provide a better sense of the impact these programs can have in their local communities.

Joly Hernandez and Jose Rodriguez, with their children Imani and Albert, lived in Chicago's Humboldt Park/West Town community. Like many, they wanted a larger apartment, but could not afford the higher rent due the dramatic rise in the cost of housing in the area. In the 1990s, with increased recognition of Humboldt Park as an attractive, artist-friendly neighborhood and historic district, property values soared, and affordable rental housing was lost to speculators and developers of expensive luxury condos and single-family homes.

In 1994, Bickerdike Redevelopment Corporation, BRC, a nonprofit, community-based affordable housing developer and property manager began the arduous task of planning the Harold Washington Unity Cooperative to address the loss of affordable housing in the Humboldt Park/West Town area. Despite the increase of new construction and housing renovation in the area, a few pockets remained undeveloped. BRC knew that if the vacant land and neglected buildings were not immediately claimed for affordable housing, more long-time residents would be displaced.

A project was planned to develop 87 housing units in 18 buildings over 10 sites in a formerly blighted four-block area bordered by Kedzie Avenue, Albany Avenue, Chicago Avenue and Ohio Street. All 87 units in the Cooperative will remain affordable to households earning 50 percent or less of the area median income for at least 15 years.

The total cost of the project was almost $14 million. The Chicago FHLB, working through Bank One, which sponsored the project's application, provided an AHP grant of $500,000. In addition, the project received financing from CDBG funds through the City of Chicago, Trust Funds from the Illinois Housing and Development Agency, Federal Low Income Housing Tax Credits, Illinois State Tax Credits, an Empowerment Zone grant, a Tax Increment Financing, TIF, loan and first mortgage financing.

Ten years after its original conception, the Harold Washington Unity Cooperative stands as an enviable display of community pride, determination and opportunity.

Because of the hard work and dedication of BRC, Joly, Jose and their two children now live in a new home in their old neighborhood. They also belong to the Bickerdike Residents Council and feel a strong sense of community and camaraderie with their neighbors.

Extending this program to Fannie and Freddie is long overdue, has overwhelming bipartisan support, and I look forward to similar success stories once this legislation is implemented.

Those of us on the Committee have worked very hard to ensure that the fund can only be used for affordable housing purposes. It cannot be used for political advocacy or lobbying either by the receiving entity or a third party affiliated with them. It cannot be used for counseling services or tax preparation or travel expenses, administrative costs or anything that is outside of the GSE charter. It can only be used for affordable housing purposes. But apparently that was not enough for a small minority of radical conservative members, who insisted on inserting a provision restricting non-partisan civic activities by non-profits. This language would prohibit non-profit organizations (as well as any affiliate of the non-profit) from using their own funds to engage in non-partisan voter registration or get-out-the-vote activities. Profit earning entities are not similarly restricted.

Low-income housing groups and faith-based groups would be forced to choose between obtaining funding for low-income housing and using other funds to engage in non-partisan voter registration and get-out-the-vote activities. This provision is likely unconstitutional.

The manager's amendment also contains language that would require that a faith-based or social welfare non-profit entity applying for a grant must have as its sole ''primary purpose'' the provision of affordable housing. This restriction is particularly problematic for social welfare and faith-based groups, which have a broader mission than exclusively affordable housing.

These provisions are not only offensive substantively, but I have a real procedural problem with the way these provisions are being inserted in the bill. They are a part of the manager's amendment, which also contains important provisions that were worked out on a bipartisan basis, and provisions designed to help hurricane victims. The Rules Committee has unconscionably denied us an opportunity to vote to strike these offensive provisions on a stand alone basis. They did this because they knew we would win such a vote and they needed to bow to a tiny minority of conservatives who apparently have little regard for the Constitution.

Regretfully, I must oppose H.R. 1461 due to the inclusion of these provisions and the fact that we were not even allowed an opportunity to vote to strike it. I sincerely hope that these provisions are stripped in conference and, if that is the case, I look forward to enthusiastically supporting the conference report so that this otherwise excellent legislation can become law.

Mr. PAUL. Mr. Chairman, H.R. 1461 fails to address the core problems with the Government Sponsored Enterprises, GSEs. Furthermore, since this legislation creates new government programs that will further artificially increase the demand for housing, H.R. 1461 increases the economic damage that will occur when the housing bubble bursts. The main problem with the GSEs is the special privileges the Federal Government gives the GSEs. According to the Congressional Budget Office, the housing-related GSEs received almost 20 billion dollars worth of indirect federal subsidies in fiscal year 2004 alone.

One of the major privileges the Federal Government grants to the GSEs is a line of credit from the United States Treasury. According to some estimates, the line of credit may be worth over two billion dollars. GSEs also benefit from an explicit grant of legal authority given to the Federal Reserve to purchase the debt of the GSEs. GSEs are the only institutions besides the United States Treasury granted explicit statutory authority to monetize their debt through the Federal Reserve. This provision gives the GSEs a source of liquidity unavailable to their competitors.

This implicit promise by the government to bail out the GSEs in times of economic difficulty helps the GSEs attract investors who are willing to settle for lower yields than they would demand in the absence of the subsidy. Thus, the line of credit distorts the allocation of capital. More importantly, the line of credit is a promise on behalf of the government to engage in a massive unconstitutional and immoral income transfer from working Americans to holders of GSE debt. This is why I am offering an amendment to cut off this line of credit. I hope my colleagues join me in protecting taxpayers from having to bail out Fannie Mae and Freddie Mac when the housing bubble bursts.

The connection between the GSEs and the government helps isolate the GSEs' managements from market discipline. This isolation from market discipline is the root cause of the mismanagement occurring at Fannie and Freddie. After all, if investors did not believe that the Federal Government would bail out Fannie and Freddie if the GSEs faced financial crises, then investors would have forced the GSEs to provide assurances that the GSEs are following accepted management and accounting practices before investors would consider Fannie and Freddie to be good investments.

Federal Reserve Chairman Alan Greenspan has expressed concern that the government subsidies provided to the GSEs makes investors underestimate the risk of investing in Fannie Mae and Freddie Mac. Although he has endorsed many of the regulatory ''solutions'' being considered here today, Chairman Greenspan has implicitly admitted the subsidies are the true source of the problems with Fannie and Freddie.

Mr. Chairman, H.R. 1461 compounds these problems by further insulating the GSEs from market discipline. By creating a ''world-class'' regulator, Congress would send a signal to investors that investors need not concern themselves with investigating the financial health and stability of Fannie and Freddie since a ''world-class'' regulator is performing that function.

However, one of the forgotten lessons of the financial scandals of a few years ago is that the market is superior at discovering and punishing fraud and other misbehavior than are government regulators. After all, the market discovered, and began to punish, the accounting irregularities of Enron before the government regulators did.

Concerns have been raised about the new regulator's independence from the Treasury Department. This is more than a bureaucratic ''turf battle'' as there are legitimate worries that isolating the regulator from Treasury oversight may lead to regulatory capture. Regulatory capture occurs when regulators serve the interests of the businesses they are supposed to be regulating instead of the public interest. While H.R. 1461 does have some provisions that claim to minimize the risk of regulatory capture, regulatory capture is always a threat where regulators have significant control over the operations of an industry. After all, the industry obviously has a greater incentive than any other stakeholder to influence the behavior of the regulator.

The flip side of regulatory capture is that mangers and owners of highly subsidized and regulated industries are more concerned with pleasing the regulators than with pleasing consumers or investors, since the industries know that investors will believe all is well if the regulator is happy. Thus, the regulator and the regulated industry may form a symbiosis where each looks out for the other's interests while ignoring the concerns of investors.

Furthermore, my colleagues should consider the constitutionality of an ''independent regulator.'' The Founders provided for three branches of government—an executive, a judiciary, and a legislature. Each branch was created as sovereign in its sphere, and there were to be clear lines of accountability for each branch. However, independent regulators do not fit comfortably within the three branches; nor are they totally accountable to any branch. Regulators at these independent agencies often make judicial-like decisions, but they are not part of the judiciary. They often make rules, similar to the ones regarding capital requirements, that have the force of law, but independent regulators are not legislative. And, of course, independent regulators enforce the laws in the same way, as do other parts of the executive branch; yet independent regulators lack the day-to-day accountability to the executive that provides a check on other regulators.

Thus, these independent regulators have a concentration of powers of all three branches and lack direct accountability to any of the democratically chosen branches of government. This flies in the face of the Founders' opposition to concentrations of power and government bureaucracies that lack accountability. These concerns are especially relevant considering the remarkable degree of power and autonomy this bill gives to the regulator. For example, in the scheme established by H.R. 1461 the regulator's budget is not subject to appropriations. This removes a powerful mechanism for holding the regulator accountable to Congress. While the regulator is accountable to a board of directors, this board may conduct all deliberations in private because it is not subject to the sunshine act.

Ironically, by transferring the risk of widespread mortgage defaults to the taxpayers through government subsidies and convincing investors that all is well because a ''world-class'' regulator is ensuring the GSEs' soundness, the government increases the likelihood of a painful crash in the housing market. This is because the special privileges of Fannie and Freddie have distorted the housing market by allowing Fannie and Freddie to attract capital they could not attract under pure market conditions. As a result, capital is diverted from its most productive uses into housing. This reduces the efficacy of the entire market and thus reduces the standard of living of all Americans.

Despite the long-term damage to the economy inflicted by the government's interference in the housing market, the government's policy

of diverting capital into housing creates a short-term boom in housing. Like all artificially created bubbles, the boom in housing prices cannot last forever. When housing prices fall, homeowners will experience difficulty as their equity is wiped out. Furthermore, the holders of the mortgage debt will also have a loss. These losses will be greater than they would have been had government policy not actively encouraged over-investment in housing.

H.R. 1461 further distorts the housing market by artificially inflating the demand for housing through the creation of a national housing trust fund. This fund further diverts capital to housing that, absent government intervention, would be put to a use more closely matching the demands of consumers. Thus, this new housing program will reduce efficacy and create yet another unconstitutional redistribution program.

Perhaps the Federal Reserve can stave off the day of reckoning by purchasing the GSEs' debt and pumping liquidity into the housing market, but this cannot hold off the inevitable drop in the housing market forever. In fact, postponing the necessary and painful market corrections will only deepen the inevitable fall. The more people are invested in the market, the greater the effects across the economy when the bubble bursts.

Instead of addressing government polices encouraging the misallocation of resources to the housing market, H.R. 1461 further introduces distortion into the housing market by expanding the authority of Federal regulators to approve the introduction of new products by the GSEs. Such regulation inevitability delays the introduction of new innovations to the market, or even prevents some potentially valuable products from making it to the market. Of course, these new regulations are justified in part by the GSEs' government subsidies. We once again see how one bad intervention in the market (the GSEs' government subsidies) leads to another (the new regulations).

In conclusion, H.R. 1461 compounds the problems with the GSEs and may increases the damage that will be inflicted by a bursting of the housing bubble. This is because this bill creates a new unaccountable regulator and introduces further distortions into the housing market via increased regulatory power. H.R. 1461 also violates the Constitution by creating yet another unaccountable regulator with quasi-executive, judicial, and legislative powers. Instead of expanding unconstitutional and market distorting government bureaucracies, Congress should act to remove taxpayer support from the housing GSEs before the bubble bursts and taxpayers are once again forced to bailout investors who were misled by foolish government interference in the market.

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

The CHAIRMAN. All time for general debate has expired.

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

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

H.R. 1461

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

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Federal Housing Finance Reform Act of 2005''.

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

Sec. 1. Short title and table of contents.
Sec. 2. Definitions.

TITLE I—REFORM OF REGULATION OF ENTERPRISES AND FEDERAL HOME LOAN BANKS

Subtitle A—Improvement of Safety and Soundness

Sec. 101. Establishment of the Federal Housing Finance Agency.
Sec. 102. Duties and authorities of Director.
Sec. 103. Housing Finance Oversight Board.
Sec. 104. Authority to require reports by regulated entities.
Sec. 105. Disclosure of charitable contributions by enterprises.
Sec. 106. Assessments.
Sec. 107. Examiners and accountants.
Sec. 108. Prohibition and withholding of executive compensation.
Sec. 109. Reviews of regulated entities.
Sec. 110. Regulations and orders.
Sec. 111. Risk-based capital requirements.
Sec. 112. Minimum and critical capital levels.
Sec. 113. Review of and authority over enterprise assets and liabilities.
Sec. 114. Corporate governance of enterprises.
Sec. 115. Required registration under Securities Exchange Act of 1934.
Sec. 116. Financial Institutions Examination Council.
Sec. 117. Guarantee fee study.
Sec. 118. Conforming amendments.

Subtitle B—Improvement of Mission Supervision

Sec. 121. Transfer of program and activities approval and housing goal oversight.
Sec. 122. Review by Director of new programs and activities of enterprises.
Sec. 123. Conforming loan limits.
Sec. 124. Annual housing report regarding regulated entities.
Sec. 125. Revision of housing goals.
Sec. 126. Duty to serve underserved markets.
Sec. 127. Monitoring and enforcing compliance with housing goals.
Sec. 128. Affordable housing fund.
Sec. 129. Consistency with mission.
Sec. 130. Enforcement.
Sec. 131. Conforming amendments.

Subtitle C—Prompt Corrective Action

Sec. 141. Capital classifications.
Sec. 142. Supervisory actions applicable to undercapitalized regulated entities.
Sec. 143. Supervisory actions applicable to significantly undercapitalized regulated entities.
Sec. 144. Authority over critically undercapitalized regulated entities.
Sec. 145. Conforming amendments.

Subtitle D—Enforcement Actions

Sec. 161. Cease-and-desist proceedings.
Sec. 162. Temporary cease-and-desist proceedings.
Sec. 163. Prejudgment attachment.
Sec. 164. Enforcement and jurisdiction.
Sec. 165. Civil money penalties.
Sec. 166. Removal and prohibition authority.
Sec. 167. Criminal penalty.
Sec. 168. Subpoena authority.
Sec. 169. Conforming amendments.

Subtitle E—General Provisions

Sec. 181. Presidentially appointed directors of enterprises.
Sec. 182. Report on portfolio operations, safety and soundness, and mission of enterprises.
Sec. 183. Conforming and technical amendments.
Sec. 184. Study of alternative secondary market systems.
Sec. 185. Effective date.

TITLE II—FEDERAL HOME LOAN BANKS

Sec. 201. Definitions.
Sec. 202. Directors.
Sec. 203. Federal Housing Finance Agency oversight of Federal Home Loan Banks.
Sec. 204. Joint activities of banks.
Sec. 205. Sharing of information between Federal Home Loan Banks.
Sec. 206. Reorganization of banks and voluntary merger.
Sec. 207. Securities and Exchange Commission disclosure.
Sec. 208. Community financial institution members.
Sec. 209. Technical and conforming amendments.
Sec. 210. Study of affordable housing program use for long-term care facilities.
Sec. 211. Effective date.

TITLE III—TRANSFER OF FUNCTIONS, PERSONNEL, AND PROPERTY OF OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT, FEDERAL HOUSING FINANCE BOARD, AND DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Subtitle A—Office of Federal Housing Enterprise Oversight

Sec. 301. Abolishment of OFHEO.
Sec. 302. Continuation and coordination of certain regulations.
Sec. 303. Transfer and rights of employees of OFHEO.
Sec. 304. Transfer of property and facilities.

Subtitle B—Federal Housing Finance Board

Sec. 321. Abolishment of the Federal Housing Finance Board.
Sec. 322. Continuation and coordination of certain regulations.
Sec. 323. Transfer and rights of employees of the Federal Housing Finance Board.
Sec. 324. Transfer of property and facilities.

Subtitle C—Department of Housing and Urban Development

Sec. 341. Termination of enterprise-related functions.
Sec. 342. Continuation and coordination of certain regulations.
Sec. 343. Transfer and rights of employees.
Sec. 344. Transfer of appropriations, property, and facilities.

SEC. 2. DEFINITIONS.

Section 1303 of the Housing and Community Development Act of 1992 (12 U.S.C. 4502) is amended—

(1) in paragraph (7), by striking ''an enterprise'' and inserting ''a regulated entity'';

(2) by striking ''the enterprise'' each place such term appears (except in paragraphs (4) and (18)) and inserting ''the regulated entity'';

(3) in paragraph (5), by striking ''Office of Federal Housing Enterprise Oversight of the Department of Housing and Urban Development'' and inserting ''Federal Housing Finance Agency'';

(4) in each of paragraphs (8), (9), (10), and (19), by striking ''Secretary'' each place that term appears and inserting ''Director'';

(5) in paragraph (13), by inserting '', with respect to an enterprise,'' after ''means'';

(6) by redesignating paragraphs (16) through (19) as paragraphs (20) through (23), respectively;

(7) by striking paragraphs (14) and (15) and inserting the following new paragraphs:

''(18) REGULATED ENTITY.—The term 'regulated entity' means—

''(A) the Federal National Mortgage Association and any affiliate thereof;

''(B) the Federal Home Loan Mortgage Corporation and any affiliate thereof; and

''(C) each Federal home loan bank.

''(19) REGULATED ENTITY-AFFILIATED PARTY.—The term 'regulated entity-affiliated party' means—

''(A) any director, officer, employee, or controlling stockholder of, or agent for, a regulated entity;

''(B) any shareholder, affiliate, consultant, or joint venture partner of a regulated entity, and any other person, as determined by the Director (by regulation or on a case-by-case basis) that participates in the conduct of the affairs of a regulated entity;

''(C) any independent contractor for a regulated entity (including any attorney, appraiser, or accountant); and

''(D) any not-for-profit corporation that receives its principal funding, on an ongoing basis, from any regulated entity.'';

(8) by redesignating paragraphs (8) through (13) as paragraphs (12) through (17), respectively; and

(9) by inserting after paragraph (7) the following new paragraph:

''(11) FEDERAL HOME LOAN BANK.—The term 'Federal home loan bank' means a bank established under the authority of the Federal Home Loan Bank Act.'';

(10) by redesignating paragraphs (2) through (7) as paragraphs (5) through (10), respectively; and

(11) by inserting after paragraph (1) the following new paragraphs:

''(2) AGENCY.—The term 'Agency' means the Federal Housing Finance Agency.

''(3) AUTHORIZING STATUTES.—The term 'authorizing statutes' means—

''(A) the Federal National Mortgage Association Charter Act;

''(B) the Federal Home Loan Mortgage Corporation Act; and

''(C) the Federal Home Loan Bank Act.

''(4) BOARD.—The term 'Board' means the Housing Finance Oversight Board established under section 1313B.''.

TITLE I—REFORM OF REGULATION OF ENTERPRISES AND FEDERAL HOME LOAN BANKS

Subtitle A—Improvement of Safety and Soundness

SEC. 101. ESTABLISHMENT OF THE FEDERAL HOUSING FINANCE AGENCY.

(a) IN GENERAL.—The Housing and Community Development Act of 1992 (12 U.S.C. 4501 et seq.) is amended by striking sections 1311 and 1312 and inserting the following:

''SEC. 1311. ESTABLISHMENT OF THE FEDERAL HOUSING FINANCE AGENCY.

''(a) ESTABLISHMENT.—There is established the Federal Housing Finance Agency, which shall be an independent agency of the Federal Government.

''(b) GENERAL SUPERVISORY AND REGULATORY AUTHORITY.—

''(1) IN GENERAL.—Each regulated entity shall, to the extent provided in this title, be subject to the supervision and regulation of the Agency.

''(2) AUTHORITY OVER FANNIE MAE, FREDDIE MAC, AND FEDERAL HOME LOAN BANKS.—The Director of the Federal Housing Finance Agency shall have general supervisory and regulatory authority over each regulated entity and shall exercise such general regulatory authority, including such duties and authorities set forth under section 1313 of this Act, to ensure that the purposes of this Act, the authorizing statutes, and any other applicable law are carried out.

''(c) SAVINGS PROVISION.—The authority of the Director to take actions under subtitles B and C shall not in any way limit the general supervisory and regulatory authority granted to the Director.

''SEC. 1312. DIRECTOR.

''(a) ESTABLISHMENT OF POSITION.—There is established the position of the Director of the Federal Housing Finance Agency, who shall be the head of the Agency.

''(b) APPOINTMENT; TERM.—

''(1) APPOINTMENT.—The Director shall be appointed by the President, by and with the advice and consent of the Senate, from among individuals who are citizens of the United States, have a demonstrated understanding of financial management or oversight, and have a demonstrated understanding of capital markets, including the mortgage securities markets and housing finance.

''(2) TERM AND REMOVAL.—The Director shall be appointed for a term of 5 years and may be removed by the President only for cause.

''(3) VACANCY.—A vacancy in the position of Director that occurs before the expiration of the term for which a Director was appointed shall be filled in the manner established under paragraph (1), and the Director appointed to fill such vacancy shall be appointed only for the remainder of such term.

''(4) SERVICE AFTER END OF TERM.—An individual may serve as the Director after the expiration of the term for which appointed until a successor has been appointed.

''(5) TRANSITIONAL PROVISION.—Notwithstanding paragraphs (1) and (2), the Director of the Office of Federal Housing Enterprise Oversight of the Department of Housing and Urban Development shall serve as the Director until a successor has been appointed under paragraph (1).

''(c) DEPUTY DIRECTOR OF THE DIVISION OF ENTERPRISE REGULATION.—

''(1) IN GENERAL.—The Agency shall have a Deputy Director of the Division of Enterprise Regulation, who shall be appointed by the Director from among individuals who are citizens of the United States, have a demonstrated understanding of financial management or oversight and of mortgage securities markets and housing finance.

''(2) FUNCTIONS.—The Deputy Director of the Division of Enterprise Regulation shall have such functions, powers, and duties with respect to the oversight of the enterprises as the Director shall prescribe.

''(d) DEPUTY DIRECTOR OF THE DIVISION OF FEDERAL HOME LOAN BANK REGULATION.—

''(1) IN GENERAL.—The Agency shall have a Deputy Director of the Division of Federal Home Loan Bank Regulation, who shall be appointed by the Director from among individuals who are citizens of the United States, have a demonstrated understanding of financial management or oversight and of the Federal Home Loan Bank System and housing finance.

''(2) FUNCTIONS.—The Deputy Director of the Division of Federal Home Loan Bank Regulation shall have such functions, powers, and duties with respect to the oversight of the Federal home loan banks as the Director shall prescribe.

''(e) DEPUTY DIRECTOR FOR HOUSING.—

''(1) IN GENERAL.—The Agency shall have a Deputy Director for Housing, who shall be appointed by the Director from among individuals who are citizens of the United States, and have a demonstrated understanding of the housing markets and housing finance.

''(2) FUNCTIONS.—The Deputy Director for Housing shall have such functions, powers, and duties with respect to the oversight of the housing mission and goals of the enterprises, and with respect to oversight of the housing mission of the Federal home loan banks, as the Director shall prescribe.

''(f) LIMITATIONS.—The Director and each of the Deputy Directors may not—

''(1) have any direct or indirect financial interest in any regulated entity or regulated entity-affiliated party;

''(2) hold any office, position, or employment in any regulated entity or regulated entity-affiliated party; or

''(3) have served as an executive officer or director of any regulated entity, or regulated entity-affiliated party, at any time during the 3-year period ending on the date of appointment of such individual as Director or Deputy Director.''.

(b) APPOINTMENT OF DIRECTOR.—Notwithstanding any other provision of law or of this Act, the President may, any time after the date of the enactment of this Act, appoint an individual to serve as the Director of the Federal Housing Finance Agency, as such office is established by the amendment made by subsection (a). This subsection shall take effect on the date of the enactment of this Act.

SEC. 102. DUTIES AND AUTHORITIES OF DIRECTOR.

(a) IN GENERAL.—The Housing and Community Development Act of 1992 (12 U.S.C. 4513) is amended by striking section 1313 and inserting the following new sections:

''SEC. 1313. DUTIES AND AUTHORITIES OF DIRECTOR.

''(a) DUTIES.—

''(1) PRINCIPAL DUTIES.—The principal duties of the Director shall be—

''(A) to oversee the operations of each regulated entity; and

''(B) to ensure that—

''(i) each regulated entity operates in a safe and sound manner, including maintenance of adequate capital and internal controls;

''(ii) the operations and activities of each regulated entity foster liquid, efficient, competitive, and resilient national housing finance markets that minimize the cost of housing finance (including activities relating to mortgages on housing for low- and moderate- income families involving a reasonable economic return that may be less than the return earned on other activities);

''(iii) each regulated entity complies with this title and the rules, regulations, guidelines, and orders issued under this title and the authorizing statutes; and

''(iv) each regulated entity carries out its statutory mission only through activities that are consistent with this title and the authorizing statutes.

''(2) SCOPE OF AUTHORITY.—The authority of the Director shall include the authority—

''(A) to review and, if warranted based on the principal duties described in paragraph (1), reject any acquisition or transfer of a controlling interest in an enterprise; and

''(B) to exercise such incidental powers as may be necessary or appropriate to fulfill the duties and responsibilities of the Director in the supervision and regulation of each regulated entity.

''(b) DELEGATION OF AUTHORITY.—The Director may delegate to officers or employees of the Agency, including each of the Deputy Directors, any of the functions, powers, or duties of the Director, as the Director considers appropriate.

''(c) LITIGATION AUTHORITY.—

''(1) IN GENERAL.—In enforcing any provision of this title, any regulation or order prescribed under this title, or any other provision of law, rule, regulation, or order, or in any other action, suit, or proceeding to which the Director is a party or in which the Director is interested, and in the administration of conservatorships and receiverships, the Director may act in the Director's own name and through the Director's own attorneys.

''(2) SUBJECT TO SUIT.—Except as otherwise provided by law, the Director shall be subject to suit (other than suits on claims for money damages) by a regulated entity or director or officer thereof with respect to any matter under this title or any other applicable provision of law, rule, order, or regulation under this title, in the United States district court for the judicial district in which the regulated entity has its principal place of business, or in the United States District Court for the District of Columbia, and the Director may be served with process in the manner prescribed by the Federal Rules of Civil Procedure.

''SEC. 1313A. PRUDENTIAL MANAGEMENT AND OPERATIONS STANDARDS.

''(a) STANDARDS.—The Director shall establish standards, by regulation, guideline, or order, for each regulated entity relating to—

''(1) adequacy of internal controls and information systems taking into account the nature and scale of business operations;

''(2) independence and adequacy of internal audit systems;

''(3) management of credit and counterparty risk, including systems to identify concentrations of credit risk and prudential limits to restrict exposure of the regulated entity to a single counterparty or groups of related counterparties;

''(4) management of interest rate risk exposure;

''(5) management of market risk, including standards that provide for systems that accurately measure, monitor, and control market risks and, as warranted, that establish limitations on market risk;

''(6) adequacy and maintenance of liquidity and reserves;

''(7) management of any asset and investment portfolio;

''(8) investments and acquisitions by a regulated entity, to ensure that they are consistent with the purposes of this Act and the authorizing statutes;

''(9) maintenance of adequate records, in accordance with consistent accounting policies and practices that enable the Director to evaluate the financial condition of the regulated entity;

''(10) issuance of subordinated debt by that particular regulated entity, as the Director considers necessary;

''(11) overall risk management processes, including adequacy of oversight by senior management and the board of directors and of processes and policies to identify, measure, monitor, and control material risks, including reputational risks, and for adequate, well-tested business resumption plans for all major systems with remote site facilities to protect against disruptive events; and

''(12) such other operational and management standards as the Director determines to be appropriate.

''(b) FAILURE TO MEET STANDARDS.—

''(1) PLAN REQUIREMENT.—

''(A) IN GENERAL.—If the Director determines that a regulated entity fails to meet any standard established under subsection (a)—

''(i) if such standard is established by regulation, the Director shall require the regulated entity to submit an acceptable plan to the Director within the time allowed under subparagraph (C); and

''(ii) if such standard is established by guideline, the Director may require the regulated entity to submit a plan described in clause (i).

''(B) CONTENTS.—Any plan required under subparagraph (A) shall specify the actions that the regulated entity will take to correct the deficiency. If the regulated entity is undercapitalized, the plan may be a part of the capital restoration plan for the regulated entity under section 1369C.

''(C) DEADLINES FOR SUBMISSION AND REVIEW.—The Director shall by regulation establish deadlines that—

''(i) provide the regulated entities with reasonable time to submit plans required under subparagraph (A), and generally require a regulated entity to submit a plan not later than 30 days after the Director determines that the entity fails to meet any standard established under subsection (a); and

''(ii) require the Director to act on plans expeditiously, and generally not later than 30 days after the plan is submitted.

''(2) REQUIRED ORDER UPON FAILURE TO SUBMIT OR IMPLEMENT PLAN.—If a regulated entity fails to submit an acceptable plan within the time allowed under paragraph (1)(C), or fails in any material respect to implement a plan accepted by the Director, the following shall apply:

''(A) REQUIRED CORRECTION OF DEFICIENCY.—The Director shall, by order, require the regulated entity to correct the deficiency.

''(B) OTHER AUTHORITY.—The Director may, by order, take one or more of the following actions until the deficiency is corrected:

''(i) Prohibit the regulated entity from permitting its average total assets (as such term is defined in section 1316(b)) during any calendar quarter to exceed its average total assets during the preceding calendar quarter, or restrict the rate at which the average total assets of the entity may increase from one calendar quarter to another.

''(ii) Require the regulated entity—

''(I) in the case of an enterprise, to increase its ratio of core capital to assets.

''(II) in the case of a Federal home loan bank, to increase its ratio of total capital (as such term is defined in section 6(a)(5) of the Federal Home Loan Bank Act (12 U.S.C. 1426(a)(5)) to assets.

''(iii) Require the regulated entity to take any other action that the Director determines will better carry out the purposes of this section than any of the actions described in this subparagraph

''(3) MANDATORY RESTRICTIONS.—In complying with paragraph (2), the Director shall take one or more of the actions described in clauses (i) through (iii) of paragraph (2)(B) if—

''(A) the Director determines that the regulated entity fails to meet any standard prescribed under subsection (a);

''(B) the regulated entity has not corrected the deficiency; and

''(C) during the 18-month period before the date on which the regulated entity first failed to meet the standard, the entity underwent extraordinary growth, as defined by the Director.

''(c) OTHER ENFORCEMENT AUTHORITY NOT AFFECTED.—The authority of the Director under this section is in addition to any other authority of the Director.''.

(b) INDEPENDENCE IN CONGRESSIONAL TESTIMONY AND RECOMMENDATIONS.—Section 111 of Public Law 93–495 (12 U.S.C. 250) is amended by striking ''the Federal Housing Finance Board'' and inserting ''the Director of the Federal Housing Finance Agency''.

SEC. 103. HOUSING FINANCE OVERSIGHT BOARD.

(a) IN GENERAL.—Title XIII of the Housing and Community Development Act of 1992 (12 U.S.C. 4501 et seq.) is amended by inserting after section 1313A, as added by section 102 of this Act, the following new section:

''SEC. 1313B. HOUSING FINANCE OVERSIGHT BOARD.

''(a) IN GENERAL.—There is established the Housing Finance Oversight Board.

''(b) DUTIES.—

''(1) IN GENERAL.—The Board shall advise the Director with respect to overall strategies and policies in carrying out the duties of the Director under this title, at the request of the Director and at the initiative of the Board, and shall carry out such functions as otherwise provided by law.

''(2) LIMITATION.—The Director may not delegate to the Board any of the functions, powers, or duties of the Director.

''(c) COMPOSITION.—The Board shall be comprised of 5 members, as follows:

''(1) One member shall be the Director, who shall serve as the Chairperson of the Board.

''(2) One member shall be the Secretary of the Treasury or the designee of the Secretary.

''(3) One member shall be the Secretary of Housing and Urban Development or the designee of the Secretary.

''(4) Two members shall be appointed by the President, by and with the advice and consent of the Senate, who shall include—

''(A) one individual who has extensive experience and expertise in the capital markets (including debt markets), the secondary mortgage market, and mortgage-backed securities; and

''(B) one individual who has extensive experience and expertise in mortgage finance (including single family and multifamily housing mortgage finance), development of affordable housing, and economic development and revitalization.

''(d) TERMS AND VACANCIES.—

''(1) TERMS.—Each member of the Board pursuant to paragraph (4) shall be appointed for a term of 3 years, and may be removed by the President only for cause.

''(2) VACANCIES.—A member of the Board appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member of the Board may serve after the expiration of the member's term until a successor has been appointed.

''(e) PROHIBITION OF ADDITIONAL COMPENSATION.—Notwithstanding any other provision of law, members of Board pursuant to paragraphs (1), (2), and (3) shall not receive additional compensation by reason of service on the Board.

''(f) LIMITATIONS.—Each member of the Board may not—

''(1) have any direct or indirect financial interest in any regulated entity or regulated entity-affiliated party; or

''(2) hold any office, position, or employment in any regulated entity or regulated entity-affiliated party.

''(g) FULL-TIME MEMBERS AND STAFF.—

''(1) FULL-TIME MEMBERS.—The members of the Board pursuant to subsection (c)(4) shall serve on a full-time basis.

''(2) STAFF.—The staff of the Board shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, except that each member of the Board pursuant to paragraph (4) may appoint one staff member without regard to the such provisions governing appointments in the competitive service and such staff members may be paid by the Board without regard to the such provisions relating to classification and General Schedule pay rates.

''(h) MEETINGS.—

''(1) IN GENERAL.—The Board shall meet upon notice by the Director, but in no event shall the Board meet less frequently than once every 3 months.

''(2) SPECIAL MEETINGS.—Any member of the Board may, upon giving written notice to the Director, require a special meeting of the Board, which shall be convened by the Director within 30 days after such notice.

''(i) TESTIMONY.—On an annual basis, the Board shall testify before Congress regarding—

''(1) the safety and soundness of the regulated entities;

''(2) any material deficiencies in the conduct of the operations of the regulated entities;

''(3) the overall operational status of the regulated entities;

''(4) an evaluation of the performance of the regulated entities in carrying out their respective missions;

''(5) operations, resources, and performance of the Agency and the Board; and

''(6) such other matters relating to the Agency, the Board, and the regulated entities, and their fulfillment of their missions, as the Board determines appropriate.

''(j) COSTS.—Costs of the Board, including staff, shall be paid by the Agency as a cost and expense of the Agency.

''(k) EXEMPTION.—Notwithstanding any other provision of law, the provisions of section 552b of title 5, United States Code, shall not apply to the Board.''.

(b) ANNUAL REPORT OF THE DIRECTOR.—Section 1319B(a) of the Housing and Community Development Act of 1992 (12 U.S.C. 4521 (a)) is amended—

(1) in paragraph (3), by striking ''and'' at the end; and

(2) by striking paragraph (4) and inserting the following new paragraphs:

''(4) an assessment of the Board with respect to—

''(A) the safety and soundness of the regulated entities;

''(B) any material deficiencies in the conduct of the operations of the regulated entities;

''(C) the overall operational status of the regulated entities;

''(D) an evaluation of the performance of the regulated entities in carrying out their missions, including compliance of the enterprises with the housing goals under subpart B of part 2 of this subtitle and compliance of the Federal home loan banks with the community investment and affordable housing programs under subsections (i) and (j) of section 10 of the Federal Home Loan Bank Act;

''(E) an evaluation of the performance of the Agency in fulfilling its duties and responsibilities under law; and

''(F) such other matters relating to the Board and the fulfillment of its duties as the Board considers appropriate;

''(5) operations, resources, and performance of the Agency; and

''(6) such other matters relating to the Agency and its fulfillment of its mission.''.

SEC. 104. AUTHORITY TO REQUIRE REPORTS BY REGULATED ENTITIES.

Section 1314 of the Housing and Community Development Act of 1992 (12 U.S.C. 4514) is amended—

*(1) in the section heading, by striking ''**ENTERPRISES**'' and inserting ''**REGULATED ENTITIES**'';*

(2) in subsection (a)—

(A) in the subsection heading, by striking ''Special Reports and Reports of Financial Condition'' and inserting ''Regular and Special Reports'';

(B) in paragraph (1)—

(i) in the paragraph heading, by striking ''FINANCIAL CONDITION'' and inserting ''REGULAR REPORTS''; and

(ii) by striking ''reports of financial condition and operations'' and inserting ''regular reports on the condition (including financial condition), management, activities, or operations of the regulated entity, as the Director considers appropriate''; and

(C) in paragraph (2), after ''submit special reports'' insert ''on any of the topics specified in paragraph (1) or such other topics''; and

(3) by adding at the end the following new subsection:

''(c) REPORTS OF FRAUDULENT FINANCIAL TRANSACTIONS.—

''(1) REQUIREMENT TO REPORT.—The Director shall require a regulated entity to submit to the Director a timely report upon discovery by the regulated entity that it has purchased or sold a fraudulent loan or financial instrument or suspects a possible fraud relating to a purchase or sale of any loan or financial instrument. The Director shall require the regulated entities to establish and maintain procedures designed to discover any such transactions.

''(2) PROTECTION FROM LIABILITY FOR REPORTS.—

''(A) IN GENERAL.—If a regulated entity makes a report pursuant to paragraph (1), or a regulated entity-affiliated party makes, or requires another to make, such a report, and such report is made in a good faith effort to comply with the requirements of paragraph (1), such regulated entity or regulated entity-afffiliated party shall not be liable to any person under any law or regulation of the United States, any constitution, law, or regulation of any State or political subdivision of any State, or under any contract or other legally enforceable agreement (including any arbitration agreement), for such report or for any failure to provide notice of such report to the person who is the subject of such report or any other person identified in the report.

''(B) RULE OF CONSTRUCTION.—Subparagraph (A) shall not be construed as creating—

''(i) any inference that the term 'person', as used in such subparagraph, may be construed more broadly than its ordinary usage so as to include any government or agency of government; or

''(ii) any immunity against, or otherwise affecting, any civil or criminal action brought by any government or agency of government to enforce any constitution, law, or regulation of such government or agency.''.

SEC. 105. DISCLOSURE OF CHARITABLE CONTRIBUTIONS BY ENTERPRISES.

Section 1314 of the Housing and Community Development Act of 1992 (12 U.S.C. 4514), as amended by the preceding provisions of this Act, is further amended by adding at the end the following new subsection:

''(d) DISCLOSURE OF CHARITABLE CONTRIBUTIONS BY ENTERPRISES.—

''(1) REQUIRED DISCLOSURE.—The Director shall, by regulation, require each enterprise to submit a report annually, in a format designated by the Director, containing the following information:

''(A) TOTAL VALUE.—The total value of contributions made by the enterprise to nonprofit organizations during its previous fiscal year.

''(B) SUBSTANTIAL CONTRIBUTIONS.—If the value of contributions made by the enterprise to any nonprofit organization during its previous fiscal year exceeds the designated amount, the name of that organization and the value of contributions.

''(C) SUBSTANTIAL CONTRIBUTIONS TO INSIDER-AFFILIATED CHARITIES.—Identification of each contribution whose value exceeds the designated amount that were made by the enterprise during the enterprise's previous fiscal year to any nonprofit organization of which a director, officer, or controlling person of the enterprise, or a spouse thereof, was a director or trustee, the name of such nonprofit organization, and the value of the contribution.

''(2) DEFINITIONS.—For purposes of this subsection—

''(A) the term 'designated amount' means such amount as may be designated by the Director by regulation, consistent with the public interest and the protection of investors for purposes of this subsection; and

''(B) the Director may, by such regulations as the Director deems necessary or appropriate in the public interest, define the terms officer and controlling person.

''(3) PUBLIC AVAILABILITY.—The Director shall make the information submitted pursuant to this subsection publicly available.''.

SEC. 106. ASSESSMENTS.

Section 1316 of the Housing and Community Development Act of 1992 (12 U.S.C. 4516) is amended—

(1) by striking subsection (a) and inserting the following new subsection:

''(a) ANNUAL ASSESSMENTS.—The Director shall establish and collect from the regulated entities annual assessments in an amount not exceeding the amount sufficient to provide for reasonable costs and expenses of the Agency, including—

''(1) the expenses of any examinations under section 1317 of this Act and under section 20 of the Federal Home Loan Bank Act;

''(2) the expenses of obtaining any reviews and credit assessments under section 1319; and

''(3) such amounts in excess of actual expenses for any given year as deemed necessary by the Director to maintain a working capital fund in accordance with subsection (e).'';

(2) in subsection (b)—

(A) in the subsection heading, by striking ''ENTERPRISES'' and inserting ''REGULATED ENTITIES'' ;

(B) by realigning paragraph (2) two ems from the left margin, so as to align the left margin of such paragraph with the left margins of paragraph (1);

(C) in paragraph (1)—

(i) by striking ''Each enterprise'' and inserting ''Each regulated entity'';

(ii) by striking ''each enterprise'' and inserting ''each regulated entity''; and

(iii) by striking ''both enterprises'' and inserting ''all of the regulated entities''; and

(D) in paragraph (3)—

(i) in subparagraph (B), by striking ''subparagraph (A)'' and inserting ''clause (i)'';

(ii) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii) and (ii), respectively, and realigning such clauses, as so redesignated, so as to be indented 6 ems from the left margin;

(iii) by striking the matter that precedes clause (i), as so redesignated, and inserting the following:

''(3) DEFINITION OF TOTAL ASSETS.—For purposes of this section, the term 'total assets' means as follows:

''(A) ENTERPRISES.—With respect to an enterprise, the sum of—''; and

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

''(B) FEDERAL HOME LOAN BANKS.—With respect to a Federal home loan bank, the total assets of the Bank, as determined by the Director in accordance with generally accepted accounting principles.'';

(3) by striking subsection (c) and inserting the following new subsection:

''(c) INCREASED COSTS OF REGULATION.—

''(1) INCREASE FOR INADEQUATE CAPITALIZATION.—The semiannual payments made pursuant to subsection (b) by any regulated entity that is not classified (for purposes of subtitle B) as adequately capitalized may be increased, as necessary, in the discretion of the Director to pay additional estimated costs of regulation of the regulated entity.

''(2) ADJUSTMENT FOR ENFORCEMENT ACTIVITIES.—The Director may adjust the amounts of any semiannual assessments for an assessment under subsection (a) that are to be paid pursuant to subsection (b) by a regulated entity, as necessary in the discretion of the Director, to ensure that the costs of enforcement activities under subtitle B and C for a regulated entity are borne only by such regulated entity.

''(3) ADDITIONAL ASSESSMENT FOR DEFICIENCIES.—If at any time, as a result of increased costs of regulation of a regulated entity that is not classified (for purposes of subtitle B) as adequately captitalized or as the result of supervisory or enforcement activities under subtitle B or C for a regulated entity, the amount available from any semiannual payment made by such regulated entity pursuant to subsection (b) is insufficient to cover the costs of the Agency with respect to such entity, the Director may make and collect from such regulated entity an immediate assessment to cover the amount of such deficiency for the semiannual period. If, at the end of any semiannual period during which such an assessment is made, any amount remains from such assessment, such remaining amount shall be deducted from the assessment for such regulated entity for the following semiannual period.'';

(4) in subsection (d), by striking ''If'' and inserting ''Except with respect to amounts collected pursuant to subsection (a)(3), if''; and

(5) by striking subsections (e) through (g) and inserting the following new subsections:

''(e) WORKING CAPITAL FUND.—At the end of each year for which an assessment under this section is made, the Director shall remit to each regulated entity any amount of assessment collected from such regulated entity that is attributable to subsection (a)(3) and is in excess of the amount the Director deems necessary to maintain a working capital fund.

''(f) TREATMENT OF ASSESSMENTS.—

''(1) DEPOSIT.—Amounts received by the Director from assessments under this section may be deposited by the Director in the manner provided in section 5234 of the Revised Statutes (12 U.S.C. 192) for monies deposited by the Comptroller of the Currency.

''(2) NOT GOVERNMENT FUNDS.—The amounts received by the Director from any assessment under this section shall not be construed to be Government or public funds or appropriated money.

''(3) NO APPORTIONMENT OF FUNDS.—Notwithstanding any other provision of law, the amounts received by the Director from any assessment under this section shall not be subject to apportionment for the purpose of chapter 15 of title 31, United States Code, or under any other authority.

''(4) USE OF FUNDS.—The Director may use any amounts received by the Director from assessments under this section for compensation of the Director and other employees of the Agency and for all other expenses of the Director and the Agency.

''(5) AVAILABILITY OF OVERSIGHT FUND AMOUNTS.—Notwithstanding any other provision of law, any amounts remaining in the Federal Housing Enterprises Oversight Fund established under this section (as in effect before the effective date under section 185 of the Federal Housing Finance Reform Act of 2005), and any amounts remaining from assessments on the Federal Home Loan banks pursuant to section 18(b) of the Federal Home Loan Bank Act (12 U.S.C. 1438(b)), shall, upon such effective date, be treated for purposes of this subsection as amounts received from assessments under this section.

''(g) BUDGET AND FINANCIAL MANAGEMENT.—

''(1) FINANCIAL OPERATING PLANS AND FORECASTS.—The Director shall provide to the Director of the Office of Management and Budget copies of the Director's financial operating plans and forecasts as prepared by the Director in the ordinary course of the Agency's operations, and copies of the quarterly reports of the Agency's financial condition and results of operations as prepared by the Director in the ordinary course of the Agency's operations.

''(2) FINANCIAL STATEMENTS.—The Agency shall prepare annually a statement of assets and liabilities and surplus or deficit; a statement of income and expenses; and a statement of sources and application of funds.

''(3) FINANCIAL MANAGEMENT SYSTEMS.—The Agency shall implement and maintain financial management systems that comply substantially with Federal financial management systems requirements, applicable Federal accounting standards, and that uses a general ledger system that accounts for activity at the transaction level.

''(4) ASSERTION OF INTERNAL CONTROLS.—The Director shall provide to the Comptroller General an assertion as to the effectiveness of the internal controls that apply to financial reporting by the Agency, using the standards established in section 3512 (c) of title 31, United States Code.

''(5) RULE OF CONSTRUCTION.—This subsection may not be construed as implying any obligation on the part of the Director to consult with or obtain the consent or approval of the Director of the Office of Management and Budget with respect to any reports, plans, forecasts, or other information referred to in paragraph (1) or any jurisdiction or oversight over the affairs or operations of the Agency.

''(h) AUDIT OF AGENCY.—

''(1) IN GENERAL.—The Comptroller General shall annually audit the financial transactions of the Agency in accordance with the U.S. generally accepted government auditing standards as may be prescribed by the Comptroller General of the United States. The audit shall be conducted at the place or places where accounts of the Agency are normally kept. The representatives of the Government Accountability Office shall have access to the personnel and to all books, accounts, documents, papers, records (including electronic records), reports, files, and all other papers, automated data, things, or property belonging to or under the control of or used or employed by the Agency pertaining to its financial transactions and necessary to facilitate the audit, and such representatives shall be afforded full facilities for verifying transactions with the balances or securities held by depositaries, fiscal agents, and custodians. All such books, accounts, documents, records, reports, files, papers, and property of the Agency shall remain in possession and custody of the Agency. The Comptroller General may obtain and duplicate any such books, accounts, documents, records, working papers, automated data and files, or other information relevant to such audit without cost to the Comptroller General and the Comptroller General's right of access to such information shall be enforceable pursuant to section 716(c) of title 31, United States Code.

''(2) REPORT.—The Comptroller General shall submit to the Congress a report of each annual audit conducted under this subsection. The report to the Congress shall set forth the scope of the audit and shall include the statement of assets and liabilities and surplus or deficit, the statement of income and expenses, the statement of sources and application of funds, and such comments and information as may be deemed necessary to inform Congress of the financial operations and condition of the Agency, together with such recommendations with respect thereto as the Comptroller General may deem advisable. A copy of each report shall be furnished to the President and to the Agency at the time submitted to the Congress.

''(3) ASSISTANCE AND COSTS.—For the purpose of conducting an audit under this subsection, the Comptroller General may, in the discretion of the Comptroller General, employ by contract, without regard to section 5 of title 41, United States Code, professional services of firms and organizations of certified public accountants for temporary periods or for special purposes. Upon the request of the Comptroller General, the Director of the Agency shall transfer to the Government Accountability Office from funds available, the amount requested by the Comptroller General to cover the full costs of any audit and report conducted by the Comptroller General. The Comptroller General shall credit funds transferred to the account established for salaries and expenses of the Government Accountability Office, and such amount shall be available upon receipt and without fiscal year limitation to cover the full costs of the audit and report.''.

SEC. 107. EXAMINERS AND ACCOUNTANTS.

(a) EXAMINATIONS.—Section 1317 of the Housing and Community Development Act of 1992 (12 U.S.C. 4517) is amended——

(1) in subsection (a), by adding after the period at the end the following: ''Each examination under this subsection of a regulated entity shall include a review of the procedures required to be established and maintained by the regulated entity pursuant to section 1314(c) (relating to fraudulent financial transactions) and the report regarding each such examination shall describe any problems with such procedures maintained by the regulated entity.'';

(2) in subsection (b)—

(A) by inserting ''of a regulated entity'' after ''under this section''; and

(B) by striking ''to determine the condition of an enterprise for the purpose of ensuring its financial safety and soundness'' and inserting ''or appropriate'' ; and

(3) in subsection (c)—

(A) in the second sentence, by inserting ''to conduct examinations under this section'' before the period; and

(B) in the third sentence, by striking ''from amounts available in the Federal Housing Enterprises Oversight Fund''.

(b) ENHANCED AUTHORITY TO HIRE EXAMINERS AND ACCOUNTANTS.—Section 1317 of the Housing and Community Development Act of 1992 (12 U.S.C. 4517) is amended by adding at the end the following new subsection:

''(g) APPOINTMENT OF ACCOUNTANTS, ECONOMISTS, SPECIALISTS, AND EXAMINERS.—

''(1) APPLICABILITY.—This section applies with respect to any position of examiner, accountant, specialist in financial markets, specialist in technology, and economist at the Agency, with respect to supervision and regulation of the regulated entities, that is in the competitive service.

''(2) APPOINTMENT AUTHORITY.—The Director may appoint candidates to any position described in paragraph (1)—

''(A) in accordance with the statutes, rules, and regulations governing appointments in the excepted service; and

''(B) notwithstanding any statutes, rules, and regulations governing appointments in the competitive service.''.

(c) REPEAL.—Section 20 of the Federal Home Loan Bank Act (12 U.S.C. 1440) is amended—

(1) in the section heading, by striking ''**REPORTS**'' and inserting ''**GAO AUDITS**'';

(2) in the third sentence, by striking ''the Board and'' each place such term appears; and

(3) by striking the first two sentences and inserting the following: ''The Federal home loan banks shall be subject to examinations by the Director to the extent provided in section 1317 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4517).''.

SEC. 108. PROHIBITION AND WITHHOLDING OF EXECUTIVE COMPENSATION.

(a) IN GENERAL.—Section 1318 of the Housing and Community Development Act of 1992 (12 U.S.C. 4518) is amended—

(1) in the section heading, by striking ''**OF EXCESSIVE**'' and inserting ''**AND WITHHOLDING OF EXECUTIVE**'';

(2) by redesignating subsection (b) as subsection (d); and

(3) by inserting after subsection (a) the following new subsections:

''(b) FACTORS.—In making any determination under subsection (a), the Director may take into consideration any factors the Director considers relevant, including any wrongdoing on the part of the executive officer, and such wrongdoing shall include any fraudulent act or omission, breach of trust or fiduciary duty, violation of law, rule, regulation, order, or written agreement, and insider abuse with respect to the regulated entity. The approval of an agreement or contract pursuant to section 309(d)(3)(B) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1723a(d)(3)(B)) or section 303(h)(2) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1452(h)(2)) shall not preclude the Director from making any subsequent determination under subsection (a).

''(c) WITHHOLDING OF COMPENSATION.—In carrying out subsection (a), the Director may require a regulated entity to withhold any payment, transfer, or disbursement of compensation to an executive officer, or to place such compensation in an escrow account, during the review of the reasonableness and comparability of compensation.''.

(b) CONFORMING AMENDMENTS.—

(1) FANNIE MAE.—Section 309(d) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1723a(d)) is amended by adding at the end the following new paragraph:

''(4) Notwithstanding any other provision of this section, the corporation shall not transfer, disburse, or pay compensation to any executive officer, or enter into an agreement with such executive officer, without the approval of the Director, for matters being reviewed under section 1318 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4518).''.

(2) FREDDIE MAC.—Section 303(h) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1452(h)) is amended by adding at the end the following new paragraph:

''(4) Notwithstanding any other provision of this section, the Corporation shall not transfer, disburse, or pay compensation to any executive officer, or enter into an agreement with such executive officer, without the approval of the Director, for matters being reviewed under section

1318 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4518).''.

(3) FEDERAL HOME LOAN BANKS.—Section 7 of the Federal Home Loan Bank Act (12 U.S.C. 1427) is amended by adding at the end the following new subsection:

''(l) WITHHOLDING OF COMPENSATION.—Notwithstanding any other provision of this section, a Federal home loan bank shall not transfer, disburse, or pay compensation to any executive officer, or enter into an agreement with such executive officer, without the approval of the Director, for matters being reviewed under section 1318 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4518).''.

SEC. 109. REVIEWS OF REGULATED ENTITIES.

Section 1319 of the Housing and Community Development Act of 1992 (12 U.S.C. 4519) is amended—

(1) by striking the section designation and heading and inserting the following:

''SEC. 1319. REVIEWS OF REGULATED ENTITIES.''; *and*

(2) by inserting after ''any entity'' the following: ''that the Director considers appropriate, including an entity''.

SEC. 110. REGULATIONS AND ORDERS.

Section 1319G of the Housing and Community Development Act of 1992 (12 U.S.C. 4526) is amended—

(1) by striking subsection (a) and inserting the following new subsection:

''(a) AUTHORITY.—The Director shall issue any regulations, guidelines, and orders necessary to carry out the duties of the Director under this title and each of the authorizing statutes to ensure that the purposes of this title and such Acts are accomplished.'';

(2) in subsection (b), by inserting '', this title, or any of the authorizing statutes'' after ''under this section''; and

(3) by striking subsection (c).

SEC. 111. RISK-BASED CAPITAL REQUIREMENTS.

(a) IN GENERAL.—Section 1361 of the Housing and Community Development Act of 1992 (12 U.S.C. 4611) is amended to read as follows:

''SEC. 1361. RISK-BASED CAPITAL LEVELS FOR REGULATED ENTITIES.

''(a) IN GENERAL.—

''(1) ENTERPRISES.—The Director shall, by regulation, establish risk-based capital requirements for the enterprises to ensure that the enterprises operate in a safe and sound manner, maintaining sufficient capital and reserves to support the risks that arise in the operations and management of the enterprises.

''(2) FEDERAL HOME LOAN BANKS.—The Director shall establish risk-based capital standards under section 6 of the Federal Home Loan Bank Act for the Federal home loan banks.

''(b) CONFIDENTIALITY OF INFORMATION.—Any person that receives any book, record, or information from the Director or a regulated entity to enable the risk-based capital requirements established under this section to be applied shall—

''(1) maintain the confidentiality of the book, record, or information in a manner that is generally consistent with the level of confidentiality established for the material by the Director or the regulated entity; and

''(2) be exempt from section 552 of title 5, United States Code, with respect to the book, record, or information.

''(c) NO LIMITATION.—Nothing in this section shall limit the authority of the Director to require other reports or undertakings, or take other action, in furtherance of the responsibilities of the Director under this Act.''.

(b) FEDERAL HOME LOAN BANKS RISK-BASED CAPITAL.—Section 6(a)(3) of the Federal Home Loan Bank Act (12 U.S.C. 1426(a)(3)) is amended—

(1) by striking subparagraph (A) and inserting the following new subparagraph:

''(A) RISK-BASED CAPITAL STANDARDS.—The Director shall, by regulation, establish risk-based capital standards for the Federal home loan banks to ensure that the Federal home loan banks operate in a safe and sound manner, with sufficient permanent capital and reserves to support the risks that arise in the operations and management of the Federal home loans banks.''; and

(2) in subparagraph (B), by striking ''(A)(ii)'' and inserting ''(A)''.

SEC. 112. MINIMUM AND CRITICAL CAPITAL LEVELS.

(a) MINIMUM CAPITAL LEVEL.—Section 1362 of the Housing and Community Development Act of 1992 (12 U.S.C. 4612) is amended—

(1) in subsection (a), by striking ''IN GENERAL'' and inserting ''ENTERPRISES'' ; and

(2) by striking subsection (b) and inserting the following new subsections:

''(b) FEDERAL HOME LOAN BANKS.—For purposes of this subtitle, the minimum capital level for each Federal home loan bank shall be the minimum capital required to be maintained to comply with the leverage requirement for the bank established under section 6(a)(2) of the Federal Home Loan Bank Act (12 U.S.C. 1426(a)(2)).

''(c) ESTABLISHMENT OF REVISED MINIMUM CAPITAL LEVELS.—Notwithstanding subsections (a) and (b) and notwithstanding the capital classifications of the regulated entities, the Director may, by regulations issued under section 1319G(b), establish a minimum capital level for the enterprises, for the Federal home loan banks, or for both the enterprises and the banks, that is higher than the level specified in subsection (a) for the enterprises or the level specified in subsection (b) for the Federal home loan banks, to the extent needed to ensure that the regulated entities operate in a safe and sound manner.

''(d) AUTHORITY TO REQUIRE TEMPORARY INCREASE.—Notwithstanding subsections (a) and (b) and any minimum capital level established pursuant to subsection (c), the Director may, by order, increase the minimum capital level for a regulated entity for such period as the Director may provide if the Director—

''(1) makes any of the determinations specified in subparagraphs (A) through (C) of section 1364(c)(1); or

''(2) determines that the regulated entity has violated any of the prudential management and operations standards established pursuant to section 1313A and, as a result of such violation, is operating in an unsafe and unsound manner.

''(e) AUTHORITY TO ESTABLISH ADDITIONAL CAPITAL AND RESERVE REQUIREMENTS FOR PARTICULAR PROGRAMS.—The Director may, at any time by order or regulation, establish such capital or reserve requirements with respect to any program or activity of a regulated entity as the Director considers appropriate to ensure that the regulated entity operates in a safe and sound manner, with sufficient capital and reserves to support the risks that arise in the operations and management of the regulated entity.

''(f) PERIODIC REVIEW.—The Director shall periodically review the amount of core capital maintained by the enterprises, the amount of capital retained by the Federal home loan banks, and the minimum capital levels established for such regulated entities pursuant to this section. The Director may, by regulations issued under section 1319G(b), adjust the minimum capital levels as necessary, based on the Director's review.''.

(b) CRITICAL CAPITAL LEVELS.—

(1) IN GENERAL.—Section 1363 of the Housing and Community Development Act of 1992 (12 U.S.C. 4613) is amended—

(A) by striking ''For'' and inserting ''(a) Enterprises.—For''; and

(B) by adding at the end the following new subsection:

''(b) FEDERAL HOME LOAN BANKS.—

''(1) IN GENERAL.—For purposes of this subtitle, the critical capital level for each Federal home loan bank shall be such amount of capital as the Director shall, by regulation require.

''(2) CONSIDERATION OF OTHER CRITICAL CAPITAL LEVELS.—In establishing the critical capital level under paragraph (1) for the Federal home loan banks, the Director shall take due consideration of the critical capital level established under subsection (a) for the enterprises, with such modifications as the Director determines to be appropriate to reflect the difference in operations between the banks and the enterprises.''.

(2) REGULATIONS.—Not later than the expiration of the 180-day period beginning on the effective date under section 185, the Director of the Federal Housing Finance Agency shall issue regulations pursuant to section 1363(b) of the Housing and Community Development Act of 1992 (as added by paragraph (1) of this subsection) establishing the critical capital level under such section.

SEC. 113. REVIEW OF AND AUTHORITY OVER ENTERPRISE ASSETS AND LIABILITIES.

Subtitle B of title XIII of the Housing and Community Development Act of 1992 (12 U.S.C. 4611 et seq.) is amended—

(1) by striking the subtitle designation and heading and inserting the following:

''Subtitle B—Required Capital Levels for Regulated Entities, Special Enforcement Powers, and Reviews of Assets and Liabilities''; *and*

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

''SEC. 1369E. REVIEWS OF ENTERPRISE ASSETS AND LIABILITIES.

''(a) IN GENERAL.—The Director shall conduct, on a periodic basis, a review of the on-balance sheet and off-balance sheet assets and liabilities of each enterprise.

''(b) AUTHORITY TO REQUIRE DISPOSITION OR ACQUISITION.—Pursuant to such a review and notwithstanding the capital classifications of the enterprises, the Director may by order require an enterprise, under such terms and conditions as the Director determines to be appropriate, to dispose of or acquire any asset or liability, if the Director determines that such action is consistent with the safe and sound operation of the enterprise or with the purposes of this Act or any of the authorizing statutes.''.

SEC. 114. CORPORATE GOVERNANCE OF ENTERPRISES.

The Housing and Community Development Act of 1992 is amended by inserting before section 1323 (12 U.S.C. 4543) the following new section:

''SEC. 1322A. CORPORATE GOVERNANCE OF ENTERPRISES.

''(a) BOARD OF DIRECTORS.—

''(1) INDEPENDENCE.—A majority of seated members of the board of directors of each enterprise shall be independent board members, as defined under rules set forth by the New York Stock Exchange, as such rules may be amended from time to time.

''(2) FREQUENCY OF MEETINGS.—To carry out its obligations and duties under applicable laws, rules, regulations, and guidelines, the board of directors of an enterprise shall meet at least eight times a year and not less than once a calendar quarter.

''(3) NON-MANAGEMENT BOARD MEMBER MEETINGS.—The non-management directors of an enterprise shall meet at regularly scheduled executive sessions without management participation.

''(4) QUORUM; PROHIBITION ON PROXIES.—For the transaction of business, a quorum of the board of directors of an enterprise shall be at least a majority of the seated board of directors and a board member may not vote by proxy.

''(5) INFORMATION.—The management of an enterprise shall provide a board member of the enterprise with such adequate and appropriate information that a reasonable board member would find important to the fulfillment of his or her fiduciary duties and obligations.

''(6) ANNUAL REVIEW.—At least annually, the board of directors of each enterprise shall review, with appropriate professional assistance,

the requirements of laws, rules, regulations, and guidelines that are applicable to its activities and duties.

''(b) COMMITTEES OF BOARDS OF DIRECTORS.—

''(1) FREQUENCY OF MEETINGS.—Any committee of the board of directors of an enterprise shall meet with sufficient frequency to carry out its obligations and duties under applicable laws, rules, regulations, and guidelines.

''(2) REQUIRED COMMITTEES.—Each enterprise shall provide for the establishment, however styled, of the following committees of the board of directors:

''(A) Audit committee.

''(B) Compensation committee.

''(C) Nominating/corporate governance committee.

Such committees shall be in compliance with the charter, independence, composition, expertise, duties, responsibilities, and other requirements set forth under section 10A(m) of the Securities Exchange Act of 1934 (15 U.S.C. 78j–1(m)), with respect to the audit committee, and under rules issued by the New York Stock Exchange, as such rules may be amended from time to time.

''(c) COMPENSATION.—

''(1) IN GENERAL.—The compensation of board members, executive officers, and employees of an enterprise—

''(A) shall not be in excess of that which is reasonable and appropriate;

''(B) shall be commensurate with the duties and responsibilities of such persons,

''(C) shall be consistent with the long-term goals of the enterprise;

''(D) shall not focus solely on earnings performance, but shall take into account risk management, operational stability and legal and regulatory compliance as well; and

''(E) shall be undertaken in a manner that complies with applicable laws, rules, and regulations.

''(2) REIMBURSEMENT.—If an enterprise is required to prepare an accounting restatement due to the material noncompliance of the enterprise, as a result of misconduct, with any financial reporting requirement under the securities laws, the chief executive officer and chief financial officer of the enterprise shall reimburse the enterprise as provided under section 304 of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7243). This provision does not otherwise limit the authority of the Agency to employ remedies available to it under its enforcement authorities.

''(d) CODE OF CONDUCT AND ETHICS.—

''(1) IN GENERAL.—An enterprise shall establish and administer a written code of conduct and ethics that is reasonably designed to assure the ability of board members, executive officers, and employees of the enterprise to discharge their duties and responsibilities, on behalf of the enterprise, in an objective and impartial manner, and that includes standards required under section 406 of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7264) and other applicable laws, rules, and regulations.

''(2) REVIEW.—Not less than once every three years, an enterprise shall review the adequacy of its code of conduct and ethics for consistency with practices appropriate to the enterprise and make any appropriate revisions to such code.

''(e) CONDUCT AND RESPONSIBILITIES OF BOARD OF DIRECTORS.—The board of directors of an enterprise shall be responsible for directing the conduct and affairs of the enterprise in furtherance of the safe and sound operation of the enterprise and shall remain reasonably informed of the condition, activities, and operations of the enterprise. The responsibilities of the board of directors shall include having in place adequate policies and procedures to assure its oversight of, among other matters, the following:

''(1) Corporate strategy, major plans of action, risk policy, programs for legal and regulatory compliance and corporate performance, including prudent plans for growth and allocation of adequate resources to manage operations risk.

''(2) Hiring and retention of qualified executive officers and succession planning for such executive officers.

''(3) Compensation programs of the enterprise.

''(4) Integrity of accounting and financial reporting systems of the enterprise, including independent audits and systems of internal control.

''(5) Process and adequacy of reporting, disclosures, and communications to shareholders, investors, and potential investors.

''(6) Extensions of credit to board members and executive officers.

''(7) Responsiveness of executive officers in providing accurate and timely reports to Federal regulators and in addressing the supervisory concerns of Federal regulators in a timely and appropriate manner.

''(f) PROHIBITION OF EXTENSIONS OF CREDIT.—An enterprise may not directly or indirectly, including through any subsidiary, extend or maintain credit, arrange for the extension of credit, or renew an extension of credit, in the form of a personal loan to or for any board member or executive officer of the enterprise, as provided by section 13(k) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(k)).

''(g) CERTIFICATION OF DISCLOSURES.—The chief executive officer and the chief financial officer of an enterprise shall review each quarterly report and annual report issued by the enterprise and such reports shall include certifications by such officers as required by section 302 of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7241).

''(h) CHANGE OF AUDIT PARTNER.—An enterprise may not accept audit services from an external auditing firm if the lead or coordinating audit partner who has primary responsibility for the external audit of the enterprise, or the external audit partner who has responsibility for reviewing the external audit has performed audit services for the enterprise in each of the five previous fiscal years.

''(i) COMPLIANCE PROGRAM.—

''(1) REQUIREMENT.—Each enterprise shall establish and maintain a compliance program that is reasonably designed to assure that the enterprise complies with applicable laws, rules, regulations, and internal controls.

''(2) COMPLIANCE OFFICER.—The compliance program of an enterprise shall be headed by a compliance officer, however styled, who reports directly to the chief executive officer of the enterprise. The compliance officer shall report regularly to the board of directors or an appropriate committee of the board of directors on compliance with and the adequacy of current compliance policies and procedures of the enterprise, and shall recommend any adjustments to such policies and procedures that the compliance officer considers necessary and appropriate.

''(j) RISK MANAGEMENT PROGRAM.—

''(1) REQUIREMENT.—Each enterprise shall establish and maintain a risk management program that is reasonably designed to manage the risks of the operations of the enterprise.

''(2) RISK MANAGEMENT OFFICER.—The risk management program of an enterprise shall be headed by a risk management officer, however styled, who reports directly to the chief executive officer of the enterprise. The risk management officer shall report regularly to the board of directors or an appropriate committee of the board of directors on compliance with and the adequacy of current risk management policies and procedures of the enterprise, and shall recommend any adjustments to such policies and procedures that the risk management officer considers necessary and appropriate.

''(k) COMPLIANCE WITH OTHER LAWS.—

''(1) DEREGISTERED OR UNREGISTERED COMMON STOCK.—If an enterprise deregisters or has not registered its common stock with the Securities and Exchange Commission under the Securities Exchange Act of 1934, the enterprise shall comply or continue to comply with sections 10A(m) and 13(k) of the Securities Exchange Act of 1934 (15 U.S.C. 78j-1(m), 78m(k)) and sections 302, 304, and 406 of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7241, 7243, 7264), subject to such requirements as provided by subsection (l) of this section.

''(2) REGISTERED COMMON STOCK.—An enterprise that has its common stock registered with the Securities and Exchange Commission shall maintain such registered status, unless it provides 60 days prior written notice to the Director stating its intent to deregister and its understanding that it will remain subject to the requirements of the sections of the Securities Exchange Act of 1934 and the Sarbanes-Oxley Act of 2002, subject to such requirements as provided by subsection (l) of this section.

''(l) OTHER MATTERS.—The Director may from time to time establish standards, by regulation, order, or guideline, regarding such other corporate governance matters of the enterprises as the Director considers appropriate.

''(m) MODIFICATION OF STANDARDS.—In connection with standards of Federal or State law (including the Revised Model Corporation Act) or New York Stock Exchange rules that are made applicable to an enterprise by section 1710.10 of the Director's rules (12 C.F.R. 1710.10) and by subsections (a), (b), (g), (i), (j), and (k) of this section, the Director, in the Director's sole discretion, may modify the standards contained in this section or in part 1710 of the Director's rules (12 U.S.C. Part 1710) in accordance with section 553 of title 5, United States Code, and upon written notice to the enterprise.''.

SEC. 115. REQUIRED REGISTRATION UNDER SECURITIES EXCHANGE ACT OF 1934.

The Housing and Community Development Act of 1992 is amended by adding after section 1322A, as added by the preceding provisions of this Act, the following new section:

''SEC. 1322B. REQUIRED REGISTRATION UNDER SECURITIES EXCHANGE ACT OF 1934.

''(a) IN GENERAL.—Each regulated entity shall register at least one class of the capital stock of such regulated entity, and maintain such registration with the Securities and Exchange Commission, under the Securities Exchange Act of 1934.

''(b) ENTERPRISES.—Each enterprise shall comply with sections 14 and 16 of the Securities Exchange Act of 1934.''.

SEC. 116. FINANCIAL INSTITUTIONS EXAMINATION COUNCIL.

The Federal Financial Institutions Examination Council Act of 1978 is amended—

(1) in section 1003 (12 U.S.C. 3302)—

(A) in paragraph (1), by inserting ''Director of the Federal Housing Finance Agency,'' after ''Supervision,''; and

(B) in paragraph (3), by striking ''or a credit union;'' and inserting ''a credit union, or a regulated entity (as such term is defined in section 1303 of the Housing and Community Development Act of 1992 (12 U.S.C. 4502)).'';

(2) in section 1004 (12 U.S.C. 3303)—

(A) in paragraph (4), by inserting a semicolon at the end;

(B) by redesignating paragraph (5) as paragraph (6); and

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

''(5) the Director of the Federal Housing Finance Agency; and''; and

(3) in section 1006(d) (12 U.S.C. 3305(d)), by striking ''and employees of the Federal Housing Finance Board''.

SEC. 117. GUARANTEE FEE STUDY.

(a) IN GENERAL.—The Comptroller General of the United States, in consultation with the heads of the federal banking agencies and the Director of the Office of Federal Housing Enterprise Oversight of the Department of Housing and Urban Development, shall, not later than one year after the date of the enactment of this Act, submit to the Congress a study concerning the pricing, transparency and reporting of the

Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, and the Federal home loan banks with regard to guarantee fees and concerning analogous practices, transparency and reporting requirements (including advances pricing practices by the Federal Home Loan Banks) of other participants in the business of mortgage purchases and securitization.

(b) FACTORS.—The study required by this section shall examine various factors such as credit risk, counterparty risk considerations, economic value considerations, and volume considerations used by the regulated entities (as such term is defined in section 1303 of the Housing and Community Development Act of 1992) included in the study in setting the amount of fees they charge.

(c) CONTENTS OF REPORT.—The report required under subsection (a) shall identify and analyze—

(1) the factors used by each enterprise (as such term is defined in section 1303 of the Housing and Community Development Act of 1992) in determining the amount of the guarantee fees it charges;

(2) the total revenue the enterprises earn from guarantee fees;

(3) the total costs incurred by the enterprises for providing guarantees;

(4) the average guarantee fee charged by the enterprises;

(5) an analysis of how and why the guarantee fees charged differ from such fees charged during the previous year;

(6) a breakdown of the revenue and costs associated with providing guarantees, based on product type and risk classifications; and

(7) other relevant information on guarantee fees with other participants in the mortgage and securitization business.

(d) PROTECTION OF INFORMATION.—Nothing in this section may be construed to require or authorize the Government Accounting Office, in connection with the study mandated by this section, to disclose information of the enterprises or other organization that is confidential or proprietary.

SEC. 118. CONFORMING AMENDMENTS.

(a) 1992 Act.—Part 1 of subtitle A of title XIII of the Housing and Community Development Act of 1992 (12 U.S.C. 4511 et seq.), as amended by the preceding provisions of this Act, is further amended—

(1) by striking ''an enterprise'' each place such term appears in such part (except in sections 1313(a)(2)(A), 1313A(b)(2)(B)(ii)(I), and 1316(b)(3)) and inserting ''a regulated entity'';

(2) by striking ''the enterprise'' each place such term appears in such part (except in section 1316(b)(3)) and inserting ''the regulated entity'';

(3) by striking ''the enterprises'' each place such term appears in such part (except in sections 1312(c)(2), 1312(e)(2), and 1319B(a)(4)(D)) and inserting ''the regulated entities'';

(4) by striking ''each enterprise'' each place such term appears in such part and inserting ''each regulated entity'';

(5) by striking ''Office'' each place such term appears in such part (except in sections 1312(b)(5), 1315(b), and 1316(g), and section 1317(c)) and inserting ''Agency'';

(6) in section 1315 (12 U.S.C. 4515)—

(A) in subsection (a)—

(i) in the subsection heading, by striking ''Office Personnel'' and inserting ''In General''; and

(ii) by striking ''The'' and inserting ''Subject to titles III and IV of the Federal Housing Finance Reform Act of 2005, the'';

(B) by striking subsections (d) and (f); and

(C) by redesignating subsection (e) as subsection (d);

(7) in section 1319A (12 U.S.C. 4520)—

(A) by striking ''(a) In General.—Each enterprise'' and inserting ''Each regulated entity''; and

(B) by striking subsection (b);

(8) in section 1319B (12 U.S.C. 4521), by striking ''Committee on Banking, Finance and Urban Affairs'' each place such term appears and inserting ''Committee on Financial Services''; and

(9) in section 1319F (12 U.S.C. 4525), striking all that follows ''United States Code'' and inserting '', the Agency shall be considered an agency responsible for the regulation or supervision of financial institutions.''.

(b) AMENDMENTS TO FANNIE MAE CHARTER ACT.—The Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.) is amended—

(1) by striking ''Director of the Office of Federal Housing Enterprise Oversight of the Department of Housing and Urban Development'' each place such term appears, and inserting ''Director of the Federal Housing Finance Agency'', in—

(A) section 303(c)(2) (12 U.S.C. 1718(c)(2));

(B) section 309(d)(3)(B) (12 U.S.C. 1723a(d)(3)(B)); and

(C) section 309(k)(1); and

(2) in section 309—

(A) in subsections (d)(3)(A) and (n)(1), by striking ''Banking, Finance and Urban Affairs'' each place such term appears and inserting ''Financial Services''; and

(B) in subsection (m)—

(i) in paragraph (1), by striking ''Secretary'' the second place such term appears and inserting ''Director'';

(ii) in paragraph (2), by striking ''Secretary'' the second place such term appears and inserting ''Director''; and

(iii) by striking ''Secretary'' each other place such term appears and inserting ''Director of the Federal Housing Finance Agency''; and

(C) in subsection (n), by striking ''Secretary'' each place such term appears and inserting ''Director of the Federal Housing Finance Agency''.

(c) AMENDMENTS TO FREDDIE MAC ACT.—The Federal Home Loan Mortgage Corporation Act is amended—

(1) by striking ''Director of the Office of Federal Housing Enterprise Oversight of the Department of Housing and Urban Development'' each place such term appears, and inserting ''Director of the Federal Housing Finance Agency'', in—

(A) section 303(b)(2) (12 U.S.C. 1452(b)(2));

(B) section 303(h)(2) (12 U.S.C. 1452(h)(2)); and

(C) section 307(c)(1) (12 U.S.C. 1456(c)(1));

(2) in sections 303(h)(1) and 307(f)(1) (12 U.S.C. 1452(h)(1), 1456(f)(1)), by striking ''Banking, Finance and Urban Affairs'' each place such term appears and inserting ''Financial Services'';

(3) in section 306(i) (12 U.S.C. 1455(i))—

(A) by striking ''1316(c)'' and inserting ''306(c)''; and

(B) by striking ''section 106'' and inserting ''section 1316''; and

(4) in section 307 (12 U.S.C. 1456))—

(A) in subsection (e)—

(i) in paragraph (1), by striking ''Secretary'' the second place such term appears and inserting ''Director'';

(ii) in paragraph (2), by striking ''Secretary'' the second place such term appears and inserting ''Director''; and

(iii) by striking ''Secretary'' each other place such term appears and inserting ''Director of the Federal Housing Finance Agency''; and

(B) in subsection (f), by striking ''Secretary'' each place such term appears and inserting ''Director of the Federal Housing Finance Agency''.

Subtitle B—Improvement of Mission Supervision

SEC. 121. TRANSFER OF PROGRAM AND ACTIVITIES APPROVAL AND HOUSING GOAL OVERSIGHT.

Part 2 of subtitle A of title XIII of the Housing and Community Development Act of 1992 (12 U.S.C. 4541 et seq.) is amended—

(1) by striking the designation and heading for the part and inserting the following:

***"PART 2—PROGRAM AND ACTIVITIES APPROVAL BY DIRECTOR, CORPORATE GOVERNANCE, AND ESTABLISHMENT OF HOUSING GOALS"**; and*

(2) by striking sections 1321 and 1322.

SEC. 122. REVIEW BY DIRECTOR OF NEW PROGRAMS AND ACTIVITIES OF ENTERPRISES.

(a) IN GENERAL.—Part 2 of subtitle A of title XIII of the Housing and Community Development Act of 1992 is amended by inserting before section 1323 (12 U.S.C. 4543) the following new section:

"SEC. 1321. REVIEW AND APPROVAL BY DIRECTOR OF NEW PROGRAMS AND BUSINESS ACTIVITIES OF ENTERPRISES.

''(a) LIMITATION ON AUTHORITY TO UNDERTAKE PROGRAMS AND ACTIVITIES.—An enterprise may not undertake any new program, including a pilot program, or any new business activity except in accordance with the procedures set forth in this section and orders and regulations issued under this section.

''(b) NEW PROGRAMS.—

''(1) PRIOR APPROVAL REQUIREMENT.—An enterprise may not commence any new program before it has obtained the approval of the Director, pursuant to this subsection, for the new program.

''(2) APPLICATION.—The Director shall, by order or regulation, require that an enterprise shall, to obtain a determination by the Director regarding approval of a new program by the enterprise, submit to the Director a written application for the new program in a format as prescribed by the Director.

''(3) NOTICE.—Immediately upon receipt of a complete application for a new program, the Director shall cause to be published in the Federal Register notice of the receipt of such application and of the period for public comment pursuant to paragraph (4) regarding such new program, and a description of the new program proposed by the application.

''(4) PUBLIC COMMENT PERIOD.—During the 30-day period beginning upon publication pursuant to paragraph (3) of a notice regarding such an application, the Director shall receive public comments regarding the new program.

''(5) DETERMINATION.—Not less than 15 days after the conclusion of the public comment period pursuant to paragraph (4) regarding an application but not more than 30 days after the conclusion of such comment period, the Director shall approve, conditionally approve, or reject such program, in writing.

''(6) STANDARD FOR APPROVAL.—The Director may approve, or conditionally approve, a new program of an enterprise only if the Director determines, taking into consideration any relevant information and comments received during the public comment period, that such new program—

''(A) does not contravene and is not inconsistent with the purposes of this title, the Federal National Mortgage Association Charter Act, or the Federal Home Loan Mortgage Corporation Act, as such purposes are determined taking into consideration the definitions of the terms 'mortgage loan origination' and 'secondary mortgage market' pursuant to section 1303;

''(B) is not otherwise inconsistent with the safety and soundness of the enterprise; and

''(C) is in the public interest.

''(7) LIMITATION.—The Director, in implementing this subsection, may not prevent an enterprise from continuing to offer the automated loan underwriting system in existence on the date of the enactment of the Federal Housing Finance Reform Act of 2005 or continuing to engage in counseling and education activities.

''(c) NEW BUSINESS ACTIVITIES.—

''(1) AUTHORITY OF DIRECTOR TO PROHIBIT NEW BUSINESS ACTIVITIES.—The Director shall

have authority to prohibit any new business activity by an enterprise if the Director determines, in writing, that such activity—

''(A) contravenes or is inconsistent with the purposes of this title, the Federal National Mortgage Association Charter Act, or the Federal Home Loan Mortgage Corporation Act;

''(B) is otherwise inconsistent with the safety and soundness of the enterprise; or

''(C) is not in the public interest.

''(2) NOTIFICATION OF NEW BUSINESS ACTIVITIES.—An enterprise that undertakes any new business activity shall provide written notice of the activity to the Director and may commence the new business activity only in accordance with paragraph (4).

''(3) DIRECTOR DETERMINATION OF APPLICABLE PROCEDURE.—

''(A) TIMING.—Immediately upon receipt of any notice under paragraph (2) regarding a new business activity, the Director shall undertake a determination under subparagraph (B) of this paragraph regarding the new business activity.

''(B) DETERMINATION AND TREATMENT AS NEW PROGRAM.—If the Director determines that any new business activity consists of, relates to, or involves any new program—

''(i) the Director shall notify the enterprise of the determination;

''(ii) the new business activity described in the notice shall be considered a new program for purposes of this section; and

''(iii) the Director shall prohibit the enterprise from carrying out the activity except to the extent that approval for the activity is obtained pursuant to subsection (b).

''(4) COMMENCEMENT.—An enterprise may commence a new business activity—

''(A) if the Director issues a written approval regarding such new business activity, immediately upon such issuance or at such other time as provided by the Director in such letter; or

''(B) if, during the 30-day period beginning upon receipt by the Director of notice pursuant to paragraph (2) regarding a new business activity, the Director has not issued to the enterprise a written approval or denial of the new business activity, upon the expiration of such 30-day period.

''(d) APPROVAL AND CONDITIONAL APPROVAL.—The Director may at any time conditionally approve the undertaking of a particular new program or new business activity by an enterprise and set forth the terms and conditions that apply to the program or activity with which the enterprise shall comply if it undertakes the new program or activity. Such approval may, in the discretion of the Director, be in the form of a written agreement between the enterprise and the Director and shall be subject to such terms and conditions therein. Such a written agreement or conditional approval shall be enforceable under subtitle C.

''(e) DETERMINATION AND TREATMENT OF ACTIVITY AS NEW BUSINESS ACTIVITY.—If the Director determines that any activity of an enterprise consists of, relates to, or involves any new business activity—

''(1) the Director shall notify the enterprise of the determination;

''(2) such activity shall be considered a new business activity for purposes of this section; and

''(3) the Director shall prohibit the enterprise from carrying out the activity except to the extent that approval for the activity is obtained pursuant to subsection (c).

''(f) EFFECT ON OTHER AUTHORITIES.—

''(1) EXAMINATIONS.—Nothing in this section may be construed to limit, in any manner, any other authority or right the Director may have under other provisions of law to conduct an examination of an enterprise.

''(2) REQUESTS FOR INFORMATION.—Nothing in this section may be construed to limit the right of the Director at any time to request additional information from an enterprise concerning any business activity.

''(3) NO IMPLIED RIGHT OF ACTION.—This section shall not create any private right of action against an enterprise or any director or executive officer of an enterprise, or impair any private right of action under other applicable law.

''(4) NO LIMITATION.—Nothing in this section may be construed to restrict the general supervisory and regulatory authority of the Director over all programs, products, activities, or business operations of any kind.

''(g) REPORT ON PROGRAMS AND BUSINESS ACTIVITIES.—Not later than the expiration of the 180-day period beginning on the effective date under section 185 of the Federal Housing Finance Reform Act of 2005, each enterprise shall submit to the Director a report identifying and describing each program and business activity of the enterprise engaged in or existing as of the submission of the report.

''(h) REGULATIONS.—The Director shall by order or regulation issue rules and procedures to implement this section, including in the discretion of the Director, such definitions, interpretations, forms, and other guidances as the Director considers appropriate.''.

(b) DEFINITIONS.—Section 1303 of the Housing and Community Development Act of 1992 (12 U.S.C. 4502), as amended by section 2 of this Act, is further amended—

(1) by redesignating paragraphs (17) through (23) as paragraphs (20) through (26), respectively;

(2) by inserting after paragraph (16) the following new paragraph:

''(19) NEW BUSINESS ACTIVITY.—The term 'new business activity' means, with respect to an enterprise, a business activity that—

''(A) is materially changed or materially different from any of the business activities that the enterprise was engaging in on the effective date under section 185 of the Federal Housing Finance Reform Act of 2005; and

''(B) the enterprise has not previously obtained authorization, pursuant to the provisions of section 1321(c), to offer, undertake, transact, conduct, or engage in.'';

(3) by redesignating paragraphs (15) and (16) as paragraphs (17) and (18), respectively;

(4) by inserting after paragraph (14) the following new paragraph:

''(16) MORTGAGE MARKETS.—The terms 'mortgage loan origination' and 'secondary mortgage market' shall have such meanings as the Director shall, by regulation, prescribe consistent with the Federal National Mortgage Association Charter Act and the Federal Home Loan Mortgage Corporation Act. The Director shall issue such regulations not later than the expiration of the 12-month period beginning on the effective date under section 185 of the Federal Housing Finance Reform Act of 2005, and the Director shall review such regulations on a periodic basis.'';

(5) by redesignating paragraphs (5) through (14) as paragraphs (6) through (15), respectively; and

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

''(5) BUSINESS ACTIVITY.—The term 'business activity' means, with respect to an enterprise, any offering, undertaking, transacting, conducting, or engaging in any conduct, activity, or product by the enterprise, as the Director shall provide.''.

(c) CONFORMING AMENDMENTS.—

(1) FANNIE MAE.—Section 302(b)(6) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717(b)(6)) is amended—

(A) by striking ''new program (as such term is'' and inserting ''new program or new business activity (as such terms are''; and

(B) by striking ''before obtaining the approval of the Secretary under section 1322'' and inserting ''except in accordance with section 1321''.

(2) FREDDIE MAC.—Section 305(c) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(c)) is amended—

(A) by striking ''new program (as such term is'' and inserting ''new program or new business activity (as such terms are''; and

(B) by striking ''before obtaining the approval of the Secretary under section 1322'' and inserting ''except in accordance with section 1321''.

SEC. 123. CONFORMING LOAN LIMITS.

(a) FANNIE MAE.—

(1) GENERAL LIMIT.—Section 302(b)(2) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717(b)(2)) is amended by striking the 7th and 8th sentences and inserting the following new sentences: ''Such limitations shall not exceed $359,650 for a mortgage secured by a single-family residence, $460,400 for a mortgage secured by a 2-family residence, $556,500 for a mortgage secured by a 3-family residence, and $691,600 for a mortgage secured by a 4-family residence, except that such maximum limitations shall be adjusted effective January 1 of each year beginning after the effective date under section 185 of the Federal Housing Finance Reform Act of 2005, subject to the limitations in this paragraph. Each adjustment shall be made by adding to or subtracting from each such amount (as it may have been previously adjusted) a percentage thereof equal to the percentage increase or decrease, during the most recent 12-month or fourth-quarter period ending before the time of determining such annual adjustment, in the housing price index maintained by the Director of the Federal Housing Finance Agency (pursuant to section 1322 of the Housing and Community Development Act of 1992 (12 U.S.C. 4541)).''.

(2) HIGH-COST AREA LIMIT.—Section 302(b)(2) of the Federal National Mortgage Association Charter Act is (12 U.S.C. 1717(b)(2)) is amended by adding after the period at the end the following: ''Such foregoing limitations shall also be increased with respect to properties of a particular size located in any area for which the median price for such size residence exceeds the foregoing limitation for such size residence, to the lesser of 150 percent of such foregoing limitation for such size residence or the amount that is equal to the median price in such area for such size residence, except that, subject to the order, if any, issued by the Director of the Federal Housing Finance Agency pursuant to section 123(d)(3) of the Federal Housing Finance Reform Act of 2005, such increase shall apply only with respect to mortgages on which are based securities issued and sold by the corporation.''

(b) FREDDIE MAC.—

(1) GENERAL LIMIT.— Section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(2)) is amended by striking the 6th and 7th sentences and inserting the following new sentences: ''Such limitations shall not exceed $359,650 for a mortgage secured by a single-family residence, $460,400 for a mortgage secured by a 2-family residence, $556,500 for a mortgage secured by a 3-family residence, and $691,600 for a mortgage secured by a 4-family residence, except that such maximum limitations shall be adjusted effective January 1 of each year beginning after the effective date under section 185 of the Federal Housing Finance Reform Act of 2005, subject to the limitations in this paragraph. Each adjustment shall be made by adding to or subtracting from each such amount (as it may have been previously adjusted) a percentage thereof equal to the percentage increase or decrease, during the most recent 12-month or fourth-quarter period ending before the time of determining such annual adjustment, in the housing price index maintained by the Director of the Federal Housing Finance Agency (pursuant to section 1322 of the Housing and Community Development Act of 1992 (12 U.S.C. 4541)).''.

(2) HIGH-COST AREA LIMIT.—Section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act is amended by adding after the period at the end the following: ''Such foregoing limitations shall also be increased with respect to properties of a particular size located in any area for which the median price for such size

residence exceeds the foregoing limitation for such size residence, to the lesser of 150 percent of such foregoing limitation for such size residence or the amount that is equal to the median price in such area for such size residence, except that, subject to the order, if any, issued by the Director of the Federal Housing Finance Agency pursuant to section 123(d)(3) of the Federal Housing Finance Reform Act of 2005, such increase shall apply only with respect to mortgages on which are based securities issued and sold by the Corporation.''

(c) HOUSING PRICE INDEX.—Subpart A of part 2 of subtitle A of title XIII of the Housing and Community Development Act of 1992 (as amended by the preceding provisions of this Act) is amended by inserting after section 1321 (as added by section 122 of this Act) the following new section:

''SEC. 1322. HOUSING PRICE INDEX.

''(a) IN GENERAL.—The Director shall establish and maintain a method of assessing the national average 1-family house price for use for adjusting the conforming loan limitations of the enterprises. In establishing such method, the Director shall take into consideration the monthly survey of all major lenders conducted by the Federal Housing Finance Agency to determine the national average 1-family house price, the House Price Index maintained by the Office of Federal Housing Enterprise Oversight of the Department of Housing and Urban Development before the effective date under section 185 of the Federal Housing Finance Reform Act of 2005, any appropriate house price indexes of the Bureau of the Census of the Department of Commerce, and any other indexes or measures that the Director considers appropriate.

''(b) GAO AUDIT.—

''(1) IN GENERAL.—At such times as are required under paragraph (2), the Comptroller General of the United States shall conduct an audit of the methodology established by the Director under subsection (a) to determine whether the methodology established is an accurate and appropriate means of measuring changes to the national average 1-family house price.

''(2) TIMING.—An audit referred to in paragraph (1) shall be conducted and completed not later than the expiration of the 180-day period that begins upon each of the following dates:

''(A) ESTABLISHMENT.—The date upon which such methodology is initially established under subsection (a) in final form by the Director.

''(B) MODIFICATION OR AMENDMENT.—Each date upon which any modification or amendment to such methodology is adopted in final form by the Director.

''(3) REPORT.—Within 30 days of the completion of any audit conducted under this subsection, the Comptroller General shall submit a report detailing the results and conclusions of the audit to the Director, the Committee on Financial Services of the House of Representatives, and the Committee on Banking, Housing, and Urban Affairs of the Senate.''.

(d) CONDITIONS ON CONFORMING LOAN LIMIT FOR HIGH-COST AREAS.—

(1) STUDY.—The Director of the Federal Housing Finance Agency shall conduct a study under this subsection during the six-month period beginning on the effective date under section 185 of this Act.

(2) ISSUES.—The study under this subsection shall determine—

(A) the effect that restricting the conforming loan limits for high-cost areas only to mortgages on which are based securities issued and sold by the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation (as provided in the last sentence of section 302(b)(2) of the Federal National Mortgage Association Charter Act and the last sentence of section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act, pursuant to the amendments made by subsections (a)(2) and (b)(2) of this section) would have on the cost to borrowers for mortgages on housing in such high-cost areas;

(B) the effects that such restrictions would have on the availability of mortgages for housing in such high-cost areas; and

(C) the extent to which the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation will be able to issue and sell securities based on mortgages for housing located in such high-cost areas.

(3) DETERMINATION.—

(A) IN GENERAL.—Not later than the expiration of the six-month period specified in paragraph (1), the Director of the Federal Housing Finance Agency shall make a determination, based on the results of the study under this subsection, of whether the restriction of conforming loan limits for high-cost areas only to mortgages on which are based securities issued and sold by the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation (as provided in the amendments made by subsections (a)(2) and (b)(2) of this section) will result in an increase in the cost to borrowers for mortgages on housing in such high-cost areas.

(B) ORDER.— If such determination is that costs to borrowers on housing in such high-cost areas will be increased by such restrictions, the Director may issue an order terminating such restrictions, in whole or in part.

(4) PUBLICATION.— Not later than the expiration of the six-month period specified in paragraph (1), the Director of the Federal Housing Finance Agency shall cause to be published in the Federal Register—

(A) a report that—

(i) describes the study under this subsection; and

(ii) sets forth the conclusions of the study regarding the issues to be determined under paragraph (2); and

(B) notice of the determination of the Director under paragraph (3); and

(C) the order of the Director under paragraph (3).

(5) DEFINITION.—For purposes of this subsection, the term ''conforming loan limits for high-cost areas'' means the dollar amount limitations applicable under the section 302(b)(2) of the Federal National Mortgage Association Charter Act and section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act (as amended by subsections (a) and (b) of this section) for areas described in the last sentence of such sections (as so amended).

(e) REGULAR ADJUSTMENT OF CONFORMING LOAN LIMITS.—

(1) ADJUSTMENT FOR YEAR INTERVENING BEFORE EFFECTIVE DATE.—Notwithstanding section 302(b)(2) of the Federal National Mortgage Association Charter Act and section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act, as amended by this section, the maximum dollar amount limitations in such sections shall be adjusted on the effective date under section 185 of this Act, and the limitations as so adjusted shall be immediately effective, so that the limitations under such sections applicable to the year in which such effective date occurs are equal to the limitations in effect under such sections immediately before such effective date.

(2) FURTHER ADJUSTMENTS.—After such effective date, the dollar amount limitations as adjusted pursuant to paragraph (1) shall be considered ''such amount (as it may have been previously adjusted'' for purposes of section 302(b)(2) of the Federal National Mortgage Association Charter Act and section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act.

SEC. 124. ANNUAL HOUSING REPORT REGARDING REGULATED ENTITIES.

(a) IN GENERAL.—The Housing and Community Development Act of 1992 is amended by striking section 1324 (12 U.S.C. 4544) and inserting the following new section:

''SEC. 1324. ANNUAL HOUSING REPORT REGARDING REGULATED ENTITIES.

''(a) IN GENERAL.—After reviewing and analyzing the reports submitted under section 309(n) of the Federal National Mortgage Association Charter Act, section 307(f) of the Federal Home Loan Mortgage Corporation Act, and section 10(j)(11) of the Federal Home Loan Bank Act (12 U.S.C. 1430(j)(11)), the Director shall submit a report, not later than October 30 of each year, to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, on the activities of each regulated entity.

''(b) CONTENTS.—The report shall—

''(1) discuss the extent to which—

''(A) each enterprise is achieving the annual housing goals established under subpart B of this part;

''(B) each enterprise is complying with section 1337;

''(C) each Federal home loan bank is complying with section 10(j) of the Federal Home Loan Bank Act; and

''(D) each regulated entity is achieving the purposes of the regulated entity established by law;

''(2) aggregate and analyze relevant data on income to assess the compliance by each enterprise with the housing goals established under subpart B;

''(3) aggregate and analyze data on income, race, and gender by census tract and other relevant classifications, and compare such data with larger demographic, housing, and economic trends;

''(4) examine actions that—

''(A) each enterprise has undertaken or could undertake to promote and expand the annual goals established under subpart B and the purposes of the enterprise established by law; and

''(B) each Federal home loan bank has taken or could undertake to promote and expand the community investment program and affordable housing program of the bank established under section subsections (i) and (j) of section 10 of the Federal Home Loan Bank Act;

''(5) examine the primary and secondary multifamily housing mortgage markets and describe—

''(A) the availability and liquidity of mortgage credit;

''(B) the status of efforts to provide standard credit terms and underwriting guidelines for multifamily housing and to securitize such mortgage products; and

''(C) any factors inhibiting such standardization and securitization;

''(6) examine actions each regulated entity has undertaken and could undertake to promote and expand opportunities for first-time homebuyers;

''(7) describe any actions taken under section 1325(5) with respect to originators found to violate fair lending procedures;

''(8) discuss and analyze existing conditions and trends, including conditions and trends relating to pricing, in the housing markets and mortgage markets; and

''(9) identify the extent to which each enterprise is involved in mortgage purchases and secondary market activities involving subprime loans (as identified in accordance with the regulations issued pursuant to section 124(b) of the Federal Housing Finance Reform Act of 2005) and compare the characteristics of subprime loans purchased and securitized by the enterprises to other loans purchased and securitized by the enterprises

''(c) DATA COLLECTION AND REPORTING.—

''(1) IN GENERAL.—To assist the Director in analyzing the matters described in subsection (b) and establishing the methodology described in section 1322, the Director shall conduct, on a monthly basis, a survey of mortgage markets in accordance with this subsection.

''(2) DATA POINTS.—Each monthly survey conducted by the Director under paragraph (1) shall collect data on—

''(A) the characteristics of individual mortgages that are eligible for purchase by the enterprises and the characteristics of individual

mortgages that are not eligible for purchase by the enterprises including, in both cases, information concerning—

''(i) the price of the house that secures the mortgage;

''(ii) the loan-to-value ratio of the mortgage, which shall reflect any secondary liens on the relevant property;

''(iii) the terms of the mortgage;

''(iv) the creditworthiness of the borrower or borrowers; and

''(v) whether the mortgage, in the case of a conforming mortgage, was purchased by an enterprise; and

''(B) such other matters as the Director determines to be appropriate.

''(3) PUBLIC AVAILABILITY.—The Director shall make any data collected by the Director in connection with the conduct of a monthly survey available to the public in a timely manner, provided that the Director may modify the data released to the public to ensure that the data is not released in an identifiable form.

''(4) DEFINITION.—For purposes of this subsection, the term 'identifiable form' means any representation of information that permits the identity of a borrower to which the information relates to be reasonably inferred by either direct or indirect means.''.

(b) STANDARDS FOR SUBPRIME LOANS.—The Director shall, not later than one year after the effective date under section 185, by regulations issued under section 1316G of the Housing and Community Development Act of 1992, establish standards by which mortgages purchased and mortgages purchased and securitized shall be characterized as subprime for the purpose of, and only for the purpose of, complying with the reporting requirement under section 1324(b)(9) of such Act.

SEC. 125. REVISION OF HOUSING GOALS.

(a) HOUSING GOALS.—The Housing and Community Development Act of 1992 is amended by striking sections 1331 through 1334 (12 U.S.C. 4561–4) and inserting the following new sections:

''SEC. 1331. ESTABLISHMENT OF HOUSING GOALS.

''(a) IN GENERAL.—The Director shall establish, effective for the first year that begins after the effective date under section 185 of the Federal Housing Finance Reform Act of 2005 and each year thereafter, annual housing goals, with respect to the mortgage purchases by the enterprises, as follows:

''(1) SINGLE FAMILY HOUSING GOALS.—Three single-family housing goals under section 1332.

''(2) MULTIFAMILY SPECIAL AFFORDABLE HOUSING GOALS.—A multifamily special affordable housing goal under section 1333.

''(b) ELIMINATING INTEREST RATE DISPARITIES.—

''(1) IN GENERAL.—In establishing and implementing the housing goals under this subpart, the Director shall require the enterprises to disclose appropriate information to allow the Director to assess if there are any disparities in interest rates charged on mortgages to borrowers who are minorities as compared with borrowers of similar creditworthiness who are not minorities, as evidenced in reports pursuant to the Home Mortgage Disclosure Act of 1975.

''(2) REPORT AND REMEDY.—Upon a finding by the Director, pursuant to the information provided by an enterprise in paragraph (1), that a pattern of disparities in interest rates exists, the Director shall—

''(A) submit to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate a report detailing the disparities; and

''(B) require the enterprise to take such action as the Director deems appropriate pursuant to this Act to remedy the interest rate disparities identified.

''(3) PROTECTION OF IDENTITY.—In carrying out this subsection, the Director shall ensure that no information is made public that would reasonably allow identification, directly or indirectly, of an individual borrower.

''(c) TIMING.—The Director shall establish an annual deadline by which the Director shall establish the annual housing goals under this subpart for each year, taking into consideration the need for the enterprises to reasonably and sufficiently plan their operations and activities in advance, including operations and activities necessary to meet such annual goals.

''SEC. 1332. SINGLE-FAMILY HOUSING GOALS.

''(a) IN GENERAL.—The Director shall establish an annual goal for the purchase by each enterprise of conventional, conforming, single-family, owner-occupied, purchase money mortgages financing housing for each of the following categories of families:

''(1) Low-income families.

''(2) Families that reside in low-income areas.

''(3) Very low-income families.

''(b) DETERMINATION OF COMPLIANCE.—The Director shall determine, for each year that the housing goal under this section is in effect pursuant to section 1331(a), whether each enterprise has complied with the single-family housing goal established under this section for such year. An enterprise shall be considered to be in compliance with such a goal for a year only if—

''(1) for each of the types of families described in subsection (a), the percentage of the number of conventional, conforming, single-family, owner-occupied, purchase money mortgages purchased by each enterprise in such year that serve such families, meets or exceeds

''(2) the target for the year for such type of family that is established under subsection (c).

''(c) ANNUAL TARGETS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), for each of the types of families described in subsection (a), the target under this subsection for a year shall be the average percentage, for the three years that most recently precede such year and for which information under the Home Mortgage Disclosure Act of 1975 is publicly available, of the number of conventional, conforming, single-family, owner-occupied, purchase money mortgages originated in such year that serves such type of family, as determined by the Director using the information obtained and determined pursuant to paragraphs (3) and (4).

''(2) AUTHORITY TO INCREASE TARGETS.—

''(A) IN GENERAL.—The Director may, for any year, establish by regulation, for any or all of the types of families described in subsection (a), percentage targets that are higher than the percentages for such year determined pursuant to paragraph (1), to reflect expected changes in market performance related to such information under the Home Mortgage Disclosure Act of 1975.

''(B) FACTORS.—In establishing any targets pursuant to subparagraph (A), the Director shall consider the following factors:

''(i) National housing needs.

''(ii) Economic, housing, and demographic conditions.

''(iii) The performance and effort of the enterprises toward achieving the housing goals under this section in previous years.

''(iv) The size of the conventional mortgage market serving each of the types of families described in subsection (a) relative to the size of the overall conventional mortgage market.

''(v) The need to maintain the sound financial condition of the enterprises.

''(3) HMDA INFORMATION.—The Director shall annually obtain information submitted in compliance with the Home Mortgage Disclosure Act of 1975 regarding conventional, conforming, single-family, owner-occupied, purchase money mortgages originated and purchased for the previous year.

''(4) CONFORMING MORTGAGES.—In determining whether a mortgage is a conforming mortgage for purposes of this paragraph, the Director shall consider the original principal balance of the mortgage loan to be the principal balance as reported in the information referred to in paragraph (3), as rounded to the nearest thousand dollars.

''(d) NOTICE OF DETERMINATION AND ENTERPRISE COMMENT.—

''(1) NOTICE.—Within 30 days of making a determination under subsection (b) regarding a compliance of an enterprise for a year with the housing goal established under this section and before any public disclosure thereof, the Director shall provide notice of the determination to the enterprise, which shall include an analysis and comparison, by the Director, of the performance of the enterprise for the year and the targets for the year under subsection (c).

''(2) COMMENT PERIOD.—The Director shall provide each enterprise an opportunity to comment on the determination during the 30-day period beginning upon receipt by the enterprise of the notice.

''(e) USE OF BORROWER INCOME.—In monitoring the performance of each enterprise pursuant to the housing goals under this section and evaluating such performance (for purposes of section 1336), the Director shall consider a mortgagor's income to be such income at the time of origination of the mortgage.

''SEC. 1333. MULTIFAMILY SPECIAL AFFORDABLE GOAL.

''(a) ESTABLISHMENT.—

''(1) IN GENERAL.—The Director shall establish, by regulation, an annual goal for the purchase by each enterprise of each of the following types of mortgages on multifamily housing:

''(A) Mortgages that finance dwelling units for very low-income families.

''(B) Mortgages that finance dwelling units assisted by the low-income housing tax credit under section 42 of the Internal Revenue Code of 1986.

''(2) ADDITIONAL REQUIREMENTS FOR SMALLER PROJECTS.—The Director shall establish, within the goal under this section, additional requirements for the purchase by each enterprise of mortgages described in paragraph (1) for multifamily housing projects of a smaller or limited size, which may be based on the number of dwelling units in the project or the amount of the mortgage, or both, and shall include multifamily housing projects of such smaller sizes as are typical among such projects that serve rural areas.

''(3) FACTORS.—In establishing the goal under this section relating to mortgages on multifamily housing for an enterprise, the Director shall consider—

''(A) national multifamily mortgage credit needs;

''(B) the performance and effort of the enterprise in making mortgage credit available for multifamily housing in previous years;

''(C) the size of the multifamily mortgage market;

''(D) the ability of the enterprise to lead the industry in making mortgage credit available, especially for underserved markets, such as for small multifamily projects of 5 to 50 units, multifamily properties in need of rehabilitation, and multifamily properties located in rural areas; and

''(E) the need to maintain the sound financial condition of the enterprise.

''(b) UNITS FINANCED BY HOUSING FINANCE AGENCY BONDS.—The Director shall give full credit toward the achievement of the multifamily special affordable housing goal under this section (for purposes of section 1336) to dwelling units in multifamily housing that otherwise qualifies under such goal and that is financed by tax-exempt or taxable bonds issued by a State or local housing finance agency, but only if—

''(1) such bonds are secured by a guarantee of the enterprise; or

''(2) are not investment grade and are purchased by the enterprise.

''(c) USE OF TENANT INCOME OR RENT.—The Director shall monitor the performance of each enterprise in meeting the goals established under this section and shall evaluate such performance (for purposes of section 1336) based on—

''(1) the income of the prospective or actual tenants of the property, where such data are available; or

''(2) where the data referred to in paragraph (1) are not available, rent levels affordable to low-income and very low-income families.

A rent level shall be considered to be affordable for purposes of this subsection for an income category referred to in this subsection if it does not exceed 30 percent of the maximum income level of such income category, with appropriate adjustments for unit size as measured by the number of bedrooms.

''(d) DETERMINATION OF COMPLIANCE.—The Director shall, for each year that the housing goal under this section is in effect pursuant to section 1331(a), determine whether each enterprise has complied with such goal and the additional requirements under subsection (a)(2).

''SEC. 1334. DISCRETIONARY ADJUSTMENT OF HOUSING GOALS.

''(a) AUTHORITY.—An enterprise may petition the Director in writing at any time during a year to reduce the level of any goal for such year established pursuant to this subpart.

''(b) STANDARD FOR REDUCTION.—The Director may reduce the level for a goal pursuant to such a petition only if—

''(1) market and economic conditions or the financial condition of the enterprise require such action; or

''(2) efforts to meet the goal would result in the constraint of liquidity, over-investment in certain market segments, or other consequences contrary to the intent of this subpart, or section 301(3) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1716(3)) or section 301(3) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 note), as applicable.

''(c) DETERMINATION.—The Director shall make a determination regarding any proposed reduction within 30 days of receipt of the petition regarding the reduction. The Director may extend such period for a single additional 15-day period, but only if the Director requests additional information from the enterprise. A denial by the Director to reduce the level of any goal under this section may be appealed to the United States District Court for the District of Columbia or the United States district court in the jurisdiction in which the headquarters of an enterprise is located.''.

(b) CONFORMING AMENDMENTS.—The Housing and Community Development Act of 1992 is amended——

(1) in section 1335(a) (12 U.S.C. 4565(a)), in the matter preceding paragraph (1), by striking ''low- and moderate-income housing goal'' and all that follows through ''section 1334'' and inserting ''housing goals established under this subpart''; and

(2) in section 1336(a)(1) (12 U.S.C. 4566(a)(1)), by striking ''sections 1332, 1333, and 1334,'' and inserting ''this subpart'' .

(c) DEFINITIONS.—Section 1303 of the Housing and Community Development Act of 1992 (12 U.S.C. 4502), as amended by the preceding provisions of this Act, is further amended—

(1) in paragraph (26), by striking ''60 percent'' each place such term appears and inserting ''50 percent'';

(2) by redesignating paragraphs (23) through (26) as paragraphs (27) through (30), respectively;

(3) by inserting after paragraph (22) the following new paragraph:

''(26) RURAL AREAS.—The term 'rural areas' means any areas that are non-metropolitan areas (as such term is defined by the Director of the Office of Management and Budget), including micropolitan areas and tribal trust lands.''.

(4) by redesignating paragraphs (14) through (22) as paragraphs (17) through (25), respectively; and

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

''(16) LOW-INCOME AREA.—The term 'low income area' means a census tract or block numbering area in which the median income does not exceed 80 percent of the median income for the area in which such census tract or block numbering area is located, and, for the purposes of section 1332(a)(2), shall include families having incomes not greater than 100 percent of the area median income who reside in minority census tracts.'';

(6) by redesignating paragraphs (12) and (13) as paragraphs (14) and (15), respectively;

(7) by inserting after paragraph (11) the following new paragraph:

''(13) EXTREMELY LOW-INCOME.—The term 'extremely low-income' means—

''(A) in the case of owner-occupied units, income not in excess of 30 percent of the area median income; and

''(B) in the case of rental units, income not in excess of 30 percent of the area median income, with adjustments for smaller and larger families, as determined by the Secretary.'';

(8) by redesignating paragraphs (8) through (11) as paragraphs (9) through (12), respectively; and

(9) by inserting after paragraph (7) the following new paragraph:

''(8) CONFORMING MORTGAGE.—The term 'conforming mortgage' means, with respect to an enterprise, a conventional mortgage having an original principal obligation that does not exceed the dollar limitation, in effect at the time of such origination, under, as applicable—

''(A) section 302(b)(2) of the Federal National Mortgage Association Charter Act; or

''(B) section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act.''.

SEC. 126. DUTY TO SERVE UNDERSERVED MARKETS.

(a) ESTABLISHMENT AND EVALUATION OF PERFORMANCE.—Section 1335 of the Housing and Community Development Act of 1992 (12 U.S.C. 4565) is amended—

(1) in the section heading, by inserting ''**DUTY TO SERVE UNDERSERVED MARKETS AND**'' before ''**OTHER**'';

(2) by striking subsection (b);

(3) in subsection (a)—

(A) in the matter preceding paragraph (1), by inserting ''and to carry out the duty under subsection (a) of this section'' before '', each enterprise shall'';

(B) in paragraph (3), by inserting ''and'' after the semicolon at the end;

(C) in paragraph (4), by striking ''; and'' and inserting a period;

(D) by striking paragraph (5); and

(E) by redesignating such subsection as subsection (b);

(4) by inserting before subsection (b) (as so redesignated by paragraph (3)(E) of this subsection) the following new subsection:

''(a) DUTY TO SERVE UNDERSERVED MARKETS.—

''(1) DUTY.—In accordance with the purpose of the enterprises under section 301(3) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1716) and section 301(b)(3) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 note) to undertake activities relating to mortgages on housing for very low-, low-, and moderate-income families involving a reasonable economic return that may be less than the return earned on other activities, each enterprise shall have the duty to increase the liquidity of mortgage investments and improve the distribution of investment capital available for mortgage financing for underserved markets.

''(2) UNDERSERVED MARKETS.—To meet its duty under paragraph (1), each enterprise shall comply with the following requirements with respect to the following underserved markets:

''(A) MANUFACTURED HOUSING.—The enterprise shall lead the industry in developing loan products and flexible underwriting guidelines to facilitate a secondary market for mortgages on manufactured homes for very low-, low-, and moderate-income families.

''(B) AFFORDABLE HOUSING PRESERVATION.—The enterprise shall lead the industry in developing loan products and flexible underwriting guidelines to facilitate a secondary market to preserve housing affordable to very low-, low-, and moderate-income families, including housing projects subsidized under—

''(i) the project-based and tenant-based rental assistance programs under section 8 of the United States Housing Act of 1937;

''(ii) the program under section 236 of the National Housing Act;

''(iii) the below-market interest rate mortgage program under section 221(d)(4) of the National Housing Act;

''(iv) the supportive housing for the elderly program under section 202 of the Housing Act of 1959;

''(v) the supportive housing program for persons with disabilities under section 811 of the Cranston-Gonzalez National Affordable Housing Act; and

''(vi) the rural rental housing program under section 515 of the Housing Act of 1949.

''(C) RURAL AND OTHER UNDERSERVED MARKETS.—The enterprise shall lead the industry in developing loan products and flexible underwriting guidelines to facilitate a secondary market for mortgages on housing for very low-, low-, and moderate-income families in rural areas, and for mortgages for housing for any other underserved market for very low-, low-, and moderate-income families that the Secretary identifies as lacking adequate credit through conventional lending sources. Such underserved markets may be identified by borrower type, market segment, or geographic area.''; and

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

''(c) EVALUATION AND REPORTING OF COMPLIANCE.—

''(1) IN GENERAL.—Not later than 6 months after the effective date under section 185 of the Federal Housing Finance Reform Act of 2005, the Director shall establish a manner for evaluating whether, and the extent to which, the enterprises have complied with the duty under subsection (a) to serve underserved markets and for rating the extent of such compliance. Using such method, the Director shall, for each year, evaluate such compliance and rate the performance of each enterprise as to extent of compliance. The Director shall include such evaluation and rating for each enterprise for a year in the report for that year submitted pursuant to section 1319B(a).

''(2) SEPARATE EVALUATIONS.—In determining whether an enterprise has complied with the duty referred to in paragraph (1), the Director shall separately evaluate whether the enterprise has complied with such duty with respect to each of the underserved markets identified in subsection (a), taking into consideration—

''(A) the development of loan products and more flexible underwriting guidelines;

''(B) the extent of outreach to qualified loan sellers in each of such underserved markets; and

''(C) the volume of loans purchased in each of such underserved markets.''.

(b) ENFORCEMENT.—Subsection (a) of section 1336 of the Housing and Community Development Act of 1992 (12 U.S.C. 4566(a)) is amended—

(1) in paragraph (1), by inserting ''and with the duty under section 1335A of each enterprise with respect to underserved markets,'' before ''as provided in this section,''; and

(2) by adding at the end of such subsection, as amended by the preceding provisions of this title, the following new paragraph:

''(4) ENFORCEMENT OF DUTY TO PROVIDE MORTGAGE CREDIT TO UNDERSERVED MARKETS.—The duty under section 1335(a) of each enterprise to serve underserved markets (as determined in accordance with section 1335(c)) shall

be enforceable under this section to the same extent and under the same provisions that the housing goals established under sections 1332, 1333, and 1334 are enforceable. Such duty shall not be enforceable under any other provision of this title (including subpart C of this part) other than this section or under any provision of the Federal National Mortgage Association Charter Act or the Federal Home Loan Mortgage Corporation Act.''.

SEC. 127. MONITORING AND ENFORCING COMPLIANCE WITH HOUSING GOALS.

Section 1336 of the Housing and Community Development Act of 1992 (12 U.S.C. 4566) is amended—

(1) in subsection (b)—

(A) in the subsection heading, by inserting ''Preliminary'' before ''Determination'';

(B) by striking paragraph (1) and inserting the following new paragraph:

''(1) NOTICE.—If the Director preliminarily determines that an enterprise has failed, or that there is a substantial probability that an enterprise will fail, to meet any housing goal established under this subpart, the Director shall provide written notice to the enterprise of such a preliminary determination, the reasons for such determination, and the information on which the Director based the determination.'';

(C) in paragraph (2)—

(i) in subparagraph (A), by inserting ''finally'' before ''determining'';

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

''(B) EXTENSION OR SHORTENING OF PERIOD.—The Director may—

''(i) extend the period under subparagraph (A) for good cause for not more than 30 additional days; and

''(ii) shorten the period under subparagraph (A) for good cause.''; and

(iii) by redesignating subparagraph (D) as subparagraph (C); and

(D) in paragraph (3)—

(i) in subparagraph (A), by striking ''determine'' and inserting ''issue a final determination of'';

(ii) in subparagraph (B), by inserting ''final'' before ''determinations''; and

(iii) in subparagraph (C)—

(I) by striking ''Committee on Banking, Finance and Urban Affairs'' and inserting ''Committee on Financial Services''; and

(II) by inserting ''final'' before ''determination'' each place such term appears; and

(2) in subsection (c)—

(A) by striking the subsection designation and heading and all that follows through the end of paragraph (1) and inserting the following:

''(c) CEASE AND DESIST ORDERS, CIVIL MONEY PENALTIES, AND REMEDIES INCLUDING HOUSING PLANS.—

''(1) REQUIREMENT.—If the Director finds, pursuant to subsection (b), that there is a substantial probability that an enterprise will fail, or has actually failed, to meet any housing goal under this subpart and that the achievement of the housing goal was or is feasible, the Director may require that the enterprise submit a housing plan under this subsection. If the Director makes such a finding and the enterprise refuses to submit such a plan, submits an unacceptable plan, fails to comply with the plan or the Director finds that the enterprise has failed to meet any housing goal under this subpart, in addition to requiring an enterprise to submit a housing plan, the Director may issue a cease and desist order in accordance with section 1341, impose civil money penalties in accordance with section 1345, or order other remedies as set forth in paragraph (7) of this subsection.'';

(B) in paragraph (2)—

*(i) by striking ''**CONTENTS**.—Each housing plan'' and inserting ''**HOUSING PLAN**.—If the Director requires a housing plan under this section, such a plan''; and*

(ii) in subparagraph (B), by inserting ''and changes in its operations'' after ''improvements'';

(C) in paragraph (3)—

(i) by inserting ''comply with any remedial action or'' before ''submit a housing plan''; and

(ii) by striking ''under subsection (b)(3) that a housing plan is required'';

(D) in paragraph (4), by striking the first two sentences and inserting the following: ''The Director shall review each submission by an enterprise, including a housing plan submitted under this subsection, and not later than 30 days after submission, approve or disapprove the plan or other action. The Director may extend the period for approval or disapproval for a single additional 30-day period if the Director determines such extension necessary.''; and

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

''(7) ADDITIONAL REMEDIES FOR FAILURE TO MEET GOALS.—In addition to ordering a housing plan under this section, issuing cease and desist orders under section 1341, and ordering civil money penalties under section 1345, the Director may seek other actions when an enterprise fails to meet a goal, and exercise appropriate enforcement authority available to the Director under this Act to prohibit the enterprise from entering into new programs and new business activities and to order the enterprise to suspend programs and business activities pending its achievement of the goal.''.

SEC. 128. AFFORDABLE HOUSING FUND.

(a) IN GENERAL.—The Housing and Community Development Act of 1992 is amended by striking sections 1337 and 1338 (12 U.S.C. 4562 note) and inserting the following new section:

''SEC. 1337. AFFORDABLE HOUSING FUND.

''(a) ESTABLISHMENT AND PURPOSE.—Each enterprise shall establish and manage an affordable housing fund in accordance with this section. The purpose of the affordable housing fund shall be—

''(1) to increase homeownership for extremely low-and very low-income families;

''(2) to increase investment in housing in low-income areas, and areas designated as qualified census tracts or an area of chronic economic distress pursuant to section 143(j) of the Internal Revenue Code of 1986 (26 U.S.C. 143(j));

''(3) to increase and preserve the supply of rental and owner-occupied housing for extremely low- and very low-income families; and

''(4) to increase investment in economic and community development in economically underserved areas.

''(b) ALLOCATION OF AMOUNTS BY ENTERPRISES.—

''(1) IN GENERAL.—In accordance with regulations issued by the Director under subsection (l) and subject to paragraph (2) of this subsection, each enterprise shall allocate to the affordable housing fund established under subsection (a) by the enterprise, in each year beginning after the effective date under section 185 of the Federal Housing Finance Reform Act of 2005, 5 percent of the after-tax income of the enterprise for the preceding year.

''(2) LIMITATION.—An enterprise shall not be required to make an allocation for a year to the affordable housing fund of the enterprise established under subsection (a) unless—

''(A) the enterprise is classified by the Director at the time of such allocation as adequately capitalized; and

''(B) the enterprise generated after-tax income for the preceding year.

''(3) DETERMINATION OF AFTER-TAX INCOME.—For purposes of this section, the term 'after-tax income' means, with respect to an enterprise for a year, the amount reported by the enterprise for such year in the enterprise's annual report for such year that is filed with the Securities and Exchange Commission, except that for any year in which no such filing is made by an enterprise or such filing is not timely made, such term means the amount determined by the Director based on the income tax return filings of the enterprise.

''(c) SELECTION OF ACTIVITIES FUNDED USING AFFORDABLE HOUSING FUND AMOUNTS.—Amounts from the affordable housing fund of the enterprise may be used, or committed for use, only for activities that—

''(1) are eligible under subsection (d) for such use; and

''(2) are selected for funding by the enterprise in accordance with the process and criteria for such selection established pursuant to subsection (l)(2)(C).

''(d) ELIGIBLE ACTIVITIES.—Amounts from the affordable housing fund of an enterprise shall be eligible for use, or for commitment for use, only for assistance for—

''(1) the production, preservation, and rehabilitation of rental housing, including housing under the programs identified in section 1335(a)(2)(B), except that amounts provided from the Fund may be used for the benefit only of extremely low- and very low-income families;

''(2) the production, preservation, and rehabilitation of housing for homeownership, including such forms as downpayment assistance, closing cost assistance, and assistance for interest-rate buy-downs, that—

''(A) is available for purchase only for use as a principal residence by families that qualify both as—

''(i) extremely low- and very-low income families at the times described in subparagraphs (A) through (C) of section 215(b)(2) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12745(b)(2)); and

''(ii) first-time homebuyers, as such term is defined in section 104 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704), except that any reference in such section to assistance under title II of such Act shall for purposes of this section be considered to refer to assistance from the affordable housing fund of the enterprise;

''(B) has an initial purchase price that meets the requirements of section 215(b)(1) of the Cranston-Gonzalez National Affordable Housing Act; and

''(C) is subject to the same resale restrictions established under section 215(b)(3) of the Cranston-Gonzalez National Affordable Housing Act and applicable to the participating jurisdiction that is the State in which such housing is located; and

''(3) leveraged grants under subsection (e).

''(e) LEVERAGED GRANTS.—

''(1) IN GENERAL.—Pursuant to regulations issued by the Director, each enterprise shall carry out a program under this subsection to make leveraged grants from amounts in the affordable housing fund of the enterprise, subject to the requirements under this subsection.

''(2) ELIGIBLE PURPOSES.—Amounts from the affordable housing fund of an enterprise may be used only for leveraged grants under paragraph (4) for—

''(A) the development, preservation, rehabilitation, or purchase of affordable housing that meets underserved needs for affordable housing;

''(B) community or economic development activities in economically underserved areas; or

''(C) a combination of the activities identified in subparagraphs (A) and (B).

''(3) ELIGIBLE SPONSORS.—A leveraged grant under this subsection may be made only on behalf of a sponsor that meets such requirements as the Director shall establish for experience and success in carrying out the types of activities proposed under the application of the sponsor, such as the following entities:

''(A) A low-income housing fund.

''(B) A housing finance agency of a State or unit of general local government.

''(C) A non-profit organization having as one of its principal purposes the development or management of affordable housing.

''(D) A community development financial institution.

''(E) A national non-profit housing intermediary.

''(F) A community development corporation.

''(G) A community development entity.

''(4) ELIGIBLE USES.—Amounts from the affordable housing fund of an enterprise may be used under this subsection only for the following types of leveraged grants:

''(A) To provide loan loss reserves.

''(B) To capitalize a revolving loan fund.

''(C) To provide equity capitalization of an affordable housing fund.

''(D) To provide equity capitalization of a community development or economic development fund.

''(E) For risk sharing loans.

''(F) For the funding of a specific, detailed investment plan that identifies the specific types of uses and the expected timeframes with respect to such uses.

''(5) APPLICATIONS.—The Director shall provide, in the application process established pursuant to subsection (l)(2)(C), for eligible sponsors under paragraph (3) of this subsection to submit applications to an enterprise for leveraged grants pursuant to this subsection, which shall include a detailed description of—

''(A) the types of affordable housing or community or economic development activities for which the leveraged grant is made;

''(B) the type of eligible leveraged grants under paragraph (4) to be made in the project;

''(C) the types, sources, and amounts of other funding for the project;

''(D) and the expected time frame of the leveraged grant under this subsection.

''(6) LIMITATIONS.—The Director shall by regulation—

''(A) ensure that leveraged grants pursuant to this subsection are designed to alleviate need for affordable housing in underserved markets identified in section 1335(a) having the greatest need for such housing or to address community and economic development needs in economically underserved areas having the greatest need; and

''(B) ensure that any returns from leveraged grants under this subsection accrue to the affordable housing fund of the enterprise and are available for use only as provided under this section.

''(f) LIMITATIONS ON USE.—

''(1) AMOUNTS FOR HOMEOWNERSHIP.—Of any amounts allocated pursuant to subsection (b) in each year to the affordable housing fund of an enterprise, not less than 10 percent shall be used for activities under paragraph (2) of subsection (d).

''(2) AMOUNTS FOR LEVERAGED GRANTS.—Of any amounts allocated pursuant to subsection (b) in each year to the affordable housing fund of an enterprise, not more than 12.5 percent shall be used for leveraged grants under subsection (e).

''(3) DEADLINE FOR COMMITMENT OR USE.—Any amounts allocated to the affordable housing fund of an enterprise shall be used or committed for use within two years of the date of such allocation.

''(4) USE OF RETURNS.—Any return on investment of any amounts allocated pursuant to subsection (b) to the affordable housing fund of an enterprise shall be available for use by the enterprise only for eligible activities under subsection (d).

''(5) ADMINISTRATIVE COSTS.—The Director shall, by regulation—

''(A) provide that, except as provided in subparagraph (B), amounts allocated to the affordable housing fund of an enterprise may not be used for administrative, outreach, or other costs of—

''(i) the enterprise; or

''(ii) any recipient of amounts from the affordable housing fund; and

''(B) limit the amount of any such contributions that may be used for administrative costs of the enterprise of maintaining the affordable housing fund and carrying out the program under this section.

''(6) PROHIBITION OF CONSIDERATION OF USE FOR MEETING HOUSING GOALS.—In determining compliance with the housing goals under this subpart, the Director may not consider amounts used under this section for eligible activities under subsection (d). The Director shall give credit toward the achievement of such housing goals to purchases of mortgages for housing that receives funding under this section, but only to the extent that such purchases are funded other than under this section.

''(7) PROHIBITION OF CERTAIN SUBGRANTS.—The Director shall, by regulation, ensure that amounts from the affordable housing fund of an enterprise awarded under this section to a national non-profit housing intermediary are not used for the purpose of distributing subgrants to other non-profit entities.

''(g) CONSISTENCY OF USE WITH HOUSING NEEDS.—

''(1) QUARTERLY REPORTS.—The Director shall require each enterprise to submit a report, on a quarterly basis, to the Director and the affordable housing board established under subsection (j) describing the activities funded under this section during such quarter with amounts from the affordable housing fund of the enterprise established under this section. The Director shall make such reports publicly available. The affordable housing board shall review each report by an enterprise to determine the consistency of such activities funded with the criteria for selection of such activities established pursuant to subsection (l)(2)(C).

''(2) REPLENISHMENT.—If the affordable housing board determines that an activity funded by an enterprise with amounts from the affordable housing fund of the enterprise is not consistent with the criteria established pursuant to subsection (l)(2)(C), the board shall notify the Director and the Director shall require the enterprise to allocate to such affordable housing fund (in addition to amounts allocated in compliance with subsection (b)) an amount equal to the sum of the amounts from the affordable housing fund used and further committed for use for such activity.

''(h) CAPITAL REQUIREMENTS.—The utilization or commitment of amounts from the affordable housing fund of an enterprise shall not be subject to the risk-based capital requirements established pursuant to section 1361(a).

''(i) REPORTING REQUIREMENT.—Each enterprise shall include, in the report required under section 309(m) of the Federal National Mortgage Association Charter Act or section 307(f) of the Federal Home Loan Mortgage Corporation Act, as applicable, a description of the actions taken by the enterprise to utilize or commit amounts allocated under this section to the affordable housing fund of the enterprise established under this section.

''(j) AFFORDABLE HOUSING BOARD.—

''(1) APPOINTMENT.—The Director shall appoint an affordable housing board of 7, 9, or 11 persons, who shall include—

''(A) the Director, or the Director's designee;

''(B) the Secretary of Housing and Urban Development, or the Secretary's designee;

''(C) the Secretary of Agriculture, or the Secretary's designee;

''(D) 2 persons from for-profit organizations or businesses actively involved in providing or promoting affordable housing for extremely low- and very low-income households; and

''(E) 2 persons from nonprofit organizations actively involved in providing or promoting affordable housing for extremely low- and very low-income households.

''(2) TERMS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the term of each member of the affordable housing board appointed pursuant to paragraph (1) (but not including members appointed pursuant to subparagraphs (A), (B), and (C)) shall be 3 years.

''(B) INITIAL APPOINTEES.—The Director shall appoint the initial members of the affordable housing board not later than the expiration of the 60-day period beginning on the date of the enactment of this Act. As designated by the Director at the time of appointment, of the members of the affordable housing board first appointed pursuant to paragraph (1) (but not including members appointed pursuant to subparagraphs (A), (B), and (C))—

''(i) in the case of a board having 7 members—

''(I) one shall be appointed for a term of one year; and

''(II) one shall be appointed for a term of two years;

''(ii) in the case of a board having 9 members—

''(I) two shall be appointed for a term of one year; and

''(II) two shall be appointed for a term of two years; and

''(iii) in the case of a board having 11 members—

''(I) two shall be appointed for a term of one year; and

''(II) three shall be appointed for a term of two years;

''(3) DUTIES.—The affordable housing board shall meet not less than quarterly—

''(A) to determine extremely low- and very low-income housing needs;

''(B) to advise the Director with respect to—

''(i) establishment of the selection criteria under subsection (l)(2)(C) that provide for appropriate use of amounts from the affordable housing funds of the enterprises to meet such needs; and

''(ii) operation of, and changes to, the program under this section appropriate to meet such needs; and

''(C) to review the reports submitted by the enterprises pursuant to subsection (g)(1) to determine whether the activities funded using amounts from the affordable housing funds of the enterprises comply with the regulations issued pursuant to subsection (l)(2)(C) and inform the Director of such determinations, for purposes of subsection (g)(2).

''(4) EXPENSES AND PER DIEM.—Members of the board shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

''(5) ADVISORY COMMITTEE.—The board shall be considered an advisory committee for purposes of the Federal Advisory Committee Act (5 U.S.C. App.).

''(6) DURATION.— The board shall have continued existence until terminated by law.

''(k) DEFINITION.—For purposes of this section, the term 'economically underserved area' means an area that predominantly includes census tracts for which—

''(1) at least 20 percent of the population is below the poverty line (as such term is defined in section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902(2)), including any revision required by such section), applicable to a family of the size involved; or

''(2) median family income does not exceed the greater of—

''(A) 80 percent of the median family income for the metropolitan statistical area in which such census tracts are located; or

''(B) 80 percent of the median family income for the State in which such census tracts are located.

''(l) REGULATIONS.—

''(1) IN GENERAL.—The Director shall issue regulations to carry out this section.

''(2) REQUIRED CONTENTS.—The regulations issued under this subsection shall include—

''(A) authority for the Director to audit, provide for an audit, or otherwise verify an enterprise's activities, to ensure compliance with this section;

''(B) a requirement that the Director ensure that the affordable housing fund of each enterprise is audited not less than annually to ensure compliance with this section;

''(C) requirements for a process for application to, and selection by, an enterprise for activities

to be funded with amounts from the affordable housing fund, which shall provide that—

''(i) selection shall based upon specific criteria, including a prioritization of funding based upon—

''(I) greatest impact;

''(II) geographic diversity;

''(III) ability to obligate amounts and undertake activities so funded in a timely manner;

''(IV) in the case of rental housing projects under subsection (d)(1), the extent to which rents for units in the project funded are affordable, especially for extremely low-income families; and

''(V) in the case of rental housing projects under subsection (d)(1), the extent of the duration for which such rents will remain affordable; and

''(ii) an enterprise may not require for such selection that an activity involve financing or underwriting of any kind by the enterprise (other than funding through the affordable housing fund of the enterprise) and may not give preference in such selection to activities that involve such financing; and

''(D) requirements to ensure that amounts from the affordable housing funds of the enterprises used for rental housing under subsection (d)(1) are used only for the benefit of extremely low- and very-low income families.

''(3) LIMITATION.—Any regulations issued by the Director pursuant to this section shall be no more restrictive on the enterprises' activities in connection with the allocation of after-tax income under this section than the regulations issued to implement the affordable housing program of the Federal home loan banks pursuant to section 10(j) of the Federal Home Loan Bank Act (12 U.S.C. 1430(j)).''.

(b) CONTRIBUTIONS FOR 2006.—

(1) RESERVATION AND CONTRIBUTION.—In 2006, each enterprise (as such term is defined in section 1303 of the Housing and Community Development Act of 1992) shall reserve for contribution to the affordable housing fund to be established by the enterprise pursuant to section 1337 of such Act (as amended by subsection (a) of this section), an amount equal to 3.5 percent of the after-tax income of the enterprise for 2005. Upon the establishment of such affordable housing fund, each enterprise shall allocate to such fund the amounts reserved under this subsection by the enterprise.

(2) EXCEPTION TO DEADLINE FOR COMMITMENT.—Section 1337(e)(2) of the Housing and Community Development Act of 1992 (as amended by subsection (a) of this section) shall not apply to amounts allocated to the affordable housing fund of an enterprise pursuant to paragraph (1).

(3) AFTER-TAX INCOME.—For purposes of this subsection, the term ''after-tax income'' has the meaning provided in subsection (b)(3) of the new section 1337 to be inserted by the amendment made by subsection (a) of this section.

(4) EFFECTIVE DATE.—This subsection shall take effect on the date of the enactment of this Act.

SEC. 129. CONSISTENCY WITH MISSION.

Subpart B of part 2 of subtitle A of title XIII of the Housing and Community Development Act of 1992 (12 U.S.C. 4561 et seq.) is amended by adding after section 1337, as added by section 127 of this Act, the following new section:

''SEC. 1338. CONSISTENCY WITH MISSION.

''This subpart may not be construed to authorize an enterprise to engage in any program or activity that contravenes or is inconsistent with the Federal National Mortgage Association Charter Act or the Federal Home Loan Mortgage Corporation Act.''.

SEC. 130. ENFORCEMENT.

(a) CEASE-AND-DESIST PROCEEDINGS.—Section 1341 of the Housing and Community Development Act of 1992 (12 U.S.C. 4581) is amended—

(1) by striking subsection (a) and inserting the following new subsection:

''(a) GROUNDS FOR ISSUANCE.—The Director may issue and serve a notice of charges under this section upon an enterprise if the Director determines—

''(1) the enterprise has failed to meet any housing goal established under subpart B, following a written notice and determination of such failure in accordance with section 1336;

''(2) the enterprise has failed to submit a report under section 1314, following a notice of such failure, an opportunity for comment by the enterprise, and a final determination by the Director;

''(3) the enterprise has failed to submit the information required under subsection (m) or (n) of section 309 of the Federal National Mortgage Association Charter Act, or subsection (e) or (f) of section 307 of the Federal Home Loan Mortgage Corporation Act;

''(4) the enterprise has violated any provision of this part or any order, rule or regulation under this part;

''(5) the enterprise has failed to submit a housing plan that complies with section 1336(c) within the applicable period; or

''(6) the enterprise has failed to comply with a housing plan under section 1336(c).'';

(2) in subsection (b)(2), by striking ''requiring the enterprise to'' and all that follows through the end of the paragraph and inserting the following: ''requiring the enterprise to—

''(A) comply with the goal or goals;

''(B) submit a report under section 1314;

''(C) comply with any provision this part or any order, rule or regulation under such part;

''(D) submit a housing plan in compliance with section 1336(c);

''(E) comply with a housing plan submitted under section 1336(c); or

''(F) provide the information required under subsection (m) or (n) of section 309 of the Federal National Mortgage Association Charter Act or subsection (e) or (f) of section 307 of the Federal Home Loan Mortgage Corporation Act, as applicable.'';

(3) in subsection (c), by inserting ''date of the'' before ''service of the order''; and

(4) by striking subsection (d).

(b) AUTHORITY OF DIRECTOR TO ENFORCE NOTICES AND ORDERS.—Section 1344 of the Housing and Community Development Act of 1992 (12 U.S.C. 4584) is amended by striking subsection (a) and inserting the following new subsection:

''(a) ENFORCEMENT.—The Director may, in the discretion of the Director, apply to the United States District Court for the District of Columbia, or the United States district court within the jurisdiction of which the headquarters of the enterprise is located, for the enforcement of any effective and outstanding notice or order issued under section 1341 or 1345, or request that the Attorney General of the United States bring such an action. Such court shall have jurisdiction and power to order and require compliance with such notice or order.''.

(c) CIVIL MONEY PENALTIES.—Section 1345 of the Housing and Community Development Act of 1992 (12 U.S.C. 4585) is amended—

(1) by striking subsections (a) and (b) and inserting the following new subsections:

''(a) AUTHORITY.—The Director may impose a civil money penalty, in accordance with the provisions of this section, on any enterprise that has failed to—

''(1) meet any housing goal established under subpart B, following a written notice and determination of such failure in accordance with section 1336(b);

''(2) submit a report under section 1314, following a notice of such failure, an opportunity for comment by the enterprise, and a final determination by the Director;

''(3) submit the information required under subsection (m) or (n) of section 309 of the Federal National Mortgage Association Charter Act, or subsection (e) or (f) of section 307 of the Federal Home Loan Mortgage Corporation Act;

''(4) comply with any provision of this part or any order, rule or regulation under this part;

''(5) submit a housing plan pursuant to section 1336(c) within the required period; or

''(6) comply with a housing plan for the enterprise under section 1336(c).

''(b) AMOUNT OF PENALTY.—The amount of the penalty, as determined by the Director, may not exceed—

''(1) for any failure described in paragraph (1), (5), or (6) of subsection (a), $50,000 for each day that the failure occurs; and

''(2) for any failure described in paragraph (2), (3), or (4) of subsection (a), $20,000 for each day that the failure occurs.'';

(2) in subsection (c)—

(A) in paragraph (1)—

(i) in subparagraph (A), by inserting ''and'' after the semicolon at the end;

(ii) in subparagraph (B), by striking ''; and'' and inserting a period; and

(iii) by striking subparagraph (C); and

(B) in paragraph (2), by inserting after the period at the end the following: ''In determining the penalty under subsection (a)(1), the Director shall give consideration to the length of time the enterprise should reasonably take to achieve the goal.'';

(3) in the first sentence of subsection (d)—

(A) by striking ''request the Attorney General of the United States to'' and inserting '', in the discretion of the Director,''; and

(B) by inserting '', or request that the Attorney General of the United States bring such an action'' before the period at the end;

(4) by striking subsection (f); and

(5) by redesignating subsection (g) as subsection (f).

(d) ENFORCEMENT OF SUBPOENAS.—Section 1348(c) of the Housing and Community Development Act of 1992 (12 U.S.C. 4588(c)) is amended—

(1) by striking ''request the Attorney General of the United States to'' and inserting '', in the discretion of the Director,''; and

(2) by inserting ''or request that the Attorney General of the United States bring such an action,'' after ''District of Columbia,''

(e) CONFORMING AMENDMENT.—The heading for subpart C of part 2 of subtitle A of the Housing and Community Development Act of 1992 is amended to read as follows:

''Subpart C—Enforcement''.

SEC. 131. CONFORMING AMENDMENTS.

Part 2 of subtitle A of title XIII of the Housing and Community Development Act of 1992 (12 U.S.C. 4541 et seq.) is amended—

(1) by striking ''Secretary'' each place such term appears in such part and inserting ''Director'';

*(2) in the section heading for section 1323 (12 U.S.C. 4543), by inserting ''**OF ENTERPRISES**'' before the period at the end;*

(3) by striking section 1327 (12 U.S.C. 4547);

(4) by striking section 1328 (12 U.S.C. 4548);

(5) in sections 1345(c)(1)(A) and 1346(b) (12 U.S.C. 4585(c)(1)(A), 4586(b)), by striking ''Secretary's'' each place such term appears and inserting ''Director's''; and

(6) by striking section 1349 (12 U.S.C. 4589).

Subtitle C—Prompt Corrective Action

SEC. 141. CAPITAL CLASSIFICATIONS.

(a) IN GENERAL.—Section 1364 of the Housing and Community Development Act of 1992 (12 U.S.C. 4614) is amended—

(1) in the heading for subsection (a) by striking ''In General'' and inserting ''Enterprises'';

(2) in subsection (c)—

(A) by striking ''subsection (b)'' and inserting ''subsection (c)'';

(B) by striking ''enterprises'' and inserting ''regulated entities''; and

(C) by striking the last sentence;

(3) by redesignating subsections (c) (as so amended by paragraph (2) of this subsection) and (d) as subsections (d) and (f), respectively;

(4) by striking subsection (b) and inserting the following new subsections:

''(b) FEDERAL HOME LOAN BANKS.—

''(1) ESTABLISHMENT AND CRITERIA.—For purposes of this subtitle, the Director shall, by regulation—

''(A) establish the capital classifications specified under paragraph (2) for the Federal home loan banks;

''(B) establish criteria for each such capital classification based on the amount and types of capital held by a bank and the risk-based, minimum, and critical capital levels for the banks and taking due consideration of the capital classifications established under subsection (a) for the enterprises, with such modifications as the Director determines to be appropriate to reflect the difference in operations between the banks and the enterprises; and

''(C) shall classify the Federal home loan banks according to such capital classifications.

''(2) CLASSIFICATIONS.—The capital classifications specified under this paragraph are—

''(A) adequately capitalized;

''(B) undercapitalized;

''(C) significantly undercapitalized; and

''(D) critically undercapitalized.

''(c) DISCRETIONARY CLASSIFICATION.—

''(1) GROUNDS FOR RECLASSIFICATION.—The Director may reclassify a regulated entity under paragraph (2) if—

''(A) at any time, the Director determines in writing that the regulated entity is engaging in conduct that could result in a rapid depletion of core or total capital or, in the case of an enterprise, that the value of the property subject to mortgages held or securitized by the enterprise has decreased significantly;

''(B) after notice and an opportunity for hearing, the Director determines that the regulated entity is in an unsafe or unsound condition; or

''(C) pursuant to section 1371(b), the Director deems the regulated entity to be engaging in an unsafe or unsound practice.

''(2) RECLASSIFICATION.—In addition to any other action authorized under this title, including the reclassification of a regulated entity for any reason not specified in this subsection, if the Director takes any action described in paragraph (1) the Director may classify a regulated entity—

''(A) as undercapitalized, if the regulated entity is otherwise classified as adequately capitalized;

''(B) as significantly undercapitalized, if the regulated entity is otherwise classified as undercapitalized; and

''(C) as critically undercapitalized, if the regulated entity is otherwise classified as significantly undercapitalized.''; and

(5) by inserting after subsection (d) (as so redesignated by paragraph (3) of this subsection), the following new subsection:

''(e) RESTRICTION ON CAPITAL DISTRIBUTIONS.—

''(1) IN GENERAL.—A regulated entity shall make no capital distribution if, after making the distribution, the regulated entity would be undercapitalized.

''(2) EXCEPTION.—Notwithstanding paragraph (1), the Director may permit a regulated entity, to the extent appropriate or applicable, to repurchase, redeem, retire, or otherwise acquire shares or ownership interests if the repurchase, redemption, retirement, or other acquisition—

''(A) is made in connection with the issuance of additional shares or obligations of the regulated entity in at least an equivalent amount; and

''(B) will reduce the financial obligations of the regulated entity or otherwise improve the financial condition of the entity.''.

(b) REGULATIONS.—Not later than the expiration of the 180-day period beginning on the effective date under section 185, the Director of the Federal Housing Finance Agency shall issue regulations to carry out section 1364(b) of the Housing and Community Development Act of 1992 (as added by paragraph (4) of this subsection), relating to capital classifications for the Federal home loan banks.

SEC. 142. SUPERVISORY ACTIONS APPLICABLE TO UNDERCAPITALIZED REGULATED ENTITIES.

Section 1365 of the Housing and Community Development Act of 1992 (12 U.S.C. 4615) is amended—

(1) in the section heading, by striking ''**ENTERPRISES**'' and inserting ''**REGULATED ENTITIES**'';

(2) in subsection (a)—

(A) by redesignating paragraphs (1) and (2) as paragraphs (2) and (3), respectively;

(B) by inserting before paragraph (2) the following paragraph:

''(1) REQUIRED MONITORING.—The Director shall—

''(A) closely monitor the condition of any regulated entity that is classified as undercapitalized;

''(B) closely monitor compliance with the capital restoration plan, restrictions, and requirements imposed under this section; and

''(C) periodically review the plan, restrictions, and requirements applicable to the undercapitalized regulated entity to determine whether the plan, restrictions, and requirements are achieving the purpose of this section.''; and

(C) by inserting at the end the following new paragraphs:

''(4) RESTRICTION OF ASSET GROWTH.—A regulated entity that is classified as undercapitalized shall not permit its average total assets (as such term is defined in section 1316(b) during any calendar quarter to exceed its average total assets during the preceding calendar quarter unless—

''(A) the Director has accepted the capital restoration plan of the regulated entity;

''(B) any increase in total assets is consistent with the plan; and

''(C) the ratio of total capital to assets for the regulated entity increases during the calendar quarter at a rate sufficient to enable the entity to become adequately capitalized within a reasonable time.

''(5) PRIOR APPROVAL OF ACQUISITIONS, NEW PROGRAMS, AND NEW BUSINESS ACTIVITIES.—A regulated entity that is classified as undercapitalized shall not, directly or indirectly, acquire any interest in any entity or engage in any new program or new business activity unless—

''(A) the Director has accepted the capital restoration plan of the regulated entity, the entity is implementing the plan, and the Director determines that the proposed action is consistent with and will further the achievement of the plan; or

''(B) the Director determines that the proposed action will further the purpose of this section.'';

(3) in the subsection heading for subsection (b), by striking ''FROM UNDERCAPITALIZED TO SIGNIFICANTLY UNDERCAPITALIZED''; and

(4) by striking subsection (c) and inserting the following new subsection:

''(c) OTHER DISCRETIONARY SAFEGUARDS.—The Director may take, with respect to a regulated entity that is classified as undercapitalized, any of the actions authorized to be taken under section 1366 with respect to a regulated entity that is classified as significantly undercapitalized, if the Director determines that such actions are necessary to carry out the purpose of this subtitle.''.

SEC. 143. SUPERVISORY ACTIONS APPLICABLE TO SIGNIFICANTLY UNDERCAPITALIZED REGULATED ENTITIES.

Section 1366 of the Housing and Community Development Act of 1992 (12 U.S.C. 4616) is amended—

(1) in the section heading, by striking ''**ENTERPRISES**'' and inserting ''**ENTITIES**'';

(2) in subsection (a)(2)(A), by striking ''enterprise'' the last place such term appears;

(3) in subsection (b)—

(A) in the subsection heading, by striking ''Discretionary Supervisory Actions'' and inserting ''Specific Actions'';

(B) in the matter preceding paragraph (1), by striking ''may, at any time, take any'' and inserting ''shall carry out this section by taking, at any time, one or more'';

(C) by redesignating paragraphs (5) and (6) as paragraphs (6) and (7), respectively;

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

''(5) IMPROVEMENT OF MANAGEMENT.—Take one or more of the following actions:

''(A) NEW ELECTION OF BOARD.—Order a new election for the board of directors of the regulated entity.

''(B) DISMISSAL OF DIRECTORS OR EXECUTIVE OFFICERS.—Require the regulated entity to dismiss from office any director or executive officer who had held office for more than 180 days immediately before the entity became undercapitalized. Dismissal under this subparagraph shall not be construed to be a removal pursuant to the Director's enforcement powers provided in section 1377.

''(C) EMPLOY QUALIFIED EXECUTIVE OFFICERS.—Require the regulated entity to employ qualified executive officers (who, if the Director so specifies, shall be subject to approval by the Director).''; and

(E) by inserting at the end the following new paragraph:

''(8) OTHER ACTION.—Require the regulated entity to take any other action that the Director determines will better carry out the purpose of this section than any of the actions specified in this paragraph.'';

(4) by redesignating subsection (c) as subsection (d); and

(5) by inserting after subsection (b) the following new subsection:

''(c) RESTRICTION ON COMPENSATION OF EXECUTIVE OFFICERS.—A regulated entity that is classified as significantly undercapitalized may not, without prior written approval by the Director—

''(1) pay any bonus to any executive officer; or

''(2) provide compensation to any executive officer at a rate exceeding that officer's average rate of compensation (excluding bonuses, stock options, and profit sharing) during the 12 calendar months preceding the calendar month in which the regulated entity became undercapitalized.''.

SEC. 144. AUTHORITY OVER CRITICALLY UNDERCAPITALIZED REGULATED ENTITIES.

(a) IN GENERAL.—Section 1367 of the Housing and Community Development Act of 1992 (12 U.S.C. 4617) is amended to read as follows:

''SEC. 1367. AUTHORITY OVER CRITICALLY UNDERCAPITALIZED REGULATED ENTITIES.

''(a) APPOINTMENT OF AGENCY AS CONSERVATOR OR RECEIVER.—

''(1) IN GENERAL.—Notwithstanding any other provision of Federal or State law, if any of the grounds under paragraph (3) exist, at the discretion of the Director, the Director may establish a conservatorship or receivership, as appropriate, for the purpose of reorganizing, rehabilitating, or winding up the affairs of a regulated entity.

''(2) APPOINTMENT.—In any conservatorship or receivership established under this section, the Director shall appoint the Agency as conservator or receiver.

''(3) GROUNDS FOR APPOINTMENT.—The grounds for appointing a conservator or receiver for a regulated entity are as follows:

''(A) ASSETS INSUFFICIENT FOR OBLIGATIONS.—The assets of the regulated entity are less than the obligations of the regulated entity to its creditors and others.

''(B) SUBSTANTIAL DISSIPATION.—Substantial dissipation of assets or earnings due to—

''(i) any violation of any provision of Federal or State law; or

''(ii) any unsafe or unsound practice.

''(C) UNSAFE OR UNSOUND CONDITION.—An unsafe or unsound condition to transact business.

''(D) CEASE-AND-DESIST ORDERS.—Any willful violation of a cease-and-desist order that has become final.

''(E) CONCEALMENT.—Any concealment of the books, papers, records, or assets of the regulated entity, or any refusal to submit the books, papers, records, or affairs of the regulated entity, for inspection to any examiner or to any lawful agent of the Director.

''(F) INABILITY TO MEET OBLIGATIONS.—The regulated entity is likely to be unable to pay its obligations or meet the demands of its creditors in the normal course of business.

''(G) LOSSES.—The regulated entity has incurred or is likely to incur losses that will deplete all or substantially all of its capital, and there is no reasonable prospect for the regulated entity to become adequately capitalized (as defined in section 1364(a)(1)).

''(H) VIOLATIONS OF LAW.—Any violation of any law or regulation, or any unsafe or unsound practice or condition that is likely to—

''(i) cause insolvency or substantial dissipation of assets or earnings; or

''(ii) weaken the condition of the regulated entity.

''(I) CONSENT.—The regulated entity, by resolution of its board of directors or its shareholders or members, consents to the appointment.

''(J) UNDERCAPITALIZATION.—The regulated entity is undercapitalized or significantly undercapitalized (as defined in section 1364(a)(3) or in regulations issued pursuant to section 1364(b), as applicable), and—

''(i) has no reasonable prospect of becoming adequately capitalized;

''(ii) fails to become adequately capitalized, as required by—

''(I) section 1365(a)(1) with respect to an undercapitalized regulated entity; or

''(II) section 1366(a)(1) with respect to a significantly undercapitalized regulated entity;

''(iii) fails to submit a capital restoration plan acceptable to the Agency within the time prescribed under section 1369C; or

''(iv) materially fails to implement a capital restoration plan submitted and accepted under section 1369C.

''(K) CRITICAL UNDERCAPITALIZATION.—The regulated entity is critically undercapitalized, as defined in section 1364(a)(4) or in regulations issued pursuant to section 1364(b), as applicable.

''(L) MONEY LAUNDERING.—The Attorney General notifies the Director in writing that the regulated entity has been found guilty of a criminal offense under section 1956 or 1957 of title 18, United States Code, or section 5322 or 5324 of title 31, United States Code.

''(4) JUDICIAL REVIEW.—

''(A) IN GENERAL.—If the Agency is appointed conservator or receiver under this section, the regulated entity may, within 30 days of such appointment, bring an action in the United States District Court for the judicial district in which the principal place of business of such regulated entity is located, or in the United States District Court for the District of Columbia, for an order requiring the Agency to remove itself as conservator or receiver.

''(B) REVIEW.—Upon the filing of an action under subparagraph (A), the court shall, upon the merits, dismiss such action or direct the Agency to remove itself as such conservator or receiver.

''(5) DIRECTORS NOT LIABLE FOR ACQUIESCING IN APPOINTMENT OF CONSERVATOR OR RECEIVER.—The members of the board of directors of a regulated entity shall not be liable to the shareholders or creditors of the regulated entity for acquiescing in or consenting in good faith to the appointment of the Agency as conservator or receiver for that regulated entity.

''(6) AGENCY NOT SUBJECT TO ANY OTHER FEDERAL AGENCY.—When acting as conservator or receiver, the Agency shall not be subject to the direction or supervision of any other agency of the United States or any State in the exercise of the rights, powers, and privileges of the Agency.

''(b) POWERS AND DUTIES OF THE AGENCY AS CONSERVATOR OR RECEIVER.—

''(1) RULEMAKING AUTHORITY OF THE AGENCY.—The Agency may prescribe such regulations as the Agency determines to be appropriate regarding the conduct of conservatorships or receiverships.

''(2) GENERAL POWERS.—

''(A) SUCCESSOR TO REGULATED ENTITY.—The Agency shall, as conservator or receiver, and by operation of law, immediately succeed to—

''(i) all rights, titles, powers, and privileges of the regulated entity, and of any stockholder, officer, or director of such regulated entity with respect to the regulated entity and the assets of the regulated entity; and

''(ii) title to the books, records, and assets of any other legal custodian of such regulated entity.

''(B) OPERATE THE REGULATED ENTITY.—The Agency may, as conservator or receiver—

''(i) take over the assets of and operate the regulated entity with all the powers of the shareholders, the directors, and the officers of the regulated entity and conduct all business of the regulated entity;

''(ii) collect all obligations and money due the regulated entity;

''(iii) perform all functions of the regulated entity in the name of the regulated entity which are consistent with the appointment as conservator or receiver; and

''(iv) preserve and conserve the assets and property of such regulated entity.

''(C) FUNCTIONS OF OFFICERS, DIRECTORS, AND SHAREHOLDERS OF A REGULATED ENTITY.—The Agency may, by regulation or order, provide for the exercise of any function by any stockholder, director, or officer of any regulated entity for which the Agency has been named conservator or receiver.

''(D) POWERS AS CONSERVATOR.—The Agency may, as conservator, take such action as may be—

''(i) necessary to put the regulated entity in a sound and solvent condition; and

''(ii) appropriate to carry on the business of the regulated entity and preserve and conserve the assets and property of the regulated entity.

''(E) ADDITIONAL POWERS AS RECEIVER.—The Agency may, as receiver, place the regulated entity in liquidation and proceed to realize upon the assets of the regulated entity, having due regard to the conditions of the housing finance market.

''(F) ORGANIZATION OF NEW REGULATED ENTITIES.—The Agency may, as receiver, organize a successor regulated entity that will operate pursuant to subsection (i).

''(G) TRANSFER OF ASSETS AND LIABILITIES.—The Agency may, as conservator or receiver, transfer any asset or liability of the regulated entity in default without any approval, assignment, or consent with respect to such transfer. Any Federal home loan bank may, with the approval of the Agency, acquire the assets of any Bank in conservatorship or receivership, and assume the liabilities of such Bank

''(H) PAYMENT OF VALID OBLIGATIONS.—The Agency, as conservator or receiver, shall, to the extent of proceeds realized from the performance of contracts or sale of the assets of a regulated entity, pay all valid obligations of the regulated entity in accordance with the prescriptions and limitations of this section.

''(I) SUBPOENA AUTHORITY.—

''(i) IN GENERAL.—

''(I) IN GENERAL.—The Agency may, as conservator or receiver, and for purposes of carrying out any power, authority, or duty with respect to a regulated entity (including determining any claim against the regulated entity and determining and realizing upon any asset of any person in the course of collecting money due the regulated entity), exercise any power established under section 1348.

''(II) APPLICABILITY OF LAW.—The provisions of section 1348 shall apply with respect to the exercise of any power exercised under this subparagraph in the same manner as such provisions apply under that section.

''(ii) AUTHORITY OF DIRECTOR.—A subpoena or subpoena duces tecum may be issued under clause (i) only by, or with the written approval of, the Director, or the designee of the Director.

''(iii) RULE OF CONSTRUCTION.—This subsection shall not be construed to limit any rights that the Agency, in any capacity, might otherwise have under section 1317 or 1379D.

''(J) CONTRACTING FOR SERVICES.—The Agency may, as conservator or receiver, provide by contract for the carrying out of any of its functions, activities, actions, or duties as conservator or receiver.

''(K) INCIDENTAL POWERS.—The Agency may, as conservator or receiver—

''(i) exercise all powers and authorities specifically granted to conservators or receivers, respectively, under this section, and such incidental powers as shall be necessary to carry out such powers; and

''(ii) take any action authorized by this section, which the Agency determines is in the best interests of the regulated entity or the Agency.

''(3) AUTHORITY OF RECEIVER TO DETERMINE CLAIMS.—

''(A) IN GENERAL.—The Agency may, as receiver, determine claims in accordance with the requirements of this subsection and any regulations prescribed under paragraph (4).

''(B) NOTICE REQUIREMENTS.—The receiver, in any case involving the liquidation or winding up of the affairs of a closed regulated entity, shall—

''(i) promptly publish a notice to the creditors of the regulated entity to present their claims, together with proof, to the receiver by a date specified in the notice which shall be not less than 90 days after the publication of such notice; and

''(ii) republish such notice approximately 1 month and 2 months, respectively, after the publication under clause (i).

''(C) MAILING REQUIRED.—The receiver shall mail a notice similar to the notice published under subparagraph (B)(i) at the time of such publication to any creditor shown on the books of the regulated entity—

''(i) at the last address of the creditor appearing in such books; or

''(ii) upon discovery of the name and address of a claimant not appearing on the books of the regulated entity within 30 days after the discovery of such name and address.

''(4) RULEMAKING AUTHORITY RELATING TO DETERMINATION OF CLAIMS.—Subject to subsection (c), the Director may prescribe regulations regarding the allowance or disallowance of claims by the receiver and providing for administrative determination of claims and review of such determination.

''(5) PROCEDURES FOR DETERMINATION OF CLAIMS.—

''(A) DETERMINATION PERIOD.—

''(i) IN GENERAL.—Before the end of the 180-day period beginning on the date on which any claim against a regulated entity is filed with the Agency as receiver, the Agency shall determine whether to allow or disallow the claim and shall notify the claimant of any determination with respect to such claim.

''(ii) EXTENSION OF TIME.—The period described in clause (i) may be extended by a written agreement between the claimant and the Agency.

''(iii) MAILING OF NOTICE SUFFICIENT.—The notification requirements of clause (i) shall be deemed to be satisfied if the notice of any determination with respect to any claim is mailed to the last address of the claimant which appears—

''(I) on the books of the regulated entity;

''(II) in the claim filed by the claimant; or

''(III) in documents submitted in proof of the claim.

''(iv) CONTENTS OF NOTICE OF DISALLOWANCE.—If any claim filed under clause (i) is disallowed, the notice to the claimant shall contain—

''(I) a statement of each reason for the disallowance; and

''(II) the procedures available for obtaining agency review of the determination to disallow the claim or judicial determination of the claim.

''(B) ALLOWANCE OF PROVEN CLAIM.—The receiver shall allow any claim received on or before the date specified in the notice published under paragraph (3)(B)(i), or the date specified in the notice required under paragraph (3)(C), which is proved to the satisfaction of the receiver.

''(C) DISALLOWANCE OF CLAIMS FILED AFTER END OF FILING PERIOD.—Claims filed after the date specified in the notice published under paragraph (3)(B)(i), or the date specified under paragraph (3)(C), shall be disallowed and such disallowance shall be final.

''(D) AUTHORITY TO DISALLOW CLAIMS.—

''(i) IN GENERAL.—The receiver may disallow any portion of any claim by a creditor or claim of security, preference, or priority which is not proved to the satisfaction of the receiver.

''(ii) PAYMENTS TO LESS THAN FULLY SECURED CREDITORS.—In the case of a claim of a creditor against a regulated entity which is secured by any property or other asset of such regulated entity, the receiver—

''(I) may treat the portion of such claim which exceeds an amount equal to the fair market value of such property or other asset as an unsecured claim against the regulated entity; and

''(II) may not make any payment with respect to such unsecured portion of the claim other than in connection with the disposition of all claims of unsecured creditors of the regulated entity.

''(iii) EXCEPTIONS.—No provision of this paragraph shall apply with respect to any extension of credit from any Federal Reserve Bank, Federal home loan bank, or the Treasury of the United States.

''(E) NO JUDICIAL REVIEW OF DETERMINATION PURSUANT TO SUBPARAGRAPH (D).—No court may review the determination of the Agency under subparagraph (D) to disallow a claim. This subparagraph shall not effect the authority of a claimant to obtain de novo judicial review of a claim pursuant to paragraph (6).

''(F) LEGAL EFFECT OF FILING.—

''(i) STATUTE OF LIMITATION TOLLED.—For purposes of any applicable statute of limitations, the filing of a claim with the receiver shall constitute a commencement of an action.

''(ii) NO PREJUDICE TO OTHER ACTIONS.—Subject to paragraph (10), the filing of a claim with the receiver shall not prejudice any right of the claimant to continue any action which was filed before the date of the appointment of the receiver, subject to the determination of claims by the receiver.

''(6) PROVISION FOR JUDICIAL DETERMINATION OF CLAIMS.—

''(A) IN GENERAL.—The claimant may file suit on a claim (or continue an action commenced before the appointment of the receiver) in the district or territorial court of the United States for the district within which the principal place of business of the regulated entity is located or the United States District Court for the District of Columbia (and such court shall have jurisdiction to hear such claim), before the end of the 60-day period beginning on the earlier of—

''(i) the end of the period described in paragraph (5)(A)(i) with respect to any claim against a regulated entity for which the Agency is receiver; or

''(ii) the date of any notice of disallowance of such claim pursuant to paragraph (5)(A)(i).

''(B) STATUTE OF LIMITATIONS.—A claim shall be deemed to be disallowed (other than any portion of such claim which was allowed by the receiver), and such disallowance shall be final, and the claimant shall have no further rights or remedies with respect to such claim, if the claimant fails, before the end of the 60-day period described under subparagraph (A), to file suit on such claim (or continue an action commenced before the appointment of the receiver).

''(7) REVIEW OF CLAIMS.—

''(A) OTHER REVIEW PROCEDURES.—

''(i) IN GENERAL.—The Agency shall establish such alternative dispute resolution processes as may be appropriate for the resolution of claims filed under paragraph (5)(A)(i).

''(ii) CRITERIA.—In establishing alternative dispute resolution processes, the Agency shall strive for procedures which are expeditious, fair, independent, and low cost.

''(iii) VOLUNTARY BINDING OR NONBINDING PROCEDURES.—The Agency may establish both binding and nonbinding processes, which may be conducted by any government or private party. All parties, including the claimant and the Agency, must agree to the use of the process in a particular case.

''(B) CONSIDERATION OF INCENTIVES.—The Agency shall seek to develop incentives for claimants to participate in the alternative dispute resolution process.

''(8) EXPEDITED DETERMINATION OF CLAIMS.—

''(A) ESTABLISHMENT REQUIRED.—The Agency shall establish a procedure for expedited relief outside of the routine claims process established under paragraph (5) for claimants who—

''(i) allege the existence of legally valid and enforceable or perfected security interests in assets of any regulated entity for which the Agency has been appointed receiver; and

''(ii) allege that irreparable injury will occur if the routine claims procedure is followed.

''(B) DETERMINATION PERIOD.—Before the end of the 90-day period beginning on the date any claim is filed in accordance with the procedures established under subparagraph (A), the Director shall—

''(i) determine—

''(I) whether to allow or disallow such claim; or

''(II) whether such claim should be determined pursuant to the procedures established under paragraph (5); and

''(ii) notify the claimant of the determination, and if the claim is disallowed, provide a statement of each reason for the disallowance and the procedure for obtaining agency review or judicial determination.

''(C) PERIOD FOR FILING OR RENEWING SUIT.—Any claimant who files a request for expedited relief shall be permitted to file a suit, or to continue a suit filed before the appointment of the receiver, seeking a determination of the rights of the claimant with respect to such security interest after the earlier of—

''(i) the end of the 90-day period beginning on the date of the filing of a request for expedited relief; or

''(ii) the date the Agency denies the claim.

''(D) STATUTE OF LIMITATIONS.—If an action described under subparagraph (C) is not filed, or the motion to renew a previously filed suit is not made, before the end of the 30-day period beginning on the date on which such action or motion may be filed under subparagraph (B), the claim shall be deemed to be disallowed as of the end of such period (other than any portion of such claim which was allowed by the receiver), such disallowance shall be final, and the claimant shall have no further rights or remedies with respect to such claim.

''(E) LEGAL EFFECT OF FILING.—

''(i) STATUTE OF LIMITATION TOLLED.—For purposes of any applicable statute of limitations, the filing of a claim with the receiver shall constitute a commencement of an action.

''(ii) NO PREJUDICE TO OTHER ACTIONS.—Subject to paragraph (10), the filing of a claim with the receiver shall not prejudice any right of the claimant to continue any action that was filed before the appointment of the receiver, subject to the determination of claims by the receiver.

''(9) PAYMENT OF CLAIMS.—

''(A) IN GENERAL.—The receiver may, in the discretion of the receiver, and to the extent funds are available from the assets of the regulated entity, pay creditor claims, in such manner and amounts as are authorized under this section, which are—

''(i) allowed by the receiver;

''(ii) approved by the Agency pursuant to a final determination pursuant to paragraph (7) or (8); or

''(iii) determined by the final judgment of any court of competent jurisdiction.

''(B) AGREEMENTS AGAINST THE INTEREST OF THE AGENCY.—No agreement that tends to diminish or defeat the interest of the Agency in any asset acquired by the Agency as receiver under this section shall be valid against the Agency unless such agreement is in writing, and executed by an authorized official of the regulated entity, except that such requirements for qualified financial contracts shall be applied in a manner consistent with reasonable business trading practices in the financial contracts market.

''(C) PAYMENT OF DIVIDENDS ON CLAIMS.—The receiver may, in the sole discretion of the receiver, pay from the assets of the regulated entity dividends on proved claims at any time, and no liability shall attach to the Agency, by reason of any such payment, for failure to pay dividends to a claimant whose claim is not proved at the time of any such payment.

''(D) RULEMAKING AUTHORITY OF THE DIRECTOR.—The Director may prescribe such rules, including definitions of terms, as the Director deems appropriate to establish a single uniform interest rate for, or to make payments of post-insolvency interest to creditors holding proven claims against the receivership estates of regulated entities following satisfaction by the receiver of the principal amount of all creditor claims.

''(10) SUSPENSION OF LEGAL ACTIONS.—

''(A) IN GENERAL.—After the appointment of a conservator or receiver for a regulated entity, the conservator or receiver may, in any judicial action or proceeding to which such regulated entity is or becomes a party, request a stay for a period not to exceed—

''(i) 45 days, in the case of any conservator; and

''(ii) 90 days, in the case of any receiver.

''(B) GRANT OF STAY BY ALL COURTS REQUIRED.—Upon receipt of a request by any conservator or receiver under subparagraph (A) for a stay of any judicial action or proceeding in any court with jurisdiction of such action or proceeding, the court shall grant such stay as to all parties.

''(11) ADDITIONAL RIGHTS AND DUTIES.—

''(A) PRIOR FINAL ADJUDICATION.—The Agency shall abide by any final unappealable judgment of any court of competent jurisdiction which was rendered before the appointment of the Agency as conservator or receiver.

''(B) RIGHTS AND REMEDIES OF CONSERVATOR OR RECEIVER.—In the event of any appealable judgment, the Agency as conservator or receiver shall—

''(i) have all the rights and remedies available to the regulated entity (before the appointment of such conservator or receiver) and the Agency, including removal to Federal court and all appellate rights; and

''(ii) not be required to post any bond in order to pursue such remedies.

''(C) NO ATTACHMENT OR EXECUTION.—No attachment or execution may issue by any court upon assets in the possession of the receiver.

''(D) LIMITATION ON JUDICIAL REVIEW.—Except as otherwise provided in this subsection, no court shall have jurisdiction over—

''(i) any claim or action for payment from, or any action seeking a determination of rights with respect to, the assets of any regulated entity for which the Agency has been appointed receiver; or

''(ii) any claim relating to any act or omission of such regulated entity or the Agency as receiver.

''(E) DISPOSITION OF ASSETS.—In exercising any right, power, privilege, or authority as conservator or receiver in connection with any sale or disposition of assets of a regulated entity for which the Agency has been appointed conservator or receiver, the Agency shall conduct its operations in a manner which maintains stability in the housing finance markets and, to the extent consistent with that goal—

''(i) maximizes the net present value return from the sale or disposition of such assets;

''(ii) minimizes the amount of any loss realized in the resolution of cases; and

''(iii) ensures adequate competition and fair and consistent treatment of offerors.

''(12) STATUTE OF LIMITATIONS FOR ACTIONS BROUGHT BY CONSERVATOR OR RECEIVER.—

''(A) IN GENERAL.—Notwithstanding any provision of any contract, the applicable statute of limitations with regard to any action brought by the Agency as conservator or receiver shall be—

''(i) in the case of any contract claim, the longer of—

''(I) the 6-year period beginning on the date the claim accrues; or

''(II) the period applicable under State law; and

''(ii) in the case of any tort claim, the longer of—

''(I) the 3-year period beginning on the date the claim accrues; or

''(II) the period applicable under State law.

''(B) DETERMINATION OF THE DATE ON WHICH A CLAIM ACCRUES.—For purposes of subparagraph (A), the date on which the statute of limitations begins to run on any claim described in such subparagraph shall be the later of—

''(i) the date of the appointment of the Agency as conservator or receiver; or

''(ii) the date on which the cause of action accrues.

''(13) REVIVAL OF EXPIRED STATE CAUSES OF ACTION.—

''(A) IN GENERAL.—In the case of any tort claim described under subparagraph (B) for which the statute of limitations applicable under State law with respect to such claim has expired not more than 5 years before the appointment of the Agency as conservator or receiver, the Agency may bring an action as conservator or receiver on such claim without regard to the expiration of the statute of limitation applicable under State law.

''(B) CLAIMS DESCRIBED.—A tort claim referred to under subparagraph (A) is a claim arising from fraud, intentional misconduct resulting in unjust enrichment, or intentional misconduct resulting in substantial loss to the regulated entity.

''(14) ACCOUNTING AND RECORDKEEPING REQUIREMENTS.—

''(A) IN GENERAL.—The Agency as conservator or receiver shall, consistent with the accounting and reporting practices and procedures established by the Agency, maintain a full accounting of each conservatorship and receivership or other disposition of a regulated entity in default.

''(B) ANNUAL ACCOUNTING OR REPORT.—With respect to each conservatorship or receivership, the Agency shall make an annual accounting or report available to the Board, the Comptroller General of the United States, the Committee on Banking, Housing, and Urban Affairs of the Senate, and the Committee on Financial Services of the House of Representatives.

''(C) AVAILABILITY OF REPORTS.—Any report prepared under subparagraph (B) shall be made available by the Agency upon request to any shareholder of a regulated entity or any member of the public.

''(D) RECORDKEEPING REQUIREMENT.—After the end of the 6-year period beginning on the date that the conservatorship or receivership is terminated by the Director, the Agency may destroy any records of such regulated entity which the Agency, in the discretion of the Agency, determines to be unnecessary unless directed not to do so by a court of competent jurisdiction or governmental agency, or prohibited by law.

''(15) FRAUDULENT TRANSFERS.—

''(A) IN GENERAL.—The Agency, as conservator or receiver, may avoid a transfer of any interest of a regulated entity-affiliated party, or any person who the conservator or receiver determines is a debtor of the regulated entity, in property, or any obligation incurred by such party or person, that was made within 5 years of the date on which the Agency was appointed conservator or receiver, if such party or person voluntarily or involuntarily made such transfer or incurred such liability with the intent to hinder, delay, or defraud the regulated entity, the Agency, the conservator, or receiver.

''(B) RIGHT OF RECOVERY.—To the extent a transfer is avoided under subparagraph (A), the conservator or receiver may recover, for the benefit of the regulated entity, the property transferred, or, if a court so orders, the value of such property (at the time of such transfer) from—

''(i) the initial transferee of such transfer or the regulated entity-affiliated party or person for whose benefit such transfer was made; or

''(ii) any immediate or mediate transferee of any such initial transferee.

''(C) RIGHTS OF TRANSFEREE OR OBLIGEE.—The conservator or receiver may not recover under subparagraph (B) from—

''(i) any transferee that takes for value, including satisfaction or securing of a present or antecedent debt, in good faith; or

''(ii) any immediate or mediate good faith transferee of such transferee.

''(D) RIGHTS UNDER THIS PARAGRAPH.—The rights under this paragraph of the conservator or receiver described under subparagraph (A) shall be superior to any rights of a trustee or any other party (other than any party which is a Federal agency) under title 11, United States Code.

''(16) ATTACHMENT OF ASSETS AND OTHER INJUNCTIVE RELIEF.—Subject to paragraph (17), any court of competent jurisdiction may, at the request of the conservator or receiver, issue an order in accordance with Rule 65 of the Federal Rules of Civil Procedure, including an order placing the assets of any person designated by the Agency or such conservator under the control of the court, and appointing a trustee to hold such assets.

''(17) STANDARDS OF PROOF.—Rule 65 of the Federal Rules of Civil Procedure shall apply with respect to any proceeding under paragraph (16) without regard to the requirement of such rule that the applicant show that the injury, loss, or damage is irreparable and immediate.

''(18) TREATMENT OF CLAIMS ARISING FROM BREACH OF CONTRACTS EXECUTED BY THE RECEIVER OR CONSERVATOR.—

''(A) IN GENERAL.—Notwithstanding any other provision of this subsection, any final and unappealable judgment for monetary damages entered against a receiver or conservator for the breach of an agreement executed or approved in writing by such receiver or conservator after the date of its appointment, shall be paid as an administrative expense of the receiver or conservator.

''(B) NO LIMITATION OF POWER.—Nothing in this paragraph shall be construed to limit the power of a receiver or conservator to exercise any rights under contract or law, including to terminate, breach, cancel, or otherwise discontinue such agreement.

''(19) GENERAL EXCEPTIONS.—

''(A) LIMITATIONS.—The rights of a conservator or receiver appointed under this section shall be subject to the limitations on the powers of a receiver under sections 402 through 407 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 4402 through 4407).

''(B) MORTGAGES HELD IN TRUST.—

''(i) IN GENERAL.—Any mortgage, pool of mortgages, or interest in a pool of mortgages, held in trust, custodial, or agency capacity by a regulated entity for the benefit of persons other than the regulated entity shall not be available to satisfy the claims of creditors generally.

''(ii) HOLDING OF MORTGAGES.—Any mortgage, pool of mortgages, or interest in a pool of mortgages, described under clause (i) shall be held by the conservator or receiver appointed under this section for the beneficial owners of such mortgage, pool of mortgages, or interest in a pool of mortgages in accordance with the terms of the agreement creating such trust, custodial, or other agency arrangement.

''(iii) LIABILITY OF RECEIVER.—The liability of a receiver appointed under this section for damages shall, in the case of any contingent or unliquidated claim relating to the mortgages held in trust, be estimated in accordance set forth in the regulations of the Director.

''(c) PRIORITY OF EXPENSES AND UNSECURED CLAIMS.—

''(1) IN GENERAL.—Unsecured claims against a regulated entity, or a receiver, that are proven to the satisfaction of the receiver shall have priority in the following order:

''(A) Administrative expenses of the receiver.

''(B) Any other general or senior liability of the regulated entity and claims of other Federal home loan banks arising from their payment obligations (including joint and several payment obligations).

''(C) Any obligation subordinated to general creditors.

''(D) Any obligation to shareholders or members arising as a result of their status as shareholder or members.

''(2) CREDITORS SIMILARLY SITUATED.—All creditors that are similarly situated under paragraph (1) shall be treated in a similar manner, except that the Agency may make such other payments to creditors necessary to maximize the present value return from the sale or disposition or such regulated entity's assets or to minimize the amount of any loss realized in the resolution of cases so long as all creditors similarly situated receive not less than the amount provided under subsection (e)(2).

''(3) DEFINITION.—The term 'administrative expenses of the receiver' shall include the actual, necessary costs and expenses incurred by the receiver in preserving the assets of the regulated entity or liquidating or otherwise resolving the affairs of the regulated entity. Such expenses shall include obligations that are incurred by the receiver after appointment as receiver that the Director determines are necessary and appropriate to facilitate the smooth and orderly liquidation or other resolution of the regulated entity.

''(d) PROVISIONS RELATING TO CONTRACTS ENTERED INTO BEFORE APPOINTMENT OF CONSERVATOR OR RECEIVER.—

''(1) AUTHORITY TO REPUDIATE CONTRACTS.—In addition to any other rights a conservator or receiver may have, the conservator or receiver for any regulated entity may disaffirm or repudiate any contract or lease—

''(A) to which such regulated entity is a party;

''(B) the performance of which the conservator or receiver, in its sole discretion, determines to be burdensome; and

''(C) the disaffirmance or repudiation of which the conservator or receiver determines, in its sole discretion, will promote the orderly administration of the affairs of the regulated entity.

''(2) TIMING OF REPUDIATION.—The conservator or receiver shall determine whether or not to exercise the rights of repudiation under this subsection within a reasonable period following such appointment.

''(3) CLAIMS FOR DAMAGES FOR REPUDIATION.—

''(A) IN GENERAL.—Except as otherwise provided under subparagraph (C) and paragraphs (4), (5), and (6), the liability of the conservator or receiver for the disaffirmance or repudiation of any contract pursuant to paragraph (1) shall be—

''(i) limited to actual direct compensatory damages; and

''(ii) determined as of—

''(I) the date of the appointment of the conservator or receiver; or

''(II) in the case of any contract or agreement referred to in paragraph (8), the date of the disaffirmance or repudiation of such contract or agreement.

''(B) NO LIABILITY FOR OTHER DAMAGES.—For purposes of subparagraph (A), the term 'actual direct compensatory damages' shall not include—

''(i) punitive or exemplary damages;

''(ii) damages for lost profits or opportunity; or

''(iii) damages for pain and suffering.

''(C) MEASURE OF DAMAGES FOR REPUDIATION OF FINANCIAL CONTRACTS.—In the case of any qualified financial contract or agreement to which paragraph (8) applies, compensatory damages shall be—

''(i) deemed to include normal and reasonable costs of cover or other reasonable measures of damages utilized in the industries for such contract and agreement claims; and

''(ii) paid in accordance with this subsection and subsection (e), except as otherwise specifically provided in this section.

''(4) LEASES UNDER WHICH THE REGULATED ENTITY IS THE LESSEE.—

''(A) IN GENERAL.—If the conservator or receiver disaffirms or repudiates a lease under which the regulated entity was the lessee, the conservator or receiver shall not be liable for any damages (other than damages determined under subparagraph (B)) for the disaffirmance or repudiation of such lease.

''(B) PAYMENTS OF RENT.—Notwithstanding subparagraph (A), the lessor under a lease to which that subparagraph applies shall—

''(i) be entitled to the contractual rent accruing before the later of the date—

''(I) the notice of disaffirmance or repudiation is mailed; or

''(II) the disaffirmance or repudiation becomes effective, unless the lessor is in default or breach of the terms of the lease;

''(ii) have no claim for damages under any acceleration clause or other penalty provision in the lease; and

''(iii) have a claim for any unpaid rent, subject to all appropriate offsets and defenses, due as of the date of the appointment, which shall be paid in accordance with this subsection and subsection (e).

''(5) LEASES UNDER WHICH THE REGULATED ENTITY IS THE LESSOR.—

''(A) IN GENERAL.—If the conservator or receiver repudiates an unexpired written lease of real property of the regulated entity under which the regulated entity is the lessor and the lessee is not, as of the date of such repudiation, in default, the lessee under such lease may either—

''(i) treat the lease as terminated by such repudiation; or

''(ii) remain in possession of the leasehold interest for the balance of the term of the lease, unless the lessee defaults under the terms of the lease after the date of such repudiation.

''(B) PROVISIONS APPLICABLE TO LESSEE REMAINING IN POSSESSION.—If any lessee under a lease described under subparagraph (A) remains in possession of a leasehold interest under clause (ii) of such subparagraph—

''(i) the lessee—

''(I) shall continue to pay the contractual rent pursuant to the terms of the lease after the date of the repudiation of such lease; and

''(II) may offset against any rent payment which accrues after the date of the repudiation of the lease, and any damages which accrue after such date due to the nonperformance of any obligation of the regulated entity under the lease after such date; and

''(ii) the conservator or receiver shall not be liable to the lessee for any damages arising after such date as a result of the repudiation other than the amount of any offset allowed under clause (i)(II).

''(6) CONTRACTS FOR THE SALE OF REAL PROPERTY.—

''(A) IN GENERAL.—If the conservator or receiver repudiates any contract for the sale of real property and the purchaser of such real property under such contract is in possession, and is not, as of the date of such repudiation, in default, such purchaser may either—

''(i) treat the contract as terminated by such repudiation; or

''(ii) remain in possession of such real property.

''(B) PROVISIONS APPLICABLE TO PURCHASER REMAINING IN POSSESSION.—If any purchaser of real property under any contract described under subparagraph (A) remains in possession of such property under clause (ii) of such subparagraph—

''(i) the purchaser—

''(I) shall continue to make all payments due under the contract after the date of the repudiation of the contract; and

''(II) may offset against any such payments any damages which accrue after such date due to the nonperformance (after such date) of any obligation of the regulated entity under the contract; and

''(ii) the conservator or receiver shall—

''(I) not be liable to the purchaser for any damages arising after such date as a result of the repudiation other than the amount of any offset allowed under clause (i)(II);

''(II) deliver title to the purchaser in accordance with the provisions of the contract; and

''(III) have no obligation under the contract other than the performance required under subclause (II).

''(C) ASSIGNMENT AND SALE ALLOWED.—

''(i) IN GENERAL.—No provision of this paragraph shall be construed as limiting the right of the conservator or receiver to assign the contract described under subparagraph (A), and sell the property subject to the contract and the provisions of this paragraph.

''(ii) NO LIABILITY AFTER ASSIGNMENT AND SALE.—If an assignment and sale described under clause (i) is consummated, the conservator or receiver shall have no further liability under the contract described under subparagraph (A), or with respect to the real property which was the subject of such contract.

''(7) PROVISIONS APPLICABLE TO SERVICE CONTRACTS.—

''(A) SERVICES PERFORMED BEFORE APPOINTMENT.—In the case of any contract for services between any person and any regulated entity for which the Agency has been appointed conservator or receiver, any claim of such person for services performed before the appointment of the conservator or the receiver shall be—

''(i) a claim to be paid in accordance with subsections (b) and (e); and

''(ii) deemed to have arisen as of the date the conservator or receiver was appointed.

''(B) SERVICES PERFORMED AFTER APPOINTMENT AND PRIOR TO REPUDIATION.—If, in the case of any contract for services described under subparagraph (A), the conservator or receiver accepts performance by the other person before the conservator or receiver makes any determination to exercise the right of repudiation of such contract under this section—

''(i) the other party shall be paid under the terms of the contract for the services performed; and

''(ii) the amount of such payment shall be treated as an administrative expense of the conservatorship or receivership.

''(C) ACCEPTANCE OF PERFORMANCE NO BAR TO SUBSEQUENT REPUDIATION.—The acceptance by any conservator or receiver of services referred to under subparagraph (B) in connection with a contract described in such subparagraph shall not affect the right of the conservator or receiver to repudiate such contract under this section at any time after such performance.

''(8) CERTAIN QUALIFIED FINANCIAL CONTRACTS.—

''(A) RIGHTS OF PARTIES TO CONTRACTS.—Subject to paragraphs (9) and (10) and notwithstanding any other provision of this Act, any other Federal law, or the law of any State, no person shall be stayed or prohibited from exercising—

''(i) any right such person has to cause the termination, liquidation, or acceleration of any qualified financial contract with a regulated entity that arises upon the appointment of the Agency as receiver for such regulated entity at any time after such appointment;

''(ii) any right under any security agreement or arrangement or other credit enhancement relating to one or more qualified financial contracts described in clause (i); or

''(iii) any right to offset or net out any termination value, payment amount, or other transfer obligation arising under or in connection with 1 or more contracts and agreements described in clause (i), including any master agreement for such contracts or agreements.

''(B) APPLICABILITY OF OTHER PROVISIONS.—Paragraph (10) of subsection (b) shall apply in the case of any judicial action or proceeding brought against any receiver referred to under subparagraph (A), or the regulated entity for which such receiver was appointed, by any party to a contract or agreement described under subparagraph (A)(i) with such regulated entity.

''(C) CERTAIN TRANSFERS NOT AVOIDABLE.—

''(i) IN GENERAL.—Notwithstanding paragraph (11) or any other Federal or State laws relating to the avoidance of preferential or fraudulent transfers, the Agency, whether acting as such or as conservator or receiver of a regulated entity, may not avoid any transfer of money or other property in connection with any qualified financial contract with a regulated entity.

''(ii) EXCEPTION FOR CERTAIN TRANSFERS.—Clause (i) shall not apply to any transfer of money or other property in connection with any qualified financial contract with a regulated entity if the Agency determines that the transferee had actual intent to hinder, delay, or defraud such regulated entity, the creditors of such regulated entity, or any conservator or receiver appointed for such regulated entity.

''(D) CERTAIN CONTRACTS AND AGREEMENTS DEFINED.—In this subsection:

''(i) QUALIFIED FINANCIAL CONTRACT.—The term 'qualified financial contract' means any securities contract, commodity contract, forward contract, repurchase agreement, swap agreement, and any similar agreement that the Agency determines by regulation, resolution, or order to be a qualified financial contract for purposes of this paragraph.

''(ii) SECURITIES CONTRACT.—The term 'securities contract'—

''(I) means a contract for the purchase, sale, or loan of a security, a certificate of deposit, a mortgage loan, or any interest in a mortgage loan, a group or index of securities, certificates of deposit, or mortgage loans or interests therein (including any interest therein or based on the value thereof) or any option on any of the foregoing, including any option to purchase or sell any such security, certificate of deposit, mortgage loan, interest, group or index, or option, and including any repurchase or reverse repurchase transaction on any such security, certificate of deposit, mortgage loan, interest, group or index, or option;

''(II) does not include any purchase, sale, or repurchase obligation under a participation in a commercial mortgage loan unless the Agency determines by regulation, resolution, or order to include any such agreement within the meaning of such term;

''(III) means any option entered into on a national securities exchange relating to foreign currencies;

''(IV) means the guarantee by or to any securities clearing agency of any settlement of cash,

securities, certificates of deposit, mortgage loans or interests therein, group or index of securities, certificates of deposit, or mortgage loans or interests therein (including any interest therein or based on the value thereof) or option on any of the foregoing, including any option to purchase or sell any such security, certificate of deposit, mortgage loan, interest, group or index, or option;

''(V) means any margin loan;

''(VI) means any other agreement or transaction that is similar to any agreement or transaction referred to in this clause;

''(VII) means any combination of the agreements or transactions referred to in this clause;

''(VIII) means any option to enter into any agreement or transaction referred to in this clause;

''(IX) means a master agreement that provides for an agreement or transaction referred to in subclause (I), (III), (IV), (V), (VI), (VII), or (VIII), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a securities contract under this clause, except that the master agreement shall be considered to be a securities contract under this clause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (III), (IV), (V), (VI), (VII), or (VIII); and

''(X) means any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in this clause, including any guarantee or reimbursement obligation in connection with any agreement or transaction referred to in this clause.

''(iii) COMMODITY CONTRACT.—The term 'commodity contract' means—

''(I) with respect to a futures commission merchant, a contract for the purchase or sale of a commodity for future delivery on, or subject to the rules of, a contract market or board of trade;

''(II) with respect to a foreign futures commission merchant, a foreign future;

''(III) with respect to a leverage transaction merchant, a leverage transaction;

''(IV) with respect to a clearing organization, a contract for the purchase or sale of a commodity for future delivery on, or subject to the rules of, a contract market or board of trade that is cleared by such clearing organization, or commodity option traded on, or subject to the rules of, a contract market or board of trade that is cleared by such clearing organization;

''(V) with respect to a commodity options dealer, a commodity option;

''(VI) any other agreement or transaction that is similar to any agreement or transaction referred to in this clause;

''(VII) any combination of the agreements or transactions referred to in this clause;

''(VIII) any option to enter into any agreement or transaction referred to in this clause;

''(IX) a master agreement that provides for an agreement or transaction referred to in subclause (I), (II), (III), (IV), (V), (VI), (VII), or (VIII), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a commodity contract under this clause, except that the master agreement shall be considered to be a commodity contract under this clause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (II), (III), (IV), (V), (VI), (VII), or (VIII); or

''(X) any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in this clause, including any guarantee or reimbursement obligation in connection with any agreement or transaction referred to in this clause.

''(iv) FORWARD CONTRACT.—The term 'forward contract' means—

''(I) a contract (other than a commodity contract) for the purchase, sale, or transfer of a commodity or any similar good, article, service, right, or interest which is presently or in the future becomes the subject of dealing in the forward contract trade, or product or byproduct thereof, with a maturity date more than 2 days after the date the contract is entered into, including, a repurchase transaction, reverse repurchase transaction, consignment, lease, swap, hedge transaction, deposit, loan, option, allocated transaction, unallocated transaction, or any other similar agreement;

''(II) any combination of agreements or transactions referred to in subclauses (I) and (III);

''(III) any option to enter into any agreement or transaction referred to in subclause (I) or (II);

''(IV) a master agreement that provides for an agreement or transaction referred to in subclauses (I), (II), or (III), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a forward contract under this clause, except that the master agreement shall be considered to be a forward contract under this clause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (II), or (III); or

''(V) any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in subclause (I), (II), (III), or (IV), including any guarantee or reimbursement obligation in connection with any agreement or transaction referred to in any such subclause.

''(v) REPURCHASE AGREEMENT.—The term 'repurchase agreement' (which definition also applies to a reverse repurchase agreement)—

''(I) means an agreement, including related terms, which provides for the transfer of one or more certificates of deposit, mortgage-related securities (as such term is defined in the Securities Exchange Act of 1934), mortgage loans, interests in mortgage-related securities or mortgage loans, eligible bankers' acceptances, qualified foreign government securities or securities that are direct obligations of, or that are fully guaranteed by, the United States or any agency of the United States against the transfer of funds by the transferee of such certificates of deposit, eligible bankers' acceptances, securities, mortgage loans, or interests with a simultaneous agreement by such transferee to transfer to the transferor thereof certificates of deposit, eligible bankers' acceptances, securities, mortgage loans, or interests as described above, at a date certain not later than 1 year after such transfers or on demand, against the transfer of funds, or any other similar agreement;

''(II) does not include any repurchase obligation under a participation in a commercial mortgage loan unless the Agency determines by regulation, resolution, or order to include any such participation within the meaning of such term;

''(III) means any combination of agreements or transactions referred to in subclauses (I) and (IV);

''(IV) means any option to enter into any agreement or transaction referred to in subclause (I) or (III);

''(V) means a master agreement that provides for an agreement or transaction referred to in subclause (I), (III), or (IV), together with all supplements to any such master agreement, without regard to whether the master agreement provides for an agreement or transaction that is not a repurchase agreement under this clause, except that the master agreement shall be considered to be a repurchase agreement under this subclause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (III), or (IV); and

''(VI) means any security agreement or arrangement or other credit enhancement related to any agreement or transaction referred to in subclause (I), (III), (IV), or (V), including any guarantee or reimbursement obligation in connection with any agreement or transaction referred to in any such subclause.

For purposes of this clause, the term 'qualified foreign government security' means a security that is a direct obligation of, or that is fully guaranteed by, the central government of a member of the Organization for Economic Cooperation and Development (as determined by regulation or order adopted by the appropriate Federal banking authority).

''(vi) SWAP AGREEMENT.—The term 'swap agreement' means—

''(I) any agreement, including the terms and conditions incorporated by reference in any such agreement, which is an interest rate swap, option, future, or forward agreement, including a rate floor, rate cap, rate collar, cross-currency rate swap, and basis swap; a spot, same day-tomorrow, tomorrow-next, forward, or other foreign exchange or precious metals agreement; a currency swap, option, future, or forward agreement; an equity index or equity swap, option, future, or forward agreement; a debt index or debt swap, option, future, or forward agreement; a total return, credit spread or credit swap, option, future, or forward agreement; a commodity index or commodity swap, option, future, or forward agreement; or a weather swap, weather derivative, or weather option;

''(II) any agreement or transaction that is similar to any other agreement or transaction referred to in this clause and that is of a type that has been, is presently, or in the future becomes, the subject of recurrent dealings in the swap markets (including terms and conditions incorporated by reference in such agreement) and that is a forward, swap, future, or option on one or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or other debt instruments, quantitative measures associated with an occurrence, extent of an occurrence, or contingency associated with a financial, commercial, or economic consequence, or economic or financial indices or measures of economic or financial risk or value;

''(III) any combination of agreements or transactions referred to in this clause;

''(IV) any option to enter into any agreement or transaction referred to in this clause;

''(V) a master agreement that provides for an agreement or transaction referred to in subclause (I), (II), (III), or (IV), together with all supplements to any such master agreement, without regard to whether the master agreement contains an agreement or transaction that is not a swap agreement under this clause, except that the master agreement shall be considered to be a swap agreement under this clause only with respect to each agreement or transaction under the master agreement that is referred to in subclause (I), (II), (III), or (IV); and

''(VI) any security agreement or arrangement or other credit enhancement related to any agreements or transactions referred to in subclause (I), (II), (III), (IV), or (V), including any guarantee or reimbursement obligation in connection with any agreement or transaction referred to in any such subclause.

Such term is applicable for purposes of this subsection only and shall not be construed or applied so as to challenge or affect the characterization, definition, or treatment of any swap agreement under any other statute, regulation, or rule, including the Securities Act of 1933, the Securities Exchange Act of 1934, the Public Utility Holding Company Act of 1935, the Trust Indenture Act of 1939, the Investment Company Act of 1940, the Investment Advisers Act of 1940, the Securities Investor Protection Act of 1970, the Commodity Exchange Act, the Gramm-Leach-Bliley Act, and the Legal Certainty for Bank Products Act of 2000.

''(vii) TREATMENT OF MASTER AGREEMENT AS ONE AGREEMENT.—Any master agreement for any contract or agreement described in any preceding clause of this subparagraph (or any master agreement for such master agreement or agreements), together with all supplements to such master agreement, shall be treated as a single agreement and a single qualified financial

contract. If a master agreement contains provisions relating to agreements or transactions that are not themselves qualified financial contracts, the master agreement shall be deemed to be a qualified financial contract only with respect to those transactions that are themselves qualified financial contracts.

''(viii) TRANSFER.—The term 'transfer' means every mode, direct or indirect, absolute or conditional, voluntary or involuntary, of disposing of or parting with property or with an interest in property, including retention of title as a security interest and foreclosure of the regulated entity's equity of redemption.

''(E) CERTAIN PROTECTIONS IN EVENT OF APPOINTMENT OF CONSERVATOR.—Notwithstanding any other provision of this Act (other than paragraph (13) of this subsection), any other Federal law, or the law of any State, no person shall be stayed or prohibited from exercising—

''(i) any right such person has to cause the termination, liquidation, or acceleration of any qualified financial contract with a regulated entity in a conservatorship based upon a default under such financial contract which is enforceable under applicable noninsolvency law;

''(ii) any right under any security agreement or arrangement or other credit enhancement relating to one or more such qualified financial contracts; or

''(iii) any right to offset or net out any termination values, payment amounts, or other transfer obligations arising under or in connection with such qualified financial contracts.

''(F) CLARIFICATION.—No provision of law shall be construed as limiting the right or power of the Agency, or authorizing any court or agency to limit or delay, in any manner, the right or power of the Agency to transfer any qualified financial contract in accordance with paragraphs (9) and (10) of this subsection or to disaffirm or repudiate any such contract in accordance with subsection (d)(1) of this section.

''(G) WALKAWAY CLAUSES NOT EFFECTIVE.—

''(i) IN GENERAL.—Notwithstanding the provisions of subparagraphs (A) and (E), and sections 403 and 404 of the Federal Deposit Insurance Corporation Improvement Act of 1991, no walkaway clause shall be enforceable in a qualified financial contract of a regulated entity in default.

''(ii) WALKAWAY CLAUSE DEFINED.—For purposes of this subparagraph, the term 'walkaway clause' means a provision in a qualified financial contract that, after calculation of a value of a party's position or an amount due to or from 1 of the parties in accordance with its terms upon termination, liquidation, or acceleration of the qualified financial contract, either does not create a payment obligation of a party or extinguishes a payment obligation of a party in whole or in part solely because of such party's status as a nondefaulting party.

''(9) TRANSFER OF QUALIFIED FINANCIAL CONTRACTS.—In making any transfer of assets or liabilities of a regulated entity in default which includes any qualified financial contract, the conservator or receiver for such regulated entity shall either—

''(A) transfer to 1 person—

''(i) all qualified financial contracts between any person (or any affiliate of such person) and the regulated entity in default;

''(ii) all claims of such person (or any affiliate of such person) against such regulated entity under any such contract (other than any claim which, under the terms of any such contract, is subordinated to the claims of general unsecured creditors of such regulated entity);

''(iii) all claims of such regulated entity against such person (or any affiliate of such person) under any such contract; and

''(iv) all property securing or any other credit enhancement for any contract described in clause (i) or any claim described in clause (ii) or (iii) under any such contract; or

''(B) transfer none of the financial contracts, claims, or property referred to under subparagraph (A) (with respect to such person and any affiliate of such person).

''(10) NOTIFICATION OF TRANSFER.—

''(A) IN GENERAL.—If—

''(i) the conservator or receiver for a regulated entity in default makes any transfer of the assets and liabilities of such regulated entity, and

''(ii) the transfer includes any qualified financial contract,

the conservator or receiver shall notify any person who is a party to any such contract of such transfer by 5:00 p.m. (eastern time) on the business day following the date of the appointment of the receiver in the case of a receivership, or the business day following such transfer in the case of a conservatorship.

''(B) CERTAIN RIGHTS NOT ENFORCEABLE.—

''(i) RECEIVERSHIP.—A person who is a party to a qualified financial contract with a regulated entity may not exercise any right that such person has to terminate, liquidate, or net such contract under paragraph (8)(A) of this subsection or section 403 or 404 of the Federal Deposit Insurance Corporation Improvement Act of 1991, solely by reason of or incidental to the appointment of a receiver for the regulated entity (or the insolvency or financial condition of the regulated entity for which the receiver has been appointed)—

''(I) until 5:00 p.m. (eastern time) on the business day following the date of the appointment of the receiver; or

''(II) after the person has received notice that the contract has been transferred pursuant to paragraph (9)(A).

''(ii) CONSERVATORSHIP.—A person who is a party to a qualified financial contract with a regulated entity may not exercise any right that such person has to terminate, liquidate, or net such contract under paragraph (8)(E) of this subsection or section 403 or 404 of the Federal Deposit Insurance Corporation Improvement Act of 1991, solely by reason of or incidental to the appointment of a conservator for the regulated entity (or the insolvency or financial condition of the regulated entity for which the conservator has been appointed).

''(iii) NOTICE.—For purposes of this paragraph, the Agency as receiver or conservator of a regulated entity shall be deemed to have notified a person who is a party to a qualified financial contract with such regulated entity if the Agency has taken steps reasonably calculated to provide notice to such person by the time specified in subparagraph (A).

''(C) BUSINESS DAY DEFINED.—For purposes of this paragraph, the term 'business day' means any day other than any Saturday, Sunday, or any day on which either the New York Stock Exchange or the Federal Reserve Bank of New York is closed.

''(11) DISAFFIRMANCE OR REPUDIATION OF QUALIFIED FINANCIAL CONTRACTS.—In exercising the rights of disaffirmance or repudiation of a conservator or receiver with respect to any qualified financial contract to which a regulated entity is a party, the conservator or receiver for such institution shall either—

''(A) disaffirm or repudiate all qualified financial contracts between—

''(i) any person or any affiliate of such person; and

''(ii) the regulated entity in default; or

''(B) disaffirm or repudiate none of the qualified financial contracts referred to in subparagraph (A) (with respect to such person or any affiliate of such person).

''(12) CERTAIN SECURITY INTERESTS NOT AVOIDABLE.—No provision of this subsection shall be construed as permitting the avoidance of any legally enforceable or perfected security interest in any of the assets of any regulated entity, except where such an interest is taken in contemplation of the insolvency of the regulated entity, or with the intent to hinder, delay, or defraud the regulated entity or the creditors of such regulated entity.

''(13) AUTHORITY TO ENFORCE CONTRACTS.—

''(A) IN GENERAL.—Notwithstanding any provision of a contract providing for termination, default, acceleration, or exercise of rights upon, or solely by reason of, insolvency or the appointment of a conservator or receiver, the conservator or receiver may enforce any contract or regulated entity bond entered into by the regulated entity.

''(B) CERTAIN RIGHTS NOT AFFECTED.—No provision of this paragraph may be construed as impairing or affecting any right of the conservator or receiver to enforce or recover under a director's or officer's liability insurance contract or surety bond under other applicable law.

''(C) CONSENT REQUIREMENT.—

''(i) IN GENERAL.—Except as otherwise provided under this section, no person may exercise any right or power to terminate, accelerate, or declare a default under any contract to which a regulated entity is a party, or to obtain possession of or exercise control over any property of the regulated entity, or affect any contractual rights of the regulated entity, without the consent of the conservator or receiver, as appropriate, for a period of—

''(I) 45 days after the date of appointment of a conservator; or

''(II) 90 days after the date of appointment of a receiver.

''(ii) EXCEPTIONS.—This paragraph shall—

''(I) not apply to a director's or officer's liability insurance contract;

''(II) not apply to the rights of parties to any qualified financial contracts under subsection (d)(8); and

''(III) not be construed as permitting the conservator or receiver to fail to comply with otherwise enforceable provisions of such contracts.

''(14) SAVINGS CLAUSE.—The meanings of terms used in this subsection are applicable for purposes of this subsection only, and shall not be construed or applied so as to challenge or affect the characterization, definition, or treatment of any similar terms under any other statute, regulation, or rule, including the Gramm-Leach-Bliley Act, the Legal Certainty for Bank Products Act of 2000, the securities laws (as that term is defined in section 3(a)(47) of the Securities Exchange Act of 1934), and the Commodity Exchange Act

''(15) EXCEPTION FOR FEDERAL RESERVE AND FEDERAL HOME LOAN BANKS.—No provision of this subsection shall apply with respect to—

''(A) any extension of credit from any Federal home loan bank or Federal Reserve Bank to any regulated entity; or

''(B) any security interest in the assets of the regulated entity securing any such extension of credit.

''(e) VALUATION OF CLAIMS IN DEFAULT.—

''(1) IN GENERAL.—Notwithstanding any other provision of Federal law or the law of any State, and regardless of the method which the Agency determines to utilize with respect to a regulated entity in default or in danger of default, including transactions authorized under subsection (i), this subsection shall govern the rights of the creditors of such regulated entity.

''(2) MAXIMUM LIABILITY.—The maximum liability of the Agency, acting as receiver or in any other capacity, to any person having a claim against the receiver or the regulated entity for which such receiver is appointed shall equal the lesser of—

''(A) the amount such claimant would have received if the Agency had liquidated the assets and liabilities of such regulated entity without exercising the authority of the Agency under subsection (i) of this section; or

''(B) the amount of proceeds realized from the performance of contracts or sale of the assets of the regulated entity.

''(f) LIMITATION ON COURT ACTION.—Except as provided in this section or at the request of the Director, no court may take any action to restrain or affect the exercise of powers or functions of the Agency as a conservator or a receiver.

''(g) LIABILITY OF DIRECTORS AND OFFICERS.—

''(1) IN GENERAL.—A director or officer of a regulated entity may be held personally liable for monetary damages in any civil action by, on behalf of, or at the request or direction of the Agency, which action is prosecuted wholly or partially for the benefit of the Agency—

''(A) acting as conservator or receiver of such regulated entity, or

''(B) acting based upon a suit, claim, or cause of action purchased from, assigned by, or otherwise conveyed by such receiver or conservator,

for gross negligence, including any similar conduct or conduct that demonstrates a greater disregard of a duty of care (than gross negligence) including intentional tortious conduct, as such terms are defined and determined under applicable State law.

''(2) NO LIMITATION.—Nothing in this paragraph shall impair or affect any right of the Agency under other applicable law.

''(h) DAMAGES.—In any proceeding related to any claim against a director, officer, employee, agent, attorney, accountant, appraiser, or any other party employed by or providing services to a regulated entity, recoverable damages determined to result from the improvident or otherwise improper use or investment of any assets of the regulated entity shall include principal losses and appropriate interest.

''(i) LIMITED-LIFE REGULATED ENTITIES.—

''(1) ORGANIZATION.—

''(A) PURPOSE.—If a regulated entity is in default, or if the Agency anticipates that a regulated entity will default, the Agency may organize a limited-life regulated entity with those powers and attributes of the regulated entity in default or in danger of default that the Director determines necessary, subject to the provisions of this subsection. The Director shall grant a temporary charter to the limited-life regulated entity, and the limited-life regulated entity shall operate subject to that charter.

''(B) AUTHORITIES.—Upon the creation of a limited-life regulated entity under subparagraph (A), the limited-life regulated entity may—

''(i) assume such liabilities of the regulated entity that is in default or in danger of default as the Agency may, in its discretion, determine to be appropriate, provided that the liabilities assumed shall not exceed the amount of assets of the limited-life regulated entity;

''(ii) purchase such assets of the regulated entity that is in default, or in danger of default, as the Agency may, in its discretion, determine to be appropriate; and

''(iii) perform any other temporary function which the Agency may, in its discretion, prescribe in accordance with this section.

''(2) CHARTER.—

''(A) CONDITIONS.—The Agency may grant a temporary charter if the Agency determines that the continued operation of the regulated entity in default or in danger of default is in the best interest of the national economy and the housing markets.

''(B) TREATMENT AS BEING IN DEFAULT FOR CERTAIN PURPOSES.—A limited-life regulated entity shall be treated as a regulated entity in default at such times and for such purposes as the Agency may, in its discretion, determine.

''(C) MANAGEMENT.—A limited-life regulated entity, upon the granting of its charter, shall be under the management of a board of directors consisting of not fewer than 5 nor more than 10 members appointed by the Agency.

''(D) BYLAWS.—The board of directors of a limited-life regulated entity shall adopt such bylaws as may be approved by the Agency.

''(3) CAPITAL STOCK.—No capital stock need be paid into a limited-life regulated entity by the Agency.

''(4) INVESTMENTS.—Funds of a limited-life regulated entity shall be kept on hand in cash, invested in obligations of the United States or obligations guaranteed as to principal and interest by the United States, or deposited with the Agency, or any Federal Reserve bank.

''(5) EXEMPT STATUS.—Notwithstanding any other provision of Federal or State law, the limited-life regulated entity, its franchise, property, and income shall be exempt from all taxation now or hereafter imposed by the United States, by any territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority.

''(6) WINDING UP.—

''(A) IN GENERAL.—Subject to subparagraph (B), unless Congress authorizes the sale of the capital stock of the limited-life regulated entity, not later than 2 years after the date of its organization, the Agency shall wind up the affairs of the limited-life regulated entity.

''(B) EXTENSION.—The Director may, in the discretion of the Director, extend the status of the limited-life regulated entity for 3 additional 1-year periods.

''(7) TRANSFER OF ASSETS AND LIABILITIES.—

''(A) IN GENERAL.—

''(i) TRANSFER OF ASSETS AND LIABILITIES.—The Agency, as receiver, may transfer any assets and liabilities of a regulated entity in default, or in danger of default, to the limited-life regulated entity in accordance with paragraph (1).

''(ii) SUBSEQUENT TRANSFERS.—At any time after a charter is transferred to a limited-life regulated entity, the Agency, as receiver, may transfer any assets and liabilities of such regulated entity in default, or in danger in default, as the Agency may, in its discretion, determine to be appropriate in accordance with paragraph (1).

''(iii) EFFECTIVE WITHOUT APPROVAL.—The transfer of any assets or liabilities of a regulated entity in default, or in danger of default, transferred to a limited-life regulated entity shall be effective without any further approval under Federal or State law, assignment, or consent with respect thereto.

''(8) PROCEEDS.—To the extent that available proceeds from the limited-life regulated entity exceed amounts required to pay obligations, such proceeds may be paid to the regulated entity in default, or in danger of default.

''(9) POWERS.—

''(A) IN GENERAL.—Each limited-life regulated entity created under this subsection shall have all corporate powers of, and be subject to the same provisions of law as, the regulated entity in default or in danger of default to which it relates, except that—

''(i) the Agency may—

''(I) remove the directors of a limited-life regulated entity; and

''(II) fix the compensation of members of the board of directors and senior management, as determined by the Agency in its discretion, of a limited-life regulated entity;

''(ii) the Agency may indemnify the representatives for purposes of paragraph (1)(B), and the directors, officers, employees, and agents of a limited-life regulated entity on such terms as the Agency determines to be appropriate; and

''(iii) the board of directors of a limited-life regulated entity—

''(I) shall elect a chairperson who may also serve in the position of chief executive officer, except that such person shall not serve either as chairperson or as chief executive officer without the prior approval of the Agency; and

''(II) may appoint a chief executive officer who is not also the chairperson, except that such person shall not serve as chief executive officer without the prior approval of the Agency.

''(B) STAY OF JUDICIAL ACTION.—Any judicial action to which a limited-life regulated entity becomes a party by virtue of its acquisition of any assets or assumption of any liabilities of a regulated entity in default shall be stayed from further proceedings for a period of up to 45 days at the request of the limited-life regulated entity. Such period may be modified upon the consent of all parties.

''(10) OBTAINING OF CREDIT AND INCURRING OF DEBT.—

''(A) IN GENERAL.—The limited-life regulated entity may obtain unsecured credit and incur unsecured debt in the ordinary course of business.

''(B) INABILITY TO OBTAIN CREDIT.—If the limited-life regulated entity is unable to obtain unsecured credit the Director may authorize the obtaining of credit or the incurring of debt—

''(i) with priority over any or all administrative expenses;

''(ii) secured by a lien on property that is not otherwise subject to a lien; or

''(iii) secured by a junior lien on property that is subject to a lien.

''(C) LIMITATIONS.—

''(i) IN GENERAL.—The Director, after notice and a hearing, may authorize the obtaining of credit or the incurring of debt secured by a senior or equal lien on property that is subject to a lien (other than mortgages that collateralize the mortgage-backed securities issued or guaranteed by the regulated entity) only if—

''(I) the limited-life regulated entity is unable to obtain such credit otherwise; and

''(II) there is adequate protection of the interest of the holder of the lien on the property which such senior or equal lien is proposed to be granted.

''(ii) BURDEN OF PROOF.—In any hearing under this subsection, the Director has the burden of proof on the issue of adequate protection.

''(D) AFFECT ON DEBTS AND LIENS.—The reversal or modification on appeal of an authorization under this paragraph to obtain credit or incur debt, or of a grant under this section of a priority or a lien, does not affect the validity of any debt so incurred, or any priority or lien so granted, to an entity that extended such credit in good faith, whether or not such entity knew of the pendency of the appeal, unless such authorization and the incurring of such debt, or the granting of such priority or lien, were stayed pending appeal.

''(11) ISSUANCE OF PREFERRED DEBT.—A limited-life regulated entity may, subject to the approval of the Director and subject to such terms and conditions as the Director may prescribe, issue notes, bonds, or other debt obligations of a class to which all other debt obligations of the limited-life regulated entity shall be subordinate in right and payment.

''(12) NO FEDERAL STATUS.—

''(A) AGENCY STATUS.—A limited-life regulated entity is not an agency, establishment, or instrumentality of the United States.

''(B) EMPLOYEE STATUS.—Representatives for purposes of paragraph (1)(B), interim directors, directors, officers, employees, or agents of a limited-life regulated entity are not, solely by virtue of service in any such capacity, officers or employees of the United States. Any employee of the Agency or of any Federal instrumentality who serves at the request of the Agency as a representative for purposes of paragraph (1)(B), interim director, director, officer, employee, or agent of a limited-life regulated entity shall not—

''(i) solely by virtue of service in any such capacity lose any existing status as an officer or employee of the United States for purposes of title 5, United States Code, or any other provision of law; or

''(ii) receive any salary or benefits for service in any such capacity with respect to a limited-life regulated entity in addition to such salary or benefits as are obtained through employment with the Agency or such Federal instrumentality.

''(13) ADDITIONAL POWERS.—In addition to any other powers granted under this subsection, a limited-life regulated entity may—

''(A) extend a maturity date or change in an interest rate or other term of outstanding securities;

''(B) issue securities of the limited-life regulated entity, for cash, for property, for existing securities, or in exchange for claims or interests, or for any other appropriate purposes; and

''(C) take any other action not inconsistent with this section.

''(j) OTHER EXEMPTIONS.—When acting as a receiver, the following provisions shall apply with respect to the Agency:

''(1) EXEMPTION FROM TAXATION.—The Agency, including its franchise, its capital, reserves, and surplus, and its income, shall be exempt from all taxation imposed by any State, country, municipality, or local taxing authority, except that any real property of the Agency shall be subject to State, territorial, county, municipal, or local taxation to the same extent according to its value as other real property is taxed, except that, notwithstanding the failure of any person to challenge an assessment under State law of the value of such property, and the tax thereon, shall be determined as of the period for which such tax is imposed.

''(2) EXEMPTION FROM ATTACHMENT AND LIENS.—No property of the Agency shall be subject to levy, attachment, garnishment, foreclosure, or sale without the consent of the Agency, nor shall any involuntary lien attach to the property of the Agency.

''(3) EXEMPTION FROM PENALTIES AND FINES.—The Agency shall not be liable for any amounts in the nature of penalties or fines, including those arising from the failure of any person to pay any real property, personal property, probate, or recording tax or any recording or filing fees when due.

''(k) PROHIBITION OF CHARTER REVOCATION.—In no case may a receiver appointed pursuant to this section revoke, annul, or terminate the charter of a regulated entity.''.

(b) CONFORMING AMENDMENTS.—Subtitle B of title XIII of the Housing and Community Development Act of 1992 is amended by striking sections 1369 (12 U.S.C. 4619), 1369A (12 U.S.C. 4620), and 1369B (12 U.S.C. 4621).

SEC. 145. CONFORMING AMENDMENTS.

Title XIII of the Housing and Community Development Act of 1992, as amended by the preceding provisions of this Act, is further amended—

(1) in sections 1365 (12 U.S.C. 4615) through 1369D (12 U.S.C. 4623), but not including section 1367 (12 U.S.C. 4617) as added by section 144 of this Act—

(A) by striking ''An enterprise'' each place such term appears and inserting ''A regulated entity'';

(B) by striking ''an enterprise'' each place such term appears and inserting ''a regulated entity''; and

(C) by striking ''the enterprise'' each place such term appears and inserting ''the regulated entity'';

(2) in section 1366 (12 U.S.C. 4616)—

(A) in subsection (b)(7), by striking ''section 1369 (excluding subsection (a)(1) and (2))'' and inserting ''section 1367''; and

(B) in subsection (d), by striking ''the enterprises'' and inserting ''the regulated entities'';

(3) in section 1368(d) (12 U.S.C. 4618(d)), by striking ''Committee on Banking, Finance and Urban Affairs'' and inserting ''Committee on Financial Services'';

(4) in section 1369C(c) (12 U.S.C. 4622(c)), by striking ''any enterprise'' and inserting ''any regulated entity''; and

(5) in subsections (a) and (d) of section 1369D, by striking ''section 1366 or 1367 or action under section 1369)'' each place such phrase appears and inserting ''section 1367)''.

Subtitle D—Enforcement Actions

SEC. 161. CEASE-AND-DESIST PROCEEDINGS.

Section 1371 of the Housing and Community Development Act of 1992 (12 U.S.C. 4631) is amended—

(1) by striking subsections (a) and (b) and inserting the following new subsections:

''(a) ISSUANCE FOR UNSAFE OR UNSOUND PRACTICES AND VIOLATIONS OF RULES OR LAWS.—If, in the opinion of the Director, a regulated entity or any regulated entity-affiliated party is engaging or has engaged, or the Director has reasonable cause to believe that the regulated entity or any regulated entity-affiliated party is about to engage, in an unsafe or unsound practice in conducting the business of the regulated entity or is violating or has violated, or the Director has reasonable cause to believe that the regulated entity or any regulated entity-affiliated party is about to violate, a law, rule, or regulation, or any condition imposed in writing by the Director in connection with the granting of any application or other request by the regulated entity or any written agreement entered into with the Director, the Director may issue and serve upon the regulated entity or such party a notice of charges in respect thereof. The Director may not, pursuant to this section, enforce compliance with any housing goal established under subpart B of part 2 of subtitle A of this title, with section 1336 or 1337 of this title, with subsection (m) or (n) of section 309 of the Federal National Mortgage Association Charter Act (12 U.S.C. 1723a(m), (n)), with subsection (e) or (f) of section 307 of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1456(e), (f)), or with paragraph (5) of section 10(j) of the Federal Home Loan Bank Act (12 U.S.C. 1430(j)).

''(b) ISSUANCE FOR UNSATISFACTORY RATING.—If a regulated entity receives, in its most recent report of examination, a less-than-satisfactory rating for asset quality, management, earnings, or liquidity, the Director may (if the deficiency is not corrected) deem the regulated entity to be engaging in an unsafe or unsound practice for purposes of this subsection.'';

(2) in subsection (c)(2), by striking ''enterprise, executive officer, or director'' and inserting ''regulated entity or regulated entity-affiliated party''; and

(3) in subsection (d)—

(A) in the matter preceding paragraph (1), by striking ''enterprise, executive officer, or director'' and inserting ''regulated entity or regulated entity-affiliated party'';

(B) in paragraph (1)—

(i) by striking ''an executive officer or director'' and inserting ''a regulated entity affiliated party''; and

(ii) by inserting ''(including reimbursement of compensation under section 1318)'' after ''reimbursement'';

(C) in paragraph (6), by striking ''and'' at the end;

(D) by redesignating paragraph (7) as paragraph (8); and

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

''(7) to effect an attachment on a regulated entity or regulated entity-affiliated party subject to an order under this section or section 1372; and''.

SEC. 162. TEMPORARY CEASE-AND-DESIST PROCEEDINGS.

Section 1372 of the Housing and Community Development Act of 1992 (12 U.S.C. 4632) is amended—

(1) by striking subsection (a) and inserting the following new subsection:

''(a) GROUNDS FOR ISSUANCE.—Whenever the Director determines that the violation or threatened violation or the unsafe or unsound practice or practices specified in the notice of charges served upon the regulated entity or any regulated entity-affiliated party pursuant to section 1371(a), or the continuation thereof, is likely to cause insolvency or significant dissipation of assets or earnings of the regulated entity, or is likely to weaken the condition of the regulated entity prior to the completion of the proceedings conducted pursuant to sections 1371 and 1373, the Director may issue a temporary order requiring the regulated entity or such party to cease and desist from any such violation or practice and to take affirmative action to prevent or remedy such insolvency, dissipation, condition, or prejudice pending completion of such proceedings. Such order may include any requirement authorized under section 1371(d).'';

(2) in subsection (b), by striking ''enterprise, executive officer, or director'' and inserting ''regulated entity or regulated entity-affiliated party'';

(3) in subsection (d)—

(A) by striking ''An enterprise, executive officer, or director'' and inserting ''A regulated entity or regulated entity-affiliated party''; and

(B) by striking ''the enterprise, executive officer, or director'' and inserting ''the regulated entity or regulated entity-affiliated party''; and

(4) by striking subsection (e) and in inserting the following new subsection:

''(e) ENFORCEMENT.—In the case of violation or threatened violation of, or failure to obey, a temporary cease-and-desist order issued pursuant to this section, the Director may apply to the United States District Court for the District of Columbia or the United States district court within the jurisdiction of which the headquarters of the regulated entity is located, for an injunction to enforce such order, and, if the court determines that there has been such violation or threatened violation or failure to obey, it shall be the duty of the court to issue such injunction.''.

SEC. 163. PREJUDGMENT ATTACHMENT.

The Housing and Community Development Act of 1992 is amended by inserting after section 1375 (12 U.S.C. 4635) the following new section:

''SEC. 1375A. PREJUDGMENT ATTACHMENT.

''(a) IN GENERAL.—In any action brought pursuant to this title, or in actions brought in aid of, or to enforce an order in, any administrative or other civil action for money damages, restitution, or civil money penalties brought pursuant to this title, the court may, upon application of the Director or Attorney General, as applicable, issue a restraining order that—

''(1) prohibits any person subject to the proceeding from withdrawing, transferring, removing, dissipating, or disposing of any funds, assets or other property; and

''(2) appoints a person on a temporary basis to administer the restraining order.

''(b) STANDARD.—

''(1) SHOWING.—Rule 65 of the Federal Rules of Civil Procedure shall apply with respect to any proceeding under subsection (a) without regard to the requirement of such rule that the applicant show that the injury, loss, or damage is irreparable and immediate.

''(2) STATE PROCEEDING.—If, in the case of any proceeding in a State court, the court determines that rules of civil procedure available under the laws of such State provide substantially similar protections to a party's right to due process as Rule 65 (as modified with respect to such proceeding by paragraph (1)), the relief sought under subsection (a) may be requested under the laws of such State.''.

SEC. 164. ENFORCEMENT AND JURISDICTION.

Section 1375 of the Housing and Community Development Act of 1992 (12 U.S.C. 4635) is amended—

(1) by striking subsection (a) and inserting the following new subsection:

''(a) ENFORCEMENT.—The Director may, in the discretion of the Director, apply to the United States District Court for the District of Columbia, or the United States district court within the jurisdiction of which the headquarters of the regulated entity is located, for the enforcement of any effective and outstanding notice or order issued under this subtitle or subtitle B, or request that the Attorney General of the United States bring such an action. Such court shall have jurisdiction and power to order and require compliance with such notice or order.''; and

(2) in subsection (b), by striking ''or 1376'' and inserting ''1376, or 1377''.

SEC. 165. CIVIL MONEY PENALTIES.

Section 1376 of the Housing and Community Development Act of 1992 (12 U.S.C. 4636) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by striking ''or any executive officer or'' and inserting ''any executive officer of a regulated entity, any regulated entity-affiliated party, or any''; and

(B) in paragraph (1)—

(i) by striking ''the Federal National Mortgage Association Charter Act, the Federal Home Loan Mortgage Corporation Act'' and inserting ''any provision of any of the authorizing statutes'';

(ii) by striking ''or Act'' and inserting ''or statute'';

(iii) by striking ''or subsection'' and inserting '', subsection''; and

(iv) by inserting '', or paragraph (5) or (12) of section 10(j) of the Federal Home Loan Bank Act'' before the semicolon at the end;

(2) by striking subsection (b) and inserting the following new subsection:

''(b) AMOUNT OF PENALTY.—

''(1) FIRST TIER.—Any regulated entity which, or any regulated entity-affiliated party who—

''(A) violates any provision of this title, any provision of any of the authorizing statutes, or any order, condition, rule, or regulation under any such title or statute, except that the Director may not, pursuant to this section, enforce compliance with any housing goal established under subpart B of part 2 of subtitle A of this title, with section 1336 or 1337 of this title, with subsection (m) or (n) of section 309 of the Federal National Mortgage Association Charter Act (12 U.S.C. 1723a(m), (n)), with subsection (e) or (f) of section 307 of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1456(e), (f)), or with paragraph (5) or (12) of section 10(j) of the Federal Home Loan Bank Act;

''(B) violates any final or temporary order or notice issued pursuant to this title;

''(C) violates any condition imposed in writing by the Director in connection with the grant of any application or other request by such regulated entity;

''(D) violates any written agreement between the regulated entity and the Director; or

''(E) engages in any conduct the Director determines to be an unsafe or unsound practice, shall forfeit and pay a civil penalty of not more than $10,000 for each day during which such violation continues.

''(2) SECOND TIER.—Notwithstanding paragraph (1)—

''(A) if a regulated entity, or a regulated entity-affiliated party—

''(i) commits any violation described in any subparagraph of paragraph (1);

''(ii) recklessly engages in an unsafe or unsound practice in conducting the affairs of such regulated entity; or

''(iii) breaches any fiduciary duty; and

''(B) the violation, practice, or breach—

''(i) is part of a pattern of misconduct;

''(ii) causes or is likely to cause more than a minimal loss to such regulated entity; or

''(iii) results in pecuniary gain or other benefit to such party, the regulated entity or regulated entity-affiliated party shall forfeit and pay a civil penalty of not more than $50,000 for each day during which such violation, practice, or breach continues.

''(3) THIRD TIER.—Notwithstanding paragraphs (1) and (2), any regulated entity which, or any regulated entity-affiliated party who—

''(A) knowingly—

''(i) commits any violation or engages in any conduct described in any subparagraph of paragraph (1);

''(ii) engages in any unsafe or unsound practice in conducting the affairs of such regulated entity; or

''(iii) breaches any fiduciary duty; and

''(B) knowingly or recklessly causes a substantial loss to such regulated entity or a substantial pecuniary gain or other benefit to such party by reason of such violation, practice, or breach, shall forfeit and pay a civil penalty in an amount not to exceed the applicable maximum amount determined under paragraph (4) for each day during which such violation, practice, or breach continues.

''(4) MAXIMUM AMOUNTS OF PENALTIES FOR ANY VIOLATION DESCRIBED IN PARAGRAPH (3).—The maximum daily amount of any civil penalty which may be assessed pursuant to paragraph (3) for any violation, practice, or breach described in such paragraph is—

''(A) in the case of any person other than a regulated entity, an amount not to exceed $2,000,000; and

''(B) in the case of any regulated entity, $2,000,000.'';

(3) in subsection (c)(1)(B), by striking ''enterprise, executive officer, or director'' and inserting ''regulated entity or regulated entity-affiliated party'';

(4) in subsection (d), by striking the first sentence and inserting the following: ''If a regulated entity or regulated entity-affiliated party fails to comply with an order of the Director imposing a civil money penalty under this section, after the order is no longer subject to review as provided under subsection (c)(1) and section 1374, the Director may, in the discretion of the Director, bring an action in the United States District Court for the District of Columbia, or the United States district court within the jurisdiction of which the headquarters of the regulated entity is located, to obtain a monetary judgment against the regulated entity or regulated entity affiliated party and such other relief as may be available, or request that the Attorney General of the United States bring such an action.''; and

(5) in subsection (g), by striking ''subsection (b)(3)'' and inserting ''this section, unless authorized by the Director by rule, regulation, or order''.

SEC. 166. REMOVAL AND PROHIBITION AUTHORITY.

(a) IN GENERAL.—Subtitle C of title XIII of the Housing and Community Development Act of 1992 is amended—

(1) by redesignating sections 1377, 1378, 1379, 1379A, and 1379B (12 U.S.C. 4637–41) as sections 1379, 1379A, 1379B, 1379C, and 1379D, respectively; and

(2) by inserting after section 1376 (12 U.S.C. 4636) the following new section:

''SEC. 1377. REMOVAL AND PROHIBITION AUTHORITY.

''(a) AUTHORITY TO ISSUE ORDER.—Whenever the Director determines that—

''(1) any regulated entity-affiliated party has, directly or indirectly—

''(A) violated—

''(i) any law or regulation;

''(ii) any cease-and-desist order which has become final;

''(iii) any condition imposed in writing by the Director in connection with the grant of any application or other request by such regulated entity; or

''(iv) any written agreement between such regulated entity and the Director;

''(B) engaged or participated in any unsafe or unsound practice in connection with any regulated entity; or

''(C) committed or engaged in any act, omission, or practice which constitutes a breach of such party's fiduciary duty;

''(2) by reason of the violation, practice, or breach described in any subparagraph of paragraph (1)—

''(A) such regulated entity has suffered or will probably suffer financial loss or other damage; or

''(B) such party has received financial gain or other benefit by reason of such violation, practice, or breach; and

''(3) such violation, practice, or breach—

''(A) involves personal dishonesty on the part of such party; or

''(B) demonstrates willful or continuing disregard by such party for the safety or soundness of such regulated entity, the Director may serve upon such party a written notice of the Director's intention to remove such party from office or to prohibit any further participation by such party, in any manner, in the conduct of the affairs of any regulated entity.

''(b) SUSPENSION ORDER.—

''(1) SUSPENSION OR PROHIBITION AUTHORITY.—If the Director serves written notice under subsection (a) to any regulated entity-affiliated party of the Director's intention to issue an order under such subsection, the Director may—

''(A) suspend such party from office or prohibit such party from further participation in any manner in the conduct of the affairs of the regulated entity, if the Director—

''(i) determines that such action is necessary for the protection of the regulated entity; and

''(ii) serves such party with written notice of the suspension order; and

''(B) prohibit the regulated entity from releasing to or on behalf of the regulated entity-affiliated party any compensation or other payment of money or other thing of current or potential value in connection with any resignation, removal, retirement, or other termination of employment or office of the party.

''(2) EFFECTIVE PERIOD.—Any suspension order issued under this subsection—

''(A) shall become effective upon service; and

''(B) unless a court issues a stay of such order under subsection (g) of this section, shall remain in effect and enforceable until—

''(i) the date the Director dismisses the charges contained in the notice served under subsection (a) with respect to such party; or

''(ii) the effective date of an order issued by the Director to such party under subsection (a).

''(3) COPY OF ORDER.—If the Director issues a suspension order under this subsection to any regulated entity-affiliated party, the Director shall serve a copy of such order on any regulated entity with which such party is affiliated at the time such order is issued.

''(c) NOTICE, HEARING, AND ORDER.—A notice of intention to remove a regulated entity-affiliated party from office or to prohibit such party from participating in the conduct of the affairs of a regulated entity shall contain a statement of the facts constituting grounds for such action, and shall fix a time and place at which a hearing will be held on such action. Such hearing shall be fixed for a date not earlier than 30 days nor later than 60 days after the date of service of such notice, unless an earlier or a later date is set by the Director at the request of (1) such party, and for good cause shown, or (2) the Attorney General of the United States. Unless such party shall appear at the hearing in person or by a duly authorized representative, such party shall be deemed to have consented to the issuance of an order of such removal or prohibition. In the event of such consent, or if upon the record made at any such hearing the Director shall find that any of the grounds specified in such notice have been established, the Director may issue such orders of suspension or removal from office, or prohibition from participation in the conduct of the affairs of the regulated entity, as it may deem appropriate, together with an order prohibiting compensation described in subsection (b)(1)(B). Any such order shall become effective at the expiration of 30 days after service upon such regulated entity and such party (except in the case of an order issued upon consent, which shall become effective at the time specified therein). Such order shall remain effective and enforceable except to such extent as it is stayed, modified, terminated, or set aside by action of the Director or a reviewing court.

''(d) PROHIBITION OF CERTAIN SPECIFIC ACTIVITIES.—Any person subject to an order issued under this section shall not—

''(1) participate in any manner in the conduct of the affairs of any regulated entity;

''(2) solicit, procure, transfer, attempt to transfer, vote, or attempt to vote any proxy,

consent, or authorization with respect to any voting rights in any regulated entity;

''(3) violate any voting agreement previously approved by the Director; or

''(4) vote for a director, or serve or act as a regulated entity-affiliated party.

''(e) INDUSTRY-WIDE PROHIBITION.—

''(1) IN GENERAL.—Except as provided in paragraph (2), any person who, pursuant to an order issued under this section, has been removed or suspended from office in a regulated entity or prohibited from participating in the conduct of the affairs of a regulated entity may not, while such order is in effect, continue or commence to hold any office in, or participate in any manner in the conduct of the affairs of, any regulated entity.

''(2) EXCEPTION IF DIRECTOR PROVIDES WRITTEN CONSENT.—If, on or after the date an order is issued under this section which removes or suspends from office any regulated entity-affiliated party or prohibits such party from participating in the conduct of the affairs of a regulated entity, such party receives the written consent of the Director, the order shall, to the extent of such consent, cease to apply to such party with respect to the regulated entity described in the written consent. If the Director grants such a written consent, it shall publicly disclose such consent.

''(3) VIOLATION OF PARAGRAPH (1) TREATED AS VIOLATION OF ORDER.—Any violation of paragraph (1) by any person who is subject to an order described in such subsection shall be treated as a violation of the order.

''(f) APPLICABILITY.—This section shall only apply to a person who is an individual, unless the Director specifically finds that it should apply to a corporation, firm, or other business enterprise.

''(g) STAY OF SUSPENSION AND PROHIBITION OF REGULATED ENTITY-AFFILIATED PARTY.—Within 10 days after any regulated entity-affiliated party has been suspended from office and/or prohibited from participation in the conduct of the affairs of a regulated entity under this section, such party may apply to the United States District Court for the District of Columbia, or the United States district court for the judicial district in which the headquarters of the regulated entity is located, for a stay of such suspension and/or prohibition and any prohibition under subsection (b)(1)(B) pending the completion of the administrative proceedings pursuant to the notice served upon such party under this section, and such court shall have jurisdiction to stay such suspension and/or prohibition.

''(h) SUSPENSION OR REMOVAL OF REGULATED ENTITY-AFFILIATED PARTY CHARGED WITH FELONY.—

''(1) SUSPENSION OR PROHIBITION.—

''(A) IN GENERAL.—Whenever any regulated entity-affiliated party is charged in any information, indictment, or complaint, with the commission of or participation in a crime involving dishonesty or breach of trust which is punishable by imprisonment for a term exceeding one year under State or Federal law, the Director may, if continued service or participation by such party may pose a threat to the regulated entity or impair public confidence in the regulated entity, by written notice served upon such party—

''(i) suspend such party from office or prohibit such party from further participation in any manner in the conduct of the affairs of any regulated entity; and

''(ii) prohibit the regulated entity from releasing to or on behalf of the regulated entity-affiliated party any compensation or other payment of money or other thing of current or potential value in connection with the period of any such suspension or with any resignation, removal, retirement, or other termination of employment or office of the party.

''(B) PROVISIONS APPLICABLE TO NOTICE.—

''(i) COPY.—A copy of any notice under paragraph (1)(A) shall also be served upon the regulated entity.

''(ii) EFFECTIVE PERIOD.—A suspension or prohibition under subparagraph (A) shall remain in effect until the information, indictment, or complaint referred to in such subparagraph is finally disposed of or until terminated by the Director.

''(2) REMOVAL OR PROHIBITION.—

''(A) IN GENERAL.—If a judgment of conviction or an agreement to enter a pretrial diversion or other similar program is entered against a regulated entity-affiliated party in connection with a crime described in paragraph (1)(A), at such time as such judgment is not subject to further appellate review, the Director may, if continued service or participation by such party may pose a threat to the regulated entity or impair public confidence in the regulated entity, issue and serve upon such party an order that—

''(i) removes such party from office or prohibits such party from further participation in any manner in the conduct of the affairs of the regulated entity without the prior written consent of the Director; and

''(ii) prohibits the regulated entity from releasing to or on behalf of the regulated entity-affiliated party any compensation or other payment of money or other thing of current or potential value in connection with the termination of employment or office of the party.

''(B) PROVISIONS APPLICABLE TO ORDER.—

''(i) COPY.—A copy of any order under paragraph (2)(A) shall also be served upon the regulated entity, whereupon the regulated entity-affiliated party who is subject to the order (if a director or an officer) shall cease to be a director or officer of such regulated entity.

''(ii) EFFECT OF ACQUITTAL.—A finding of not guilty or other disposition of the charge shall not preclude the Director from instituting proceedings after such finding or disposition to remove such party from office or to prohibit further participation in regulated entity affairs, and to prohibit compensation or other payment of money or other thing of current or potential value in connection with any resignation, removal, retirement, or other termination of employment or office of the party, pursuant to subsections (a), (d), or (e) of this section.

''(iii) EFFECTIVE PERIOD.—Any notice of suspension or order of removal issued under this subsection shall remain effective and outstanding until the completion of any hearing or appeal authorized under paragraph (4) unless terminated by the Director.

''(3) AUTHORITY OF REMAINING BOARD MEMBERS.—If at any time, because of the suspension of one or more directors pursuant to this section, there shall be on the board of directors of a regulated entity less than a quorum of directors not so suspended, all powers and functions vested in or exercisable by such board shall vest in and be exercisable by the director or directors on the board not so suspended, until such time as there shall be a quorum of the board of directors. In the event all of the directors of a regulated entity are suspended pursuant to this section, the Director shall appoint persons to serve temporarily as directors in their place and stead pending the termination of such suspensions, or until such time as those who have been suspended cease to be directors of the regulated entity and their respective successors take office.

''(4) HEARING REGARDING CONTINUED PARTICIPATION.—Within 30 days from service of any notice of suspension or order of removal issued pursuant to paragraph (1) or (2) of this subsection, the regulated entity-affiliated party concerned may request in writing an opportunity to appear before the Director to show that the continued service to or participation in the conduct of the affairs of the regulated entity by such party does not, or is not likely to, pose a threat to the interests of the regulated entity or threaten to impair public confidence in the regulated entity. Upon receipt of any such request, the Director shall fix a time (not more than 30 days after receipt of such request, unless extended at the request of such party) and place at which such party may appear, personally or through counsel, before one or more members of the Director or designated employees of the Director to submit written materials (or, at the discretion of the Director, oral testimony) and oral argument. Within 60 days of such hearing, the Director shall notify such party whether the suspension or prohibition from participation in any manner in the conduct of the affairs of the regulated entity will be continued, terminated, or otherwise modified, or whether the order removing such party from office or prohibiting such party from further participation in any manner in the conduct of the affairs of the regulated entity, and prohibiting compensation in connection with termination will be rescinded or otherwise modified. Such notification shall contain a statement of the basis for the Director's decision, if adverse to such party. The Director is authorized to prescribe such rules as may be necessary to effectuate the purposes of this subsection.

''(i) HEARINGS AND JUDICIAL REVIEW.—

''(1) VENUE AND PROCEDURE.—Any hearing provided for in this section shall be held in the District of Columbia or in the Federal judicial district in which the headquarters of the regulated entity is located, unless the party afforded the hearing consents to another place, and shall be conducted in accordance with the provisions of chapter 5 of title 5, United States Code. After such hearing, and within 90 days after the Director has notified the parties that the case has been submitted to it for final decision, it shall render its decision (which shall include findings of fact upon which its decision is predicated) and shall issue and serve upon each party to the proceeding an order or orders consistent with the provisions of this section. Judicial review of any such order shall be exclusively as provided in this subsection. Unless a petition for review is timely filed in a court of appeals of the United States, as provided in paragraph (2), and thereafter until the record in the proceeding has been filed as so provided, the Director may at any time, upon such notice and in such manner as it shall deem proper, modify, terminate, or set aside any such order. Upon such filing of the record, the Director may modify, terminate, or set aside any such order with permission of the court.

''(2) REVIEW OF ORDER.—Any party to any proceeding under paragraph (1) may obtain a review of any order served pursuant to paragraph (1) (other than an order issued with the consent of the regulated entity or the regulated entity-affiliated party concerned, or an order issued under subsection (h) of this section) by the filing in the United States Court of Appeals for the District of Columbia Circuit or court of appeals of the United States for the circuit in which the headquarters of the regulated entity is located, within 30 days after the date of service of such order, a written petition praying that the order of the Director be modified, terminated, or set aside. A copy of such petition shall be forthwith transmitted by the clerk of the court to the Director, and thereupon the Director shall file in the court the record in the proceeding, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, such court shall have jurisdiction, which upon the filing of the record shall (except as provided in the last sentence of paragraph (1)) be exclusive, to affirm, modify, terminate, or set aside, in whole or in part, the order of the Director. Review of such proceedings shall be had as provided in chapter 7 of title 5, United States Code. The judgment and decree of the court shall be final, except that the same shall be subject to review by the Supreme Court upon certiorari, as provided in section 1254 of title 28, United States Code.

''(3) PROCEEDINGS NOT TREATED AS STAY.—The commencement of proceedings for judicial review under paragraph (2) shall not, unless specifically ordered by the court, operate as a stay of any order issued by the Director.''.

(b) CONFORMING AMENDMENTS.—

(1) 1992 ACT.—Section 1317(f) of the Housing and Community Development Act of 1992 (12 U.S.C. 4517(f)) is amended by striking ''section 1379B'' and inserting ''section 1379D''.

(2) FANNIE MAE CHARTER ACT.—The second sentence of subsection (b) of section 308 of the Federal National Mortgage Association Charter Act (12 U.S.C. 1723(b)) is amended by striking ''The'' and inserting ''Except to the extent that action under section 1377 of the Housing and Community Development Act of 1992 temporarily results in a lesser number, the''.

(3) FREDDIE MAC ACT.—The second sentence of subparagraph (A) of section 303(a)(2) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1452(a)(2)(A)) is amended by striking ''The'' and inserting ''Except to the extent that action under section 1377 of the Housing and Community Development Act of 1992 temporarily results in a lesser number, the''.

SEC. 167. CRIMINAL PENALTY.

Subtitle C of title XIII of the Housing and Community Development Act of 1992 (12 U.S.C. 4631 et seq.) is amended by inserting after section 1377 (as added by the preceding provisions of this Act) the following new section:

''SEC. 1378. CRIMINAL PENALTY.

''Whoever, being subject to an order in effect under section 1377, without the prior written approval of the Director, knowingly participates, directly or indirectly, in any manner (including by engaging in an activity specifically prohibited in such an order) in the conduct of the affairs of any regulated entity shall, notwithstanding section 3571 of title 18, be fined not more than $1,000,000, imprisoned for not more than 5 years, or both.''.

SEC. 168. SUBPOENA AUTHORITY.

Section 1379D(c) of the Housing and Community Development Act of 1992 (12 U.S.C. 4641(c)), as so redesignated by section 165(a)(1) of this Act, is further amended—

(1) by striking ''request the Attorney General of the United States to'' and inserting '', in the discretion of the Director,'';

(2) by inserting ''or request that the Attorney General of the United States bring such an action,'' after ''District of Columbia,''; and

(3) by striking ''or may, under the direction and control of the Attorney General, bring such an action''.

SEC. 169. CONFORMING AMENDMENTS.

Subtitle C of title XIII of the Housing and Community Development Act of 1992 is amended—

(1) in section 1372(c)(1) (12 U.S.C. 4632(c)), by striking ''that enterprise'' and inserting ''that regulated entity'';

(2) in section 1379 (12 U.S.C. 4637), as so redesignated by section 165(a)(1) of this Act—

(A) by inserting '', or of a regulated entity-affiliated party,'' before ''shall not affect''; and

(B) by striking ''such director or executive officer'' each place such term appears and inserting ''such director, executive officer, or regulated entity-affiliated party'';

(3) in section 1379A (12 U.S.C. 4638), as so redesignated by section 165(a)(1) of this Act, by inserting ''or against a regulated entity-affiliated party,'' before ''or impair'';

(4) by striking ''An enterprise'' each place such term appears in such subtitle and inserting ''A regulated entity'';

(5) by striking ''an enterprise'' each place such term appears in such subtitle and inserting ''a regulated entity'';

(6) by striking ''the enterprise'' each place such term appears in such subtitle and inserting ''the regulated entity''; and

(7) by striking ''any enterprise'' each place such term appears in such subtitle and inserting ''any regulated entity''.

Subtitle E—General Provisions

SEC. 181. PRESIDENTIALLY APPOINTED DIRECTORS OF ENTERPRISES.

(a) FANNIE MAE.—

(1) IN GENERAL.—Subsection (b) of section 308 of the Federal National Mortgage Association Charter Act (12 U.S.C. 1723(b)) is amended—

(A) in the first sentence, by striking ''eighteen persons, five of whom shall be appointed annually by the President of the United States, and the remainder of whom'' and inserting ''not less than 7 and not more than 15 persons, who'';

(B) in the second sentence, by striking ''appointed by the President'';

(C) in the third sentence—

(i) by striking ''appointed or''; and

(ii) by striking '', except that any such appointed member may be removed from office by the President for good cause'';

(D) in the fourth sentence, by striking ''elective''; and

(E) by striking the fifth sentence.

(2) TRANSITIONAL PROVISION.—The amendments made by paragraph (1) shall not apply to any appointed position of the board of directors of the Federal National Mortgage Association until the expiration of the annual term for such position during which the effective date under section 185 occurs.

(b) FREDDIE MAC.—

(1) IN GENERAL.—Paragraph (2) of section 303(a) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1452(a)(2)) is amended—

(A) in subparagraph (A)—

(i) in the first sentence, by striking ''18 persons, 5 of whom shall be appointed annually by the President of the United States and the remainder of whom'' and inserting ''not less than 7 and not more than 15 persons, who''; and

(ii) in the second sentence, by striking ''appointed by the President of the United States'';

(B) in subparagraph (B)—

(i) by striking ''such or''; and

(ii) by striking '', except that any appointed member may be removed from office by the President for good cause''; and

(C) in subparagraph (C)—

(i) by striking the first sentence; and

(ii) by striking ''elective''.

(2) TRANSITIONAL PROVISION.—The amendments made by paragraph (1) shall not apply to any appointed position of the Board of Directors of the Federal Home Loan Mortgage Corporation until the expiration of the annual term for such position during which the effective date under section 185 occurs.

SEC. 182. REPORT ON PORTFOLIO OPERATIONS, SAFETY AND SOUNDNESS, AND MISSION OF ENTERPRISES.

Not later than the expiration of the 12-month period beginning on the effective date under section 185, the Director of the Federal Housing Finance Agency shall submit a report to the Congress which shall include—

(1) a description of the portfolio holdings of the enterprises (as such term is defined in section 1303 of the Housing and Community Development Act of 1992 (12 U.S.C. 4502) in mortgages (including whole loans and mortgage-backed securities), non-mortgages, and other assets;

(2) a description of the risk implications for the enterprises of such holdings and the consequent risk management undertaken by the enterprises (including the use of derivatives for hedging purposes), compared with off-balance sheet liabilities of the enterprises (including mortgage-backed securities guaranteed by the enterprises);

(3) an analysis of portfolio holdings for safety and soundness purposes;

(4) an assessment of whether portfolio holdings fulfill the mission purposes of the enterprises under the Federal National Mortgage Association Charter Act and the Federal Home Loan Mortgage Corporation Act; and

(5) an analysis of the potential systemic risk implications for the enterprises, the housing and capital markets, and the financial system of portfolio holdings, and whether such holdings should be limited or reduced over time.

SEC. 183. CONFORMING AND TECHNICAL AMENDMENTS.

(a) 1992 ACT.—Title XIII of the Housing and Community Development Act of 1992 is amended by striking section 1383 (12 U.S.C. 1451 note).

(b) TITLE 18, UNITED STATES CODE.—Section 1905 of title 18, United States Code, is amended by striking ''Office of Federal Housing Enterprise Oversight'' and inserting ''Federal Housing Finance Agency'' .

(c) FLOOD DISASTER PROTECTION ACT OF 1973.—Section 102(f)(3)(A) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a(f)(3)(A)) is amended by striking ''Director of the Office of Federal Housing Enterprise Oversight of the Department of Housing and Urban Development'' and inserting ''Director of the Federal Housing Finance Agency''.

(d) DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT ACT.—Section 5 of the Department of Housing and Urban Development Act (42 U.S.C. 3534) is amended by striking subsection (d).

(e) TITLE 5, UNITED STATES CODE.—

(1) DIRECTOR'S PAY RATE.—Section 5313 of title 5, United States Code, is amended by striking the item relating to the Director of the Office of Federal Housing Enterprise Oversight, Department of Housing and Urban Development and inserting the following new item:

'' Director of the Federal Housing Finance Agency.''.

(2) DEPUTY DIRECTORS' PAY RATE.—Section 5314 of title 5, United States Code, is amended by adding at the end the following new item:

''Deputy Directors, Federal Housing Finance Agency (3).''.

(3) PAY RATE FOR MEMBERS OF HOUSING FINANCE OVERSIGHT BOARD.—Section 5315 of title 5, United States Code, is amended by adding at the end the following new item:

''Members, Housing Finance Oversight Board.''.

(4) EXCLUSION FROM SENIOR EXECUTIVE SERVICE.—Section 3132(a)(1)(D) of title 5, United States Code, is amended by striking ''the Office of Federal Housing Enterprise Oversight of the Department of Housing and Urban Development'' and inserting ''the Federal Housing Finance Agency''.

(f) INSPECTOR GENERAL ACT OF 1978.—Section 8G(a)(2) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking ''Federal Housing Finance Board'' and inserting ''Federal Housing Finance Agency''.

(g) FEDERAL DEPOSIT INSURANCE ACT.—Section 11(t)(2)(A) of the Federal Deposit Insurance Act (12 U.S.C.1821(t)(2)(A)) is amended by adding at the end the following new clause:

''(vii) The Federal Housing Finance Agency.''.

(h) 1997 EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT.—Section 10001 of the 1997 Emergency Supplemental Appropriations Act for Recovery From Natural Disasters, and for Overseas Peacekeeping Efforts, Including Those In Bosnia (42 U.S.C. 3548) is amended—

(1) by striking ''the Government National Mortgage Association, and the Office of Federal Housing Enterprise Oversight'' and inserting ''and the Government National Mortgage Association''; and

(2) by striking '', the Government National Mortgage Association, or the Office of Federal Housing Enterprise Oversight'' and inserting ''or the Government National Mortgage Association''.

(i) NATIONAL HOMEOWNERSHIP TRUST ACT .—Section 302(b)(4) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12851(b)(4)) is amended by striking ''the chairperson of the Federal Housing Finance Board'' and inserting ''the Director of the Federal Housing Finance Agency''.

SEC. 184. STUDY OF ALTERNATIVE SECONDARY MARKET SYSTEMS.

(a) IN GENERAL.—The Director of the Federal Housing Finance Agency, in consultation with the Board of Governors of the Federal Reserve

System, the Secretary of the Treasury, and the Secretary of Housing and Urban Development, shall conduct a comprehensive study of the effects on financial and housing finance markets of alternatives to the current secondary market system for housing finance, taking into consideration changes in the structure of financial and housing finance markets and institutions since the creation of the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

(b) CONTENTS.—The study under this section shall—

(1) include, among the alternatives to the current secondary market system analyzed—

(A) repeal of the chartering Acts for the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation;

(B) establishing bank-like mechanisms for granting new charters for limited purposed mortgage securitization entities;

(C) permitting the Director of the Federal Housing Finance Agency to grant new charters for limited purpose mortgage securitization entities, which shall include analyzing the terms on which such charters should be granted, including whether such charters should be sold, or whether such charters and the charters for the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation should be taxed or otherwise assessed a monetary price; and

(D) such other alternatives as the Director considers appropriate;

(2) examine all of the issues involved in making the transition to a completely private secondary mortgage market system;

(3) examine the technological advancements the private sector has made in providing liquidity in the secondary mortgage market and how such advancements have affected liquidity in the secondary mortgage market; and

(4) examine how taxpayers would be impacted by each alternative system, including the complete privatization of the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

(c) REPORT.—The Director of the Federal Housing Finance Agency shall submit a report to the Congress on the study not later than the expiration of the 12-month period beginning on the effective date under section 185.

SEC. 185. EFFECTIVE DATE.

Except as specifically provided otherwise in this title, the amendments made by this title shall take effect on, and shall apply beginning on, the expiration of the 1-year period beginning on the date of the enactment of this Act.

TITLE II—FEDERAL HOME LOAN BANKS

SEC. 201. DEFINITIONS.

Section 2 of the Federal Home Loan Bank Act (12 U.S.C. 1422) is amended—

(1) by striking paragraphs (1), (10), and (11);

(2) by redesignating paragraphs (2) through (9) as paragraphs (1) through (8), respectively;

(3) by redesignating paragraphs (12) and (13) as paragraphs (9) and (10), respectively; and

(4) by adding at the end the following:

''(11) DIRECTOR.—The term 'Director' means the Director of the Federal Housing Finance Agency.

''(12) AGENCY.—The term 'Agency' means the Federal Housing Finance Agency.''.

SEC. 202. DIRECTORS.

(a) ELECTION.—Section 7 of the Federal Home Loan Bank Act (12 U.S.C. 1427) is amended—

(1) by striking subsection (a) and inserting the following:

''(a) NUMBER; ELECTION; QUALIFICATIONS; CONFLICTS OF INTEREST.—

''(1) IN GENERAL.—The management of each Federal Home Loan Bank shall be vested in a board of 13 directors, or such other number as the Director determines appropriate, each of whom shall be elected by the members and shall be a citizen of the United States.

''(2) MEMBER DIRECTORS.—A majority of the directors of each Bank shall be officers or directors of a member of such Bank that is located in the district in which such Bank is located.

''(3) INDEPENDENT DIRECTORS.—At least one-third of the directors of each Bank shall be independent directors as follows:

''(A) IN GENERAL.—Each independent director shall be a bona fide resident of the district in which such Bank is located.

''(B) PUBLIC INTEREST DIRECTORS.—At least 2 of the independent directors under this paragraph of each Bank shall be representatives chosen from organizations with more than a 2-year history of representing consumer or community interests on banking services, credit needs, housing, or financial consumer protections.

''(C) OTHER DIRECTORS.—Each independent director that is not a public interest director under subparagraph (B) shall have demonstrated knowledge of, or experience in, financial management, auditing and accounting, risk management practices, derivatives, project development, or organizational management, or such other knowledge or expertise as the Director may provide by regulation.

''(D) CONFLICTS OF INTEREST.—An independent director under this paragraph of a Bank may not, during such director's term of office, serve as an officer of any Federal Home Loan Bank or as a director or officer of any member of a Bank.'';

(2) in subsection (b)—

(A) in the first sentence, by striking ''directorship'' and inserting ''member directorship pursuant to subsection (a)(2)''; and

(B) by inserting after the period at the end of the first sentence the following new sentence: ''Each independent directorship pursuant to subsection (a)(3) shall be filled by election by a plurality of the votes of the members of the Bank at large, in which election each member shall be entitled to nominate candidates and to cast the same number of votes as in an election to fill a directorship allocated to the member's State.'';

(3) in subsection (c), by striking the second, third, and fifth sentences;

(4) in subsection (d)—

(A) in the first sentence, by striking '', whether elected or appointed,'';

(B) in the second sentence, by striking ''or appointed''; and

(C) in the third sentence, by striking ''an elective'' each place such term appears and inserting ''a''; and

(5) by striking ''elective'' each place such term appears (except in subsection (e)).

(b) TERMS.—

(1) IN GENERAL.—Section 7(d) of the Federal Home Loan Bank Act (12 U.S.C. 1427(i)) is amended—

(A) in the first sentence, by striking ''3 years'' and inserting ''4 years''; and

(B) in the second sentence—

(i) by striking ''Federal Home Loan Bank System Modernization Act of 1999'' and inserting ''Federal Housing Finance Reform Act of 2005''; and

(ii) by striking ''1/3'' and inserting ''1/4''.

(2) SAVINGS PROVISION.—The amendments made by paragraph (1) shall not apply to the term of office of any director of a Federal home loan bank who is serving as of the effective date of this Act under section 211, including any director elected to fill a vacancy in any such office.

(c) VACANCIES.—Subsection (f) of section 7 of the Federal Home Loan Bank Act (12 U.S.C. 1427(f)) is amended to read as follows:

''(f) VACANCIES.—A Bank director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office. In the event of a vacancy in any Bank directorship, such vacancy shall be filled by an affirmative vote of a majority of the remaining Bank directors, regardless of whether such remaining Bank directors constitute a quorum of the Bank's board of directors. A Bank director so elected shall satisfy the requirements for eligibility which were applicable to his predecessor. If any Bank director shall cease to have any qualification set forth in this section, the office held by such person shall immediately become vacant. ''.

(d) COMPENSATION.—Subsection (i) of section 7 of the Federal Home Loan Bank Act (12 U.S.C. 1427(i)) is amended to read as follows:

''(i) DIRECTORS' COMPENSATION.—

''(1) IN GENERAL.—Each Federal home loan bank may pay the directors on the board of directors for the bank reasonable and appropriate compensation for the time required of such directors, and reasonable and appropriate expenses incurred by such directors, in connection with service on the board of directors, in accordance with resolutions adopted by the board of directors and subject to the approval of the Director.

''(2) ANNUAL REPORT BY THE BOARD.—The Director shall include, in the annual report submitted to the Congress pursuant to section 1319B of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, information regarding the compensation and expenses paid by the Federal home loan banks to the directors on the boards of directors of the banks.''.

(e) TRANSITION RULE.—Any member of the board of directors of a Federal Home Loan Bank serving as of the effective date under section 211 may continue to serve as a member of such board of directors for the remainder of the term of such office as provided in section 7 of the Federal Home Loan Bank Act, as in effect before such effective date.

SEC. 203. FEDERAL HOUSING FINANCE AGENCY OVERSIGHT OF FEDERAL HOME LOAN BANKS.

The Federal Home Loan Bank Act (12 U.S.C. 1421 et seq.), other than in provisions of that Act added or amended otherwise by this Act, is amended—

(1) by striking sections 2A and 2B (12 U.S.C. 1422a, 1422b);

(2) in section 6 (12 U.S.C. 1426(b)(1))—

(A) in subsection (b)(1), in the matter preceding subparagraph (A), by striking ''Finance Board approval'' and inserting ''approval by the Director''; and

(B) in each of subsections (c)(4)(B) and (d)(2), by striking ''Finance Board regulations'' each place that term appears and inserting ''regulations of the Director'';

(3) in section 8 (12 U.S.C. 1428), in the section heading, by striking ''BY THE BOARD'';

(4) in section 10(b) (12 U.S.C. 1430), by striking ''by formal resolution'';

(5) in section 11 (12 U.S.C. 1431)—

(A) in subsection (b)—

(i) in the first sentence—

(I) by striking ''The Board'' and inserting ''The Office of Finance, as agent for the Banks,''; and

(II) by striking ''the Board'' and inserting ''such Office''; and

(ii) in the second and fourth sentences, by striking ''the Board'' each place such term appears and inserting ''the Office of Finance'';

(B) in subsection (c)—

(i) by striking ''the Board'' the first place such term appears and inserting ''the Office of Finance, as agent for the Banks,''; and

(ii) by striking ''the Board'' the second place such term appears and inserting ''such Office''; and

(C) in subsection (f)—

(i) by striking the two commas after ''permit'' and inserting ''or''; and

(ii) by striking the comma after ''require'';

(6) in section 15 (12 U.S.C. 1435), by inserting ''or the Director'' after ''the Board'';

(7) in section 18 (12 U.S.C. 1438), by striking subsection (b);

(8) in section 21 (12 U.S.C. 1441)—

(A) in subsection (b)—

(i) in paragraph (5), by striking ''Chairperson of the Federal Housing Finance Board'' and inserting ''Director''; and

(ii) in the heading for paragraph (8), by striking ''FEDERAL HOUSING FINANCE BOARD'' and inserting ''DIRECTOR''; and

(B) in subsection (i), in the heading for paragraph (2), by striking ''FEDERAL HOUSING FINANCE BOARD'' and inserting ''DIRECTOR'';

(9) in section 23 (12 U.S.C. 1443), by striking ''Board of Directors of the Federal Housing Finance Board'' and inserting ''Director'';

(10) by striking ''the Board'' each place such term appears in such Act (except in section 15 (12 U.S.C. 1435), section 21(f)(2) (12 U.S.C. 1441(f)(2)), subsections (a), (k)(2)(B)(i), and (n)(6)(C)(ii) of section 21A (12 U.S.C. 1441a), subsections (e)(7), (f)(2)(C), and (k)(7)(B)(ii) of section 21B (12 U.S.C. 1441b), and the first two places such term appears in section 22 (12 U.S.C. 1442)) and inserting ''the Director'';

(11) by striking ''The Board'' each place such term appears in such Act (except in sections 7(e) (12 U.S.C. 1427(e)), and 11(b) (12 U.S.C. 1431(b)) and inserting ''The Director'';

(12) by striking ''the Board's'' each place such term appears in such Act and inserting ''the Director's'';

(13) by striking ''The Board's'' each place such term appears in such Act and inserting ''The Director's'';

(14) by striking ''The Finance Board'' each place such term appears in such Act and inserting ''The Director'';

(15) by striking ''the Finance Board'' each place such term appears in such Act and inserting ''the Director'';

(16) by striking ''Federal Housing Finance Board'' each place such term appears and inserting ''Director'';

(17) in section 11(i) (12 U.S.C. 1431(i), by striking ''the Chairperson of''; and

(18) in section 21(e)(9) (12 U.S.C. 1441(e)(9)), by striking ''Chairperson of the''.

SEC. 204. JOINT ACTIVITIES OF BANKS.

Section 11 of the Federal Home Loan Bank Act (12 U.S.C. 1431) is amended by adding at the end the following new subsection:

''(l) JOINT ACTIVITIES.—Subject to the regulation of the Director, any two or more Federal Home Loan Banks may establish a joint office for the purpose of performing functions for, or providing services to, the Banks on a common or collective basis, or may require that the Office of Finance perform such functions or services, but only if the Banks are otherwise authorized to perform such functions or services individually.''.

SEC. 205. SHARING OF INFORMATION BETWEEN FEDERAL HOME LOAN BANKS.

(a) IN GENERAL.— The Federal Home Loan Bank Act is amended by inserting after section 20 (12 U.S.C. 1440) the following new section:

''SEC. 20A. SHARING OF INFORMATION BETWEEN FEDERAL HOME LOAN BANKS.

''(a) REGULATORY AUTHORITY.—The Director shall prescribe such regulations as may be necessary to ensure that each Federal Home Loan Bank has access to information that the Bank needs to determine the nature and extent of its joint and several liability.

''(b) NO WAIVER OF PRIVILEGE.—The Director shall not be deemed to have waived any privilege applicable to any information concerning a Federal Home Loan Bank by transferring, or permitting the transfer of, that information to any other Federal Home Loan Bank for the purpose of enabling the recipient to evaluate the nature and extent of its joint and several liability.''.

(b) REGULATIONS.—The regulations required under the amendment made by subsection (a) shall be issued in final form not later than 6 months after the effective date under section 211 of this Act.

SEC. 206. REORGANIZATION OF BANKS AND VOLUNTARY MERGER.

Section 26 of the Federal Home Loan Bank Act (12 U.S.C. 1446) is amended—

(1) by inserting ''(a) REORGANIZATION.—'' before ''Whenever''; and

(2) by striking ''liquidated or'' each place such phrase appears;

(3) by striking ''liquidation or''; and

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

''(b) VOLUNTARY MERGERS.—Any Bank may, with the approval of the Director, and the approval of the boards of directors of the Banks involved, merge with another Bank. The Director shall promulgate regulations establishing the conditions and procedures for the consideration and approval of any such voluntary merger, including the procedures for Bank member approval.''.

SEC. 207. SECURITIES AND EXCHANGE COMMISSION DISCLOSURE.

(a) IN GENERAL.—The Federal Home Loan Banks shall be exempt from compliance with—

(1) sections 13(e), 14(a), 14(c), and 17A of the Securities Exchange Act of 1934 and related Commission regulations; and

(2) section 15 of that Act and related Securities and Exchange Commission regulations with respect to transactions in capital stock of the Banks.

(b) MEMBER EXEMPTION.—The members of the Federal Home Loan Banks shall be exempt from compliance with sections 13(d), 13(f), 13(g), 14(d), and 16 of the Securities Exchange Act of 1934 and related Securities and Exchange Commission regulations with respect to their ownership of, or transactions in, capital stock of the Federal Home Loan Banks.

(c) EXEMPTED AND GOVERNMENT SECURITIES.—

(1) CAPITAL STOCK.—The capital stock issued by each of the Federal Home Loan Banks under section 6 of the Federal Home Loan Bank Act are—

(A) exempted securities within the meaning of section 3(a)(2) of the Securities Act of 1933; and

(B) ''exempted securities'' within the meaning of section 3(a)(12)(A) of the Securities Exchange Act of 1934.

(2) OTHER OBLIGATIONS.—The debentures, bonds, and other obligations issued under section 11 of the Federal Home Loan Bank Act are—

(A) exempted securities within the meaning of section 3(a)(2) of the Securities Act of 1933;

(B) ''government securities'' within the meaning of section 3(a)(42) of the Securities Exchange Act of 1934;

(C) excluded from the definition of ''government securities broker'' within section 3(a)(43) of the Securities Exchange Act of 1934;

(D) excluded from the definition of ''government securities dealer'' within section 3(a)(44) of the Securities Exchange Act of 1934; and

(E) ''government securities'' within the meaning of section 2(a)(16) of the Investment Company Act of 1940.

(d) EXEMPTION FROM REPORTING REQUIREMENTS.—The Federal Home Loan Banks shall be exempt from periodic reporting requirements pertaining to—

(1) the disclosure of related party transactions that occur in the ordinary course of business of the Banks with their members; and

(2) the disclosure of unregistered sales of equity securities.

(e) TENDER OFFERS.—The Securities and Exchange Commission's rules relating to tender offers shall not apply in connection with transactions in capital stock of the Federal Home Loan Banks.

(f) REGULATIONS.—In issuing final regulations to implement provisions of this section, the Securities and Exchange Commission shall consider the distinctive characteristics of the Federal Home Loan Banks when evaluating the accounting treatment with respect to the payment to Resolution Funding Corporation, the role of the combined financial statements of the twelve Banks, the accounting classification of redeemable capital stock, and the accounting treatment related to the joint and several nature of the obligations of the Banks.

SEC. 208. COMMUNITY FINANCIAL INSTITUTION MEMBERS.

(a) TOTAL ASSET REQUIREMENT.—Paragraph (10) of section 2 of the Federal Home Loan Bank Act (12 U.S.C. 1422(10)), as so redesignated by section 201(3) of this Act, is amended by striking ''$500,000,000'' each place such term appears and inserting ''$1,000,000,000''.

(b) USE OF ADVANCES FOR COMMUNITY DEVELOPMENT ACTIVITIES.—Section 10(a) of the Federal Home Loan Bank Act (12 U.S.C. 1430(a)) is amended—

(1) in paragraph (2)(B)—

(A) by striking ''and''; and

(B) by inserting '', and community development activities'' before the period at the end;

(2) in paragraph (3)(E), by inserting ''or community development activities'' after ''agriculture,''; and

(3) in paragraph (6)—

(A) by striking ''and''; and

(B) by inserting '', and 'community development activities' '' before ''shall''.

SEC. 209. TECHNICAL AND CONFORMING AMENDMENTS.

(a) RIGHT TO FINANCIAL PRIVACY ACT OF 1978.—Section 1113(o) of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3413(o)) is amended—

(1) by striking ''Federal Housing Finance Board'' and inserting ''Federal Housing Finance Agency''; and

(2) by striking ''Federal Housing Finance Board's'' and inserting ''Federal Housing Finance Agency's''.

(b) RIEGLE COMMUNITY DEVELOPMENT AND REGULATORY IMPROVEMENT ACT OF 1994.—Section 117(e) of the Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4716(e)) is amended by striking ''Federal Housing Finance Board'' and inserting ''Federal Housing Finance Agency''.

(c) TITLE 18, UNITED STATES CODE.—Title 18, United States Code, is amended by striking ''Federal Housing Finance Board'' each place such term appears in each of sections 212, 657, 1006, 1014, and inserting ''Federal Housing Finance Agency''.

(d) MAHRA ACT OF 1997.—Section 517(b)(4) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) is amended by striking ''Federal Housing Finance Board'' and inserting ''Federal Housing Finance Agency''.

(e) TITLE 44, UNITED STATES CODE.—Section 3502(5) of title 44, United States Code, is amended by striking ''Federal Housing Finance Board'' and inserting ''Federal Housing Finance Agency''.

(f) ACCESS TO LOCAL TV ACT OF 2000.—Section 1004(d)(2)(D)(iii) of the Launching Our Communities' Access to Local Television Act of 2000 (47 U.S.C. 1103(d)(2)(D)(iii)) is amended by striking ''Office of Federal Housing Enterprise Oversight, the Federal Housing Finance Board'' and inserting ''Federal Housing Finance Agency''.

SEC. 210. STUDY OF AFFORDABLE HOUSING PROGRAM USE FOR LONG-TERM CARE FACILITIES.

The Comptroller General shall conduct a study of the use of affordable housing programs of the Federal home loan banks under section 10(j) of the Federal Home Loan Bank Act to determine how and the extent to which such programs are used to assist long-term care facilities for low- and moderate-income individuals, and the effectiveness and adequacy of such assistance in meeting the needs of affected communities. The study shall examine the applicability of such use to the affordable housing programs required to be established by the enterprises pursuant to the amendment made by section 128 of this Act. The Comptroller General shall submit a report to the Director of the Federal Housing Finance Agency and the Congress regarding the results of the study not later than the expiration of the 1-year period beginning on the date of the enactment of this Act.

SEC. 211. EFFECTIVE DATE.

Except as specifically provided otherwise in this title, the amendments made by this title shall take effect on, and shall apply beginning on, the expiration of the 1-year period beginning on the date of the enactment of this Act.

TITLE III—TRANSFER OF FUNCTIONS, PERSONNEL, AND PROPERTY OF OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT, FEDERAL HOUSING FINANCE BOARD, AND DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Subtitle A—Office of Federal Housing Enterprise Oversight

SEC. 301. ABOLISHMENT OF OFHEO.

(a) IN GENERAL.—Effective at the end of the 1-year period beginning on the date of the enactment of this Act, the Office of Federal Housing Enterprise Oversight of the Department of Housing and Urban Development and the positions of the Director and Deputy Director of such Office are abolished.

(b) DISPOSITION OF AFFAIRS.—During the 1-year period beginning on the date of the enactment of this Act, the Director of the Office of Federal Housing Enterprise Oversight shall, solely for the purpose of winding up the affairs of the Office of Federal Housing Enterprise Oversight—

(1) manage the employees of such Office and provide for the payment of the compensation and benefits of any such employee which accrue before the effective date of the transfer of such employee pursuant to section 303; and

(2) may take any other action necessary for the purpose of winding up the affairs of the Office.

(c) STATUS OF EMPLOYEES BEFORE TRANSFER.—The amendments made by title I and the abolishment of the Office of Federal Housing Enterprise Oversight under subsection (a) of this section may not be construed to affect the status of any employee of such Office as employees of an agency of the United States for purposes of any other provision of law before the effective date of the transfer of any such employee pursuant to section 303.

(d) USE OF PROPERTY AND SERVICES.—

(1) PROPERTY.—The Director of the Federal Housing Finance Agency may use the property of the Office of Federal Housing Enterprise Oversight to perform functions which have been transferred to the Director of the Federal Housing Finance Agency for such time as is reasonable to facilitate the orderly transfer of functions transferred pursuant to any other provision of this Act or any amendment made by this Act to any other provision of law.

(2) AGENCY SERVICES.—Any agency, department, or other instrumentality of the United States, and any successor to any such agency, department, or instrumentality, which was providing supporting services to the Office of Federal Housing Enterprise Oversight before the expiration of the period under subsection (a) in connection with functions that are transferred to the Director of the Federal Housing Finance Agency shall—

(A) continue to provide such services, on a reimbursable basis, until the transfer of such functions is complete; and

(B) consult with any such agency to coordinate and facilitate a prompt and reasonable transition.

(e) SAVINGS PROVISIONS.—

(1) EXISTING RIGHTS, DUTIES, AND OBLIGATIONS NOT AFFECTED.—Subsection (a) shall not affect the validity of any right, duty, or obligation of the United States, the Director of the Office of Federal Housing Enterprise Oversight, or any other person, which—

(A) arises under or pursuant to the title XIII of the Housing and Community Development Act of 1992, the Federal National Mortgage Association Charter Act, the Federal Home Loan Mortgage Corporation Act, or any other provision of law applicable with respect to such Office; and

(B) existed on the day before the abolishment under subsection (a) of this section.

(2) CONTINUATION OF SUITS.—No action or other proceeding commenced by or against the Director of the Office of Federal Housing Enterprise Oversight in connection with functions that are transferred to the Director of the Federal Housing Finance Agency shall abate by reason of the enactment of this Act, except that the Director of the Federal Housing Finance Agency shall be substituted for the Director of the Office of Federal Housing Enterprise Oversight as a party to any such action or proceeding.

SEC. 302. CONTINUATION AND COORDINATION OF CERTAIN REGULATIONS.

All regulations, orders, determinations, and resolutions that—

(1) were issued, made, prescribed, or allowed to become effective by—

(A) the Office of Federal Housing Enterprise Oversight; or

(B) a court of competent jurisdiction and that relate to functions transferred by this subtitle; and

(2) are in effect on the date of the abolishment under section 301(a) of this Act, shall remain in effect according to the terms of such regulations, orders, determinations, and resolutions, and shall be enforceable by or against the Director of the Federal Housing Finance Agency until modified, terminated, set aside, or superseded in accordance with applicable law by such Director, as the case may be, any court of competent jurisdiction, or operation of law.

SEC. 303. TRANSFER AND RIGHTS OF EMPLOYEES OF OFHEO.

(a) TRANSFER.—Each employee of the Office of Federal Housing Enterprise Oversight shall be transferred to the Federal Housing Finance Agency for employment no later than the date of the abolishment under section 301(a) of this Act and such transfer shall be deemed a transfer of function for purposes of section 3503 of title 5, United States Code.

(b) GUARANTEED POSITIONS.—Each employee transferred under subsection (a) shall be guaranteed a position with the same status, tenure, grade, and pay as that held on the day immediately preceding the transfer. Each such employee holding a permanent position shall not be involuntarily separated or reduced in grade or compensation for 12 months after the date of transfer, except for cause or, if the employee is a temporary employee, separated in accordance with the terms of the appointment.

(c) APPOINTMENT AUTHORITY FOR EXCEPTED SERVICE EMPLOYEES.—

(1) IN GENERAL.—In the case of employees occupying positions in the excepted service, any appointment authority established pursuant to law or regulations of the Office of Personnel Management for filling such positions shall be transferred, subject to paragraph (2).

(2) DECLINE OF TRANSFER.—The Director of the Federal Housing Finance Agency may decline a transfer of authority under paragraph (1) (and the employees appointed pursuant thereto) to the extent that such authority relates to positions excepted from the competitive service because of their confidential, policy-making, policy-determining, or policy-advocating character.

(d) REORGANIZATION.—If the Director of the Federal Housing Finance Agency determines, after the end of the 1-year period beginning on the date of the abolishment under section 201(a), that a reorganization of the combined work force is required, that reorganization shall be deemed a major reorganization for purposes of affording affected employees retirement under section 8336(d)(2) or 8414(b)(1)(B) of title 5, United States Code.

(e) EMPLOYEE BENEFIT PROGRAMS.—Any employee of the Office of Federal Housing Enterprise Oversight accepting employment with the Director of the Federal Housing Finance Agency as a result of a transfer under subsection (a) may retain for 12 months after the date such transfer occurs membership in any employee benefit program of the Federal Housing Finance Agency or the Office of Federal Housing Enterprise Oversight, as applicable, including insurance, to which such employee belongs on the date of the abolishment under section 201(a) if—

(1) the employee does not elect to give up the benefit or membership in the program; and

(2) the benefit or program is continued by the Director of the Federal Housing Finance Agency;

The difference in the costs between the benefits which would have been provided by such agency and those provided by this section shall be paid by the Director of the Federal Housing Finance Agency. If any employee elects to give up membership in a health insurance program or the health insurance program is not continued by such Director, the employee shall be permitted to select an alternate Federal health insurance program within 30 days of such election or notice, without regard to any other regularly scheduled open season.

SEC. 304. TRANSFER OF PROPERTY AND FACILITIES.

Upon the abolishment under section 301(a), all property of the Office of Federal Housing Enterprise Oversight shall transfer to the Director of the Federal Housing Finance Agency.

Subtitle B—Federal Housing Finance Board

SEC. 321. ABOLISHMENT OF THE FEDERAL HOUSING FINANCE BOARD.

(a) IN GENERAL.—Effective at the end of the 1-year period beginning on the date of enactment of this Act, the Federal Housing Finance Board (in this title referred to as the ''Board'') is abolished.

(b) DISPOSITION OF AFFAIRS.—During the 1-year period beginning on the date of enactment of this Act, the Board, solely for the purpose of winding up the affairs of the Board—

(1) shall manage the employees of such Board and provide for the payment of the compensation and benefits of any such employee which accrue before the effective date of the transfer of such employee under section 323; and

(2) may take any other action necessary for the purpose of winding up the affairs of the Board.

(c) STATUS OF EMPLOYEES BEFORE TRANSFER.—The amendments made by titles I and II and the abolishment of the Board under subsection (a) may not be construed to affect the status of any employee of such Board as employees of an agency of the United States for purposes of any other provision of law before the effective date of the transfer of any such employee under section 323.

(d) USE OF PROPERTY AND SERVICES.—

(1) PROPERTY.—The Director of the Federal Housing Finance Agency may use the property of the Board to perform functions which have been transferred to the Director of the Federal Housing Finance Agency for such time as is reasonable to facilitate the orderly transfer of functions transferred under any other provision of this Act or any amendment made by this Act to any other provision of law.

(2) AGENCY SERVICES.—Any agency, department, or other instrumentality of the United States, and any successor to any such agency, department, or instrumentality, which was providing supporting services to the Board before the expiration of the 1-year period under subsection (a) in connection with functions that are transferred to the Director of the Federal Housing Finance Agency shall—

(A) continue to provide such services, on a reimbursable basis, until the transfer of such functions is complete; and

(B) consult with any such agency to coordinate and facilitate a prompt and reasonable transition.

(e) SAVINGS PROVISIONS.—

(1) EXISTING RIGHTS, DUTIES, AND OBLIGATIONS NOT AFFECTED.—Subsection (a) shall not affect

the validity of any right, duty, or obligation of the United States, a member of the Board, or any other person, which—

(A) arises under the Federal Home Loan Bank Act or any other provision of law applicable with respect to such Board; and

(B) existed on the day before the effective date of the abolishment under subsection (a).

(2) CONTINUATION OF SUITS.—No action or other proceeding commenced by or against the Board in connection with functions that are transferred to the Director of the Federal Housing Finance Agency shall abate by reason of the enactment of this Act, except that the Director of the Federal Housing Finance Agency shall be substituted for the Board or any member thereof as a party to any such action or proceeding.

SEC. 322. CONTINUATION AND COORDINATION OF CERTAIN REGULATIONS.

(a) IN GENERAL.—All regulations, orders, and determinations described under subsection (b) shall remain in effect according to the terms of such regulations, orders, determinations, and resolutions, and shall be enforceable by or against the Director of the Federal Housing Finance Agency until modified, terminated, set aside, or superseded in accordance with applicable law by such Director, any court of competent jurisdiction, or operation of law.

(b) APPLICABILITY.—A regulation, order, or determination is described under this subsection if it—

(1) was issued, made, prescribed, or allowed to become effective by—

(A) the Board; or

(B) a court of competent jurisdiction and relates to functions transferred by this subtitle; and

(2) is in effect on the effective date of the abolishment under section 321(a).

SEC. 323. TRANSFER AND RIGHTS OF EMPLOYEES OF THE FEDERAL HOUSING FINANCE BOARD.

(a) TRANSFER.—Each employee of the Board shall be transferred to the Federal Housing Finance Agency for employment not later than the effective date of the abolishment under section 321(a), and such transfer shall be deemed a transfer of function for purposes of section 3503 of title 5, United States Code.

(b) GUARANTEED POSITIONS.—Each employee transferred under subsection (a) shall be guaranteed a position with the same status, tenure, grade, and pay as that held on the day immediately preceding the transfer. Each such employee holding a permanent position shall not be involuntarily separated or reduced in grade or compensation for 12 months after the date of transfer, except for cause or, if the employee is a temporary employee, separated in accordance with the terms of the appointment.

(c) APPOINTMENT AUTHORITY FOR EXCEPTED AND SENIOR EXECUTIVE SERVICE EMPLOYEES.—

(1) IN GENERAL.—In the case of employees occupying positions in the excepted service or the Senior Executive Service, any appointment authority established under law or by regulations of the Office of Personnel Management for filling such positions shall be transferred, subject to paragraph (2).

(2) DECLINE OF TRANSFER.—The Director of the Federal Housing Finance Agency may decline a transfer of authority under paragraph (1) to the extent that such authority relates to positions excepted from the competitive service because of their confidential, policymaking, policy-determining, or policy-advocating character, and noncareer positions in the Senior Executive Service (within the meaning of section 3132(a)(7) of title 5, United States Code).

(d) REORGANIZATION.—If the Director of the Federal Housing Finance Agency determines, after the end of the 1-year period beginning on the effective date of the abolishment under section 321(a), that a reorganization of the combined workforce is required, that reorganization shall be deemed a major reorganization for purposes of affording affected employees retirement under section 8336(d)(2) or 8414(b)(1)(B) of title 5, United States Code.

(e) EMPLOYEE BENEFIT PROGRAMS.—

(1) IN GENERAL.—Any employee of the Board accepting employment with the Federal Housing Finance Agency as a result of a transfer under subsection (a) may retain for 12 months after the date on which such transfer occurs membership in any employee benefit program of the Federal Housing Finance Agency or the Board, as applicable, including insurance, to which such employee belongs on the effective date of the abolishment under section 321(a) if—

(A) the employee does not elect to give up the benefit or membership in the program; and

(B) the benefit or program is continued by the Director of the Federal Housing Finance Agency.

(2) COST DIFFERENTIAL.—The difference in the costs between the benefits which would have been provided by the Board and those provided by this section shall be paid by the Director of the Federal Housing Finance Agency. If any employee elects to give up membership in a health insurance program or the health insurance program is not continued by such Director, the employee shall be permitted to select an alternate Federal health insurance program within 30 days after such election or notice, without regard to any other regularly scheduled open season.

SEC. 324. TRANSFER OF PROPERTY AND FACILITIES.

Upon the effective date of the abolishment under section 321(a), all property of the Board shall transfer to the Director of the Federal Housing Finance Agency.

Subtitle C—Department of Housing and Urban Development

SEC. 341. TERMINATION OF ENTERPRISE-RELATED FUNCTIONS.

(a) TERMINATION DATE.—For purposes of this subtitle, the term ''termination date'' means the date that occurs one year after the date of the enactment of this Act.

(b) DETERMINATION OF TRANSFERRED FUNCTIONS AND EMPLOYEES.—

(1) IN GENERAL.—Not later than the expiration of the 6-month period beginning on the date of the enactment of this Act, the Secretary, in consultation with the Director of the Office of Federal Housing Enterprise Oversight, shall determine—

(A) the functions, duties, and activities of the Secretary of Housing and Urban Development regarding oversight or regulation of the enterprises under or pursuant to the authorizing statutes, title XIII of the Housing and Community Development Act of 1992, and any other provisions of law, as in effect before the date of the enactment of this Act, but not including any such functions, duties, and activities of the Director of the Office of Federal Housing Enterprise Oversight of the Department of Housing and Urban Development and such Office; and

(B) the employees of the Department of Housing and Urban Development necessary to perform such functions, duties, and activities.

(2) ENTERPRISE-RELATED FUNCTIONS.—For purposes of this subtitle, the term ''enterprise-related functions of the Department'' means the functions, duties, and activities of the Department of Housing and Urban Development determined under paragraph (1)(A).

(3) ENTERPRISE-RELATED EMPLOYEES.—For purposes of this subtitle, the term ''enterprise-related employees of the Department'' means the employees of the Department of Housing and Urban Development determined under paragraph (1)(B).

(c) DISPOSITION OF AFFAIRS.—During the 1-year period beginning on the date of enactment of this Act, the Secretary of Housing and Urban Development (in this title referred to as the ''Secretary''), solely for the purpose of winding up the affairs of the Secretary regarding the enterprise-related functions of the Department of Housing and Urban Development (in this title referred to as the ''Department'') —

(1) shall manage the enterprise-related employees of the Department and provide for the payment of the compensation and benefits of any such employee which accrue before the effective date of the transfer of any such employee under section 343; and

(2) may take any other action necessary for the purpose of winding up the enterprise-related functions of the Department.

(d) STATUS OF EMPLOYEES BEFORE TRANSFER.—The amendments made by titles I and II and the termination of the enterprise-related functions of the Department under subsection (b) may not be construed to affect the status of any employee of the Department as employees of an agency of the United States for purposes of any other provision of law before the effective date of the transfer of any such employee under section 343.

(e) USE OF PROPERTY AND SERVICES.—

(1) PROPERTY.—The Director of the Federal Housing Finance Agency may use the property of the Secretary to perform functions which have been transferred to the Director of the Federal Housing Finance Agency for such time as is reasonable to facilitate the orderly transfer of functions transferred under any other provision of this Act or any amendment made by this Act to any other provision of law.

(2) AGENCY SERVICES.—Any agency, department, or other instrumentality of the United States, and any successor to any such agency, department, or instrumentality, which was providing supporting services to the Secretary regarding enterprise-related functions of the Department before the termination date under subsection (a) in connection with such functions that are transferred to the Director of the Federal Housing Finance Agency shall—

(A) continue to provide such services, on a reimbursable basis, until the transfer of such functions is complete; and

(B) consult with any such agency to coordinate and facilitate a prompt and reasonable transition.

(f) SAVINGS PROVISIONS.—

(1) EXISTING RIGHTS, DUTIES, AND OBLIGATIONS NOT AFFECTED.—Subsection (a) shall not affect the validity of any right, duty, or obligation of the United States, the Secretary, or any other person, which—

(A) arises under the authorizing statutes, title XIII of the Housing and Community Development Act of 1992, or any other provision of law applicable with respect to the Secretary, in connection with the enterprise-related functions of the Department; and

(B) existed on the day before the termination date under subsection (a).

(2) CONTINUATION OF SUITS.—No action or other proceeding commenced by or against the Secretary in connection with the enterprise-related functions of the Department shall abate by reason of the enactment of this Act, except that the Director of the Federal Housing Finance Agency shall be substituted for the Secretary or any member thereof as a party to any such action or proceeding.

SEC. 342. CONTINUATION AND COORDINATION OF CERTAIN REGULATIONS.

(a) IN GENERAL.—All regulations, orders, and determinations described in subsection (b) shall remain in effect according to the terms of such regulations, orders, determinations, and resolutions, and shall be enforceable by or against the Director of the Federal Housing Finance Agency until modified, terminated, set aside, or superseded in accordance with applicable law by such Director, any court of competent jurisdiction, or operation of law.

(b) APPLICABILITY.—A regulation, order, or determination is described under this subsection if it—

(1) was issued, made, prescribed, or allowed to become effective by—

(A) the Secretary; or

(B) a court of competent jurisdiction and that relate to the enterprise-related functions of the Department; and

(2) is in effect on the termination date under section 341(a).

SEC. 343. TRANSFER AND RIGHTS OF EMPLOYEES.

(a) TRANSFER.—

(1) IN GENERAL.—Except as provided in paragraph (2), each enterprise-related employee of the Department shall be transferred to the Federal Housing Finance Agency for employment not later than the termination date under section 341(a) and such transfer shall be deemed a transfer of function for purposes of section 3503 of title 5, United States Code.

(2) AUTHORITY TO DECLINE.—An enterprise-related employee of the Department may, in the discretion of the employee, decline transfer under paragraph (1) to a position in the Federal Housing Finance Agency and shall be guaranteed a position in the Department with the same status, tenure, grade, and pay as that held on the day immediately preceding the date that such declination was made. Each such employee holding a permanent position shall not be involuntarily separated or reduced in grade or compensation for 12 months after the date that the transfer would otherwise have occurred, except for cause or, if the employee is a temporary employee, separated in accordance with the terms of the appointment.

(b) GUARANTEED POSITIONS.—Each enterprise-related employee of the Department transferred under subsection (a) shall be guaranteed a position with the same status, tenure, grade, and pay as that held on the day immediately preceding the transfer. Each such employee holding a permanent position shall not be involuntarily separated or reduced in grade or compensation for 12 months after the date of transfer, except for cause or, if the employee is a temporary employee, separated in accordance with the terms of the appointment.

(c) APPOINTMENT AUTHORITY FOR EXCEPTED AND SENIOR EXECUTIVE SERVICE EMPLOYEES.—

(1) IN GENERAL.—In the case of employees occupying positions in the excepted service or the Senior Executive Service, any appointment authority established under law or by regulations of the Office of Personnel Management for filling such positions shall be transferred, subject to paragraph (2).

(2) DECLINE OF TRANSFER.—The Director of the Federal Housing Finance Agency may decline a transfer of authority under paragraph (1) to the extent that such authority relates to positions excepted from the competitive service because of their confidential, policymaking, policy-determining, or policy-advocating character, and noncareer positions in the Senior Executive Service (within the meaning of section 3132(a)(7) of title 5, United States Code).

(d) REORGANIZATION.—If the Director of the Federal Housing Finance Agency determines, after the end of the 1-year period beginning on the termination date under section 341(a), that a reorganization of the combined workforce is required, that reorganization shall be deemed a major reorganization for purposes of affording affected employees retirement under section 8336(d)(2) or 8414(b)(1)(B) of title 5, United States Code.

(e) EMPLOYEE BENEFIT PROGRAMS.—

(1) IN GENERAL.—Any enterprise-related employee of the Department accepting employment with the Federal Housing Finance Agency as a result of a transfer under subsection (a) may retain for 12 months after the date on which such transfer occurs membership in any employee benefit program of the Federal Housing Finance Agency or the Department, as applicable, including insurance, to which such employee belongs on the termination date under section 341(a) if—

(A) the employee does not elect to give up the benefit or membership in the program; and

(B) the benefit or program is continued by the Director of the Federal Housing Finance Agency.

(2) COST DIFFERENTIAL.—The difference in the costs between the benefits which would have been provided by the Department and those provided by this section shall be paid by the Director of the Federal Housing Finance Agency. If any employee elects to give up membership in a health insurance program or the health insurance program is not continued by such Director, the employee shall be permitted to select an alternate Federal health insurance program within 30 days after such election or notice, without regard to any other regularly scheduled open season.

SEC. 344. TRANSFER OF APPROPRIATIONS, PROPERTY, AND FACILITIES.

Upon the termination date under section 341(a), all assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available to, or to be made available to the Department in connection with enterprise-related functions of the Department shall transfer to the Director of the Federal Housing Finance Agency. Unexpended funds transferred by this section shall be used only for the purposes for which the funds were originally authorized and appropriated.

The CHAIRMAN. No amendment to the committee amendment is in order except those printed in House Report 109–254. 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 109–254.

AMENDMENT NO. 1 OFFERED BY MR. OXLEY

Mr. OXLEY. 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. OXLEY:

Page 6, strike lines 3 through 5 and insert the following new subparagraph:

''(C) any independent contractor for a regulated entity (including any attorney, appraiser, or accountant), if—

''(i) the independent contractor knowingly or recklessly participates in—

''(I) any violation of any law or regulation;

''(II) any breach of fiduciary duty; or

''(III) any unsafe or unsound practice; and

''(ii) such violation, breach, or practice caused, or is likely to cause, more than a minimal financial loss to, or a significant adverse effect on, the regulated entity; and''.

Page 12, line 8, strike the quotations marks and the last period.

Page 12, after line 8, insert the following new subsection:

''(g) OMBUDSMAN.—The Director shall establish, by regulation, an Office of the Ombudsman in the Agency. Such regulations shall provide that the Ombudsman will consider complaints and appeals from any regulated entity and any person that has a business relationship with a regulated entity and shall specify the duties and authority of the Ombudsman.''.

Page 15, line 2, before the period insert '', or request that the Attorney General of the United States act on behalf of the Director''.

Page 15, after line 2, insert the following new paragraph:

''(2) CONSULTATION WITH ATTORNEY GENERAL.—The Director shall provide notice to, and consult with, the Attorney General of the United States before taking an action under paragraph (1) of this subsection or under section 1344(a), 1345(d), 1348(c), 1372(e), 1375(a), 1376(d), or 1379D(c), except that, if the Director determines that any delay caused by such prior notice and consultation may adversely affect the safety and soundness responsibilities of the Director under this title, the Director shall notify the Attorney General as soon as reasonably possible after taking such action.''.

Page 15, line 3, strike ''(2)'' and insert ''(3)''.

Page 25, line 13, after the period insert quotation marks and a period.

Page 25, strike lines 14 through 16.

Page 66, after line 12 add the following new subsection:

(e) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this Act.

Page 102, after line 19, insert the following new subparagraph:

''(A) Mortgages that finance dwelling units for low-income families.''.

Page 102, line 20, strike ''(A)'' and insert ''(B)''.

Page 102, line 22, strike ''(B)'' and insert ''(C)''.

Strike line 17 on page 119 and all that follows through line 9 on page 138 and insert the following:

SEC. 128. AFFORDABLE HOUSING FUND.

(a) IN GENERAL.—The Housing and Community Development Act of 1992 is amended by striking sections 1337 and 1338 (12 U.S.C. 4562 note) and inserting the following new section:

''SEC. 1337. AFFORDABLE HOUSING FUND.

''(a) ESTABLISHMENT AND PURPOSE.—Each enterprise shall establish and manage an affordable housing fund in accordance with this section. The purpose of the affordable housing fund shall be—

''(1) to increase homeownership for extremely low-and very low-income families;

''(2) to increase investment in housing in low-income areas, and areas designated as qualified census tracts or an area of chronic economic distress pursuant to section 143(j) of the Internal Revenue Code of 1986 (26 U.S.C. 143(j));

''(3) to increase and preserve the supply of rental and owner-occupied housing for extremely low- and very low-income families;

''(4) to increase investment in public infrastructure development in connection with housing assisted under this section; and

''(5) to leverage investments from other sources in affordable housing and in public infrastructure development in connection with housing assisted under this section

''(b) ALLOCATION OF AMOUNTS BY ENTERPRISES.—

''(1) IN GENERAL.—In accordance with regulations issued by the Director under subsection (k) and subject to paragraphs (2) and (3) of this subsection and subsection (f)(5), each enterprise shall allocate to the affordable housing fund established under subsection (a) by the enterprise—

''(A) in the year in which the effective date under section 185 of the Federal Housing Finance Reform Act of 2005 occurs, 3.5 percent of the after-tax income of the enterprise for the preceding year;

''(B) in the year after the year referred to in subparagraph (A), 3.5 percent of the after-tax income of the enterprise for the preceding year; and

''(C) in each of the first three years after the year referred to in subparagraph (B), 5 percent of the after-tax income of the enterprise for the preceding year.

''(2) LIMITATION.—An enterprise shall not be required to make an allocation for a year to the affordable housing fund of the enterprise established under subsection (a) unless the enterprise generated after-tax income for the preceding year.

''(3) SUSPENSION OF CONTRIBUTIONS.—The Director shall temporarily suspend the allocation under paragraph (1) by an enterprise to the affordable housing fund of the enterprise upon a finding by the Director that such allocations—

''(A) are contributing, or would contribute, to the financial instability of the enterprise;

''(B) are causing, or would cause, the enterprise to be classified as undercapitalized; or

''(C) are preventing, or would prevent, the enterprise from successfully completing a capital restoration plan under section 1369C.

''(4) 5-YEAR SUNSET AND REPORT.—

''(A) SUNSET.—The enterprises shall not be required to make allocations to the affordable housing funds in the 5th year after the year in which the effective date under section 185 of the Federal Housing Finance Reform Act of 2005 occurs or in any year thereafter.

''(B) REPORT ON PROGRAM CONTINUANCE.—Not later 6 months before the end of the last year in which the allocations are required under paragraph (1), the Director shall submit to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate a report making recommendations on whether the program under this section, including the requirement for the enterprises to make allocations to the affordable housing funds, should be extended and on any modifications for the program.

''(5) DETERMINATION OF AFTER-TAX INCOME.—For purposes of this section, the term 'after-tax income' means, with respect to an enterprise for a year, the amount reported by the enterprise for such year in the enterprise's annual report for such year that is filed with the Securities and Exchange Commission, except that for any year in which no such filing is made by an enterprise or such filing is not timely made, such term means the amount determined by the Director based on the income tax return filings of the enterprise.

''(c) SELECTION OF ACTIVITIES FUNDED USING AFFORDABLE HOUSING FUND AMOUNTS.—Amounts from the affordable housing fund of the enterprise may be used, or committed for use, only for activities that—

''(1) are eligible under subsection (d) for such use; and

''(2) are selected for funding by the enterprise in accordance with the process and criteria for such selection established pursuant to subsection (k)(2)(C).

''(d) ELIGIBLE ACTIVITIES.—Amounts from the affordable housing fund of an enterprise shall be eligible for use, or for commitment for use, only for assistance for—

''(1) the production, preservation, and rehabilitation of rental housing, including housing under the programs identified in section 1335(a)(2)(B), except that amounts provided from the Fund may be used for the benefit only of extremely low- and very low-income families;

''(2) the production, preservation, and rehabilitation of housing for homeownership, including such forms as downpayment assistance, closing cost assistance, and assistance for interest-rate buy-downs, that—

''(A) is available for purchase only for use as a principal residence by families that qualify both as—

''(i) extremely low- and very-low income families at the times described in subparagraphs (A) through (C) of section 215(b)(2) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12745(b)(2)); and

''(ii) first-time homebuyers, as such term is defined in section 104 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704), except that any reference in such section to assistance under title II of such Act shall for purposes of this section be considered to refer to assistance from the affordable housing fund of the enterprise;

''(B) has an initial purchase price that meets the requirements of section 215(b)(1) of the Cranston-Gonzalez National Affordable Housing Act; and

''(C) is subject to the same resale restrictions established under section 215(b)(3) of the Cranston-Gonzalez National Affordable Housing Act and applicable to the participating jurisdiction that is the State in which such housing is located; and

''(3) public infrastructure development activities in connection with housing activities funded under paragraph (1) or (2).

''(e) ELIGIBLE RECIPIENTS.—

''(1) IN GENERAL.—Amounts from the affordable housing fund of an enterprise may be provided only to a recipient that is an organization, agency, or other entity (including a for-profit entity, a nonprofit entity, a federally recognized tribe, an Alaskan Native village, and a faith-based organization) that—

''(A) has a demonstrated capacity for carrying out activities of the type that are to be funded with such affordable housing fund amounts; and

''(B) makes such assurances to the enterprise as the Director shall, by regulation, require to ensure that the recipient will comply with the requirements of this section (including, in the case of any organization, agency, or entity subject to paragraph (2), all of the requirements specified under such paragraph) during the entire period that begins upon selection of the recipient to receive amounts from the affordable housing fund of the enterprise and ending upon the conclusion of all activities under subsection (d) that are engaged in by the recipient and funded with such affordable housing fund amounts; and

''(C) in the case of any recipient who is not a for-profit entity or a government agency or authority, complies with all of the requirements under paragraph (2).

''(2) ADDITIONAL REQUIREMENTS FOR RECIPIENTS OTHER THAN FOR-PROFIT ENTITIES.—The requirements under this paragraph with respect to any organization, agency, or entity that is not a for-profit entity or a government agency or authority are that the organization, agency, or entity—

''(A) shall have as its primary purpose the provision of affordable housing, as defined by the Director;

''(B) shall make such assurances to the enterprise as the Director shall, by regulation, require to ensure that such affordable housing fund amounts—

''(i) are used only to supplement, and to the extent practical, to increase the level of funds that would, in the absence of amounts made available from the affordable housing fund, be made available from other sources for the recipient to carry out activities of the type that are eligible under subsection (d) for funding with affordable housing fund amounts; and

''(ii) are not in any case used so as to supplant any funds from other sources that are made available for such activities of the recipient; and

''(C) does not, at the time during the period that begins 12 months before submission of an application for funding from the affordable housing fund of the enterprise and ending upon the expiration of the period referred to in paragraph (1)(B)—

''(i) engage in any Federal election activity, as such term is defined in paragraph (20) of section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(20)), except that, notwithstanding the 120-day limitation in subparagraph (A)(i) of such paragraph, such term shall include voter registration activity during any period;

''(ii) make any expenditure for any electioneering communication (as such term is defined in section 304(f)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(f)(3));

''(iii) make any lobbying expenditure, (as such term is defined in such section 501(h)(2)), except that this clause shall not apply to any such expenditure by an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 that is exempt from taxation under subsection (a) of such section 501, to the extent that such expenditure does not exceed the amount under such Code for which such exemption may be denied; or

''(iv) maintain any affiliation with any organization, agency, or other entity that does not comply with clauses (i), (ii), and (iii) of this subparagraph.

''(3) AFFILIATION.—

''(A) IN GENERAL.—A recipient organization, agency, or entity shall be considered to be affiliated with another entity, for purposes of paragraph (2), if such recipient entity controls, is controlled by, or is under common control with such other entity.

''(B) CONTROL.—The existence of any of the following relationships between a recipient entity and another entity shall indicate that control exists for purposes of subparagraph (A):

''(i) OVERLAPPING BOARD MEMBERSHIP.—Individuals serve in a similar capacity as officers, executives, or staff of both the recipient entity and the other entity.

''(ii) SHARED RESOURCES.—The recipient entity and the other entity share office space, staff members, supplies, resources, or marketing materials, including Internet and other forms of public communication.

''(iii) FUNDING.—The recipient entity receives more than 20 percent of its total funding from such other entity or provides more than 20 percent of the total funding of such other entity.

''(iv) OTHER.—The recipient entity or such other entity exhibits any other indicia of substantial overlap or common control as may be set forth in regulation by the Director.

''(4) FOR PROFIT.—For purposes of this subsection, the term 'for-profit entity' means any entity any part of the net earnings of which inure to the benefit of any private shareholder, member, founder, contributor, or individual.

''(f) LIMITATIONS ON USE.—

''(1) REQUIRED AMOUNT FOR REFCORP.—Of any amounts allocated pursuant to subsection (b) in each year to the affordable housing fund of an enterprise, 25 percent shall be used as provided in section 21B(f)(2)(E) of the Federal Home Loan Bank Act (12 U.S.C. 1441b(f)(2)(E)).

''(2) REQUIRED AMOUNT FOR HOMEOWNERSHIP ACTIVITIES.—Of any amounts allocated pursuant to subsection (b) in each year to the affordable housing fund of an enterprise, not less than 10 percent shall be used for activities under paragraph (2) of subsection (d).

''(3) MAXIMUM AMOUNT FOR PUBLIC INFRASTRUCTURE DEVELOPMENT ACTIVITIES IN CONNECTION WITH AFFORDABLE HOUSING ACTIVITIES.—Of any amounts allocated pursuant to subsection (b) in each year to the affordable housing fund of an enterprise, not more than 12.5 percent may be used for activities under paragraph (3) of subsection (d).

''(4) DEADLINE FOR COMMITMENT OR USE.—Any amounts allocated to the affordable housing fund of an enterprise shall be used or committed for use within two years of the date of such allocation.

''(5) USE OF RETURNS.—The Director shall, by regulation—

''(A) provide that any return on a loan or other investment of any amounts allocated pursuant to subsection (b) to the affordable housing fund of an enterprise shall count against the allocation required under subsection (b) to be made by the enterprise for the year following such return; and

''(B) establish such limitations as may be necessary to ensure that the amount or likelihood of return is not the primary consideration of awarding of allocated amounts to recipients.

''(6) PROHIBITED USES.—The Director shall—

''(A) by regulation, set forth prohibited uses of amounts from the affordable housing funds of the enterprises, which shall include use for—

''(i) political activities;

''(ii) advocacy;

''(iii) lobbying, whether directly or through other parties;

''(iv) counseling services;

''(v) travel expenses; and

''(vi) preparing or providing advice on tax returns;

''(B) by regulation, provide that, except as provided in subparagraph (C), amounts allocated to the affordable housing fund of an enterprise may not be used for administrative, outreach, or other costs of—

''(i) the enterprise; or

''(ii) any recipient of amounts from the affordable housing fund; and

''(C) by regulation, limit the amount of any such contributions that may be used for administrative costs of the enterprise of maintaining the affordable housing fund and carrying out the program under this section.

''(7) PROHIBITION OF CONSIDERATION OF USE FOR MEETING HOUSING GOALS.—In determining compliance with the housing goals under this subpart, the Director may not consider amounts used under this section for eligible activities under subsection (d). The Director shall give credit toward the achievement of such housing goals to purchases of mortgages for housing that receives funding under this section, but only to the extent that such purchases are funded other than under this section.

''(8) PROHIBITION ON CERTAIN REDISTRIBUTION OF AMOUNTS.—The Director shall, by regulation, ensure that amounts from the affordable housing fund of an enterprise awarded under this section to a national nonprofit housing intermediary are not redistributed to other nonprofit entities.

''(g) ACCOUNTABILITY OF RECIPIENTS AND ENTERPRISES.—

''(1) RECIPIENTS.—

''(A) TRACKING OF FUNDS.—The Director shall—

''(i) require each enterprise to develop and maintain a system to ensure that each recipient of amounts from the affordable housing fund of the enterprise uses such amounts in accordance with this section, the regulations issued under this section, and any requirements or conditions under which such amounts were provided; and

''(ii) establish minimum requirements for agreements, between the enterprises and recipients, regarding grants from the affordable housing funds of the enterprises, which shall include—

''(I) appropriate continuing financial and project reporting, record retention, and audit requirements for the duration of the grant to ensure compliance with the limitations and requirements of this section and the regulation under this section; and

''(II) any other requirements that the Director determines are necessary to ensure appropriate grant administration and compliance.

''(B) MISUSE OF FUNDS.—If an enterprise determines that any recipient of amounts from the affordable housing fund of the enterprise has used any such amounts in a manner that is materially in violation of this section, the regulations issued under this section, or any requirements or conditions under which such amounts were provided—

''(i) the enterprise shall notify the Director of such misuse of amounts and the actions taken under this subparagraph with respect to the recipient;

''(ii) such recipient shall be ineligible in perpetuity to receive of any further amounts from the affordable housing fund of such enterprise; and

''(iii) the enterprise shall require the recipient to reimburse the enterprise for such misused amounts and return to the enterprise any amounts from the affordable housing fund of the enterprise that remain unused or uncommitted for use.

The remedies under this subparagraph are in addition to any other remedies that may be available under law.

''(2) ENTERPRISES.—

''(A) QUARTERLY REPORTS.—The Director shall require each enterprise to submit a report, on a quarterly basis, to the Director and the affordable housing board established under subsection (j) describing the activities funded under this section during such quarter with amounts from the affordable housing fund of the enterprise established under this section. The Director shall make such reports publicly available. The affordable housing board shall review each report by an enterprise to determine the consistency of such activities funded with the criteria for selection of such activities established pursuant to subsection (k)(2)(C).

''(B) REPLENISHMENT.—If the Director determines that an activity funded by an enterprise with amounts from the affordable housing fund of the enterprise is not consistent with the criteria established pursuant to subsection (k)(2)(C), the Director shall require the enterprise to allocate to such affordable housing fund (in addition to amounts allocated in compliance with subsection (b)) an amount equal to the sum of the amounts from the affordable housing fund used and further committed for use for such activity.

''(h) CAPITAL REQUIREMENTS.—The utilization or commitment of amounts from the affordable housing fund of an enterprise shall not be subject to the risk-based capital requirements established pursuant to section 1361(a).

''(i) REPORTING REQUIREMENT.—Each enterprise shall include, in the report required under section 309(m) of the Federal National Mortgage Association Charter Act or section 307(f) of the Federal Home Loan Mortgage Corporation Act, as applicable, a description of the actions taken by the enterprise to utilize or commit amounts allocated under this section to the affordable housing fund of the enterprise established under this section.

''(j) AFFORDABLE HOUSING BOARD.—

''(1) APPOINTMENT.—The Director shall appoint an affordable housing board of 7, 9, or 11 persons, who shall include—

''(A) the Director, or the Director's designee;

''(B) the Secretary of Housing and Urban Development, or the Secretary's designee;

''(C) the Secretary of Agriculture, or the Secretary's designee;

''(D) 2 persons from for-profit organizations or businesses actively involved in providing or promoting affordable housing for extremely low- and very low-income households; and

''(E) 2 persons from nonprofit organizations actively involved in providing or promoting affordable housing for extremely low- and very low-income households.

''(2) TERMS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the term of each member of the affordable housing board appointed pursuant to paragraph (1) (but not including members appointed pursuant to subparagraphs (A), (B), and (C)) shall be 3 years.

''(B) INITIAL APPOINTEES.—The Director shall appoint the initial members of the affordable housing board not later than the expiration of the 60-day period beginning on the effective date under section 185 of the Federal Housing Finance Reform Act of 2005. As designated by the Director at the time of appointment, of the members of the affordable housing board first appointed pursuant to paragraph (1) (but not including members appointed pursuant to subparagraphs (A), (B), and (C))—

''(i) in the case of a board having 7 members—

''(I) one shall be appointed for a term of one year; and

''(II) one shall be appointed for a term of two years;

''(ii) in the case of a board having 9 members—

''(I) two shall be appointed for a term of one year; and

''(II) two shall be appointed for a term of two years; and

''(iii) in the case of a board having 11 members—

''(I) two shall be appointed for a term of one year; and

''(II) three shall be appointed for a term of two years;

''(3) DUTIES.—The duties of the affordable housing board shall be—

''(A) to determine extremely low- and very low-income housing needs;

''(B) to advise the Director with respect to—

''(i) establishment of the selection criteria under subsection (k)(2)(C) that provide for appropriate use of amounts from the affordable housing funds of the enterprises to meet such needs; and

''(ii) operation of, and changes to, the program under this section appropriate to meet such needs; and

''(C) to review the reports submitted by the enterprises pursuant to subsection (g)(1) to determine whether the activities funded using amounts from the affordable housing funds of the enterprises comply with the regulations issued pursuant to subsection (k)(2)(C) and inform the Director of such determinations, for purposes of subsection (g)(2).

''(4) MEETINGS.—The board shall meet not less than quarterly, except that during the 2-year period referred to in paragraph (7), the board shall meet only as the Director determines necessary.

''(5) EXPENSES AND PER DIEM.—Members of the board shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

''(6) ADVISORY COMMITTEE.—The board shall be considered an advisory committee for purposes of the Federal Advisory Committee Act (5 U.S.C. App.).

''(7) TERMINATION.— The board shall terminate upon the expiration of the 2-year period that begins upon the conclusion of the last year referred to in subsection (b)(1)(C).

''(k) REGULATIONS.—

''(1) IN GENERAL.—The Director shall issue regulations to carry out this section.

''(2) REQUIRED CONTENTS.—The regulations issued under this subsection shall include—

''(A) authority for the Director to audit, provide for an audit, or otherwise verify an enterprise's activities, to ensure compliance with this section;

''(B) a requirement that the Director ensure that the affordable housing fund of each enterprise is audited not less than annually to ensure compliance with this section;

''(C) requirements for a process for application to, and selection by, an enterprise for activities to be funded with amounts from the affordable housing fund, which shall provide that—

''(i) selection shall be based upon specific criteria, which shall provide that—

''(I) in any selection of activities occurring during the 2-year period beginning on the effective date under section 185 of the Federal Housing Finance Reform Act of 2005, additional weight shall be given to applications for eligible activities under subsection (d) that—

''(aa) are to be carried out in any area that was declared by the President as a major disaster area pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act as result of Hurricane Katrina or Hurricane Rita in 2005; or

''(bb) the enterprise determines, in accordance with regulations issued by the Director, serve persons significantly affected by the occurrence of Hurricane Katrina or Hurricane Rita in 2005 (including persons displaced as a result of such hurricanes and persons whose affordable housing opportunities are significantly affected by the presence of persons displaced as a result of such hurricanes); and

''(II) taking into consideration any additional weight afforded applications pursuant to subclause (I), priority in funding shall be based upon—

''(aa) whether activities are to be carried out in any area that, not more than 2 years before such selection, was declared by the President as a major disaster area pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act;

''(bb) greatest impact;

''(cc) geographic diversity;

''(dd) ability to obligate amounts and undertake activities so funded in a timely manner;

''(ee) in the case of rental housing projects under subsection (d)(1), the extent to which rents for units in the project funded are affordable, especially for extremely low-income families; and

''(ff) in the case of rental housing projects under subsection (d)(1), the extent of the duration for which such rents will remain affordable; and

''(ii) an enterprise may not require for such selection that an activity involve financing or underwriting of any kind by the enterprise (other than funding through the affordable housing fund of the enterprise) and may not give preference in such selection to activities that involve such financing;

''(D) requirements to ensure that amounts from the affordable housing funds of the enterprises used for rental housing under subsection (d)(1) are used only for the benefit of extremely low- and very-low income families; and

''(E) limitations on public infrastructure development activities that are eligible pursuant to subsection (d)(3) for funding with amounts from the affordable housing funds of the enterprises and requirements for the connection between such activities and housing activities funded under paragraph (1) or (2) of subsection (d).

''(l) ENFORCEMENT.—Compliance by the enterprises with the requirements under this section shall be enforceable under subpart C. Any reference in such subpart to this part or to an order, rule, or regulation under this part specifically includes this section and any order, rule, or regulation under this section.''.

(b) CONTRIBUTIONS FOR TRANSITION PERIOD.—

(1) RESERVATION AND CONTRIBUTION; PROHIBITION OF DOUBLE CONTRIBUTIONS.—If the date of the enactment of this Act does not occur in the same calendar year as the effective date under section 185 of this Act, each enterprise (as such term is defined in section 1303 of the Housing and Community Development Act of 1992) shall, in the year that such date of enactment occurs, reserve for contribution to the affordable housing fund to be established by the enterprise pursuant to section 1337 of such Act (as amended by subsection (a) of this section) an amount equal to 3.5 percent of the after-tax income of the enterprise for the preceding year. Upon the establishment of such affordable housing fund, each enterprise shall allocate to such fund the amounts reserved under this paragraph by the enterprise.

(2) EXCEPTION TO DEADLINE FOR COMMITMENT.—Section 1337(f)(4) of the Housing and Community Development Act of 1992 (as amended by subsection (a) of this section) shall not apply to any amounts allocated to the affordable housing fund of an enterprise pursuant to paragraph (1) of this subsection.

(3) AFTER-TAX INCOME.—For purposes of this subsection, the term ''after-tax income'' has the meaning provided in subsection (b)(5) of the new section 1337 to be inserted by the amendment made by subsection (a) of this section.

(4) EFFECTIVE DATE.—This subsection shall take effect on the date of the enactment of this Act.

(c) REFCORP PAYMENTS.—Section 21B(f)(2) of the Federal Home Loan Bank Act (12 U.S.C. 1441b(f)(2)) is amended—

(1) in subparagraph (E), by striking ''and (D)'' and inserting ''(D), and (E)'';

(2) by redesignating subparagraph (E) as subparagraph (F); and

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

''(E) PAYMENTS BY FANNIE MAE AND FREDDIE MAC.—To the extent that the amounts available pursuant to subparagraphs (A), (B), (C), and (D) are insufficient to cover the amount of interest payments, each enterprise (as such term is defined in section 1303 of the Housing and Community Development Act of 1992 (42 U.S.C. 4502)) shall transfer to the Funding Corporation in each calendar year the amounts allocated for use under this subparagraph pursuant to section 1337(f)(1) of such Act.''.

Page 238, strike line 6 and insert the following:

(b) CONFORMING AMENDMENTS.—

(1) HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1992.—Subtitle B of title

Page 238, after line 10, insert the following new paragraph:

(2) FEDERAL HOME LOAN BANKS.—Section 25 of the Federal Home Loan Bank Act (12 U.S.C. 1445) is amended by striking ''Board under this Act'' and inserting ''Director under section 1367 of the Housing and Community Development Act of 1992''.

Page 248, line 4, after the semicolon insert ''or''.

Page 248, strike lines 5 through 11 and insert the following:

''(D) violates any written agreement between the regulated entity and the Director; shall forfeit and pay a civil money penalty of not more than $10,000 for each day during which such violation continues.''.

Page 249, strike lines 4 through 10 and insert the following:

''(iii) results in pecuniary gain or other benefit to such party,

the regulated entity or regulated entity-affiliated party shall forfeit and pay a civil penalty of not more than $50,000 for each day during which such violation, practice, or breach continues.''.

Strike line 22 on page 249 and all that follows through line 5 on page 250, and insert the following:

''(B) knowingly or recklessly causes a substantial loss to such regulated entity or a substantial pecuniary gain or other benefit to such party by reason of such violation, practice, or breach,

shall forfeit and pay a civil penalty in an amount not to exceed the applicable maximum amount determined under paragraph (4) for each day during which such violation, practice, or breach continues.''.

Page 278, line 21, after the comma insert ''this title shall take effect on and''.

Page 278, line 23, strike ''1-year'' and insert ''6-month''.

Page 296, line 19, after the period insert the following: ''This section shall take effect on the date of the enactment of this Act.''

Page 296, line 21, after the comma insert ''this title shall take effect on and''.

Page 296, line 23, strike ''1-year'' and insert ''6-month''.

Page 297, line 13, strike ''1-year'' and insert ''6-month''

Page 297, line 19, strike ''1-year'' and insert ''6-month''.

Page 297, line 22, strike ''solely''.

Page 297, line 24, after ''sight'' insert ''and in addition to carrying out its other responsibilities under law''.

Page 302, line 25, strike ''201(a)'' and insert ''301(a)''.

Page 303, line 14, strike ''201(a)'' and insert ''301(a)''.

Page 304, line 13, strike ''1-year'' and insert ''6-month''.

Page 304, line 17, strike ''1-year'' and insert ''6-month''.

Page 304, line 19, strike ''solely''.

Page 304, line 20, after ''Board'' insert ''and in addition to carrying out its other responsibilities under law''.

Page 305, lines 23 and 24, strike ''1-year''.

Page 311, line 7, strike ''one year'' and insert ''6 months''.

Page 311, line 11, strike ''6-month'' and insert ''3-month''.

Page 312, line 17, strike ''1-year'' and insert ''6-month''.

Page 312, line 20, strike ''solely''.

Page 312, line 24, strike ''ment)''' and insert ''ment') and in addition to carrying out the Secretary's other responsibilities under law regarding such functions''.

The CHAIRMAN. Pursuant to House Resolution 509, the gentleman from Ohio (Mr. OXLEY) and the gentleman from Massachusetts (Mr. FRANK) each will control 10 minutes.

The Chair recognizes the gentleman from Ohio (Mr. OXLEY).

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

The manager's amendment that I offer makes a number of substantive and technical changes to H.R. 1461, the Federal Housing Finance Reform Act of 2005.

H.R. 1461, as reported by the Committee on Financial Services, greatly expands the affordable housing role of Fannie and Freddie. There are major sections on new single-family and multifamily housing goals, duty to serve lower-income markets, and a new Affordable Housing Fund with contributions from the enterprises.

The bill establishes a fund to finance construction of houses for underserved

people. It is modeled after the successful Affordable Housing Program of the Federal Home Loan Bank System. Fannie Mae and Freddie Mac will manage programs funded by a percentage of their earnings.

The manager's amendment moves the effective date of the entire bill up from 1 year to 6 months following enactment, including the affordable housing funds. For the first 2 years, Fannie and Freddie will contribute 3.5 percent of after-tax earnings and, subsequent to that, 5 percent of such earnings. Twenty-five percent of the GSEs' contributions will go annually to the Treasury Department to help pay off REFCorp, that is, S and L bonds, with the remainder going to the fund.

The fund will sunset in 5 years, when its extension will be considered. During the first 2 years, priority consideration will be given to areas impacted by Hurricanes Katrina and Rita. Thereafter priority in funding will be based on greatest impact, geographic diversity, timely action, as well as other disaster area needs.

Eligible recipients, for-profit builders, State housing agencies, and nonprofit organizations must have a demonstrated capacity for affordable housing activities and make assurances that they will comply with limits on the use of those funds. Funds may not be used for political activities, advocacy, lobbying, counseling services, travel expenses, and tax return advice.

Nonprofit recipients must have affordable housing as their primary purpose, and beginning 1 year before applying, nonprofits and their affiliates cannot have engaged in Federal election activity, electioneering communication, or lobbying.

Recipient use of funds will be closely tracked. Those misusing funds will be permanently barred from participation and must make reimbursement.

In addition, the manager's amendment includes a request from the Committee on the Judiciary to require consultation with the Attorney General by the GSE regulator when exercising new litigation authority, and from the Committee on Government Reform to remove a Freedom of Information Act exemption for the proceedings of the new agency's oversight board.

The Federal Housing Finance Agency will establish an ombudsman to hear complaints and appeals from the GSEs and those having business relationships with the GSEs.

H.R. 1461 consolidates current GSE regulation by two agencies in HUD into one agency. The manager's amendment clarifies that existing rules and regulations will remain in force during the 6-month transition period and until changed by the new Federal Housing Finance Agency.

I urge adoption of the manager's amendment.

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

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

Mr. Chairman, I claimed the time in opposition to the manager's amendment because I am in opposition to a small part of the manager's amendment, and, like many Members, I have a dilemma. Much of the manager's amendment is what a manager's amendment ought to be, the result of taking into account in some cases things that happened after the bill came out of committee like the hurricanes, some refinements. It is a very good amendment.

There are two small changes I would like to make. First, the manager's amendment says, unlike the bill that passed committee, that a nonprofit group may only ask for these funds and build housing with these funds if building housing is its primary purpose. Understand that that unequivocally says no faith-based institution may apply unless we have a faith-based institution that worships housing. I am not aware of any, but I do not want to be narrow-minded. There may be one. But any other faith-based institution has as its primary purpose its faith, and this excludes organizations that have been doing work.

The gentleman from Louisiana correctly pointed out, well, if they have been already doing this, this does not stop them. It just means they cannot get the new money.

But we want this money to be used well. There is a wealth of experience in the Catholic Church, in the Episcopal Church, in the Methodist Church, in the Jewish Community Housing For the Elderly. In other groups, the Local Initiative Support Corporation, in other groups, the Enterprise Fund, nonprofit groups, some of which have housing as their primary purpose and some do not, why do we want to say to groups that have a very successful record of building affordable housing, including church groups, that they cannot participate in this program? But that is what it does.

So one thing that I would change in the manager's amendment is to say that they can do this if housing is one of their primary purposes, not their only primary purpose. It lets the faith-based groups back in.

Secondly, we agree that we should prohibit the groups, and, remember, we are not talking about using the money from the Affordable Housing Fund for anything but housing. That is very clear.

□ 1400

The Members have said, well, and I kind of slipped into this, well, political activism, et cetera. Not a penny of the affordable housing funds can be used for anything but housing; and there are strict penalties if you get caught doing that. By the way, there may be some who think that if you participate in affordable housing that it will be so profitable that it will generate funds that you can use elsewhere.

When I mentioned that point yesterday, people from the Catholic Conference and the Episcopal group and all the other groups started to laugh. Anyone who has done subsidized housing knows the organizations usually wind up further subsidizing with their own funds rather than end up making money.

But we are talking about now only what you can do with your own money if you use affordable housing funds for affordable housing. We have agreed to a lot of restrictions. We have agreed that with your own money, if you agree to participate in this fund, you cannot engage in any Federal election activity as it is defined in the Federal Election Campaign Act. You cannot make expenditure for any electioneering communication as defined in the Federal Campaign Act. You cannot make any lobbying expenditure except under the limits of 501(c)3. All of those we have accepted. They are in the manager's amendment as further restrictions, and we accept them.

All we are saying is that nonpartisan voter registration and get-out-the-vote should be permitted uses, in other words, what the gentleman from Ohio talked about. We had the gentleman from Florida read the ACORN Plan. That plan by ACORN would have made them ineligible to participate in this fund. It was partisan. People have every right to be partisan. We have made a concession here, that, yes, we will say that if you are engaged in partisan political activity you cannot do this.

Here is what will be the parliamentary situation. If this manager's amendment is defeated, I will offer as the recommittal motion 99.5 percent, textually, of the manager's amendment. It is over there at the majority's side. We will not touch it from what it now is. The only changes we will make is we will, instead of saying this has to be your primary purpose, which excludes faith-based groups, we will say it has to be one of your primary purposes.

We will continue the restriction on electioneering and lobbying, et cetera, but we will say that electioneering and communications or partisanship are banned, but nonpartisan voter registration and nonpartisan get-out-the-vote are not banned. That is the question.

Should we say that if you do affordable housing, you cannot also do voter registration, nonpartisan voter registration. If you are caught doing it in a partisan way, then you would lose the funds under here.

You cannot do get out the vote.

Again, voting and residence are very closely linked in America. You vote from your home. In some cases you might vote in your home, if you are in an elderly development. What about the people, and the gentleman from Ohio raised this. The gentleman from Ohio said, well, we are going to work on it. Yes, it has to be worked on, because right now, thanks to the demands of the Republican Study Committee, it is not there, the right to do that.

If you have a housing development, you cannot, under this manager's amendment, help the old people in the development vote. You cannot invite somebody in to do voter registration. They can come in on their own, but you cannot cooperate. Again, I want to emphasize and I would say to my Republican friends, this is a bill that has a lot of bipartisan support. We have some partisan differences in other areas than housing, but this one got pretty bipartisan.

What happened is this: there are people who do not like affordable housing. I have to say the gentleman from Texas (Mr. HENSARLING) is not here, but he said why do you not just do vouchers instead of this. He was being honest. He is not really for the affordable housing program at all.

I did look up, on June 29th this year, the House by a majority adopted an amendment to increase section 8 vouchers. The gentleman from Texas (Mr. HENSARLING) voted against that. Thirty Republicans voted for it. He was not one of them.

I think there are people who do not want the housing to go forward, and there are others who do not want to see an increased voter participation by people they do not think will be serious enough voters. If that is what the House wants to vote on, okay.

But procedurally what you have is a bill comes out of committee; it is held up for months because a part of the Republican Party does not want to put this to a fair vote. Well, I regret that. We should have had a fair vote. I am just offering you the next best thing. It is not the same thing. It is not a clean vote, but here is the functional equivalent.

Members can have two choices: they can vote against the manager's amendment and know that I will offer a recommittal motion, which will be everything in the manager's amendment except the one provision that prevents faith-based groups from participating; and the one that says no nonpartisan voter registration or the voter turnout.

Alternatively, if people vote for the manager's amendment, maybe some people will be afraid: well, I do not want to look like I am not helping the people in the hurricane area, then I will offer a recommit. The recommit will make those three small specific changes in the manager's amendment.

In other words, Members will have a chance to vote on everything in the manager's amendment, all the restrictions on what these groups can do with their own money, all the restrictions of what they can do with affordable housing money, put our faith-based groups in and have the voter registration be allowed. That is what will be before us.

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

Mr. OXLEY. Mr. Chairman, I am pleased to yield 4 minutes to the gentleman from Louisiana (Mr. BAKER), chairman of the GSE subcommittee.

Mr. BAKER. Mr. Chairman, I thank the gentleman for his continuing courtesy and leadership on this issue. I am going to try one more time on this thing. The bill as it is now constructed allocates 3.5 percent of net profit for the first 2 years from the various enterprises into a fund which gives as a priority Katrina victims, Rita victims and natural disaster victims, in that order.

I can tell you if I were to go to the city of Baker, in my district today, walk down Groom Road to the FEMA trailer park and say to them, I am going to buy you a bus to haul you to go vote 2 years from now, or I am going to put money into building you a home, guess which one they would pick. People want out of the FEMA trailers, they want out of their circumstance; and almost every cent of this money, we will guarantee, I promise, to be utilized almost exclusively for Katrina and Rita.

It is estimated as a result of the Katrina disaster, 100,000 homes are impaired or destroyed: 100,000. The guesstimate of what it might take to pay off mortgages, to clean the mess up, and to build homes back is easily $30 billion. That is Katrina. Then we talk about Rita and then welcome back and plug Wilma in as a natural disaster, $500 million in the scope of this debate, concerning ourselves with creating a resource for additional political activism does not make sense.

Now, let us talk about the administration of the program: who is going to run it, what is the program. I know how you check on a house. You go see if it is there. Then you can figure out if somebody is in it and who are they. You can look at their income tax return; and, yes, they are entitled to be here pursuant to the provisions of the program.

How do you regulate a bus acquisition program used for hauling people to the polls? Who is going to do that? What are the rules? How about this? How about you leave Katrina/Rita victims alone, come back with regulations that create a system, something that makes sense. Here is how you do it. Here is how you comply. Then you get the money. No, we want to take the money first and figure it out later. That is what gets this place in trouble.

Now, if we really want to work together and reclaim our bipartisan territory, let us take it one step at a time. Let us figure out what the problem is, figure out a remedy, let us promulgate it, make it subject to hearings, pass it through the Congress, and plug some money in later. Now, I know that may be too logical, but I really want to leave that as a thought before you vote against the manager's amendment.

This is a well-crafted proposal with extremely limited resources aimed at an enormous problem that otherwise will not get resolved in a very cost-effective manner, and we will outstrip the resources of this proposal for 5 years, much less the 2 years for which the money has been officially dedicated for this purpose.

Keep in mind, if you are building houses and hauling voters and registering and engaged in political advocacy as of the date of passage of this bill, you can still do it. You just do not get to back your truck up to the U.S. Treasury and download a bunch of this money. That is all. It is an easy choice, and I suggest to the House that it is a reasonable position for us to take and a responsible position. It is not an attack on the basic civil rights of this country.

Mr. FRANK of Massachusetts. Mr. Chairman, I first yield myself 1 minute to say I do not think it is a fair characterization of the low-income housing activities of the Catholic Church or other organizations that they are trying to back up the truck to the Treasury. In the first place, there is no debate that every penny in the affordable housing fund goes for affordable housing.

The question is, what do you have to give up as a choice of doing the affordable housing. Every faith organization in America, every Protestant denomination, every branch of Judaism, and the Roman Catholic Church says we do housing, and the gentleman is right. They could simply refuse to take any money from this and go forward, because they are not eligible for money from this.

Why do that? Why say to the faith-based organization, whatever happened to your belief in the importance of helping faith-based organizations? Is it over already, that romance? Because that is what we just want to change. All we want is to allow our religious organizations in part to be able to participate without stopping their voter registration and other activity.

Mr. Chairman, I yield the balance of my time to the gentleman from Pennsylvania (Mr. KANJORSKI).

Mr. KANJORSKI. Mr. Chairman, I think we have debated a tough issue. I am sure there are people on the other side that understand why we feel so strongly on this faith-based issue. We have maybe a chance to resolve this and come out of this House with a resounding victory.

If we vote down the manager's amendment, we will include the entire manager's amendment in the motion to recommit with three exceptions. We will take out that the prime purpose has to be housing, so faith-based organizations can still consider God as a primary challenge and obligation.

Secondly, we will add in the terms that will allow for voter registration and get-out-the vote on a nonpartisan basis. So this will only affect getting out the vote and voter registration in a nonpartisan way. Finally, what I urge my colleagues on the other side to do is vote down the manager's amendment, accept the motion to recommit, have a perfect bill that we can walk out of here today with almost a unanimous approval.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield for the purpose of

making a unanimous consent request 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 rise in opposition to the manager's amendment because it is a deal breaker with those provisions and certainly because the conference of Catholic bishops has indicated that they want to build houses and participate in democracy too.

Mr. Chairman, I rise in opposition to the instant legislation, H.R. 1461—especially insofar as it fails to remove the unfair and unreasonable language that provides that nonprofits will be prohibited from using their own funds to engage in nonpartisan voter registration and requires that housing be their primary purpose in order to receive funds.

The Motion to Recommit made by Mr. FRANKS seeks to protect our faith-based entities that need these valuable dollars to provide affordable housing.

Not only would the Gentleman's amendment have redeemed this legislation, but his Motion to Recommit would have removed language contained in the current Manager's Amendment that bars organizations with proven experience in mobilizing community support and resources—a nonpartisan initiative. In addition, the Manager's Amendment would constrain the ability of experienced faith-based and community-based organizations to successfully compete for the affordable housing funds that are proposed in the underlying bill.

My District of Houston, Texas, has a plethora of faith-based organizations that have plans that would provide much-needed affordable housing for the surrounding community. Our affordable housing stock has suffered for a long time, and I have been working steadfastly with the Secretary of Housing and Urban Development to facilitate the obtainment of opportunities by these groups. The nugatory provisions in the Manager's Amendment will contravene the hard work that I and many other Members have done to this end.

While I applaud the effort made by the administration to remove barriers to full participation in Federal programs and funding faith-based entities, proposals such as the Manager's Amendment will bar these groups from access to this funding while for-profit agencies remain free to engage in the same voter registration activities. This double-standard must be removed—it contravenes the spirit of the U.S. Constitution.

Existing limits in H.R. 1461 on activities that qualify for affordable housing funds prevent abuse of this funding. Groups, many of which operate in my District of Houston sign certifications to receive Federal, State, and local government funds that prohibit diversion of program funds for political and lobbying purposes. There are multiple vehicles available to ensure that the new Affordable Housing Funds are protected from inappropriate use by grantees.

Our faith-based groups need the proposed Affordable Housing Fund under H.R. 1461, especially in the devastated Gulf Coast region where hundreds of thousands of families have not been able to return to their homes. In such challenging times, it would be unfortunate if experienced faith-based organizations and nonprofits that have performed laudably in meeting the needs of these survivors would be barred from participation in funding that would help meet critical housing needs.

Mr. Chairman, I support the legislation on the above limited basis.

Mr. OXLEY. Mr. Chairman, I would simply say in summary to ask the Members to support the manager's amendment. We need to support the folks down in the gulf region that were affected by the hurricane. The purpose of the manager's amendment was twofold, to insure that money was available as quickly as possible to those victims who are 100,000 homeless, just in Louisiana alone, to make certain that they can get access to that as quickly as possible; secondly, to make certain that the groups that are building those homes are not political front groups for a right or left agenda, but ones who are sincerely interested in building with bricks and mortar to provide that opportunity to those folks.

If you want to help those folks in the gulf region, and you want to make certain that money is used effectively and not in a political way, support the Oxley manager's amendment.

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

The Acting CHAIRMAN (Mr. PUTNAM). The question is on the amendment offered by the gentleman from Ohio (Mr. OXLEY).

The question was taken; and the Acting Chairman announced that the noes appeared to have it.

Mr. BAKER. Mr. Chairman, I demand a recorded vote.

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Ohio (Mr. OXLEY) will be postponed.

It is now in order to consider amendment No. 2 printed in House Report 109–254.

AMENDMENT NO. 2 OFFERED BY MS. CARSON

Ms. CARSON. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Ms. CARSON:

Page 114, line 6, strike the quotation marks and the last period.

Page 114, after line 6, insert the following new paragraph:

''(3) MANUFACTURED HOUSING MARKET.—In determining whether an enterprise has complied with the duty under subparagraph (A) of subsection (a)(2), the Director may consider loans secured by both real and personal property.''.

The Acting CHAIRMAN. Pursuant to House Resolution 509, the gentlewoman from Indiana (Ms. CARSON) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Indiana (Ms. CARSON).

Ms. CARSON. Mr. Chairman, I yield myself such time as I may consume. This amendment I am offering today will help low- and moderate-income families fulfill the American dream of homeownership.

This amendment will not mandate, but encourage, the GSEs to purchase personal property loans secured by manufactured housing and will count towards the GSE underserved market goals.

□ 1415

This practice is consistent with the charters of Fannie Mae and Freddie Mac.

In 2004, the average income of those who purchased manufactured homes was $28,000. These homes cost 30 percent less than a site-built house and are equal in quality, amenities, and efficiency. Currently only real property loans are considered for manufactured housing purchases, but the vast majority of manufactured home buyers rent the land on which it rests. Personal property loans are issued for the purchase of a manufactured home, but not tied to any piece of land. While these loans are typically financed as personal property, my amendment would allow for the GSEs to only purchase personal property loans that finance manufactured housing.

In 1992, Congress set a goal for the GSEs to promote mortgage credit in areas where traditional credit opportunities were unavailable, inaccessible, or too costly. My amendment will help the GSEs achieve this goal by encouraging them to purchase personal property loans for manufactured housing.

Mr. Chairman, this amendment will assist GSEs in continuing to serve home buyers in underserved areas and will encourage lenders to offer more and better loans to finance the purchase of new homes. It has the broad support of manufactured housing organizations as well as consumers. It has bipartisan support. I encourage my colleagues to adopt this amendment.

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

Mr. OXLEY. Mr. Chairman, I rise to claim the time in opposition to the amendment but am not opposed and would indicate that we are pleased to accept the amendment offered by the gentlewoman from Indiana and applaud her for her foresight and leadership in the area of manufactured housing.

The Acting CHAIRMAN (Mr. PUTNAM). The question is on the amendment offered by the gentlewoman from Indiana (Ms. CARSON).

The amendment was agreed to.

The Acting CHAIRMAN. It is now in order to consider amendment No. 3 printed in House Report 109–254.

AMENDMENT NO. 3 OFFERED BY MR. DAVIS OF ALABAMA

Mr. DAVIS of Alabama. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Mr. DAVIS of Alabama:

Page 107, strike lines 20 through 24 and insert the following new paragraph:

''(26) RURAL AREA.—The term 'rural area' has the meaning given such term in section

520 of the Housing Act of 1949 (42 U.S.C. 1490), except that such term includes micropolitan areas and tribal trust lands.''.

The Acting CHAIRMAN. Pursuant to House Resolution 509, the gentleman from Alabama (Mr. DAVIS) and a Member opposed each will control 5 minutes.

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

Mr. DAVIS of Alabama. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, one of the goals of this bill is to stimulate affordable housing activity on the part of the GSEs in certain categories and areas that traditionally have been underserved, and one of those happens to be the rural portions of America. There have been various goals that have been added that will require the GSEs to be more proactive in their lending in rural America.

The concern that I have with the underlying bill is that the definition of ''rural'' that has been adopted is one that is, number one, very different from the definition that has historically been used by the Congress beginning with the Housing Act of 1949; and, second of all, I think it is one that is unduly restrictive. The new definition would define ''rural'' as being, among other things, nonmetro areas.

As many of us in this Chamber know, ''metro area'' is very broadly defined in this country, and a number of areas that we would all think of as being rural, that we would all view as being within the ambit of this bill, would certainly fall inside metro areas and thus be excluded from the purview of this bill, and would be excluded from the definition of ''rural.''

So what our amendment, which I believe to be noncontroversial, would do would be to return to the traditional definition of ''rural'' that is contained in the Housing Act of 1949. That definition again is one that has long been accepted and long employed by this body.

I should also note, Mr. Chairman, that we would retain some of the changes made in the substantive bill which would talk about micropolitan and tribal trust lands. Those would be included in the new definition, but we would return to the traditional definition that has been employed since 1949.

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

Mr. OXLEY. Mr. Chairman, I rise to claim the time in opposition, but I also want to say I do not oppose this amendment. As a matter of fact, I want to congratulate the gentleman from Alabama for an excellent amendment and well thought-out. He is a valuable member of the committee. This side has no objections to the amendment.

Mr. DAVIS of Alabama. Mr. Chairman, I thank the chairman for his compliments.

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

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama (Mr. DAVIS).

The amendment was agreed to.

The Acting CHAIRMAN. It is now in order to consider amendment No. 4 printed in House Report 109–254.

AMENDMENT NO. 4 OFFERED BY MR. LEACH

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

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

(Amendment No. 4 offered by Mr. LEACH:

Strike line 21 on page 49 and all that follows through line 4 on page 51 and insert the following new subsections:

''(c) ESTABLISHMENT OF REVISED MINIMUM CAPITAL LEVELS.—Notwithstanding subsections (a) and (b) and notwithstanding the capital classifications of the regulated entities, the Director may, by regulations issued under section 1319G(b) or by order—

''(1) establish a minimum capital level, for any particular enterprise, that is higher than the level specified in subsection (a) or, for any particular Federal home loan bank, that is higher than the level specified in subsection (b), as the Director deems necessary or appropriate taking into consideration the particular circumstances of the particular regulated entity, which may include any prudential standards necessary to ensure long-term insitutional viability and competitive equity in the market; or

''(2) establish a minimum capital level for the enterprises, for the Federal home loans banks, or for both the enterprises and the banks, that is higher than the level specified in subsection (a) for the enterprises or the level specified in subsection (b) for the Federal home loan banks, to the extent needed to ensure that the regulated entities operate in a safe and sound manner.

''(d) EFFECT ON OTHER AUTHORITY.—Nothing in this section may be construed to limit the authority of the Director to require a regulated entity to raise or maintain capital under other provisions of law, or pursuant to prompt corrective action or administrative enforcement actions, or in connection with conservatorship or receivership powers.''.

The Acting CHAIRMAN. Pursuant to House Resolution 509, the gentleman from Iowa (Mr. LEACH) and the gentleman from Massachusetts (Mr. FRANK) each will control 5 minutes.

The Chair recognizes the gentleman from Iowa (Mr. LEACH).

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

My amendment is to strengthen the capital requirements of the bill. But first, let me acknowledge that between passage in the committee and the bringing of the bill to the floor, the capital standard provision has been strengthened, and I congratulate the committee for doing that.

But secondly, let me stress that still at this point in time, even though the bill itself got a strong bipartisan committee vote, it lacks the support of the administration. The principal reason does not relate to some of the debate that has occurred earlier on a very important issue, it relates to the fact that the Department of the Treasury, that is the administration, does not want to have accountability for regulation if it is not given adequate authority. And, lacking adequate authority, it feels that this approach is not one that produces greater safety and soundness for the American financial system.

So what this amendment does is strengthens the capital standard provision. Minimum capital is the amount of capital needed to protect financial institutions against broad categories of business risk, so when a crisis strikes, there is a reserve to fall back upon. Capital is especially important for GSEs because their short-term obligations are large, and they are single-industry-intensive. Fannie Mae and Freddie Mac, for instance, have debt obligations due within a year of about 45 percent of their debt liabilities. Any problem with capital markets affecting these firms could become very large, very quickly.

What might ''very quickly'' mean? Because of the scale of short-term obligations of the GSEs, the GSEs are rolling over many billions of dollars of obligations each week. For this reason, a market crisis could become acute in a matter of days, and this is something the country has to think through.

Today's House vote comes nearly a year after Federal regulators ordered Fannie Mae to restate $10.8 billion in previously reported earnings because of accounting problems several years ago, and this is not long after Freddie Mac restated about $5 billion in earnings. The stakes are significant, given that these two GSEs carry together about $1.5 trillion in debt. The failure of either institution could potentially make the savings and loan crisis of a generation ago look somewhat minor.

I would stress here that Fannie and Freddie are very unique institutions. They are, on the one hand, secondary market institutions serving as intermediaries primary markets as well as a tertiary market. On the other hand, when they hold mortgages in their portfolios, they are, in effect, simply another S&L. Hence, while financial risk management tools are much greater than they were a generation ago when we had the S&L crisis, in one sense, for these two institutions, their use is a little bit more problematic, because in the housing industry risk is transferred to Fannie and Freddie disproportionately. They become receivers of risk and as risk becomes concentrated within these institutions, they disproportionately become on the hook if very extraordinary things happen in the economy, something that is not beyond thinking.

In the 1980s, without sufficient capital, S&Ls grew larger and entered new lines of business as their capital basis shrunk, and, when things got bad, the taxpayer was on the hook for $250 billion. Fannie and Freddie today operate on a capital base much less than S&Ls did just before their collapse in the 1980s.

It has been suggested by some—actually, a ''Dear Colleague'' letter has

been circulated—that opponents believe that my amendment would limit the discretion of the new regulator. I would only suggest that that is not my intent, and it is clearly not the intent of the language.

Let me just describe what the Federal Reserve says about this. In a letter dated October 5, 2005, Chairman Greenspan wrote, ''This amendment would improve the proposed legislation. . . The regulators for the GSEs should have a free hand in determining . . . minimum risk-based capital standards for these enterprises. Your amendment would give the regulator greater discretion in this critical area.''

It is one thing to have institutions established to have an advantage in cost of money provided by the United States Government, and another thing to also have advantage in leverage ratio provided by the United States Congress. So because the growing presence of GSEs in our markets and the possible risk they pose to our financial system are significant, it is clear we need a strong regulator, and I would urge that this regulator be given this additional authority.

The Acting CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, the gentleman from Iowa is a thoughtful Member and the former chairman of the committee, who has been very critical of the role of GSEs, and I think this is, frankly, not so much a specific amendment as an expression of a sense that, a view that they have gotten too large. One particular aspect to the amendment seems to me to sum this up when it calls for higher minimum capital requirements as the director deems necessary or appropriate to ensure long-term institutional viability and competitive equity in the market.

Now, we are all for long-term institutional viability, but competitive equity means, look, there are banks who complain that because Fannie and Freddie are perceived to have some back-up from the Congress, and let me say right now, if you are listening, if you are buying Fannie or Freddie's paper because you think I am going to vote to bail you out, sell it, and cash it in, I am not going to do that. I do not think there is a Federal guarantee. I certainly, as a great supporter of their housing role, do not plan to do that. But banks complain that they cannot meet Fannie and Freddie's price because Fannie and Freddie can borrow money more cheaply. That is part of what we are dealing with here when you talk about competitive equity.

I agree that Fannie and Freddie get certain advantages in this. That is why we have virtual unanimity here. There are debates about restrictions on what happens when you go into the Affordable Housing Fund, but there is virtual unanimity about having an Affordable Housing Fund.

What we are saying is there are two ways we can do this. We can reduce what we think is Freddie and Fannie's competitive advantage, or you can make sure that more of that competitive advantage is shared with the housing market, and that is the position that the majority, bipartisan majority of the committee has taken.

When the gentleman from Iowa talks about competitive equity, it seems to me you are inviting the banks to say, wait a minute, that is not fair, and we do not want Fannie and Freddie to be able to do this as cheaply as possible because it is not fair to us.

With regard to the powers of the regulator, the gentleman from Louisiana played a major role in this, and the gentleman from Pennsylvania was with him, and the chair and ranking member of the subcommittee. The regulator is fully empowered. The regulator within the bill is fully empowered to do whatever is necessary for safety and soundness. The regulator can raise capital in general; the regulator can decide that a particular activity is risky, and capital should be raised to compensate for that. But to go beyond and to get into competitive equity, it seems to me to be not so much a concern for safety and soundness as the philosophical question.

I would also say that with all of the misdeeds of Fannie and Freddie, their safety and soundness has not been called into question. Yes, there were accounting misdeeds, and people got money who should not have gotten it, and some are being penalized as they should be, but safety and soundness has not been called into question, and this legislation further enhances what the regulator does.

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

Mr. FRANK of Massachusetts. I yield to the gentleman from Iowa.

Mr. LEACH. Mr. Chairman, first I would like to make clear that what the amendment does is say, ''which may include'' consideration for what the gentleman has just indicated.

Mr. FRANK of Massachusetts. Competitive equity.

Mr. LEACH. That is correct. But secondly, if you do not have concern for competitive equity, you put the taxpayer at greater risk because you will have weaker standards. You also drive a system that we will be putting all assets of a given kind of industry within a governmentally privileged institution. That is what the trends are. So this is both a taxpayer protection and free market protection.

□ 1430

Mr. FRANK of Massachusetts. Well, I would say to the gentleman, we agree on this. Competitive equity has got nothing to do with protecting the taxpayers, except the taxpayers who happen to own banks. That is where competitive equity comes in.

The fact is that safety and soundness is what protects the taxpayers. Competitive equity has to do with fairness to competitors. That does not implicate the Treasury.

Mr. Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. NEUGEBAUER).

Mr. NEUGEBAUER. Mr. Chairman, I rise in opposition to the Leach amendment. H.R. 1461 clearly stipulates that the new regulator for Fannie, Freddie, and the Home Loan Banks has the authority to increase the minimum capital levels ''to the extent needed to ensure that the regulated entities operate in a safe and sound manner.''

This is a broad grant of authority to this new regulator. The Leach amendment, however, begins to limit the discretion of the regulator by adding several competitive issues in the determination of the minimum capital.

The Leach amendment would effectively establish minimum capital at an arbitrary decision, by equating that to banks. Let us be very clear that these entities are not banks. One of the things that we need to make sure of is that if we are going to form a world-class regulator for these entities and that we are going to put in place people to manage that process and to regulate these entities, we need to give them the discretion that they need to make sure that as they set those capital levels that they are considering the economy, the state of the markets at that particular time, and have the ability to regulate to those entities and not try to make those entities something that they are not, and these entities are not banks.

The gentleman's amendment does not do anything to increase the safeness and the soundness of these institutions. By the very fact that the regulators will have the ability to do that, set those minimum capital levels at a level that they need to be, gives them the flexibility to do that.

And so I would urge Members to vote against the Leach amendment.

The Acting CHAIRMAN (Mr. PUTNAM). The question is on the amendment offered by the gentleman from Iowa (Mr. LEACH).

The question was taken; and the Acting Chairman announced that the noes appeared to have it.

Mr. LEACH. Mr. Chairman, I demand a recorded vote.

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Iowa (Mr. LEACH) will be postponed.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments on which further proceedings were postponed, in the following order:

Amendment No. 1 by Mr. OXLEY of Ohio.

Amendment No. 4 by Mr. LEACH of Iowa.

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 1 OFFERED BY MR. OXLEY

The Acting CHAIRMAN. The pending business is the demand for a recorded

vote on the amendment offered by the gentleman from Ohio (Mr. OXLEY) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 210, noes 205, not voting 19, as follows:

[Roll No. 541]

AYES—210

Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boustany
Brady (TX)
Brown (SC)
Burgess
Burton (IN)
Buyer
Calvert
Camp
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole (OK)
Conaway
Crenshaw
Cubin
Culberson
Cunningham
Davis (KY)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Dent
Doolittle
Drake
Dreier
Duncan
Emerson
English (PA)
Everett
Farr
Feeney
Ferguson
Fitzpatrick (PA)
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gillmor
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Green (WI)
Gutknecht
Hall
Harris
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Issa
Istook
Jenkins
Jindal
Johnson (CT)
Johnson, Sam
Jones (NC)
Keller
Kelly
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCaul (TX)
McCotter
McCrery
McHenry
McKeon
McMorris
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Oxley
Paul
Pearce
Pence
Peterson (PA)
Pickering
Pitts
Poe
Pombo
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Regula
Rehberg
Reichert
Renzi
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schmidt
Schwarz (MI)
Sensenbrenner
Sessions
Shadegg
Shays
Sherwood
Shimkus
Shuster
Simpson
Smith (TX)
Sodrel
Souder
Stearns
Sullivan
Tancredo
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOES—205

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (NY)
Blumenauer
Boren
Boucher
Boyd
Bradley (NH)
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Case
Chandler
Clay
Cleaver
Clyburn
Conyers
Cooper
Costa
Costello
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Edwards
Ehlers
Engel
Eshoo
Etheridge
Evans
Fattah
Filner
Ford
Frank (MA)
Gilchrest
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Harman
Hastings (FL)
Herseth
Higgins
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy
McCollum (MN)
McDermott
McGovern
McHugh
McIntyre
McKinney
McNulty
Meehan
Meeks (NY)
Melancon
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Otter
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Petri
Pomeroy
Price (NC)
Rahall
Ramstad
Rangel
Ross
Rothman
Ruppersberger
Rush
Ryan (OH)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Sherman
Simmons
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Sweeney
Tanner
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Woolsey
Wu
Wynn

NOT VOTING—19

Bishop (GA)
Boswell
Brown-Waite, Ginny
Cannon
Diaz-Balart, L.
Diaz-Balart, M.
Emanuel
Foley
Meek (FL)
Moran (VA)
Platts
Reyes
Reynolds
Ros-Lehtinen
Roybal-Allard
Shaw
Towns
Wexler
Whitfield

□ 1457

Mr. WEINER, Ms. MILLENDER-McDONALD, and Mr. GILCHREST changed their vote from ''aye'' to ''no''.

Mr. SIMPSON changed his vote from ''no'' to ''aye''.

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. FARR. Mr. Chairman, on rollcall No. 541, I inadvertently voted ''aye.'' I wish the RECORD to show that had I voted correctly, I would have voted ''no.''

AMENDMENT NO. 4 OFFERED BY MR. LEACH

The Acting CHAIRMAN (Mr. PUTNAM). The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Iowa (Mr. LEACH) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 36, noes 378, not voting 19, as follows:

[Roll No. 542]

AYES—36

Beauprez
Blackburn
Chocola
Cooper
Dicks
Dingell
Duncan
Ehlers
Flake
Franks (AZ)
Garrett (NJ)
Gilchrest
Gillmor
Gutknecht
Hensarling
Hostettler
Johnson (CT)
King (IA)
Kingston
Latham
Leach
Lungren, Daniel E.
Musgrave
Nussle
Paul
Pence
Petri
Rohrabacher
Royce
Ryan (WI)
Shadegg
Shays
Taylor (MS)
Taylor (NC)
Wamp
Wynn

NOES—378

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Becerra
Berkley
Berry
Biggert
Bilirakis
Bishop (NY)
Bishop (UT)
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Carter
Case
Castle
Chabot
Chandler
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Conyers
Costa
Costello
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dent
Doggett
Doolittle
Doyle
Drake
Dreier
Edwards
Emerson
Engel
English (PA)
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Feeney
Ferguson
Filner
Fitzpatrick (PA)
Forbes
Ford
Fortenberry
Fossella
Foxx
Frank (MA)
Frelinghuysen
Gallegly
Gerlach
Gibbons
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall
Harman
Harris
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Holt
Honda

Hooley
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (NY)
Kirk
Kline
Knollenberg
Kolbe
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
LaTourette
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lynch
Mack
Maloney
Manzullo
Marchant
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McKinney
McMorris
McNulty
Meehan
Meeks (NY)
Melancon
Menendez
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Murphy
Murtha
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Ney
Northup
Norwood
Nunes
Oberstar
Obey
Olver
Ortiz
Osborne
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Peterson (MN)
Peterson (PA)
Pickering
Pitts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Rogers (AL)
Rogers (KY)
Rogers (MI)
Ross
Rothman
Ruppersberger
Rush
Ryan (OH)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schmidt
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stark
Stearns
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Young (AK)
Young (FL)

NOT VOTING—19

Berman
Bishop (GA)
Boswell
Brown-Waite, Ginny
Diaz-Balart, L.
Diaz-Balart, M.
Emanuel
Foley
Markey
Meek (FL)
Moran (VA)
Platts
Reyes
Reynolds
Ros-Lehtinen
Roybal-Allard
Shaw
Wexler
Whitfield

□ 1506

Mr. ADERHOLT changed his vote from ''aye'' to ''no.''

Mr. ROHRABACHER changed his vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

The Acting CHAIRMAN (Mr. BISHOP of Utah). It is now in order to consider amendment No. 5 printed in House Report 109–254.

AMENDMENT NO. 5 OFFERED BY MR. ROYCE

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

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 5 offered by Mr. ROYCE:

Page 53, line 20, after ''enterprise'' insert the following: '', with mitigating systemic risk to the housing or capital markets or the financial system,''.

The Acting CHAIRMAN. Pursuant to House Resolution 509, the gentleman from California (Mr. ROYCE) and the gentleman from Pennsylvania (Mr. KANJORSKI) each will control 5 minutes.

The Chair recognizes the gentleman from California (Mr. ROYCE).

Mr. ROYCE. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. GARRETT).

Mr. GARRETT of New Jersey. Mr. Chairman, I rise in support of this legislation, which strengthens the language with regard to portfolios and GSEs.

The GSEs claim that they are shock absorbers in the system. One of the main reasons that Fannie and Freddie claim they should not have their portfolios limited is that they provide a stable means of support for the residential finance markets at times of crisis.

Fannie's CEO, Dan Mudd, testified that ''our mortgage portfolio allows us to play a shock-absorbing function for the finance system during times of potential difficulty.''

This week, Freddie's president, Eugene McQuade, was quoted as saying that the enterprises provided a source of stability to the mortgage finance market after the September 11 terrorist attacks.

This is a nice thought, Mr. Chairman. However, their statements are not true.

If you look at Fannie's purchases for its portfolio during every month of 2001, you will notice that its purchases in September of 2001, of that year, were the lowest level of anytime during that year.

Fannie might argue that they acted as a shock absorber not by buying mortgages and MBS, but by committing to buy in succeeding months.

Mr. Chairman, I will conclude by saying that we should support these significant portfolio limitations in order to make sure that GSEs are able to be reined in and not become what they have said they are and go out of their range of portfolio.

Mr. KANJORSKI. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. GARY G. MILLER).

(Mr. GARY G. MILLER of California asked and was given permission to revise and extend his remarks.)

Mr. GARY G. MILLER of California. Mr. Chairman, this amendment basically is unnecessary. It interferes with the GSEs' ability to provide stability and liquidity to the residential mortgage market, including during times of crisis, which is mostly important.

The bill already allows the regulator to address safety and soundness concerns through risk-based capital, minimum capital, and portfolio powers. Adding this systemic risk language would likely add uncertainty and instability into the secondary-mortgage market, ultimately resulting in a negative impact on the housing markets.

H.R. 1461 gives the new regulator the same powers and authority that bank regulators have, and more, including the authority to limit the growth of the housing GSEs for safety and soundness reasons.

Bank regulators do not have the authority to limit growth of banks for undefined systemic risk reasons. The Royce amendment goes beyond the bank-like regulation.

Similar to bank regulatory authority, H.R. 1461 gives the GSE regulator the discretion to increase a GSE's capital requirement, particularly the minimum capital requirement, which effectively empowers the regulator to limit the growth of a GSE's portfolio.

H.R. 1461 also gives the regulator the authority to adjust risk-based capital, which provides a risk-related measure by which the regulator evaluates all aspects of a GSE's business.

H.R. 1461 already provides an unprecedented level of authority over the enterprises' portfolios.

The bill gives the regulator broad authority over the size and competition of the GSEs' portfolios.

The regulator could force an enterprise to dispose of any asset or liability if the regulator determines that doing so would be consistent with safety and soundness.

Let me quote from the bill itself. H.R. 1461, page 53: ''Notwithstanding the capital classifications of the GSE, the director may by order require an enterprise, under such terms and conditions as the director determines to be appropriate, to dispose of or acquire any asset or liability, if the director determines that such action is consistent with the safe and sound operation of the GSE.''

By harming the GSEs' ability to support our Nation's mortgage market, the Royce amendment would endanger housing.

Reducing the size of the GSE portfolios for reasons other than those affecting the safety and soundness of the company could negatively impact home buyers and the mortgage market in the following ways: one, increasing mortgage rates for customers; two, limiting the liquidity available to small lenders to sell their mortgages, and many more.

I strongly encourage a ''no'' vote for this amendment.

Limiting the GSEs' ability to sustain the market in time of crises and keep mortgage rates stable.

Reducing new mortgage product innovation—limiting the GSEs' ability to reach underserved populations and achieve their housing goals.

CONCLUSIONS

GSEs are essential to housing market. The GSEs' mortgage investment activities are crucial to fulfilling their mission to provide liquidity, stability and affordability in the residential mortgage market.

Banks are not obligated to provide liquidity, stability or affordability to the mortgage market. They are free to enter or leave the market at any time. When market conditions become less favorable, they will shift into other, more profitable investments.

Royce will reduce liquidity. Arbitrarily forcing the GSEs to reduce their mortgage investments would reduce liquidity in the mortgage market, hinder the GSEs' ability to stabilize the market, and make mortgage credit more expensive.

Mr. ROYCE. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. HENSARLING).

Mr. HENSARLING. Mr. Chairman, I thank the gentleman for yielding me time, and I thank him for his amendment.

First, I want to thank the gentleman from Ohio (Mr. OXLEY) and the gentleman from Louisiana (Mr. BAKER) for bringing us to this position in the first place.

Clearly, there have been huge accounting irregularities at our GSEs. Clearly, something needs to be done; and with these accounting irregularities, we also know that we have very significant systemic risks to our economy that are involved with the GSEs' portfolio holdings.

Chairman Greenspan has testified before our committee on numerous occasions about this. It is time that we do something.

This is as straightforward an amendment as it can be. It simply adds a sentence to this legislation allowing the new regulator the authority to step in, where necessary, to reduce the size of Fannie and Freddie's portfolios, something that we know has nothing to do with their mission of creating liquidity in the secondary-mortgage market.

Again, as Chairman Greenspan said before, ''Without the needed restrictions on the size of the GSE balance sheets, we put at risk our abilities to preserve safe and sound financial markets in the United States, a key ingredient of support for housing.''

I urge a ''yes'' vote on the amendment.

□ 1515

Mr. KANJORSKI. Mr. Chairman, I yield 1 minute to the gentleman from Virginia (Mr. TOM DAVIS).

Mr. TOM DAVIS of Virginia. Mr. Chairman, I rise in opposition to the amendment.

Briefly, I want to note that the existing committee print already gives the regulator power to force Freddie Mac and Fannie Mae to sell assets for any possible safety and soundness problems. I am not sure that adding an additional test, one that is ill-defined, will accomplish any additional good.

And it could do some harm. Here is why: under this amendment, a regulator could decide to force a healthy, over-capitalized Freddie or Fannie to sell assets at a time when the housing market could ill afford it. The ripple effects on local homeowners, communities, and economies could suffer, all in the name of this theoretical term of ''systemic risk.''

I should add this approach is not consistent with the banking world. This power to punish a healthy institution in advance of any real safety and soundness problem does not exist in the banking world. And many banks are now the same size as Freddie and Fannie. I urge Members to support the well-balanced committee print language.

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

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

I have a great deal of respect for the proponent of this amendment. I know he is a very serious and thoughtful Member; but I think this amendment goes overboard from the standpoint of during the 6 years of consideration of this bill, we balanced out very well the structure to create a regulator that would be similar to the bank regulators. The powers involved in this bill allow for the regulator to control safety and soundness and to have direction of the portfolio when systemic risk would occur in these particular organizations.

This amendment goes far beyond that and allows the latitude to the regulator to get involved whenever there are capital-markets instability, not only housing instability, but capital markets or the financial system instability. What it means is we will always be subject to the whim and fancy of a regulator to require these GSEs to sell assets or sell liabilities at the whim of the regulator's thought that there may be some need to regulate systemic risk, when in fact these organizations suffer no systemic risk.

I join with the gentleman from Virginia (Mr. TOM DAVIS) when he analyzes out that what we would be doing is arming a regulator who may not always be the most thoughtful individual in the world to take actions against our housing industry and our housing GSEs at the most inappropriate time and moment, causing destabilization to the housing market and, in effect, causing further destabilization and systemic risk to the financial markets. I urge my colleagues on both sides of the aisle to vote ''no'' on this amendment.

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

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

Mr. Chairman, I rise today in support of this amendment dealing with systemic risk to H.R. 1461, the legislation to reform oversight of the Nation's three housing GSEs.

I think most people would assume that Congress would and should create a regulator with the authority to protect the broader financial system with respect to systemic risk, especially in light of the warnings of systemic risk from the Federal Reserve and the Treasury, the $1.5 trillion of mortgage assets concentrated in just two companies, the special ties the GSEs have with the Federal Government, and the over-$2 trillion in GSE debt.

Unfortunately, the fact of the matter is that H.R. 1461 fails to give the regulator the authority to protect the financial system against a potential shock that would seriously undermine the U.S. housing market and the global financial system.

I have just spoken with Alan Greenspan's office this afternoon, and they totally reject the argument that the regulator has this ability to take into account the systemic risk and take the necessary actions in the bill; and also the Bush administration disagrees with that assertion. They think it is not in there.

Furthermore, if the authority is already in the bill, what is wrong with my additional 14 words stating it explicitly. Let me also make the point that my amendment would allow the regulator to review the investment holdings of Fannie Mae and Freddie Mac, and this authority is necessary because the huge concentration of on-balance sheet assets of Fannie Mae and Freddie Mac create too much interest rate risk, in other words, too much exposure to swings in interest rates in the hands of only a few risk managers.

The traditional mortgage guarantee business model at Fannie Mae and Freddie Mac provides liquidity in the mortgage market and helps homeownership without increasing risk to the taxpayer. However, the enterprises' on-balance sheet mortgage assets only benefit Fannie and Freddie shareholders at the expense of the taxpayer.

Taking into account the unequaled levels of debt outstanding and the unprecedented use of derivatives to manage interest rate risk at the enterprises, the Federal Reserve and the Treasury Department believe that the on-balance sheet mortgage assets of the two enterprises create systemic risk to the global financial markets.

Mr. Chairman, Congress failed to rein in the savings and loan industry in the early 1980s. That failure led to hundreds of billions of dollars in taxpayer losses. Today, however, Congress has been forewarned by the Fed, the Treasury, the OECD, and the IMF. I would like to end debate on this amendment with the words of our distinguished chairman of the Federal Reserve, Alan Greenspan, who has publicly urged the House of Representatives to defeat H.R. 1461 unless the threat of systemic risk is addressed. He said: ''To fend off possible future systemic difficulties, which we at the Federal Reserve Board assess as likely if GSE expansion continues unabated, preventative actions are required sooner rather than later.'' I urge my colleagues to support this amendment.

The Acting CHAIRMAN (Mr. BISHOP of Utah). The question is on the amendment offered by the gentleman from California (Mr. ROYCE).

The question was taken; and the Acting Chairman announced that the noes appeared to have it.

Mr. ROYCE. Mr. Chairman, I demand a recorded vote.

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from California (Mr. ROYCE) will be postponed.

It is now in order to consider amendment No. 6 printed in House Report 109–254.

AMENDMENT NO. 6 OFFERED BY MR. PAUL

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

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 6 offered by Mr. PAUL:

Page 64, after line 12, insert the following new section:

SECTION 117. ELIMINATION OF AUTHORITY TO BORROW FROM TREASURY OF THE UNITED STATES.

(a) FANNIE MAE.—Section 304 of the Federal National Mortgage Association Charter Act (12 U.S.C. 1719) is amended by striking subsection (c).

(b) FREDDIE MAC.—Section 306 of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1455) is amended by striking subsection (c).

(c) FEDERAL HOME LOAN BANKS.—Section 11 of the Federal Home Loan Bank Act (12 U.S.C. 1431) is amended by striking subsection (i).

The Acting CHAIRMAN. Pursuant to House Resolution 509, the gentleman from Texas (Mr. PAUL) and the gentleman from Massachusetts (Mr. FRANK) each will control 5 minutes.

The Chair recognizes the gentleman from Texas (Mr. PAUL).

Mr. PAUL. Mr. Chairman, I yield myself 3 minutes.

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

Mr. PAUL. Mr. Chairman, my amendment is straightforward. It cuts off a line of credit to the Treasury. The GSEs have a line of credit of $2 billion. It is said that it is not important because they never use it. The answer really to that is if they never use it, why leave it on the books. But we do know they indirectly use it. It has been described as a subsidy, because the GSEs can go into the market and get a discount on their loan costs; therefore, they can out-compete the private sector. My amendment merely eliminates that line of credit, puts a greater burden on the marketplace to regulate the GSEs rather than depending on regulation.

I think Members can see there is a problem with our GSEs. The debt is horrendous. Today, the administration sent a letter around and said that the debt of the GSEs totals $2.5 trillion, and they also guarantee in addition $2.4 trillion. That adds up to more money than the Federal Government has borrowed. So it is a tremendous amount of money and credit that is in the system; and people have become frightened about this, including chairman of the Federal Reserve Board, Alan Greenspan.

But what we are doing here today is not addressing the real problem: Why is it out of control? Why is there a financial housing bubble that everybody is afraid is going to undergo a severe correction?

One of the major reasons is the fact that it has this special line of credit. So if we want to address the real cause of the problem, we have to eliminate the line of credit. So it rather amazes me that we do this much legislating without addressing the real cause of our problem.

Of course, there are other things that contribute to the housing bubble, something that we cannot deal with today, but the fact that there is easy credit and low interest rates, interest rates below the market level, that is then directed into the housing market. This also contributes to the size and the scope of the borrowing capacity of the GSEs.

Also in this bill, of course, we are adding into this a brand new housing program which is said to probably involve another billion dollars in the next 2 years. I guess it is not surprising when The Wall Street Journal editorializes against this. Unfortunately, they are not very kind. They say this bill is another ''Republican policy embarrassment''.

This housing bubble, a housing program that we are starting up, how do we finance it? Well, we tax the GSEs. Instead of arguing the case for the marketplace and letting people earn money legitimately without subsidies, what we do, we keep allowing the system to continue. They do make profits, and then we tax them. We are talking about an additional tax, and this might very well be the reason the administration has come out against this bill, because of this new tax.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, first, the administration has been somewhat inconsistent on this. A year ago, Secretary of HUD Jackson boasted about the fact that he was insisting Freddie and Fannie increase the extent to which they do low-income housing because we have always had affordable housing goals enforced by law. So the administration last year was insisting that Fannie and Freddie use more of their money to help low-income people.

Let me say, I am not surprised. The gentleman from Texas (Mr. PAUL) has been straightforward. He is one of the most intellectually honest Members of the House. Sometimes, like on casino gambling and medical marijuana, I am glad to be with him. This time we disagree. He is very clear in saying we should not be doing subsidized housing. He is quite clear.

If his amendment were to pass, we would not be able to have an affordable housing program because the level of profits Fannie and Freddie generate, which we are tapping in part, 5 percent, to do affordable housing, would substantially diminish.

Yes, I think people ought to be able to work to build housing; but low-income people, people working at the minimum wage, a minimum wage the gentleman does not want to raise, are not going to be able to build their own housing.

People in the hurricane area who get priority, if the affordable housing bill goes through, that part of the bill goes through, hundreds of millions of dollars will be available to replace housing literally washed away in Mississippi, Alabama, Texas, and in Florida. There is no way people down there will be able to do it on their own. The gentleman has been quite explicit, and I appreciate his being honest about it.

If this amendment passes, the effect will be to substantially increase the capital cost to Fannie and Freddie. They will have to pay more for capital. Once they pay more for capital, not only would the affordable housing fund disappear, but so will the ability of the Bush administration, through Secretary Jackson, to demand that they meet certain housing goals. And leave aside the affordable housing program, the Bush administration, under Secretary Jackson, is proud of what it did to order Fannie and Freddie to do more to meet affordable housing goals, to buy up mortgages for people at 80 percent of median income. I hope that the gentleman's amendment in this particular case is defeated.

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

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

If we had a bill that was a little cleaner, we probably would be dealing with the problems we face with the GSEs and we would be dealing with a housing program, a new housing program, probably with a different bill.

I see one attempt is to deal with this problem that we face. Another attempt is we are deciding that we need more money directed into the housing industry, and of course your building friends like this, too. And those are Republican allies as well. The builders love this because we will pump more money into the market so they can make more profits. So it is another government housing project. From a market viewpoint, this is not good because we want the money in the market to be allocated purely by the market and not by government direction.

It is the government direction first from the inflation, the artificial interest rates, and then from the allocation of funds that cause distortion. That is what we are dealing with here, the distortion that people are literally frightened about because nobody can even measure the amount of derivatives that are involved with Fannie Mae and

Freddie Mac. People are holding their breath for an accident to happen.

I see this as an opportunity to talk about the marketplace, why we should move Fannie Mae and Freddie Mac into the market.

A lot of people complained about the problems we had with Enron, and we needed that as an excuse to pass a lot more regulation. The truth is the market dealt with Enron. Enron was dealt with rather cruelly by the marketplace before the regulators got there. What we need to do is not, and especially as Republicans and conservatives, talk about a world-class regulator and that it is going to solve all of these problems.

My argument is if we do not solve the problem of basic underlying inflation distortion of interest rates, allocation of funds through housing programs, as well as this line of credit, believe me, we are not going to solve this problem. Please vote to strike this line of credit to the Treasury.

□ 1530

As it was stated earlier on this floor, we may have some regulations built into this that may even precipitate the puncturing of the housing bubble. That nobody can predict. But without addressing the basic flaw in the system that has created this $5 trillion worth of debt, believe me, we will not have an answer. I urge a ''yes'' vote on this amendment.

The Acting CHAIRMAN (Mr. BISHOP of Utah). The time of the gentleman from Texas has expired.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself 30 seconds.

The gentleman's amendment actually does not go quite far enough, but he has a germaneness problem. What he really wants to do is abolish HUD, given his philosophy. He does not think there should be a Federal housing program. Since he cannot get at HUD, he goes after Fannie and Freddie in ways that would reduce substantially what we do in housing.

And, by the way, the administration's objection to this bill is not, as says the gentleman, that it is too much regulation. It is that we do not give the regulator enough powers. So the administration's position is somewhat opposite to the gentleman from Texas', not for the first time, to his credit.

Mr. Chairman, I yield 1½ minutes to the gentlewoman from Florida (Ms. WASSERMAN SCHULTZ).

Ms. WASSERMAN SCHULTZ. Mr. Chairman, I rise today to strongly oppose the Paul amendment and the civic engagement restrictions in the manager's amendment we previously debated. These will have a disproportionate and disparate impact on the State of Florida.

I just came back from my district, where the damage caused by Hurricane Wilma has been extensive. Its effects will be felt for months, if not years. Thousands of Floridians are living in shelters, as thousands of homes in the State were severely or completely destroyed.

People in Florida, Texas, the Gulf States, and across the country have been affected by these storms and have real life issues to deal with: food, shelter, clothing, fuel, lines for 2 and 3 hours to get fuel. I had to drive 150 miles today before I could find one gas station that only had about a half-hour line.

These people need shelter. They are going to need affordable housing. They could care less about partisan politics. These restrictions are misplaced and unnecessary. They preclude legitimate nonprofits from accessing affordable housing funds at a time when hundreds of thousands of Americans desperately need this assistance. We should not be clouding the need for affordable housing with partisan politics.

I urge my colleagues to stay focussed on the issues that are at the center of people's lives and vote ''no'' on this amendment and ultimately support the gentleman from Massachusetts' motion to recommit.

Mr. FRANK of Massachusetts. Mr. Chairman, we have had very limited time here, so I am going to stray to another topic relative to the bill.

Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. SHERMAN).

Mr. SHERMAN. Mr. Chairman, I thank the gentleman for yielding me this time and for inviting me to address the Garrett amendment, which comes up next, and to urge that we oppose that amendment.

I want to thank the chairman and the ranking member for including in the bill when it left our committee language proposed by the gentleman from California (Mr. GARY G. MILLER) and myself to raise the conforming loan limit in certain areas.

The reason we have these GSEs is to help middle-class families achieve the dream of homeownership. Since the beginning, we recognized that a middle-class family cannot find a home in Alaska and Hawaii at the same amounts with the same level of mortgage as in the other 48 States. So we have always had a higher limit for those States. We now must recognize that in Los Angeles, New York, and certain other areas, housing prices are every bit as high as in some parts of Alaska and Hawaii. And that is why the bill that we need to defend from the Garrett amendment provides for a conforming loan limit, that is either as high as it is in Alaska and Hawaii or such lower amount as equals the average home price in that area.

We have middle-class families in my district, a police officer married to a teacher, trying to get a home. Do not deprive them of the benefits of these GSEs on the theory that they are wealthy. They are not.

The Acting CHAIRMAN (Mrs. CAPITO). The question is on the amendment offered by the gentleman from Texas (Mr. PAUL).

The question was taken; and the Acting Chairman announced that the noes appeared to have it.

Mr. PAUL. Mr. Chairman, I demand a recorded vote.

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Texas (Mr. PAUL) will be postponed.

It is now in order to consider amendment No. 7 printed in House Report 109–254.

AMENDMENT NO. 7 OFFERED BY MR. GARRETT OF NEW JERSEY

Mr. GARRETT of New Jersey. Madam Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 7 offered by Mr. GARRETT of New Jersey:

Strike line 21 on page 81 and all that follows through line 4 on page 91.

The Acting CHAIRMAN. Pursuant to House Resolution 509, the gentleman from New Jersey (Mr. GARRETT) and the gentleman from California (Mr. GARY G. MILLER) each will control 5 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. GARRETT).

Mr. GARRETT of New Jersey. Madam Chairman, I yield myself 2 minutes.

My amendment would strike the language in the bill that raises the conforming loan limits for certain parts of the United States. H.R. 1461 would raise by 50 percent the maximum size mortgage Fannie Mae and Freddie Mac could buy.

This language hurts the very basic functions of GSEs to provide liquidity and help lower-income home buyers.

While the GSEs are chartered to operate in every district across the country, their effectiveness in serving low-income borrowers has been seriously hindered because they focus instead on bigger and bigger loans to higher and higher-income borrowers. Presently, Fannie and Freddie can buy first mortgages on single-family houses up to $359,000. That limit is the so-called ''conforming loan limit,'' and it rises every year. Next year it will go up to $400,000. But with the bill now, it will go up to $600,000 in 2006. A home buyer would need an income of almost $200,000 to buy that home. Is that what Fannie Mae was intended to help?

According to a study by the Federal Reserve published last January, the interest rate difference between a conforming loan and a jumbo loan fluctuates between .15 percent and .18 percent, most of which is pure profit for Fannie Mae. Based on the current interest rate environment, this means at best Fannie is going to lower monthly costs by simply $60 for someone buying that $200,000 loan who is now paying $3,300 or so a month in mortgage payments.

The problem for Fannie is this extension into jumbo loans for higher-income families and forgetting about

their mission to help lower-income families comes with a an added price, a risk to their balance sheets.

Chairman Greenspan and Secretary Snow have consistently raised their concerns about the systemic risks that the size of Fannie and Freddie's portfolios pose to our Nation's housing market. And if we allow them now to participate in the jumbo loan market as well, they will only continue to further exacerbate this dire situation.

We should ask, why was it even proposed that Fannie get this added power to help high-income home buyers? Was there a problem that needed to be fixed? No such evidence was ever presented at any of the committee hearings.

The private sector has adequate sources of funding for loans that are above the conforming limits. An active private secondary market for larger mortgage loans that did not exist when the enterprises were set up is now active to supplement these sources of funding, and allowing Fannie to take on higher costs in jumbo loans only takes valuable time and resources away from their enterprises.

Madam Chairman, I reserve the balance of my time.

Mr. GARY G. MILLER of California. Madam Chairman, I yield myself such time as I may consume.

GSEs have been at the forefront of creating affordable housing opportunities for American families.

While nationally the homeownership rate is at a record high of 69.2 percent, many high-cost metropolitan areas across the Nation lag behind this national rate. In the second quarter of 2004, the national average was 69.2 percent. Yet in New York, New York it was 36.6; Los Angeles, California, 51.6; Orange County, California 61.4; and Boston, Massachusetts, 59.4.

The high-cost area designation takes median home prices into account, but would be capped at 150 percent of the statutory loan limit, the same limit that now applies to Alaska, Hawaii, Guam, and the Virgin Islands. If it is good enough for Alaska, Guam, Hawaii, and the Virgin Islands, it should also be good enough for California; Michigan; New York; Connecticut; New Jersey; Nevada; Virginia; Washington, D.C.; Pennsylvania; Florida; New Hampshire; and many more. For example, in the North New Jersey Metropolitan Statistical Area, the median home price is $435,200. It this amendment passes, it would drop to $359,650 under the loan limits.

The conforming loan limit provision in this bill will make a meaningful cost difference for home buyers. Based on the current interest rate environment, the current monthly payment difference between a conforming loan and a jumbo loan can save a homeowner up to $171 per month. In high-cost areas a significant majority of entry-level homes exceed the national conforming loan limit. The conforming loan limits language in H.R. 1461 will help nearly 245,000 first-time home buyers. In fact, in the gentleman from New Jersey's (Mr. GARRETT) district alone, it helps 42,987 first-time buyers.

There is broad-based opposition to this amendment. National Association of Realtors oppose it; National Association of Home Builders, National Association of Mortgage Brokers, Independent Community Bankers of America, National Alliance of Independent Bankers. I just received a call from HUD Secretary Jackson, who also opposes this amendment.

There are three parts in section 123. The Garrett amendment deletes all three in this section. I think that is an error on his part.

This section sets conforming loan limits and requires the agency to make annual adjustments to the limits based on increases or decreases in a housing price index maintained by the agency.

Two, the accuracy of the housing price index is required to be audited by the GAO.

And, three, for high-cost metropolitan statistical areas, the conforming loan limit is raised to the lesser of 150 percent of the statutory limit or the median home price in the area.

The Garrett amendment does not just strike the high-cost area provision, it completely strikes the entire conforming loan limits section of the bill: One, how the loan limit is calculated. Two, it creates uncertainty on who is supposed to set the new loan limit every year. Three, it eliminates flexibility in loan limits to reflect market fluctuations, and the GAO study to develop loan limit is deleted by this amendment entirely.

This basically is to make sure that high-cost areas are provided the same flexibility that Guam, Alaska, Hawaii, and Virgin Islands are currently benefiting from. The housing costs are going up across this Nation. This bill was worked in a fashion to allow for that, to allow systematic review yearly of these high-cost areas so GSEs can go out and compete in the jumbo marketplace, decreasing the cost of loans to individuals, decreasing their payments, allowing more individuals in the first-time marketplace to own a home and get the best possible home they can buy, especially during bad times.

When the economy starts to fail, banks sometimes pull out of marketplaces. GSEs at that time pull into them in a heavier fashion to make sure there is liquidity.

There is ample overview within this bill to make sure safety and soundness are taken into consideration. These loans are securitized. These loans just are just not sitting out there floating in the marketplace. These are good, sound loans based on people who need that.

Madam Chairman, I reserve the balance of my time.

Mr. GARRETT of New Jersey. Madam Chairman, I yield myself 1 minute.

We must remember what the original focus of the GSEs was when they were initially chartered by this Congress, they were to do two things, and that is to provide liquidity to the marketplace and also to help provide for facilitating low-income buyers coming into the marketplace.

It is already set up in the law that the amount that GSEs can lend can go up every year. As it is right now, it stands at $359,000. It is set to go up to $400,000 for next year, in 2006. As the bill was amended in committee, it comes out now that that will go up by 50 percent.

I ask the question, how would we define somebody who is about to buy a $600,000 home? That individual would have to be making an income of around $200,000. Even if they are firemen, policemen, teachers, who have you, they would still need an income of $200,000 in order to buy a home at $600,000.

That was not the intent of GSEs. The intent was to help the low-income market to get their homes. By allowing the GSEs to get into this market, what we are doing is distracting them from their purpose and hurting those very people that they were intended to help: low-income people, whether they are in New Jersey or California or other high-interest-rate States, to be able to buy their first time.

Madam Chairman, I reserve the balance of my time.

Mr. GARY G. MILLER of California. Madam Chairman, the gentleman should have been consistent and deleted Alaska, Guam, Hawaii, and the Virgin Islands.

Madam Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. MENENDEZ).

Mr. MENENDEZ. Madam Chairman, I rise in strong opposition to the Garrett amendment, which would be devastating for middle-class families across New Jersey and in high-cost areas throughout the country.

While my colleague might argue that this amendment would have no effect on the ability of families to purchase a home, he is gravely mistaken.

The Garrett amendment prohibits Fannie and Freddie from purchasing mortgages at a higher cost than the current limit. This means that in the high-cost areas such as those in New Jersey where the median home price exceeds the national price by at least $200,000 in counties like Bergen and Passaic, families would not have access to an affordable loan. Under this amendment families will be priced out of their own neighborhood.

□ 1545

Those who live in higher-cost areas do not deserve to be punished and should not have to move somewhere else to obtain an affordable home loan; yet that is exactly what this amendment does. This amendment is a step backwards for efforts to open the doors to affordable homeownership. We should be trying to expand opportunities for families who dream of owning a home in the area they want to live in,

not shutting them out of achieving the American Dream.

I urge a ''no'' vote on the amendment.

Mr. GARRETT of New Jersey. Madam Chairman, I yield myself 20 seconds.

Madam Chairman, the assertion that this would be devastating to the market runs contrary to the facts before the committee. There was no evidence whatsoever presented to the committee to say that the system in place in States such as New Jersey or California or elsewhere are in need of GSEs to come in to increase their conforming limits by 50 percent. There is already an additional market out there that allows for people to buy jumbo loans; and there are a number of different variations, adjustable rate loans, that allow people who are in the upper brackets and making $200,000 to be able to afford and to buy these mortgages.

Mr. GARY G. MILLER of California. Madam Chairman, I yield 30 seconds to the gentleman from New York (Mr. ISRAEL).

Mr. ISRAEL. Madam Chairman, what we are debating here is what is affordable, how much is enough. Middle-class families know the answer. If you are in the middle class, you are too rich to be eligible for Federal programs, but too poor to be able to keep up with the cost of living.

The language that the gentleman from California (Mr. GARY G. MILLER), the gentleman from California (Mr. SHERMAN), and I worked into this bill is a commonsense, bipartisan compromise that keeps up with that middle-class squeeze that makes the American Dream of homeownership possible. With all due respect to the gentleman, this amendment makes the American Dream of homeownership even harder. We should defeat this amendment.

Mr. GARRETT of New Jersey. Madam Chairman, I yield myself the balance of my time.

Madam Chairman, as stated, the purpose of Fannie Mae and Freddie Mac, the GSEs, was to provide liquidity difficult to the market and allow first-time homeowners to get into the market in the first place. However, we want to define who those people are, and I think some things we can agree on: those people who are making $200,000 and who want to expand and go up to larger houses should not be the ones that we define as lower-income individuals.

The statistics also show that came before our committee that even if we put this into place, the differential on mortgage rates would account for around $60 to $70 per mortgage. So if you are buying that $600,000 house and paying $3,000 or $3,300 a month, even if this bill were to pass, you would only see your savings of around $60 or $70.

I think the focus of Congress should be what it was when Fannie and Freddie were first set up, and that is to help those people get into their very first home. We can do that best by limiting their function to what it was prior to this amendment in the committee, and that is to focus on first-time home buyers in every State of the Union to be able to buy that first home, people of low and modest means who need the assistance of a government-backed program such as Fannie and Freddie to be able to know that there is a program there that allows them to get into that loan.

We can allow the other market, which is already in place, which has been functioning properly, where there is no evidence whatsoever to come before our committee that says there was a need to expand in this area, to continue to provide the financing for people who are at the upper-income levels of $200,000 and the like to be able to buy those homes.

Madam Chairman, I believe the best thing in mind is to make sure we remain in place the system that allows first-time home buyers the ability to get into their homes. By voting ''yes'' on this amendment, we be will be able to do that.

Mr. FARR. Madam Chairman, I rise in strong opposition to the Garrett amendment that would prevent an increase in the Conforming Loan Limit.

If the Conforming Loan Limit is not increased, middle income families on the Central Coast of California will not be able to own a piece of the American dream—their own home.

Right now, Fannie Mae and Freddie Mac can purchase single family mortgages up to a nationwide limit of $359,650.

Increasing the Conforming Loan Limit will allow these GSEs greater access to high cost housing markets, which will increase the availability of mortgage capital which will increase homeownership.

I understand a mortgage of $359,650 sounds like a lot in some congressional districts, but in my district, middle class families will be priced out of the housing market if the Conforming Loan Limit is not increased.

Let me give you some examples of housing prices for my district—

Monterey County, the median home sales price in September 2005 was $712,797.

Santa Cruz County, the medium home sales price in September 2005 was $750,000.

For the City of Salinas, in Monterey County, the median home sales price in September was $610,000, while the medium household income was $43,720, according to Census figures compiled for 1999.

For the City of Watsonville, in Santa Cruz County, the median home sales price in September was $654,750, while the median household income was $37,617, according to Census figures compiled in 1999.

There is a huge affordable housing-income gap in my district that will only get worse without an increase in the Conforming Loan Limit.

The American dream—homeownership—should be an opportunity for all Americans.

I urge a ''no'' vote on the Garrett amendment.

Mr. MENENDEZ. Madam Chairman, I rise in strong opposition to the Garrett amendment, which would be devastating for middle-class families across New Jersey and in high cost areas throughout the country.

One of the sensible actions this bill takes is allowing Fannie Mae and Freddie Mac to purchase mortgages that reflect the actual median home price instead of a set national limit.

We all know that the price of purchasing a home is increasing. But Madam Chairman, it is blatantly wrong to pretend that the same loan limits should apply to areas where the average home cost is $75,000 as areas where the median cost is well over $350,000. The reality is, home prices in high-cost areas are skyrocketing at higher rates and to costs that are far above the national average.

While my colleague from New Jersey argues that this amendment would have no affect on the ability of families to purchase a home, he is gravely mistaken.

Because his amendment would prohibit Fannie and Freddie from purchasing mortgages at a cost higher than the current limit, families in high cost areas—such as those in New Jersey where the median home price exceeds the national median home price by at least $200,000—would not have access to any affordable loan. Under this amendment, family will be priced out of their own neighborhood.

These affordable loans help ensure families who seek the dream of homeownership have the same chance to own their own home as those with more means. Families that live in higher cost areas do not serve to be punished and should not have to move somewhere else to obtain an affordable home loan. Yet that is what this amendment would do.

A family living in Bergen or Passaic County, for instance, where the median home price is $390,000, would not be able to get an affordable loan from Fannie or Freddie simply because they live in an area where the cost excess the current limit. So where are they supposed to go?

This amendment is a step backwards for efforts to open the doors to affordable homeownership. We should be trying to expand opportunities for families who dream of owning a home in the area they want to live, not shutting them out from achieving the American dream.

Ms. MALONEY. Madam Chairman, I rise in opposition to the Garrett amendment. This amendment would take out of the bill a provision that I strongly support which raises the permissible loan limits for Fannie Mae and Freddie Mac up to the median home price in high cost areas such as New York City.

This is a simple and common-sense amendment which recognizes that home prices in some parts of the country are higher than in most of the nation.

In these areas middle class families cannot use lower rate GSE loans to buy a median price home, because the price will exceed the nationwide GSE limit. Simple fairness requires that we solve this problem and give middle class families in these areas the same opportunity to use a lower-cost GSE loan as those in other areas enjoy.

This is about whether New York's policemen, firefighters, school teachers, government workers and other middle-class workers can aspire to home ownership.

I strongly supported raising the loan limit in high cost areas and I strongly oppose taking this provision out.

This amendment is critical to New York and other high cost areas. But it does not come at a cost to other areas. This is not a zero sum situation.

So I urge my colleagues from these areas that are not affected by this amendment to join me in voting against it so that middle class workers across this nation will have a chance at the American Dream of owning your own home.

Ms. WOOLSEY. Madam Chairman, my district, the 6th District of California, just north of the Golden Gate Bridge is a "donor" district. We pay a lot more in taxes than we get back, in fact, the median home price is approaching $1 million. This is almost three times the national median home price, and my constituents want their taxes to work for them.

They want middle-class families in their area to be able to secure a GSE loan.

They want teachers, firefighters, and policemen who serve and live in areas of the country where the housing market is soaring, to be eligible for an GSE loan.

Madam Chairman, we can do that. We must preserve the section of the underlying bill that allows for raising conforming loan limits in high cost areas. I urge my colleagues to oppose the Garrett amendment and allow fair home mortgage lending.

The Acting CHAIRMAN (Mrs. CAPITO). The question is on the amendment offered by the gentleman from New Jersey (Mr. GARRETT).

The question was taken; and the Acting Chairman announced that the noes appeared to have it.

Mr. GARRETT of New Jersey. Madam Chairman, I demand a recorded vote.

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from New Jersey (Mr. GARRETT) will be postponed.

It is now in order to consider amendment No. 8 printed in House Report 109–254.

AMENDMENT NO. 8 OFFERED BY MS. LORETTA SANCHEZ OF CALIFORNIA

Ms. LORETTA SANCHEZ of California. Madam Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 8 offered by Ms. LORETTA SANCHEZ of California:

Page 93, line 17, before the semicolon insert '', including the use of alternative credit scoring''.

The Acting CHAIRMAN. Pursuant to House Resolution 509, the gentlewoman from California (Ms. LORETTA SANCHEZ) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from California (Ms. LORETTA SANCHEZ).

Ms. LORETTA SANCHEZ of California. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, my amendment is very simple and straightforward. It merely adds alternative credit scoring as an element of the Annual Housing Report, as outlined in section 1324 of the bill.

Before I continue, however, I would first like to thank the Committee on Rules for making the amendment in order and the Committee on Financial Services for its consideration. In particular I would like to thank the gentleman from Delaware (Mr. CASTLE), who has been a leader on exploring the challenges and the opportunities of alternative credit scoring. I look forward to working with the gentleman on this issue in the future.

My amendment is a modest one, but I think its implications have far-reaching potential. It is currently estimated that there are about 50 million people in the United States who have little or no credit history. Many of these individuals make a solid income, they pay their bills, they have substantial savings and investments. However, these people face tough, if not insurmountable, conditions when they go to secure a loan. Those who do qualify often have to pay excessive fees or elevated interest rates. The irony is that you are more likely to secure credit if you have debt than if you have none.

So the question is, how can these people who are outside the traditional banking system gain access to credit and home loans if they have no traditional credit history? One of the answers may be to use alternative credit scoring and alternative sources of information, such as utility bills and other types of payment systems so that they have a history. If we use that, then we could see that they would most likely pay their mortgage every month.

Much work is being done to develop and automate the use of alternative credit information. Companies such as Fair Isaac, the originator of the FICO score, has an algorithm which it uses to help lenders gain the credit worthiness of unbanked or underbanked applicants. Nevertheless, while the private sector is taking the initiative, I think it needs the support of the Federal Government. Let me tell you why.

Recently, we had Hispanic Heritage Month here in Washington, D.C. where the Congressional Hispanic Caucus Institute does a summit. I did a particular forum on alternative credit scoring. Many of the actors, many of the first originators of loans for homes, for example, said that it would be much easier for them to approve people on alternative credit scoring if in fact the Fannie Maes, for example, of the world actually would buy these in the secondary market. Right now they do not.

So I think it is important for us as the Federal Government to step up and to have Fannie Mae and Freddie Mac and others begin to look at using alternative credit scoring on a more regular basis. It would encourage primary lenders to follow suit; and more people, who should really be eligible for these loans, would be eligible.

My amendment does not mandate nor does it direct GSEs to use alternative credit scoring. It only asks that they report on their use of these methods in the effort to promote greater homeownership, particularly in underserved communities. By raising awareness of alternative credit scoring, we could potentially be helping thousands of qualified home buyers who have always aspired to own their own home.

Madam Chairman, I ask my colleagues for their support on this amendment.

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

Mr. OXLEY. Madam Chairman, I claim the time in opposition, although I am not opposed to the amendment. As a matter of fact, I am very much in favor of the amendment, and I congratulate the gentlewoman from California for her amendment. I know the gentleman from Delaware (Mr. CASTLE) and the gentleman from Michigan (Mr. EHLERS) and others on our side of the aisle have been very interested in this entire issue. I think it is a worthy amendment, and we have no objection on this side.

The Acting CHAIRMAN. The question is on the amendment offered by the gentlewoman from California (Ms. LORETTA SANCHEZ).

The amendment was agreed to.

Mr. OXLEY. Madam Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. BAKER) having assumed the chair, Mrs. CAPITO, Acting Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1461) to reform the regulation of certain housing-related Government-sponsored enterprises, and for other purposes, had come to no resolution thereon.

RESIGNATION AS MEMBER OF COMMITTEE ON ENERGY AND COMMERCE

The SPEAKER pro tempore laid before the House the following resignation as a member of the Committee on Energy and Commerce:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, October 26, 2005.

Hon. J. DENNIS HASTERT,
Speaker of the House, the Capitol,
Washington, DC.

DEAR MR. SPEAKER: Please accept my resignation from the House Energy and Commerce Committee.

It has been my great pleasure to serve on the committee under the fine leadership of Chairman Barton.

Thank you for your attention to this request.

Sincere regards,

ROY BLUNT,
Majority Whip.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

ELECTION OF MEMBER TO COMMITTEE ON ENERGY AND COMMERCE

Mr. OXLEY. Mr. Speaker, I offer a resolution (H. Res. 513) and I ask unanimous consent for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 513

Resolved, That the following Member be and is hereby elected to the following standing committee of the House of Representatives:

Committee on Energy and Commerce: Mr. Barrett of South Carolina.

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

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

FEDERAL HOUSING FINANCE REFORM ACT of 2005

The SPEAKER pro tempore. Pursuant to House Resolution 509 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1461.

□ 1557

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1461) to reform the regulation of certain housing-related Government-sponsored enterprises, and for other purposes, with Mrs. CAPITO (Acting Chairman) in the chair.

The Clerk read the title of the bill.

The Acting CHAIRMAN. When the Committee of the Whole rose earlier today, amendment No. 8 printed in House Report 109–254 offered by the gentlewoman from California (Ms. LORETTA SANCHEZ) had been disposed of.

It is now in order to consider amendment No. 9 printed in House Report 109–254.

AMENDMENT NO. 9 OFFERED BY MR. KANJORSKI

Mr. KANJORSKI. Madam Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 9 offered by Mr. KANJORSKI:

Strike line 8 on page 270 and all that follows through line 3 on page 271 and insert the following:

SEC. 181. BOARDS OF ENTERPRISES.

(a) FANNIE MAE.—

(1) IN GENERAL.—Subsection (b) of section 308 of the Federal National Mortgage Association Charter Act (12 U.S.C. 1723(b)) is amended in the first sentence by striking ''eighteen persons,'' and inserting ''not less than 7 and not more than 15 persons,''.

Strike line 10 on page 271 and all that follows through line 6 on page 272 and insert the following:

(b) FREDDIE MAC.—

(1) IN GENERAL.—Paragraph (2) of section 303(a) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1452(a)(2) is amended in subparagraph (A) by striking ''eighteen persons,'' and inserting ''not less than 7 and not more than 15 persons,''.

Page 280, lines 1 and 2, strike ''shall be elected by the members and''.

Page 280, line 3, after the period insert ''All directors of a Bank who are not independent members pursuant to paragraph (3) shall be elected by the members.''.

Page 280, lines 8 and 9, strike ''one-third'' and insert ''two-fifths''.

Page 280, line 10, strike ''as follows'' and insert '', who shall be appointed by the Director of the Federal Housing Finance Agency from a list of individuals recommended made by the Housing Finance Oversight Board, and shall meet the following criteria''.

Page 280, line 20, after ''housing,'' insert ''community development, economic development,''.

Page 281, line 5, strike ''An'' and insert ''Notwithstanding subsection (f)(2), an''.

Page 281, strike lines 11 through 14, and insert the following new paragraph:.

(2) in the first sentence of subsection (b), by striking ''directorship'' and inserting ''member directorship pursuant to subsection (a)(2)'';

Page 281, strike lines 15 through 23.

Page 281, line 25, after the semicolon insert ''and''.

Page 282, strike lines 1 through 8.

Page 282, line 9, strike ''(5)'' and insert ''(4)''.

Page 282, line 10, strike ''subsection (e)'' and insert ''subsections (e) and (f)''.

Page 283, strike lines 5 through 19 and insert the following:

(c) CONTINUED SERVICE OF INDEPENDENT DIRECTORS AFTER EXPIRATION OF TERM.—Section 7(f)(2) of the Federal Home Loan Bank Act (12 U.S.C. 1427(f)(2)) is amended—

(1) in the second sentence, by striking ''or the term of such office expires, whichever comes first''; and

(2) by adding at the end the following new sentence: ''An appointive Bank director may continue to serve as a director after the expiration of the term of such director until a successor is appointed.''.

The Acting CHAIRMAN. Pursuant to House Resolution 509, the gentleman from Pennsylvania (Mr. KANJORSKI) and the gentleman from Ohio (Mr. OXLEY) each will control 5 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. KANJORSKI).

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

Madam Chairman, simply stated, the amendment would ensure a continued independent public voice in the corporate governance of Fannie Mae, Freddie Mac, and the Federal Home Loan Banks. The amendment also has had bipartisan support in the Committee on Financial Services. It additionally now has the support of the National Association of Homebuilders and the National Association of Realtors.

The bill before us would make a dramatic change in the board structures of the three government-sponsored enterprises, and this issue deserves a public debate.

The charters of Fannie Mae and Freddie Mac presently require that the boards of both enterprises shall at all times have five members appointed by the President. Additionally, in order to represent the public interest and provide an independent voice, the charters of the Federal Home Loan Banks require at least six individuals to be appointed by the regulator to serve on each bank board.

Unfortunately, the bill before us today would eliminate the requirement for Presidential appointees on the boards of Fannie Mae and Freddie Mac. It would also abolish regulatory appointees on the boards of the Federal Home Loan Banks.

In my view, requiring Presidential and regulatory appointees to serve on the board of Fannie Mae and Freddie Mac and the Federal Home Loan Banks is entirely appropriate, given the unique nature of their charters and their important public missions.

Government-sponsored enterprises by their very nature are public-private entities, and they need to have a public voice at the highest levels of governance.

□ 1600

The Presidential and regulatory appointments, therefore, signal that each entity is not only accountable to its shareholders, but also to broader national public policy interests.

Additionally, the Presidential and regulatory appointment system gives citizens a needed voice in ensuring the viability of our Nation's housing finance system and that the benefits of this system are widely distributed. Maintaining public representation on the GSE boards is therefore critical to ensuring continued public trust in these very important financial institutions.

This amendment would accordingly restore the Presidential and regulatory board appointment systems for GSEs while still preserving important changes made by the bill. These changes include providing flexibility in the size of corporate boards at Fannie Mae and Freddie Mac and lengthening the terms of service at the Federal home loan banks.

The amendment would also make three other minor modifications to the bill related to the boards of the Federal home loan banks. They include raising the number of independent directors, adding community and economic development expertise and allowing appointed independent directors to continue to serve until a successor is in place.

This commonsense amendment to retain an independent public voice on the GSE boards received bipartisan support during the markup of this bill. It also has the backing of those who know our housing markets best, like the National Association of Home Builders and the National Association of Realtors. In a recent letter to me about this amendment, the home builders note that ''a diverse governing board of directors that is well balanced in knowledge and expertise in the full range of

GSE-related issues and activities is critical.''

They also believe that the amendment ''will help ensure that the GSE's board of directors are best equipped to make informed, sound judgments in fulfilling their duties, including monitoring risk management activities of the GSEs' executives.''

In sum, this amendment is one that deserves the support of everyone who wants to preserve a public voice within the public-private entities and promote good corporate governance. It has the support of the home builders and the realtors.

May I say, at the full committee the amendment was offered and had a 35–35 vote at full committee. On the basis of knowing the importance to corporate governance of this body, I urge my colleagues to adopt this amendment.

Mr. FRANK of Massachusetts. Madam Chairman, will the gentleman yield?

Mr. KANJORSKI. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Madam Chairman, I just wanted to add my voice. The ranking member of the subcommittee has spent a good deal of time focused on the corporate governance of these GSEs. He is one of the best students ever in the House. This is a very thoughtful and, I think, wholly constructive amendment.

It does not detract from any of the purposes that we have. In fact, I think it would enhance them, and I hope the amendment is adopted.

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

Madam Chairman, let me just say to my friend from Pennsylvania there are some sections of that amendment that I support in terms of independence. But I do have a problem with the Presidential appointees to the board. They are basically symbols of the tie between Fannie Mae, and Freddie Mac and the Federal Government, and really do speak to the implied guarantee out there for the GSEs.

The gentleman indicated that he had bipartisan support. In fact, it failed on a tie vote in the committee. I will concede there was bipartisan support. There was also bipartisan opposition.

But at the same time I think that President Bush, who has decided not to fill those vacancies on the board, is on the right track, and I think this amendment would simply add to the perception of the Federal guarantee. To that extent, I would oppose the amendment.

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

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

The Acting CHAIRMAN (Mrs. CAPITO). The question is on the amendment offered by the gentleman from Pennsylvania (Mr. KANJORSKI).

The amendment was agreed to.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments on which further proceedings were postponed, in the following order:

Amendment No. 5 by Mr. ROYCE of California.

Amendment No. 6 by Mr. PAUL of Texas.

Amendment No. 7 by Mr. GARRETT of New Jersey.

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 5 OFFERED BY MR. ROYCE

The Acting CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from California (Mr. ROYCE) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 73, noes 346, not voting 14, as follows:

[Roll No. 543]

AYES—73

Akin
Bartlett (MD)
Beauprez
Blackburn
Blunt
Cardoza
Chabot
Chocola
Cooper
Culberson
Deal (GA)
DeLay
Dreier
Duncan
Ehlers
Feeney
Ferguson
Flake
Fortenberry
Foxx
Franks (AZ)
Garrett (NJ)
Gillmor
Gohmert
Goode
Gutknecht
Hall
Hayworth
Hensarling
Hoekstra
Hostettler
Hunter
Inglis (SC)
Jones (NC)
Kennedy (MN)
King (IA)
Kingston
Kirk
Kline
Kolbe
Leach
Lungren, Daniel E.
Manzullo
McHenry
Musgrave
Norwood
Nussle
Otter
Paul
Pence
Petri
Pitts
Platts
Radanovich
Ramstad
Regula
Rohrabacher
Royce
Ryan (WI)
Saxton
Sensenbrenner
Shadegg
Shays
Sherwood
Smith (NJ)
Stearns
Tancredo
Taylor (MS)
Taylor (NC)
Tiahrt
Upton
Weldon (FL)
Westmoreland

NOES—346

Abercrombie
Ackerman
Aderholt
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Barton (TX)
Bass
Bean
Becerra
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop (NY)
Bishop (UT)
Blumenauer
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Carnahan
Carson
Carter
Case
Castle
Chandler
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Conyers
Costa
Costello
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Jo Ann
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Dent
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Edwards
Emerson
Engel
English (PA)
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Filner
Fitzpatrick (PA)
Forbes
Ford
Fossella
Frank (MA)
Frelinghuysen
Gallegly
Gerlach
Gibbons
Gilchrest
Gingrey
Gonzalez
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutierrez
Harman
Harris
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hefley
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Holden
Holt
Honda
Hooley
Hoyer
Hulshof
Hyde
Inslee
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (NY)
Knollenberg
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lynch
Mack
Maloney
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHugh
McIntyre
McKeon
McKinney
McMorris
McNulty
Meehan
Meeks (NY)
Melancon
Menendez
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Murtha
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Ney
Northup
Nunes
Oberstar
Obey
Olver
Ortiz
Osborne
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Peterson (MN)
Peterson (PA)
Pickering
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Rahall
Rangel
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Ross
Rothman
Ruppersberger
Rush
Ryan (OH)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schmidt
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Serrano
Sessions
Sherman
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (TX)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stark
Strickland
Stupak
Sullivan
Sweeney
Tanner
Tauscher
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (PA)
Weller
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—14

Bishop (GA)
Boswell
Brown-Waite, Ginny
Diaz-Balart, L.
Diaz-Balart, M.
Emanuel
Foley
Meek (FL)
Reyes
Ros-Lehtinen
Roybal-Allard
Shaw
Wexler
Whitfield

□ 1631

Messrs. DICKS, GORDON, COLE of Oklahoma, and GOODLATTE changed their vote from ''aye'' to ''no''.

Messrs. OTTER, STEARNS, HALL, BEAUPREZ and FERGUSON changed their vote from ''no'' to ''aye''.

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 6 OFFERED BY MR. PAUL

The Acting CHAIRMAN (Mrs. CAPITO). The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Texas (Mr. PAUL) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 47, noes 371, not voting 15, as follows:

[Roll No. 544]

AYES—47

Akin
Bartlett (MD)
Barton (TX)
Blackburn
Boehner
Burton (IN)
Chocola
Deal (GA)
Duncan
Feeney
Flake
Foxx
Franks (AZ)
Garrett (NJ)
Gohmert
Goode
Hensarling
Hoekstra
Hostettler
Inglis (SC)
Istook
Jones (NC)
Kingston
Leach
Linder
Mack
Manzullo
McHenry
Miller (FL)
Myrick
Norwood
Nussle
Otter
Paul
Pence
Pitts
Platts
Price (GA)
Rohrabacher
Royce
Ryan (WI)
Sensenbrenner
Shadegg
Shays
Tancredo
Westmoreland
Young (AK)

NOES—371

Abercrombie
Ackerman
Aderholt
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop (NY)
Bishop (UT)
Blumenauer
Blunt
Boehlert
Bonilla
Bonner
Bono
Boozman
Boren
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Burgess
Butterfield
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Carter
Case
Castle
Chabot
Chandler
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Jo Ann
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dent
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Edwards
Ehlers
Emerson
Engel
English (PA)
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Fitzpatrick (PA)
Forbes
Ford
Fortenberry
Fossella
Frank (MA)
Frelinghuysen
Gallegly
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gonzalez
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Holden
Holt
Honda
Hooley
Hoyer
Hulshof
Hunter
Hyde
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (IA)
King (NY)
Kirk
Kline
Knollenberg
Kolbe
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Maloney
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHugh
McIntyre
McKeon
McKinney
McMorris
McNulty
Meehan
Meeks (NY)
Melancon
Menendez
Mica
Michaud
Millender-McDonald
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Nadler
Napolitano
Neal (MA)
Neugebauer
Ney
Northup
Nunes
Oberstar
Obey
Olver
Ortiz
Osborne
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Poe
Pombo
Pomeroy
Porter
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Ross
Rothman
Ruppersberger
Rush
Ryan (OH)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schmidt
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Serrano
Sessions
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stark
Stearns
Strickland
Stupak
Sullivan
Sweeney
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (FL)

NOT VOTING—15

Bishop (GA)
Boswell
Brown-Waite, Ginny
Diaz-Balart, L.
Diaz-Balart, M.
Emanuel
Foley
Meek (FL)
Reyes
Ros-Lehtinen
Roybal-Allard
Shaw
Sherman
Wexler
Whitfield

□ 1641

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 7 OFFERED BY MR. GARRETT OF NEW JERSEY

The Acting CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from New Jersey (Mr. GARRETT) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The Acting CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The Acting CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 57, noes 358, not voting 18, as follows:

[Roll No. 545]

AYES—57

Akin
Alexander
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Blackburn
Boustany
Burgess
Carter
Castle
Chocola
Cooper
Culberson
Davis, Jo Ann
Deal (GA)
Delahunt
Duncan
English (PA)
Flake
Franks (AZ)
Garrett (NJ)
Gohmert
Green (WI)
Gutknecht
Harris
Hensarling
Hostettler
Istook
Jindal
Jones (NC)
King (IA)
Kolbe
Leach
McCrery
Musgrave
Nussle
Otter
Paul
Pence
Petri
Pitts
Platts
Putnam
Radanovich
Royce
Rush
Ryan (WI)
Sensenbrenner
Shadegg
Sodrel
Stearns
Tancredo
Taylor (MS)
Tiahrt
Weldon (FL)
Westmoreland

NOES—358

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Baca
Bachus
Baird
Baldwin
Barrow
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop (NY)
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boucher
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Burton (IN)
Butterfield
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Case
Chabot
Chandler
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Conyers
Costa
Costello
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Tom
DeFazio
DeGette
DeLauro
DeLay
Dent
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Edwards
Ehlers
Emerson
Engel
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Feeney
Ferguson
Filner
Fitzpatrick (PA)
Forbes
Ford
Fortenberry
Fossella
Foxx
Frank (MA)
Frelinghuysen
Gallegly
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green, Al
Green, Gene

Grijalva
Gutierrez
Hall
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Holt
Honda
Hooley
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Markey
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McKinney
McMorris
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Menendez
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Murtha
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Ney
Northup
Norwood
Nunes
Oberstar
Obey
Olver
Ortiz
Osborne
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pearce
Peterson (MN)
Peterson (PA)
Pickering
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ross
Rothman
Ruppersberger
Ryan (OH)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schmidt
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Serrano
Sessions
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stark
Strickland
Stupak
Sullivan
Sweeney
Tanner
Tauscher
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (PA)
Weller
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—18

Bishop (GA)
Bishop (UT)
Boswell
Brown-Waite, Ginny
Davis (FL)
Diaz-Balart, L.
Diaz-Balart, M.
Emanuel
Foley
Johnson, Sam
Marshall
Pelosi
Reyes
Ros-Lehtinen
Roybal-Allard
Shaw
Wexler
Whitfield

□ 1649

Mr. TANNER changed his vote from ''aye'' to ''no.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

The Acting CHAIRMAN (Mrs. CAPITO). The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The Acting CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. THORNBERRY) having assumed the chair, Mrs. CAPITO, Acting Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1461) to reform the regulation of certain housing-related Government-Sponsored Enterprises, and for other purposes, pursuant to House Resolution 509, she reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading 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. FRANK OF MASSACHUSETTS

Mr. FRANK of Massachusetts. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. FRANK of Massachusetts. In its present form, I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Frank moves to recommit the bill, H.R. 1461, to the Committee on Financial Services with instructions to report the same back to the House forthwith with the following amendments:

In the matter proposed to be inserted by section 128(a) of the bill, in section 1337(e)(2)(A) of the Housing and Community Development Act of 1992, strike ''as its primary purpose'' and insert ''among its primary purposes''.

In the matter proposed to be inserted by section 128(a) of the bill, in section 1337(e)(2)(C)(i) of the Housing and Community Development Act of 1992, strike ''except that'' and all that follows through ''period'' and insert the following:

''except that such term shall not include any voter registration or get-out-the-vote activity conducted on a non-partisan basis;''.

Mr. FRANK of Massachusetts (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 Massachusetts?

There was no objection.

The SPEAKER pro tempore. The gentleman from Massachusetts (Mr. FRANK) is recognized for 5 minutes on his motion.

Mr. FRANK of Massachusetts. Mr. Speaker, a little while ago, we had a vote on the manager's amendment. It was a very close vote. It was 210 to 205. One Member inadvertently voted the other way that he planned to. So it was 209 to 206.

What I am offering here as the recommit is a close replay of that vote, but it ought to be even clearer for people. My recommittal motion leaves the manager's amendment as adopted entirely intact except for two changes.

One, instead of requiring that to participate in the Affordable Housing Fund, housing must be the organization's primary purpose, it says it must be one of its primary purposes. If you maintain the requirement that it be the primary purpose, no faith-based organization may participate.

Some of you may remember a familiar passage: Thou shalt have no primary purpose above me. If you say that you can only do this if you have housing as your primary purpose, by definition the Catholic Church and the Baptists and the Episcopalians and the Jewish groups, which are collectively today a very important provider of affordable housing, are simply automatically debarred. There will be no faith-based groups allowed.

People are talking about faith-based groups. I am aware of no restriction as binding as saying it has to be the primary purpose, and I will insert into the RECORD at this point a letter not just from Catholic Charities, but from Bishop DiMarzio, on behalf of the United States Conference of Catholic Bishops, saying that: ''Proposals that would limit eligible recipients to organizations that have as their purpose the provision of affordable housing would effectively prevent Catholic dioceses, parishes and Catholic Charities agencies from participating.''

DEPARTMENT OF SOCIAL DEVELOPMENT AND WORLD PEACE,
Washington, DC, October 3, 2005.

Hon. J. DENNIS HASTERT,
Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER: I write as Chairman of the Domestic Policy Committee of the United States Conference of Catholic Bishops (USCCB) to urge you to retain the Affordable Housing Fund as part of the Federal Housing Finance Reform Act of 2005 (H.R. 1461) and bring the bill to a vote forthwith. The Catholic Bishops have historically urged the federal government to help meet our nation's promise of a decent home for every American family, especially those families with extremely low incomes.

As I noted in my June 10 letter to the House of Representatives, the Catholic Community—through our Charities agencies, dioceses, and parishes—serves tens of thousands of men, women, and children who struggle to maintain adequate housing. Besides sheltering homeless people who turn to us for help, we have built, and continue to maintain, thousands of affordable housing units. All of these experiences have demonstrated to us how inadequate, substandard housing

hurts human life, undermines families, destroys communities, and weakens the social fabric of our nation. Despite our efforts—and the efforts of so many others—there just is not enough affordable housing available.

Proposals that would limit eligible recipients to organizations that have as their primary purpose the provision of affordable housing would effectively prevent Catholic dioceses, parishes and Catholic Charities agencies from participating in Affordable Housing Fund programs. Similarly, proposals that would prohibit recipients from engaging in voter registration and lobbying activities with their own funds during the period they are utilizing affordable housing funds would force Catholic agencies to choose between participating in Affordable Housing Fund programs or engaging in constitutionally protected voter registration and lobbying activities with their own funds. I urge you to oppose inclusion of these kinds of unnecessary limitations and prohibitions in H.R. 1461 as it moves to the House floor for a vote. There are ample ways to write safeguards into the legislation to prevent the diversion of affordable housing funds to uses other than what they are intended without requiring recipients to forego their constitutionally protected rights as a condition for participating in Affordable Housing Fund programs.

The Bishops' statement, Putting Children and Families First, notes: ''Many families cannot find or afford decent housing, or must spend so much of their income for shelter that they forego other necessities, such as food and medicine. . . . [The Catholic bishops] support housing policies which seek to preserve and increase the supply of affordable housing and help families pay for it.'' We must put in place a sustainable source of funds to build affordable housing and this new fund would do that.

As I said in my June letter, this legislation presents Congress with a genuine opportunity to make the shelter needs of extremely low-income families a national priority. I believe that such families who need housing the most should be targeted to receive these limited funds.

With every best wish, I am,

Sincerely,

Most Rev. NICHOLAS DIMARZIO,
Chairman, Domestic Policy Committee,
U.S. Conference of Catholic Bishops.

AMERICAN ASSOCIATION OF HOMES AND SERVICES FOR THE AGING,
October 24, 2005.

DEAR REPRESENTATIVE: On behalf of the American Association of Homes and Services for the Aging (AAHSA), I want to express our members' deep reservations over an amendment expected to be proposed when H.R. 1461, the GSE reform legislation, is brought to the floor this week.

The proposed amendment seeks to impose restrictions on the eligibility of non-profit faith-based organizations interested in applying for development funding under the Affordable Housing Fund created in this legislation.

While on one hand Congress and the Administration call for greater participation by non-profit, faith-based organizations to carry the load in helping our neediest citizens, the House now seems poised to cut us off from a funding stream that we need in order to continue to provide affordable housing to low-income seniors. President Bush himself has lauded the faith-based, non-profit housing partnership with government as an outstanding example of successful faith-based programs.

AAHSA has 5600 members nationwide; all are non-profit organizations and most are faith-based. Our members serve two million people every day and provide services across the continuum: assisted living residences, continuing care retirement communities, nursing homes, senior housing facilities, and home and community based services.

For our many members who are non-profit sponsors of affordable senior housing, the proposal is a slap in the face to their efforts to be active participants in their communities and ensuring the highest possible quality of life for their senior residents.

As an association, we encourage our members to engage in and sponsor such non-partisan and perfectly legal activities as voter registration, providing transportation to the polls, candidate debates and Town Hall meetings. Because of the high concentration of voters, many of our senior housing facilities even serve as polling sites.

Our members should not have to choose between being good citizens and being eligible applicants for the quasi-public monies to be made available under the Affordable Housing Fund. Furthermore, even if a facility did not provide any of the civic services, the mere fact that it is affiliated with another organization that does, would render the organization ineligible.

Please support H.R. 1461, but without this restrictive amendment.

Sincerely yours,

WILLIAM L. MINNIX, Jr.,
President and CEO.

UNION OF ORTHODOX JEWISH CONGREGATIONS OF AMERICA,
Washington, DC, October 24, 2005.

Hon. NANCY PELOSI,
Hon. STENY HOYER,
Hon. LOUISE SLAUGHTER,
Hon. BARNEY FRANK,
House of Representatives,

DEAR LEADERS OF THE HOUSE OF REPRESENTATIVES: We write on behalf of the Union of Orthodox Jewish Congregations of America to urge you to ensure that the Federal Housing Finance Reform Act of 2005 (H.R. 1461) contains no provisions which would be disruptive to participation of the many religiously affiliated organizations in affordable housing programs.

Proposals that would limit eligible recipients to organizations that have as their ''primary purpose'' the provision of affordable housing would effectively prevent many Jewish community entities from participating in Affordable Housing Fund programs. Similarly, proposals that would prohibit recipients from engaging in voter registration and lobbying activities with their own funds in order to receive affordable housing funds would force many Jewish agencies to choose between participating in Affordable Housing Fund programs or engaging in constitutionally protected voter registration and lobbying activities with their own funds. We urge you to oppose inclusion of these kinds of unnecessary limitations and prohibitions in H.R. 1461 and, if they are to be considered by the House on the floor, to ensure that these provisions receive a full debate and up or down vote.

It is critical to note that such proposals are as objectionable when it comes to housing funds and free speech rights as they are objectionable when proposed with regard to other social welfare program funds and other constitutionally protected rights. As is the case with many other federally funded social-welfare programs in which faith-based entities participate, there are appropriate ways to write safeguards into the legislation to prevent the diversion of funds to uses other than what they are intended without requiring recipients to forego their constitutionally protected rights as a condition for participating. We urge you to uphold these principles in the context of H.R. 1461.

Sincerely,

RABBI T. HERSH WEINREB,
NATHAN J. DIAMENT.

CONSORTIUM FOR CITIZENS WITH DISABILITIES
Washington, DC, October 24, 2005.

Hon. DAVID DREIER,
House of Representatives,
Washington, DC.
Hon. LOUISE SLAUGHTER,
House of Representatives,
Washington, DC.

DEAR CHAIRMAN DREIER AND RANKING MEMBER SLAUGHTER: As you know, the House is scheduled this week to consider HR 1461, the Federal Housing Finance Reform Act of 2005. The Consortium for Citizens With Disabilities (CCD) would like to go on record against language in the proposed Manager's Amendment that we believe would be of tremendous harm to community-based non-profit disability organizations across the country.

CCD is a coalition of more than 100 national disability organizations working together to advocate for national public policy that ensures the self-determination, independence, empowerment, integration and inclusion of children and adults with disabilities in all aspects of society. A large part of our agenda focuses on civil rights and protections for the 56 million people with disabilities in the U.S.

It is CCD's understanding that the proposed Manager's Amendment contains language that would require many disability organizations to violate state law if they were to apply for grants made available through the Affordable Housing Fund included in HR 1461. This would result from a requirement in the legislation for non-profit organizations that seek funding from this program to certify that they are not engaged in voter registration or voter education efforts, regardless of the source of these funds.

At the outset, CCD would like to make clear that we oppose efforts on the part of Congress to use federal funding as leverage to control how non-profit disability organizations expend other resources, including state and local, as well as privately raised funds. Such restrictions, in our view, amount to undue federal government control over activities of non-profit disability organizations. Unfortunately, the language in the proposed Manager's Amendment to HR 1461, singling out voter registration activities of non-profit organizations, takes an additional step that would place non-profit disability groups in jeopardy of violating both the Constitution and the law.

In addition, this would also conflict with the ''Motor Voter'' law. The National Voter Registration Act of 1993 (''Motor Voter law'') was enacted to facilitate voter registration, with the goal of increasing turnout on Election Day. Besides requiring states to allow voter registration at motor vehicle agencies, the Motor Voter law also requires nonprofit organizations that receive state funds and are primarily engaged in providing services to persons with disabilities to provide voter registration forms as well as assistance in completing them. Because some of these same organizations would be prohibited from engaging in voter registration activities under the manager's amendment to H.R. 1461, the manager's amendment would force many organizations—particularly those that provide housing and other services to people with disabilities—to choose between their obligation to register voters and their ability to provide housing to individuals who need it most. No organization should be forced to make such a decision.

Because voter registration, identification, and get-out-the-vote efforts, as well as lobbying, are constitutionally protected First Amendment activities, funding restrictions that would stifle such activities could well be struck down if they are not adequately tailored to further an important government interest. Ensuring that organizations spend federal funds only as Congress has intended is, in itself, a legitimate government objective. The extreme breadth of the language in the proposed manager's amendment, however, would do nothing to further this goal. It does not seem possible that retroactively prohibiting activities, disqualifying applicants based on their affiliations with organizations that do not receive any federal dollars, or restricting the use of other unrelated funds would ensure that Affordable Housing Fund grants are used properly and in accordance with the law. Furthermore, there is no legitimate governmental interest in preventing nonpartisan voter participation activities. As such, the restrictions in the proposed manager's amendment will face inevitable challenge and could well be struck down as unconstitutional.

Finally, the proposed legislation would affect disability organizations that are essential to the successful development of affordable housing and permanent supportive housing for persons with disabilities. For example, it would affect non-profit disability organizations that have a direct role in the development and subsequent ownership of affordable rental housing for people with disabilities. Equally important, the proposed legislation would affect non-profit service provider organizations that are affiliated with affordable housing developers/owners for the purposes of providing essential supportive services to people who are living in the housing. Many non-profit service providers have structured these relationships with housing providers through formalized Memoranda of Understanding, Management Agreements, or other written agreements.

CCD has supported the Affordable Housing Fund contained in HR 1461 since its inception. Nonprofit disability groups across the country struggle every day to seek out funding to meet the growing affordable housing crisis for non-elderly people with disabilities. HUD programs such as Section 811, Section 8 tenant-based and project-based, HOME, CDBG and McKinney-Vento are critical resources in meeting the needs of extremely low-income people with disabilities. However, additional resources are needed to ensure that the increasing demand for affordable rental housing in the community among people with disabilities is met.

Non-profit disability organizations want to be able to access the resources being made available by this important legislation. CCD therefore urges you to remove the unfair and unwarranted restrictions on non-profit disability groups in the proposed Manager's Amendment to HR 1461. Non-profit disability groups should not be forced to violate state law in order to compete for affordable housing resources.

Sincerely,

CURTIS DECKER,
Chair.

Secondly, it would say that, yes, the restrictions on electioneering are maintained. By the way, with regard to the funds themselves from the Affordable Housing Fund, they can only be used for affordable housing with very strict penalties if they are not. We are talking now not about using that money for any purpose other than housing, but whether, if you agree to use that money for housing under those restrictions, you may, with your own money, do other things such as voter registration or get out the vote.

We maintain the restrictions on electioneering. We maintain the restrictions on making a communication vote for this one, a vote for that one. We say, however, there should be an exception to this, and copies of the recommit are available over there.

All we want to say is that when we restrict and prevent electioneering, it does not cover any voter registration or get-out-the-vote activity conducted on a nonpartisan basis.

Those who have a fear of ACORN should understand that the ACORN Florida activity referred to before would not be allowed under this. I would rather not be that restrictive, but I accept the reality of it. So only organizations that fit in the column of nonpartisan.

The gentleman from Ohio from the Republican Conference raised the issue. Under this bill, as it now stands, if you are a religious organization, and you maintain an elderly housing project, which are built with these funds, you cannot get a bus to take people to vote. That is get-out-the-vote activity. You cannot have a voter registrar in there. So that is what we are talking about, not using the funds for this, but using those funds on your own to help out.

There is a procedural issue here. The leadership in the Committee on Rules said we did not stop you from voting; you could vote on the manager's amendment, and you get a recommit. The manager's amendment, some people were conflicted because it included the preference for the hurricane areas. It included restrictions that I reluctantly accepted. I am not trying to change here.

This is the only chance we have to vote cleanly on whether or not we should exclude all faith-based groups and whether or not groups, faith-based or not, that agree to try to provide low-income housing with these funds should be debarred with their own funds from doing nonpartisan voter registration and get out the vote.

Here is the dilemma. On the one hand, we say we do not get a vote, and the Committee on Rules people said, oh, no, you have the recommit. On the other, they said to the Republicans, but do not vote against recommit; nice people do not vote against recommittal motions; recommit is not a real amendment; recommit is a procedural vote.

Well, this is a test. We have this situation. I do not believe most Members over there want to keep religious groups out. I do not believe they want to penalize voter registration. A small, conservative, ideological group, and I admire ideologues, sometimes I am one myself, they have held this out, and they have held off the bill.

Here is the one chance, the recommit, to see whether or not Members will frankly take back control of the House, because as long as you accept this interchange of events, bill comes out of committee, majority leadership holds it up and insists on provisions that we never got to vote on, and then you do not get a chance to vote just on those provisions, the only chance you get is when we do the recommit, and then what are you told: You cannot vote for the recommit; nice people do not do that.

The question here is will democracy prevail in the House and when Members on the other side vote their conscience and not be told that they simply cannot do what they know is right, many of them, because it is in a motion to recommit, when no other alternative was presented to them.

Mr. OXLEY. Mr. Speaker, I rise in opposition to the motion to recommit.

The SPEAKER pro tempore. The gentleman from Ohio is recognized for 5 minutes.

Mr. OXLEY. Mr. Speaker, I never thought a debate on GSE reform would be so emotional, and it has been a long day and a very productive day and a good debate.

Let me, first of all, say to my friend from Massachusetts, who worked very well with us in committee on this important legislation, let us not lose sight of the fact that this is the first major GSE reform bill to ever come before any Congress. It was well written and well received, and it does a lot to create a world-class regulator for the GSEs.

Secondly, it creates for the first time a housing fund that will funnel millions and millions of dollars into affordable housing through the GSEs, and I think we do not want to lose sight of that.

Thirdly, this legislation does not ban faith-based groups from providing housing. All it says is that we want groups that have had a record of building houses, a record of building houses in the various States, to be able to do that. We want to make certain that that money is used for housing, not for political activity, not for lobbying or everything else.

Fourthly, let me add, the gentleman from Massachusetts (Mr. FRANK) in his motion talks about a nonpartisan basis.

□ 1700

There is no definition in the campaign laws that I can find that defines what is essentially nonpartisan, and I think we need to keep that in mind.

Understand this effort is to try to get as much money into the areas, in particularly the first 2 years in the hurricane-related areas, so we can provide affordable housing. Those folks along the gulf coast that were affected, Florida, Alabama, Mississippi, Texas, need to understand that this is the best way to provide affordable housing as quickly as possible with the maximum amount of oversight in this area.

Mr. Speaker, I yield to the gentleman from Louisiana (Mr. BAKER), the sponsor of the legislation.

Mr. BAKER. Mr. Speaker, this is a very important vote under consideration. I wish to point out that 3.5 percent assessment of net profits for the first 2 years will generate an estimated $400 million a year nationwide.

The identified needs for Hurricane Katrina only are probably in excess of $300 billion for housing-related activities. If we add Rita and Wilma, the funds will be far depleted before we ever get to the issue of whether we need to be engaged in voter registration or voter transport to the precincts. If one were to go to Trailer City on Groom Road in Baker, Louisiana, and walk up to one of those trailers and say, hey, folks, I am here from the Federal Government and I want to buy a new van to haul you to the precinct next year to go vote, what kind of response do you think you will get if you said that will come at the expense of advancing replacement housing for families to go home?

And then let us talk about the administration of the program. How do you confirm affordable housing works and they are doing it? You look at the lot and see the house. You knock on the door and see if anybody is inside. That is easy.

How do you confirm that the money being spent for voter enhancement, education, and transportation is used for a valid purpose? Do you go to Uncle Bob's RV Trailer Park and look to see if they are using those vehicles for voter transport? How do we know?

The idea here is we have very restricted resources. We have an incredibly large problem to resolve with response to the hurricanes. We know that by deploying these resources this way, we can ensure we are helping people in the most effective manner possible.

We should come back through regular order, have committee hearings and talk about it. How are we going to have advocacy for people to be able to vote and participate? And if we want to fund that, fund it separately. This is not the time, not the place, not the way. Please, do not vote for this motion to recommit.

Mr. FRANK of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. OXLEY. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Speaker, the gentleman has done great work, but he said this does not bar religious groups.

From October 3 to the Speaker from the Catholic bishops: ''Limiting eligible recipients to organizations that have as their primary purpose,'' which this bill does now, ''the provision of affordable housing, would effectively prevent Catholic dioceses, parishes and Catholic charities from participating.''

Secondly, none of the money here would go to those other purposes. I agree with what the gentleman said. I just do not agree with what the bill said. This is their chance to reconcile them.

The SPEAKER pro tempore (Mr. THORNBERRY). 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. HOYER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 8 and clause 9 of rule XX, this 15-minute vote on the motion to recommit will be followed by 5-minute votes on passage of H.R. 1461, if ordered, and the motion to suspend the rules and pass H.R. 3945.

The vote was taken by electronic device, and there were—ayes 200, noes 220, not voting 13, as follows:

[Roll No. 546]

AYES—200

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (NY)
Blumenauer
Boren
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Case
Chandler
Clay
Cleaver
Clyburn
Conyers
Cooper
Costa
Costello
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Harman
Hastings (FL)
Herseth
Higgins
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy
McCollum (MN)
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Ramstad
Rangel
Ross
Rothman
Ruppersberger
Rush
Ryan (OH)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Shays
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Woolsey
Wu
Wynn

NOES—220

Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Burgess
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole (OK)
Conaway
Crenshaw
Cubin
Culberson
Cunningham
Davis (KY)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Dent
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Feeney
Ferguson
Fitzpatrick (PA)
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Green (WI)
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Issa
Istook
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schmidt
Schwarz (MI)
Sensenbrenner
Sessions
Shadegg
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (NJ)
Smith (TX)
Sodrel
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—13

Bishop (GA)
Boswell
Brown-Waite, Ginny
Diaz-Balart, L.
Diaz-Balart, M.
Emanuel
Foley
Reyes
Ros-Lehtinen
Roybal-Allard
Shaw
Wexler
Whitfield

□ 1723

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. THORNBERRY). The question is on the passage of the bill.

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

RECORDED VOTE

Mr. ROGERS of Michigan. 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 331, noes 90, not voting 12, as follows:

[Roll No. 547]

AYES—331

Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop (NY)
Bishop (UT)
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boucher
Boustany
Boyd
Bradley (NH)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Cardin
Cardoza
Carnahan
Carter
Case
Castle
Chabot
Chandler
Coble
Cole (OK)
Conaway
Costa
Costello
Cramer
Crenshaw
Cubin
Cuellar
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
Delahunt
DeLauro
DeLay
Dent
Dicks
Doggett
Doolittle
Drake
Dreier
Duncan
Edwards
Ehlers
Emerson
Engel
English (PA)
Eshoo
Etheridge
Evans
Everett
Farr
Feeney
Ferguson
Filner
Fitzpatrick (PA)
Forbes
Ford
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Gutknecht
Hall
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Higgins
Hinojosa
Hobson
Hoekstra
Holden
Holt
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Issa
Istook
Jackson (IL)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kildee
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lowey
Lucas
Lungren, Daniel E.
Lynch
Manzullo
Marchant
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McIntyre
McKeon
McMorris
Meehan
Melancon
Menendez
Mica
Michaud
Miller (FL)
Miller (MI)
Miller, Gary
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Murtha
Myrick
Napolitano
Neal (MA)
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Obey
Ortiz
Osborne
Oxley
Pallone
Pascrell
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Rahall
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Salazar
Sanchez, Loretta
Saxton
Schiff
Schmidt
Schwartz (PA)
Schwarz (MI)
Sensenbrenner
Sessions
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Souder
Spratt
Stearns
Strickland
Stupak
Sullivan
Sweeney
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wu
Wynn
Young (AK)
Young (FL)

NOES—90

Abercrombie
Ackerman
Blackburn
Brady (PA)
Capuano
Carson
Chocola
Clay
Cleaver
Clyburn
Conyers
Cooper
Crowley
DeGette
Dingell
Doyle
Fattah
Flake
Frank (MA)
Garrett (NJ)
Green, Al
Green, Gene
Grijalva
Gutierrez
Hastings (FL)
Hinchey
Honda
Inslee
Israel
Jackson-Lee (TX)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kilpatrick (MI)
Kucinich
Leach
Lee
Lewis (GA)
Lofgren, Zoe
Mack
Maloney
Markey
McCollum (MN)
McDermott
McGovern
McKinney
McNulty
Meek (FL)
Meeks (NY)
Millender-McDonald
Miller (NC)
Musgrave
Nadler
Oberstar
Olver
Otter
Owens
Pastor
Paul
Payne
Pelosi
Platts
Price (NC)
Ramstad
Rangel
Royce
Sabo
Sánchez, Linda T.
Sanders
Schakowsky
Scott (GA)
Scott (VA)
Serrano
Shadegg
Simpson
Solis
Stark
Tancredo
Towns
Velázquez
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Woolsey

NOT VOTING—12

Bishop (GA)
Boswell
Brown-Waite, Ginny
Diaz-Balart, L.
Diaz-Balart, M.
Emanuel
Foley
Reyes
Roybal-Allard
Shaw
Wexler
Whitfield

□ 1736

Mr. MEEHAN changed his vote from ''no'' to ''aye.''

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN THE ENGROSSMENT OF H.R. 1461, FEDERAL HOUSING FINANCE REFORM ACT OF 2005

Mr. BAKER. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 1461, the Clerk be authorized to correct section numbers, punctuation, and cross-references, and to make such other technical and conforming changes as may be necessary to reflect the actions of the House.

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

There was no objection.

HURRICANE KATRINA FINANCIAL SERVICES RELIEF ACT OF 2005

Mr. BAKER. Mr. Speaker, I ask unanimous consent that the text of H.R. 3945, as proposed to be adopted under suspension of the rules, be modified by the amendment that I have placed at the desk.

The SPEAKER pro tempore. The Clerk will report the modifications.

The Clerk read as follows:

Page 3, line 14, after ''Louisiana'' insert ''Florida.''

Page 3, line 17, strike ''August 28, 2005'' and insert ''August 25, 2005.''

Page 5, line 22, strike ''August 28, 2005'' and insert ''August 25, 2005.''

Page 7, line 13, strike ''August 28, 2005'' and insert ''August 25, 2005.''

The SPEAKER pro tempore. Without objection, the modifications are agreed to.

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

Record votes on postponed questions, and on H.R. 3945, will be taken tomorrow.

AMENDING FEDERAL FOOD, DRUG, AND COSMETIC ACT TO PROVIDE FOR REGULATION OF ALL CONTACT LENSES AS MEDICAL DEVICES

Mr. DEAL of Georgia. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 172) to amend the Federal Food, Drug, and Cosmetic Act to provide for the regulation of all contact lenses as medical devices, and for other purposes.

The Clerk read as follows:

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

SECTION 1. REGULATION OF CERTAIN ARTICLES AS MEDICAL DEVICES.

Section 520 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360j) is amended by adding at the end the following subsection:

''Regulation of Contact Lens as Device

''(n)(1) All contact lenses shall be deemed to be devices under section 201(h).

''(2) Paragraph (1) shall not be construed as bearing on or being relevant to the question of whether any product other than a contact lens is a device as defined by section 201(h) or a drug as defined by section 201(g).''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Georgia (Mr. DEAL) and the gentleman

from California (Mr. WAXMAN) each will control 20 minutes.

The Chair recognizes the gentleman from Georgia (Mr. DEAL).

GENERAL LEAVE

Mr. DEAL of Georgia. 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 S. 172.

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

There was no objection.

Mr. DEAL of Georgia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am proud to rise in favor of S. 172, and I would like to thank the gentleman from Arkansas (Mr. BOOZMAN) and the gentleman from California (Mr. WAXMAN) for their work on the House companion bill, which was H.R. 371.

Historically, the contact lens industry in the United States has secured prior approval from or clearance by the Food and Drug Administration prior to the introduction of contact lenses into the United States market. These same contact lens manufacturers also have been subjected to and complied with numerous requirements codified in the Federal Food, Drug, and Cosmetic Act.

A few companies challenged the FDA's ability to regulate non-corrective decorative contact lenses as medical devices to create a loophole in the current law. As a result, these entities distribute their products without the attendant controls that historically have safeguarded contact lens consumers.

The uncontrolled distribution of decorative contact lenses has caused a variety of eye injuries and conditions. At first, what might seem to be a minor irritation, if left untreated, can develop permanent eye damage and loss of vision. S. 172 would close this loophole by restoring the FDA's ability to regulate all contact lenses as medical devices.

Mr. Speaker, I urge Members to support this legislation.

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

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

Mr. Speaker, I rise to join my colleagues, particularly the gentleman from Arkansas (Mr. BOOZMAN), in supporting this important bill to apply the highest safety standards and consumer protections to all contact lenses.

This legislation became necessary on April 4, 2003. On this date, the Food and Drug Administration decided to classify certain colored contact lenses as cosmetics, not medical devices. This classification made no sense. Cosmetics are not required to be made according to strict manufacturing standards; cosmetics are not reviewed for safety prior to marketing; and cosmetics are not prescribed by a doctor.

The loose regulatory approach to cosmetics may work for lipstick; but it is dangerous for contact lenses, which are placed directly on the eyes. If contact lenses are not made properly, they can cause severe infections. If lenses do not fit properly, they can cause disfiguring ulcers, and if lenses are worn by teenagers or others without the ongoing supervision of an eye care professional, severe injuries can result.

Since April 4, 2003, scores of teenagers and young adults have been injured by cosmetic contact lenses. Some have permanently lost vision. Others have required corneal transplants. In one survey in Louisiana, 85 percent of optometrists and 45 percent of ophthalmologists reported diagnosing eye injuries from contact lenses sold without a prescription.

Since April 4, 2003, I have worked with the gentleman from Arkansas (Mr. BOOZMAN), contact lens manufacturers, the American Academy of Ophthalmology, the American Optometric Association, and consumer advocates to ensure that all contact lenses are regulated according to the strict standards and consumer protections applied to medical devices.

In the 108th Congress, our legislation passed the House, but not the Senate. In late July of this year, the legislative approach that we designed passed the Senate. It is this legislation that is again before the House.

By passing this bill, we can ensure the FDA protects consumers from unsafe contact lenses, we can prevent serious eye injuries, even blindness, and we can send a timely message to teenagers and their parents about the dangers of unsupervised use of contact lenses at Halloween.

I would like to express my appreciation to Senators DEWINE and KENNEDY for guiding this legislation through the Senate, I would like to thank those at FDA who supported our legislative solution, and I recognize the efforts of experts such as Thomas Steinemann in Cleveland, who worked hard to raise awareness about the availability and dangers of unsafe lenses.

I especially want to thank and congratulate our colleague, the gentleman from Arkansas (Mr. BOOZMAN), for his persistence and hard work in the House of Representatives. I urge my colleagues to support this bipartisan consensus legislation today.

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

Mr. DEAL of Georgia. Mr. Speaker, I am pleased to yield such time as he may consume to the gentleman from Arkansas (Mr. BOOZMAN), who is the original cosponsor of the House companion bill to this legislation.

□ 1745

Mr. BOOZMAN. Mr. Speaker, last Congress, myself, Mr. WAXMAN in the House, Senator DEWINE, Senator KENNEDY in the Senate, became aware of a very serious problem. The FDA had claimed jurisdiction over all contact lenses, and then in April of 2003 announced that it did not feel like it had jurisdiction over contact lenses that did not have any power in them anymore. In other words, there were lenses that were sold for the purpose of changing eye color, sold at Halloween to enhance; if you were going to a whatever and wanted to look kind of wild, you could buy these lenses. Up until then, everyone agreed that a contact was a contact, but when they got to looking at their statute, they were very concerned that they did not have any jurisdiction.

As a result, these lenses began being sold at flea markets, began being sold at places where you get your nails done, and when they were sold, no one told them how to put them in and take them out, there was no effort at all to teach anything about hygiene, the disinfecting solutions that you needed to prevent your eyes from becoming infected.

Dr. Steineman at Case Western Reserve about this time started seeing a tremendous incidence in eye infections related to these lenses. Let me just tell my colleagues about a couple of them. Here is an example of a young gal that was 16 years old. Her boyfriend supplied her with these colored contact lenses, did not have any power in them, so they were not regulated. The patient admitted to sharing the colored contact lenses with her younger brother, again doing this because she had no idea of how you take care of this type of situation.

You say, well, it is just a 16-year-old. Here is an example of a 26-year-old that also bought contact lenses at a flea market that made him have cat eyes. This individual developed a very significant, very severe infection, which probably resulted in loss of vision.

Today what we are trying to do by passing this bill is to close the loophole which everybody agrees needs to be done. So the real heroes of this have been the FDA. We have worked very, very hard with them and have gotten language that they have agreed to; Dr. Steineman, in doing the early work in identifying this; and ophthalmology, optometry that have really pressed the issue in the House; the manufacturers of the particular lenses; Senator DEWINE and Senator KENNEDY in the Senate; and then also MIKE ENZI, the chairman of the committee over there that really took this upon himself to get this thing passed. Mr. WAXMAN has done a tremendous job of working with us and just really going through in an effort to get the particular language that would get this done without affecting the jurisdiction of the FDA. So I really appreciate the gentleman from California; also, Chairman BARTON and Chairman DEAL in allowing this to go forward to get this to the floor. These were the guys that really allowed us to get this done. We had a goal of getting this done before Halloween, and I think we are almost there.

The other thing I would like to do, which needs to be done more than we do it, is thank our staffs. They have

put in literally countless hours trying to get this thing worked out.

Again, I would urge all of my colleagues to support this bill. I think it is something that needs to be done, and it is one of those things that as a result of us getting this done today truly will protect our youth, protect people in keeping them from experiencing a devastating eye injury.

I also want to thank the majority leader, Mr. BLUNT, for getting this scheduled, again before Halloween.

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

I want to thank my colleague from Arkansas for his very kind words and join him in saluting all of the Members of the House and the Senate and our staffs who have worked on this legislation. I do not want to dwell on why the FDA decided to regulate some lenses as cosmetics rather than medical devices. Congressman DEAL referred to it as a loophole. I consider it a lapse in enforcement. Regardless, this bill is neutral on what went wrong. It just fixes the problem, and that is what we need to do. I would urge all of our colleagues to join us in supporting the legislation.

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

Mr. DEAL of Georgia. Mr. Speaker, I have no further requests for time, I urge the adoption of this Senate bill, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GINGREY). The question is on the motion offered by the gentleman from Georgia (Mr. DEAL) that the House suspend the rules and pass the Senate bill, S. 172.

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

A motion to reconsider was laid on the table.

REQUESTING THE PRESIDENT TO RETURN TO THE HOUSE OF REPRESENTATIVES THE ENROLLMENT OF H.R. 3765

Mr. KUHL of New York. Mr. Speaker, I offer a concurrent resolution (H. Con. Res. 276) requesting the President to return to the House of Representatives the enrollment of H.R. 3765 so that the Clerk of the House may reenroll the bill in accordance with the action of the two Houses, and ask unanimous consent for its immediate consideration in the House.

The Clerk read the title of the concurrent resolution.

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

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 276

Resolved by the House of Representatives (the Senate concurring), That the President is requested to return to the House of Representatives the enrollment of H.R. 3765. When the bill is returned by the President, the actions of the presiding officers of the two Houses in signing the bill shall be rescinded, and the Clerk of the House shall reenroll the bill in accordance with the action of the two Houses.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

ROSA PARKS FEDERAL BUILDING

Mr. KUHL of New York. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2967) to designate the Federal building located at 333 Mt. Elliott Street in Detroit, Michigan, as the ''Rosa Parks Federal Building''.

The Clerk read as follows:

H.R. 2967

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

SECTION 1. DESIGNATION.

The Federal building located at 333 Mt. Elliott Street in Detroit, Michigan, shall be known and designated as the ''Rosa Parks Federal Building''.

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the Federal building referred to in section 1 shall be deemed to be a reference to the ''Rosa Parks Federal Building''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. KUHL) and the gentlewoman from the District of Columbia (Ms. NORTON) each will control 20 minutes.

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

GENERAL LEAVE

Mr. KUHL of New York. 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 H.R. 2967.

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

There was no objection.

Mr. KUHL of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2967, introduced by Ms. KILPATRICK of Michigan, designates the Federal building located at 33 Mt. Elliott Street, Detroit, Michigan, as the ''Rosa Parks Federal Building.''

Rosa Parks, who passed away on Monday, is most well known for her simple, yet heroic act of defiance. Fifty years ago she refused to give up her seat on a segregated bus in Montgomery, Alabama. Rosa Parks was arrested, lost her job, and received numerous death threats for her actions. This simple act inspired further acts of civil disobedience and earned her the title of ''mother of the civil rights movement.''

Rosa Parks' dedication to fight for social and economic justice continued well beyond that monumental day in 1955. As a Secretary for the NAACP, she helped organize civil rights cases. She worked in the antiapartheid movement, and established the Rosa and Raymond Parks Institute for Self-Development in her adopted hometown of Detroit, Michigan. She spent the remainder of her life fighting against all forms of discrimination.

In 1999, Rosa Parks was named one of the 20 most influential and iconic figures of the 20th century by Time Magazine. She also received numerous awards for her contributions to the civil rights movement, including the Presidential Medal of Freedom and also the Congressional Gold Medal.

While Rosa Parks has already received significant recognition for her life's work, I believe that this is a fitting honor to a woman whose actions helped change our society for the better. I support this legislation, and I encourage my colleagues to do the same.

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

Ms. NORTON. Mr. Speaker, I yield myself such time as I may consume. For this side I will be introducing the bill, and after I make an introductory statement, and the next time you go to our side, I want my colleagues to hear from the gentlewoman who is responsible for this bill, Ms. KILPATRICK, who has indicated she wants me to introduce it.

I want to thank her for this bill to designate the Federal Building, which is located at 333 Mt. Elliott Street in Detroit, Michigan, as the Rosa Parks Federal Building, and I want to thank her for really her quite extraordinary diligence in making sure that this bill came to the floor.

I want to say that this bill happens to come to the floor a few days after the death of Rosa Parks, but who is certainly not responsible for the tardiness of this bill reaching the floor is Ms. KILPATRICK. For months she has been talking to me as the ranking member of the subcommittee. For about the same length of time she has been talking with our ranking member Mr. OBERSTAR. I am sure nobody on our committee meant to hold this bill up, but the truth is that we very much desired for this bill to come to the floor before Rosa Parks died. We knew she was elderly. We are very grateful, however, to the majority for allowing this bill to come forward now in advance of the funeral so that Ms. KILPATRICK, who has carried this bill for so long, can go home to say the Congress has approved what I know Members on both sides would very much want to approve.

We all know the story of that December evening in 1955 when a 42-year-old black woman riding a bus in Montgomery, Alabama, refused to give up her seat at the demand of a white male passenger. This simple gesture, it was indeed more than a gesture; it was an act, and an action that our country will never forget, led to the disintegration of institutionalized segregation in much of the South and ushered in a

new era now known as the civil rights era of our country.

Characteristically, Ms. Parks always played down her courageous act. Her strength of character and quiet, but determined sense of justice changed our country, however. Montgomery's segregation laws were very complex and deeply humiliating. For example, blacks were required to pay their fare to the driver and then get off the bus and reenter through the rear door. If the white section was full, blacks were required to give up their seats altogether, no matter what their age, and no matter what their infirmity, and move to the back of the bus.

Rosa Parks was very familiar with these humiliations; however, she was a self-educated, early activist with her own local NAACP, her time at the Highland School in Tennessee, but never particularly intending at that moment to engage in an act of civil disobedience. She simply was ready when the moment of humiliation came. For her boldness, she was arrested and found guilty of disorderly conduct.

This action led to the famous Montgomery bus boycott that lasted over a year and, ultimately, to the Supreme Court decision that banned segregation on the city's public transportation systems, and, Mr. Speaker, therefore, on all public transportation throughout the United States. It is impossible to overstate the impact of her act of gentle defiance.

Rosa Parks' story has now become legendary in American history. I am honored to support this bill. It is a most fitting way to respect her life and to acknowledge her lifelong contributions to equality and justice for all Americans.

Mr. Speaker, it is with great pleasure that I yield such time as she may consume to the gentlewoman from Michigan (Ms. KILPATRICK), the sponsor of this bill, who is responsible for its emergence on the floor today.

□ 1800

Ms. KILPATRICK of Michigan. Thank you, America, for believing in a greater country. I want to thank the gentleman from Minnesota (Mr. OBERSTAR), ranking member of our committee, and certainly Chairman YOUNG. I want to thank the gentlewoman from the District of Columbia (Ms. NORTON), as well as the gentleman from Pennsylvania (Mr. SHUSTER) and the entire House of Representatives for bringing this bill to the floor at this time.

Rosa Parks lived in my district for almost 50 years. I met her as a young women of 19 years old, after leaving Montgomery, Alabama and coming to Detroit. She lived in my district even two nights ago when she passed, and I was honored when the family called me and asked me to come with them the night of her death.

The building that we are naming in honor of Mrs. Rosa Parks is the Federal building in Detroit that houses our Immigration and Homeland Security Department. It will soon be called the Rosa Parks Federal Building. What a tribute to a young woman who dedicated her life, her very soul, her self-respect to building a better, stronger America for all of its people.

Mrs. Parks was one who did not like a lot of fanfare. She did what she had to do, and she spent her life working with the youth of America, letting them know that they can be and do what they want to be and do, that with the spirit of God they can be that power that we must have in our country. It was young people that she dedicated her life to.

As we name this building the Rosa Parks Federal Building on a very busy thoroughfare in the city of Detroit that goes east and west through many communities, it is with honor that I stand here as a sponsor. I want to thank our entire Michigan delegation, both all the Republicans and all the Democrats, who signed on as cosponsors. It is a glorious occasion.

Before I take my seat, I want to talk about the Rosa and Raymond Parks Institute for Self Development, her foundation that she has had over 20 years that again encourages young people, teaches young people, educates them about the civil rights movement, about math, science and all that goes with that, as well as the struggle for justice and all that goes with that.

I thank the Members of the House of Representatives as we pass this tonight. The Senate has also acted today. On December 1, 1955, 50 years ago this December 1, Mrs. Rosa Parks sat down so that we might stand up. Our country is better for it, and the world is better for Mrs. Rosa Parks. The Rosa Parks Federal Building in Detroit will stand as a witness to her sacrifice, her self-respect, and her courage.

I would ask all my colleagues to support Mrs. Rosa Parks as we soon lay her to rest in the country that she helped to make great.

H.R. 2967 seeks to honor Mrs. Rosa Parks, an iconic figure of the civil rights movement by naming the Federal Building at 333 Mt. Elliott Street at E. Jefferson in Detroit, MI, after Rosa Louise Parks.

H.R. 2967 currently has 22 cosponsors including the entire Michigan delegation.

Rosa Parks was a seamstress and the secretary of the local NAACP. Mrs. Parks refused to give up her seat on a Montgomery, Al. bus in December 1955. She was arrested and fined for violating a city ordinance. Her defiance began a movement that ended legal segregation in America and made her an inspiration to people everywhere.

The bus incident led to the formation of the Montgomery Improvement Association. The association called for a boycott against the city-owned bus company. Black people citywide boycotted the bus system for more than a year. As a result of the boycott and the actions of Rosa Parks, the Supreme Court eventually outlawed racial segregation on public transportation.

December 1, 2005 marks the 50th anniversary of Mrs. Rosa Parks's arrest for refusing to give up her seat on the bus in Montgomery, Al.

It is the courage, dignity, and determination that Mrs. Parks exemplified that allow most historians to credit her with beginning the modern day civil rights movement.

In 1957, Mrs. Parks and her husband Raymond moved to Detroit.

She continued her seamstress career and later served on the staff of Congressman John Conyers in various administrative jobs for 23 years and retired in 1988 at the age of 75.

After the death of her husband, she founded the Rosa and Raymond Parks Institute for Self Development. The Institute sponsors leadership programs for youth, including an annual summer program for teenagers called Pathways to Freedom.

The Rosa and Raymond Parks Institute for Self Development offers educational programs for young people including two signature programs: first, Pathways to Freedom, a 21-day program that introduces students to the Underground Railroad and the civil rights movement with a freedom ride across the United States and Canada, tracing the underground railroad into civil rights; and second, Learning Centers and Senior Citizens, a program that partners young people with senior citizens where the young help the senior citizens develop their computer skills and senior citizens mentor the young;

HONORS

Rosa Parks has been honored for her dedication and work with such recognitions as: the NAACP's Spingarn Medal in 1979; The Martin Luther King, Jr., Nonviolent Peace Prize in 1980; The Presidential Medal of Freedom in 1996; and The Congressional Gold Medal in 1999. Time magazine also named Rosa Louise Parks as one of the "100 most influential people of the 20th century." The Henry Ford Museum in Michigan bought and exhibited the bus on which she was arrested, and the Rosa Parks Library and Museum opened in Montgomery in 2000.

LEGACY

Mrs. Parks passed away on Monday at the age of 92 in Detroit. Rosa Parks' legacy is a symbol of hope and inspiration for all. We can all proudly stand on the shoulders of this great giant.

Rosa Parks' work helped change history. Her contributions to the civil rights movement brought this country a step closer to equality. Her devotion to the civil rights movement and the city of Detroit will always be remembered.

People who make meaningful contributions to society should be recognized and honored. Naming the Federal Building at 333 Mt. Elliott Street at E. Jefferson after Mrs. Rosa Parks will remind everyone who drives by or visits the building of the contribution she made for civil rights.

The life of Rosa Parks shows that one person can make a difference.

QUOTES FROM ROSA PARKS

Memories of our lives, of our works and our deeds will continue in others

I would like to be known as a person who is concerned about freedom and equality and justice and prosperity for all people.

Mr. KUHL of New York. Mr. Speaker, I reserve the balance of my time.

Ms. NORTON. Mr. Speaker, I yield 4 minutes to the gentleman from Minnesota (Mr. OBERSTAR), the ranking member who worked so hard on behalf of this bill.

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

Mr. OBERSTAR. Mr. Speaker, I thank the gentlewoman from the District of Columbia (Ms. NORTON) for yielding, and I join in her commendation and great appreciation to the gentlewoman from Michigan (Ms. KILPATRICK) for championing this legislation over so many weeks and months. I join in their regret that we could not have done this in time for Rosa Parks to know that the Nation had recognized her service to equality by naming a Federal courthouse, a Federal building, in her honor.

A headline in The Washington Post today summed it up, in words that Ms. KILPATRICK used herself, summed up the contribution of Rosa Parks: she sat down and we stood up. America did stand up, proud and tall, after this act of righteousness in defiance of a hateful symbol of division in America, segregation on America's buses.

The discussion that the gentlewoman from the District of Columbia had on the NewsHour just last night, with the Reverend Joseph Lowery of the Southern Christian Leadership Council, recalling their association with Rosa Parks, and their great respect for this woman, told of the humility and simplicity but steadfastness of this extraordinary woman.

I recall it rightly, and the gentlewoman from the District of Columbia will verify, it was Reverend Lowery who told the story of Rosa Parks making a wedding gift to his daughter, a check, then of a considerable amount, $25. Three years later, Reverend Lowery's daughter met Rosa Parks, who said to her, why did you not cash my check? You have messed up my accounting. The daughter replied, oh, I would never cash that check. I framed it. This is a treasure. She said no, young lady, you cash that check.

She did not want to be acknowledged and recognized and bowed to as an icon, which she certainly is. She continued a very simple, direct life-style. That is the kind of person that we should respect and honor. It is hard for many of us in northern tier States who have not experience firsthand the pain of segregation, to understand not only the symbolic significance, but the real courage it took to do this, to stand against this kind of discrimination.

I did not understand it fully until I traveled to New Orleans with my wife, who is from New Orleans, rode on the St. Charles street car line, the oldest public transit system in America. She showed me the place on the street cars where the sign was placed, ''no colored ahead of this line.'' No colored ahead of this line. The holder is still in place.

She told me how appalled she was as a child to see white people come and move that device just a little further back so there could be more room for white people, how hateful it was. That no longer exists. But this vestige of the past remains, hopefully as a reminder to us that it should never occur again in America.

Mr. Speaker, I rise in strong support of H.R. 2967, a bill to designate the Federal building located at 333 Mt. Elliott Street, in Detroit, Michigan, as the "Rosa Parks Federal Building."

Rosa Parks is known as the "mother of the civil rights movement." With one single act of defiance—when she refused to give up her seat on the Cleveland Avenue bus in Montgomery, Alabama—she galvanized a Nation and changed the course of history. On December 1, 1955, Mrs. Parks was sitting in the middle rows of the bus with three other black riders. The bus driver demanded that all four give up their seats so that a single white man could sit. Three of the riders complied. Mrs. Parks remained seated.

It is important to keep in mind that what is often remembered as a quiet act of civil disobedience took tremendous personal courage. Blacks at that time had been arrested, and even beaten or killed, for refusing to follow the orders of bus drivers. Rosa Parks was arrested, jailed, and fined $14.

As Mrs. Parks herself has said in the years following that pivotal moment, she hadn't planned on taking a stand that day. She hadn't planned on becoming the face of the injustices of segregation. She had simply had enough. She was tired of being treated like a second-class citizen. She had had enough.

Mrs. Parks' act of courage sparked the civil rights movement. A boycott of the public buses was organized for Monday, December 5, the day of Mrs. Parks' trial. The Reverend Martin Luther King, Jr., then a young preacher who was only 26 years old, organized the boycott. The boycott lasted 381 days, ending only after the Supreme Court outlawed segregation on buses. It captured the attention of the Nation and forced people to confront the inequalities that were then commonplace. The civil rights movement ultimately led to the passage of the landmark Civil Rights Act of 1964, which banned racial discrimination in public accommodations, and the Voting Rights Act of 1965.

Rosa Parks is an American icon. By refusing to give up her seat on that Montgomery bus, she changed the course of history. This honor is long overdue.

Mr. Speaker, Rosa Parks died on Monday. She was 92. I'm only sorry that we could not have passed this bill while Mrs. Parks was still alive. Although she suffered from dementia in her later years, I believe that she would have understood and appreciated such recognition from the United States Congress.

The strength and presence of a Federal building perfectly captures the character and personality of this icon of the civil rights movement. It is fitting and just that her life and public accomplishments are acknowledged with this designation.

I strongly support H.R. 2967 and urge its passage.

Ms. NORTON. Mr. Speaker, I yield 3 minutes to the gentlewoman from Indiana (Ms. CARSON).

Ms. CARSON. Mr. Speaker, my heartfelt congratulation to the Delegate from the District of Columbia. I rise to pay homage to the honorable Rosa Parks, a woman who I honored in this Chamber when I first came to Congress with a resolution creating the Congressional Gold Medal for Mrs. Rosa Parks and a big ceremony that was held in the rotunda.

Throughout that ceremony, she retained a great deal of humility and appreciation and said to me, I do not deserve this medal for myself, but I deserve it as it is necessary for all the people of the United States to understand the struggle, the fact that while I sat there, it brought attention to the United States that even though we had written years ago, liberty and justice for all people, it still had not come through to fruition.

My heart hurt tonight when you passed the legislation that would deny not-for-profits the right to register voters. That was the most insidious inclusion in the housing bill that I have ever seen in all the week that we celebrate the life of Rosa Parks, who strove hard for voting rights and voting registration, that we would take it away from them, especially during this time of year.

Rosa Parks is very near and dear to me. She represents what many of our beautiful people of color represent in the United States of America. I would hope that if we are sincere about recognizing the life and the work of a woman who lived not just because, but lived for a cause, one of which was voter registration and voting opportunities for all people, that we would withdraw that insidious part of that bill that denies not-for-profits to register voters in a nonprofit, nonpartisan way to enable them to be able to vote in elections.

That is so important. We do it for places across the waters, and there is no better way that we can salute Mrs. Parks than to allow free and open registration for people in the United States of America. I would encourage that we do that. I thank the Delegate from the District of Columbia for allowing me the opportunity to take a little part of this celebration of a Federal building in Detroit to express my sentiments and respect for a woman that I loved dearly and appreciate the long life that God granted to her.

Today we pause to honor the life and legacy of Mrs. Rosa Parks, the Mother of America's Civil Rights Movement.

It was on a bitterly cold day in December 1955 when an unknown seamstress in Montgomery, Alabama forever changed the course of American history. In the face of vicious racism and entrenched segregation, Rosa Parks was arrested for refusing to give up her bus seat to a white passenger.

Her quiet courage inspired a 381-day bus boycott that brought the issue of legal segregation into the national consciousness and launched the beginning of the modern civil rights movement in America.

Today, her simple act of defiance continues to symbolize the power of non-violent protest.

Rosa Parks' actions on that bus a half-century ago marked only the beginning of what became a lifelong fight for equal rights. Along with her husband Raymond, she was an active member of the NAACP, serving first as secretary and later as adviser to the NAACP

youth council. For over 20 years she faithfully served the people of Detroit on the staff of my colleague, Congressman JOHN CONYERS. In 1987 she established a training school for Detroit teenagers known as the Rosa and Raymond Parks Institute for Self-Development. The Institute is noted for developing a special program for young people age 11–18 called Pathways to Freedom. Children in the program travel across the country tracing the Underground Railroad, visiting the scenes of critical events in the civil rights movement, tracing their heritage, and learning aspects of America's history.

Five years ago I had the privilege of introducing legislation that authorized President Clinton to award Rosa Parks the Congressional Gold Medal of Honor. Standing in the Capitol Rotunda as such an extraordinary woman received the Nation's highest civilian award was one of my greatest honors as a Member of Congress, and as an American. In keeping with her humble manner and unerring devotion to justice, Mrs. Parks used the occasion to call on the Nation's youth to continue her struggle until all people have equal rights.

Rosa Parks was an American hero. While we honor her life here in Congress today, may we honor her legacy by always remembering that justice is a right we must never take for granted.

Ms. NORTON. Mr. Speaker, I yield 3 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. Speaker, all of us would like to claim a personal relationship with Rosa Parks. I thank the gentlewoman from Michigan (Ms. KILPATRICK) for her leadership on the naming of this building, the timing and the ability for the legislation to make its way to the floor at this time to allow us to share our thoughts. I thank the gentleman from Minnesota (Mr. OBERSTAR) for his guiding hand, and certainly the gentlewoman from the District of Columbia (Ms. NORTON) as well, not only for her leadership, but also for the knowledge that she gives to this issue.

I started by saying that we all would have liked to have had a personal relationship, but at least we can say that we had the opportunity to meet Rosa Parks. As we met her, we stood in awe as we have heard the words on the floor tonight, because, in fact, although she was a humble spirit, she was and continues to be larger than life. As we proceed to mourn her this weekend and through the coming months and weeks, there will be opportunities to name stamps after her and to seek ways of measuring the contributions that she made to America.

I ask my colleagues on both sides of the aisle to join us in the celebration. Let us not diminish the celebration of Rosa Parks and the role that she played in American history by any of the partisan politics that may take place. We are doing too much. Is this not enough? Because as the story is told, as we have already evidenced, she described herself as a simple seamstress. We realize that when she did sit down on that bus and she was arrested, there was no raising of the voice. There was a calmness.

She simply told the bus driver she was not moving. I think the interesting thing for those of us who are trained as lawyers, she did not ask for her lawyer, but she asked for her pastor, Martin Luther King, a pastor of the Dexter Avenue Baptist Church. It symbolized the kind of woman that she was. But it also symbolized the passion that she had for civil rights and freedom in the NAACP and the fact that she wanted to create a movement, and a movement she created. But it was not just a movement. It was a thunderous sound across America that stood up and said no to the divisiveness and the horrificness of segregation and told America once and for all, as the only way that a seamstress with a mild manner could say, but like a mother, she said, you will not do this. You have been naughty, and now is the time to stop.

For that I will be ever grateful, for I would not have been a graduate of an institution that I went to that was a majority institution. I would not have been able to go to law school had it not been for the courage of Rosa Parks, would not have been able to come out of the place where I lived, seen a greater day and a better opportunity, because we had, at that time, no thoughts of rising to the level of where we are today.

So, Rosa Parks, may you rest in peace. We thank you for in that simple manner, quiet demeanor, but yet courageous stand, a big heart, a loving heart, be able to set the tone.

As I close, let me join by saying, let us recommit ourselves to be a country that believes in one person, one vote, no barriers or obstructions to voting. No long lines, no bad balloting, no miscounts. No false registration. Let us do that in the name of Rosa Parks, and may she rest in peace.

□ 1815

Mr. LANTOS. Mr. Speaker, I ask unanimous consent that time for debate be extended for an additional 10 minutes to be equally divided between both sides. This is a very important matter for the entire Nation. We are honoring a heroine, a treasure.

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

There was no objection.

Ms. NORTON. Mr. Speaker, I yield 2 minutes to the gentlewoman from Ohio (Mrs. JONES).

Mrs. JONES of Ohio. Mr. Speaker, I would like to thank the other side for agreeing to the unanimous consent, and I would like to thank my colleagues for giving me this opportunity.

Mr. Speaker, I rise today in celebration of the life of a great heroine of the civil rights movement, Rosa Parks, a woman who dared to make a difference.

As a child I traveled to Alabama. My mother was from Chilton County. I experienced the segregated South. I rode in the back of the bus. I used a colored restroom, and I went in the back doors. Thank God for Rosa Parks.

I remember one day getting on a bus between Clinton and Birmingham, and the bus driver would not take my bag and put it on the bus. And I said, Sir, this bus ain't going nowhere unless you put my bag on. And an older woman on the bus said, Girl, you better get on this bus and sit down. It is a long ride between Clinton, Alabama, and Birmingham.

There are few in history of this country that had the courage to stand up to the adversity with the dignity and strength of Rosa Parks. Her brave action in 1955 began a movement that would change the face of the Nation. Oftentimes history has said that her reason for refusing to get up was because her feet hurt. The truth is she was tired, tired of enduring injustices and tired of being a second class citizen. And as Fannie Lou Hamer said, ''Sick and tired of being sick and tired.'' So she decided to make a difference.

Rosa Parks' legacy of courage in the struggle for justice for African Americans in this country will be an inspiration for generations to come. I offer my sincere condolences to her family and friends at this time.

Mr. Speaker, I rise today in celebration of the life of a great heroine of the Civil Rights Movement, Rosa Parks. A woman who dared to make a difference.

As a child I traveled to Alabama and experienced the segregated South. I rode in the back of the bus, I used the colored restroom and I went into the back doors.

I remember riding the bus between Clanton and Birmingham and the bus driver refused to put my bag on. I told him the bus wasn't going anywhere until he put my bag on. An older woman said: "Girl get on this bus, it's a long ride between Clanton and Birmingham."

Thank God for Rosa Parks.

There are few in the history of this country who have had the courage to stand up to adversity with the dignity and strength of Rosa Parks. Her brave action in 1955, refusing to give up her seat on a Montgomery, Alabama bus to a white man, began a movement that would change the face of this Nation forever.

Oftentimes history has said that her reason for refusing to give up her seat was because her feet hurt, but that was not the case. The truth is, she was tired. Tired of enduring the injustices of the segregated South. Tired of being treated as a second-class citizen or as Fannie Lou Hamer would say, "sick and tired of being sick and tired." So she decided to make a difference that day in Alabama.

Rosa Parks' legacy of courage in the struggle for justice for African Americans in this country will be an inspiration for generations to come. I offer my sincere condolences to her family and friends during this time.

Ms. NORTON. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. LANTOS).

Mr. LANTOS. Mr. Speaker, I view American history as a long process of closing the hypocrisy gap. When we first heard the words ''all men are created equal,'' they certainly were not

equal, and women were not even mentioned. And many of the people in that great generation of the Founding Fathers themselves owned slaves.

This long and painful process of closing the hypocrisy gap has been closed to a large extent because of the courage, the determination, the perseverance of giants like the one we are honoring today.

Rosa Parks is a national treasure. She has reeducated all of us in the value that we, in fact, are all created equal, men and women, people of all faiths, people of all pigmentation. This is a message that needs to be sent over and over again, and I am proud that this House this evening again reminds all of us that the hypocrisy gap is not yet fully closed. We still have some distance to go. But Rosa Parks is among those giants who closed that gap in large measure, and for that we are eternally grateful.

Mr. KUHL of New York. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. ROHRABACHER).

Mr. ROHRABACHER. Mr. Speaker, I rise in support of this motion. I think it is important for conservatives and Republicans to speak up at this moment because they did not speak up back in the 1950s when they should have. I think that this is a fitting moment for this conservative to offer his apology to all those who were active with Rosa Parks in the civil rights movement for not being as supportive as I should have been as well as other conservatives who I know.

At that time many conservatives were blinded by the stupidity of the arguments presented to us called ''States rights,'' which was a bunch of baloney, and we know that now. We know that the people who really were offering that argument, many of them had evil hearts and sinful hearts, and that they hate their fellow human beings and were trying to just oppose the efforts to perfect our country and to make it what our Founding Fathers and Mothers dreamed it would be, a land of liberty and justice for all.

Rosa Parks and the other activists in the civil rights movement at that time were doing their part to try to make our country better, to try to live up to its ideals. So as we name this Federal building, as we talk about this tonight and honor this great lady, I think it is fitting for those Republican conservatives to realize we did not do what was right back then. We recognize it, and we will make sure to do what is right in the future.

I thank the people who have spoken today. I thank the gentleman from California (Mr. LANTOS) for reminding us of what hypocrisy really was, and that we really should not be hypocrites in our lives, and we should speak out strongly for wonderful people who gave their lives trying to make this country a better place.

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

Mr. Speaker, I want to thank the gentleman from California (Mr. ROHRABACHER) for the graciousness of his remarks. I want to thank the gentlewoman from Michigan (Ms. KILPATRICK) for her great diligence in making sure that this bill would be introduced and come forward now.

I want to say in closing that we are accustomed to revolutions being made by armies. We must appreciate what it meant for the opening shot, as it were, of the civil rights movement to have come from a gentlewoman who simply sat in her seat. After 400 years of slavery and discrimination, it might have been a bomb. It was instead an act which set the pattern of nonviolent resistance for the entire civil rights movement.

Please understand that Rosa Parks acted at great personal risk to herself. We may forget what life was like in the 1950s. We all know this, that black men had been lynched for less, and yet she stood there not knowing what would happen after she was arrested.

The remarks of the gentleman from California reminds us what she has done for our country, that essentially she has united our country with one message for all time, and that message does not know partisan lines. What she and the nonviolent revolution that she made that saved our country had done is to bring Republicans and Democrats to the same spot, to the understanding that equality under law is a basic American principle. We could celebrate that principle no better than by honoring the woman who set off the revolution with her gentle act, Rosa Parks.

I thank my good friends from the other side for bringing this bill forward.

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

Mr. KUHL of New York. Mr. Speaker, I thank the gentlewoman from the District of Columbia (Ms. NORTON) for her comments and the comments of all of our colleagues tonight on both sides of the aisle.

I continue to support this bill, as I know everybody in this Chamber does.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. KUHL) that the House suspend the rules and pass the bill, H.R. 2967.

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

A motion to reconsider was laid on the table.

CONGRATULATING THE STATE OF ISRAEL ON THE ELECTION OF AMBASSADOR DAN GILLERMAN AS VICE-PRESIDENT OF THE 60TH UNITED NATIONS GENERAL ASSEMBLY

Mr. CHABOT. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 368) congratulating the State of Israel on the election of Ambassador Dan Gillerman as Vice-President of the 60th United Nations General Assembly.

The Clerk read as follows:

H. RES. 368

Whereas the 60th General Assembly of the United Nations will be held in New York City from September through December 2005;

Whereas the United Nations General Assembly is presided over by a President and 21 Vice-Presidents, who are nominated by the General Assembly's five regional groupings;

Whereas prior to 2000, Israel was the only member of the United Nations to be excluded from a United Nations regional grouping;

Whereas this exclusion was the result of the refusal by Arab states to permit Israel to join the Asian group;

Whereas this exclusion prevented Israel from serving as the President of the United Nations General Assembly, or as a member of any bureau in the General Assembly and its main committees;

Whereas in 2000, Israel was accepted as a temporary member of the Western European and Others Group (WEOG), which includes Canada, the United States, Australia, and New Zealand, in addition to the countries of Western Europe, and its temporary membership was extended in 2004;

Whereas on April 21, 2005, the Western Europe and Others Group nominated Israel as a candidate for Vice-President of the 60th United Nations General Assembly;

Whereas on June 13, 2005, the 191 member United Nations General Assembly elected Ambassador Dan Gillerman, Israel's Permanent Representative to the United Nations, as one of 21 Vice-Presidents of the 60th General Assembly;

Whereas Israeli Ambassador Gillerman called the election ''a historic moment for Israel'', which had last served as United Nations General Assembly Vice-President in 1952;

Whereas Ambassador Gillerman also said that the election confirms that Israel is ''becoming a more active and normal member of the [United Nations]''; and

Whereas United Nations Secretary-General Kofi Annan welcomed Israel's election to the Vice-Presidency of the General Assembly: Now, therefore, be it

Resolved, That the House of Representatives—

(1) congratulates Ambassador Dan Gillerman, Israel's Permanent Representative to the United Nations, and the Government and people of the State of Israel on Israel's election as Vice-President of the 60th General Assembly of the United Nations;

(2) welcomes the nomination by the Western European and Others Group (WEOG) of Israel for the position of Vice-President of the 60th United Nations General Assembly;

(3) welcomes the election by the United Nations General Assembly of Israel as Vice-President of the 60th General Assembly;

(4) supports continued expansion of Israel's role at the United Nations;

(5) notes with concern that Israel remains the object of extreme vilification by many members of the United Nations;

(6) further notes that Israel remains excluded from the Asian regional grouping within the organization; and

(7) calls upon United Nations Secretary-General Kofi Annan to work to end the vilification of Israel at the United Nations and to use his good offices to support Israel's bid to join the Asian regional grouping.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio (Mr. CHABOT) and the gentleman from California (Mr. LANTOS) each will control 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. CHABOT).

GENERAL LEAVE

Mr. CHABOT. 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 H. Res. 368.

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

There was no objection.

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

Mr. Speaker, it is sometimes said that there are three classes of members of the United Nations, permanent members of the Security Council, countries eligible to become nonpermanent members of the Security Council, and countries ineligible to become nonpermanent members of the Security Council.

There is only one country in that third category, and that is, of course, the State of Israel. Israel has been the victim of an unfortunate impulse, rather widespread within the U.N., to isolate it, indeed to delegitimize it, that dates almost from Israel's independence.

As Israel has been until recently completely excluded from the regional group system, it has been effectively unable to advance its candidacy for many of the posts that it should by right be able to aspire to. Indeed, Israel has much to contribute to the U.N. and to the world. It has achieved much in science, technology and social and economic development. It has famously ''made the desert bloom.''

This phenomenon of isolating and vilifying Israel has called forth a response in some quarters of the international community and most clearly in the United States. The Congress and the American administrations of both parties have worked effectively with Israel to end its isolation.

This effort has required some heavy lifting at times, but the efforts have begun to bear fruit. It is especially gratifying that one result of these efforts has been that Ambassador Dan Gillerman, the Israeli Permanent Representative to the United Nations, has been elected as one of the Vice Presidents of the United Nations General Assembly as a candidate of the Western European and Others Group.

This resolution congratulates Israel for having achieved this landmark and calls for further efforts and further results in the effort to end Israel's isolation.

Mr. Speaker, I appreciate the efforts of the gentleman from California (Mr. SCHIFF) and also the distinguished gentleman from California (Mr. LANTOS), who have worked diligently, very hard on this, and they have helped in crafting this resolution for the House.

I also very much appreciate the assistance of the chairman of the committee, the gentleman from Illinois (Mr. HYDE), as well as the many others in this House who have worked on this resolution, and the House leadership as well for their assistance in arranging for consideration of this resolution.

It is about time that Israel be treated with the respect that it is due.

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

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

Mr. Speaker, I rise in strong support of this resolution. Mr. Speaker, first I want to thank my good friend from Ohio (Mr. CHABOT) for his powerful and eloquent statement. I want to thank the chairman of the Committee on International Relations, the gentleman from Illinois (Mr. HYDE), for working on this resolution and bringing it to the floor. But I particularly want to applaud our colleague, a distinguished member of the Committee on International Relations, the gentleman form California (Mr. SCHIFF), for drawing attention to this very positive development at the United Nations in New York.

Mr. Speaker, for the first time in over a half a century at the U.N., the Democratic State of Israel, which has for decades been the only member state to be excluded from U.N. leadership positions because it has been shut out of its regional grouping as an act of blatant discrimination, has now been elected to a significant United Nations post. I am delighted to report that last month Israel's distinguished Ambassador Dan Gillerman, my good friend, became the Vice President of the General Assembly. Ambassador Gillerman has served as Israel's Permanent Representative at the U.N. for nearly 3 years.

□ 1830

Previously, he made his mark as one of Israel's top business leaders. Election of Ambassador Gillerman is a result of congressional and United States Government pressure on our allies in the Western European grouping to finally accept Israel as a full-fledged member to make up for the fact that Israel is denied its rightful seat in the Asian grouping by prejudiced members of the Organization of the Islamic Conference.

This resolution is also important because it recognizes that despite this important development, Israel is still routinely vilified and singled out for political attack at the United Nations. Our measure calls on U.N. Secretary General Kofi Annan to work to end the continued attacks on Israel at the U.N. In fact, the timing of this resolution could not be more auspicious.

The recently concluded U.N. summit provided Secretary General Kofi Annan with the authority to review all mandates and programs at the U.N. This review will finally provide Kofi Annan with the opportunity to recommend to the General Assembly that they dissolve several long-standing preposterous committees within the Secretariat that are allocated millions of dollars on an annual basis for the sole purpose of pursuing one-sided, vicious propaganda aimed at Israel.

Mr. Speaker, today we celebrate the election of a top Israeli diplomat to a position of responsibility at the United Nations. At the same time, we hope that Ambassador Gillerman's election is a harbinger of things to come and that the single-minded persecution of the State of Israel at the United Nations will cease from now on.

I urge all of my colleagues to support this bill.

Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. SCHIFF), the distinguished author of this legislation.

Mr. SCHIFF. Mr. Speaker, I thank the gentleman for yielding me time and for his strong support of this resolution and all of his leadership on the Committee on International Relations. I feel deeply fortunate to have the chance to serve with the gentleman from California (Mr. LANTOS).

Mr. Speaker, on November 29, 1947, the United Nations General Assembly voted 33 to 13, with 10 abstentions, to partition Palestine into two States, one Arab and the other Jewish. With this historic vote, the U.N. assisted with the birth of the modern State of Israel, which proclaimed its independence the following May when Britain withdrew its forces from the region.

For millions of Jews around the world, the partition vote and Israel's joining the United Nations in 1949 held forth the promise that the new country would be embraced by the international community and that the horror of the Holocaust would give way to a new era of acceptance for the Jewish people and their national aspirations.

These hopes were quickly dashed, however, through the concerted efforts of the Arab members of the United Nations who denied Israel's right to exist. Israel's role in the world body became a Cold War sideshow; and for 5 decades, the combined efforts of the Arab States, the Soviet bloc, and the countries of the nonaligned movement prevented Israel from participating as a full member of the United Nations.

Happily, albeit slowly, Israel's fortunes are beginning to change; and on behalf of the gentleman from Ohio (Mr. CHABOT) and 79 of our colleagues, we bring this measure to the floor, and we hope that it will highlight the progress that has been made to date and presage a new chapter in the relationship of Israel and the United Nations.

For the past 5 weeks, the U.N. General Assembly has been meeting in New York. As in past years, the president of the General Assembly has been assisted by 27 vice presidents chosen by regional groupings at the United Nations. This year, however, is slightly different because one of the vice presidents is Israel's permanent representative to the U.N., Ambassador Dan Gillerman.

Ambassador Gillerman's election is historic. On September 20, he became

the first Israeli to preside over the General Assembly since the legendary Abba Eban served as General Assembly vice president in 1953. Throughout most of the intervening 5 decades, the State of Israel has been the subject of unrelenting, and oftentimes grotesque, criticism at the United Nations.

Because of opposition from its Arab neighbors, Israel has been blocked from joining the Asian regional grouping at the United Nations; and until 2000, Israel was the only member of the U.N. to be excluded from joining any regional grouping. Under the U.N. structure, membership in a regional group is a prerequisite to service as president or vice president of the General Assembly, as well as membership in a host of other U.N. bodies.

In 2000, Israel was accepted as a temporary member of the Western Europe and Others group, which removed the bar to further Israeli participation at the U.N. Israel's membership was renewed in 2004.

In March of this year, the Western European group, which includes Western European countries, the U.S., Canada and New Zealand and Australia, nominated Israel for the post of vice president for the historic 60th General Assembly that is ongoing in New York.

The Israeli vice presidency is a small, but important, step towards better relations between the U.N. and Israel; and the Israeli Government and people are excited about the role their nation is playing in New York this fall. Ambassador Gillerman called the election ''a historic moment for Israel'' and said that it signaled that Israel is becoming a more active and normal member of the U.N.

Our resolution congratulates Ambassador Gillerman and Israel on the historic occasion of Israel's vice presidency. It welcomes the Western Europe and Others group, and it welcomes the General Assembly's election of Israel as a vice president. It supports the continued expansion of Israel's role at the U.N. It notes the House's continued concern that Israel remains the object of extreme vilification at the U.N. Finally, it calls upon Secretary General Kofi Annan to work to end the vilification of Israel and to work to gain Israel's admittance to the Asian regional grouping.

Throughout the last year, the Congress has discussed ways to reform the United Nations, to make it less corrupt and more responsive to the needs of a changing world. Many Members, myself included, have voiced consternation at Israel's marginalization at the U.N. as evidence of the U.N.'s failure to live up to its founding principles.

Israel's vice presidency, along with other steps, some initiated by Israel and others facilitated by Secretary General Annan, have initiated a thaw in the relationship between Israel and the world body. Much more remains to be done; but Israelis, their friends here in America, and true friends of the U.N. can take satisfaction in Israel's role at this fall's General Assembly.

I would like to thank, again, the gentleman from Ohio (Mr. CHABOT) for all of his work on the resolution. I am very grateful to the gentleman from Illinois (Mr. HYDE) and to the gentleman from California (Mr. LANTOS) for their strong support. This is truly something worth celebrating, and I urge my colleagues to join in support of the resolution.

Mr. CARNAHAN. Mr. Speaker, I rise in support of this resolution today to commend the great State of Israel on being selected as the Vice President of the 60th UN General Assembly.

When Israel became a vice president last month, the significance of Israel's first selection to the vice-presidency in 53 years was noted by all.

It Is a reflection of each nominating country's confidence in Israel's commitment to peace in the Middle East, and a reflection of Israel's continued relation building with Muslim states throughout the region.

When I traveled to Israel this past August, I was able to witness first-hand Israel's true dedication to achieving peace through a two state solution with the Palestinians.

I believe that Israel's selection to the vice-presidency is a true testament to Israel's continued growth as a key country in the world's march towards peace.

Once again, I congratulate Israel on its selection and current service as a vice president and look forward to the future as Israel continues to be a central figure at the United Nations.

Mr. GENE GREEN of Texas. Mr. Speaker, I want to offer my full support for this resolution to congratulate Ambassador Dan Gillerman, Israel's Permanent Representative to the United Nations, and the government and people of Israel on Israel's election as Vice-president of the 60th General Assembly of the United Nations.

Since joining the United Nations on May 11, 1949, Israel has been singled out time and again for disproportionate criticism, underrepresented on important committees, denied full membership in regional groupings and constantly attacked by a bloc of Arab states and their supporters.

From the time he assumed his post as Israel's Representative to the United Nation in January 2003, Mr. Gillerman has been a strong advocate of reforms at the UN that will give Israel more rights and will reform many of the wasteful and corrupt UN programs. In September 2005, Mr. Gillerman submitted Israel's first-ever candidacy for the Security Council, and Israel also recently proposed its first UN resolution.

Mr. Gillerman has also supported ending four UN committees established specifically to aid Palestinians. The Committee on the Exercise of the Inalienable Rights of the Palestinian People, the Division for Palestinian Rights, the Special Information Program on the Question of Palestine and the Special Committee to Investigate Israel Practices are all biased committees that have long outlived their intended purposes and have added to the waste and anti-Israeli sentiments at the UN.

In June 2005, Ambassador Gillerman was elected to serve as the Vice-President of the General Assembly of the United Nations. He is the first Israeli representative to serve as Vice-President of the General Assembly in the past 53 years, since Abba Eban who served in this position in 1952.

I congratulate Mr. Gillerman on his election as Vice-President of the 60th General Assembly of the United Nations and urge my colleagues to join me in supporting House Resolution 368.

Mr. LANTOS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. CHABOT. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. POE). The question is on the motion offered by the gentleman from Ohio (Mr. CHABOT) that the House suspend the rules and agree to the resolution, H. Res. 368.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. LANTOS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this question will be postponed.

CONFERENCE REPORT ON H.R. 2744, AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2006

Mr. LAHOOD submitted the following conference report and statement on the bill (H.R. 2744), making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes:

CONFERENCE REPORT (H. REPT. 109–255)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2744) ''making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the fiscal year ending September 30, 2006, 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 House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2006, and for other purposes, namely:

TITLE I

AGRICULTURAL PROGRAMS

PRODUCTION, PROCESSING AND MARKETING

OFFICE OF THE SECRETARY

For necessary expenses of the Office of the Secretary of Agriculture, $5,127,000: Provided,

That not to exceed $11,000 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary.

EXECUTIVE OPERATIONS

CHIEF ECONOMIST

For necessary expenses of the Chief Economist, including economic analysis, risk assessment, cost-benefit analysis, energy and new uses, and the functions of the World Agricultural Outlook Board, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1622g), $10,539,000.

NATIONAL APPEALS DIVISION

For necessary expenses of the National Appeals Division, $14,524,000.

OFFICE OF BUDGET AND PROGRAM ANALYSIS

For necessary expenses of the Office of Budget and Program Analysis, $8,298,000.

HOMELAND SECURITY STAFF

For necessary expenses of the Homeland Security Staff, $934,000.

OFFICE OF THE CHIEF INFORMATION OFFICER

For necessary expenses of the Office of the Chief Information Officer, $16,462,000.

COMMON COMPUTING ENVIRONMENT

For necessary expenses to acquire a Common Computing Environment for the Natural Resources Conservation Service, the Farm and Foreign Agricultural Service, and Rural Development mission areas for information technology, systems, and services, $110,072,000, to remain available until expended, for the capital asset acquisition of shared information technology systems, including services as authorized by 7 U.S.C. 6915–16 and 40 U.S.C. 1421–28: Provided, That obligation of these funds shall be consistent with the Department of Agriculture Service Center Modernization Plan of the county-based agencies, and shall be with the concurrence of the Department's Chief Information Officer: Provided further, That of the funds provided under this section, the Secretary shall acquire one meter natural color digital ortho-imagery of the entire state of Utah.

OFFICE OF THE CHIEF FINANCIAL OFFICER

For necessary expenses of the Office of the Chief Financial Officer, $5,874,000: Provided, That hereafter the Chief Financial Officer shall actively market and expand cross-servicing activities of the National Finance Center: Provided further, That no funds made available by this appropriation may be obligated for FAIR Act or Circular A–76 activities until the Secretary has submitted to the Committees on Appropriations of both Houses of Congress and the Committee on Government Reform of the House of Representatives a report on the Department's contracting out policies, including agency budgets for contracting out.

OFFICE OF THE ASSISTANT SECRETARY FOR CIVIL RIGHTS

For necessary salaries and expenses of the Office of the Assistant Secretary for Civil Rights, $821,000.

OFFICE OF CIVIL RIGHTS

For necessary expenses of the Office of Civil Rights, $20,109,000.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

For necessary salaries and expenses of the Office of the Assistant Secretary for Administration, $676,000.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

(INCLUDING TRANSFERS OF FUNDS)

For payment of space rental and related costs pursuant to Public Law 92–313, including authorities pursuant to the 1984 delegation of authority from the Administrator of General Services to the Department of Agriculture under 40 U.S.C. 486, for programs and activities of the Department which are included in this Act, and for alterations and other actions needed for the Department and its agencies to consolidate unneeded space into configurations suitable for release to the Administrator of General Services, and for the operation, maintenance, improvement, and repair of Agriculture buildings and facilities, and for related costs, $187,734,000, to remain available until expended, as follows: for payments to the General Services Administration and the Department of Homeland Security for building security, $147,734,000, and for buildings operations and maintenance, $40,000,000: Provided, That amounts which are made available for space rental and related costs for the Department of Agriculture in this Act may be transferred between such appropriations to cover the costs of additional, new, or replacement space 15 days after notice thereof is transmitted to the Appropriations Committees of both Houses of Congress.

HAZARDOUS MATERIALS MANAGEMENT

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Department of Agriculture, to comply with the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9601 et seq.) and the Resource Conservation and Recovery Act (42 U.S.C. 6901 et seq.), $12,000,000, to remain available until expended: Provided, That appropriations and funds available herein to the Department for Hazardous Materials Management may be transferred to any agency of the Department for its use in meeting all requirements pursuant to the above Acts on Federal and non-Federal lands.

DEPARTMENTAL ADMINISTRATION

(INCLUDING TRANSFERS OF FUNDS)

For Departmental Administration, $23,103,000, to provide for necessary expenses for management support services to offices of the Department and for general administration, security, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department: Provided, That this appropriation shall be reimbursed from applicable appropriations in this Act for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551–558.

OFFICE OF THE ASSISTANT SECRETARY FOR CONGRESSIONAL RELATIONS

(INCLUDING TRANSFERS OF FUNDS)

For necessary salaries and expenses of the Office of the Assistant Secretary for Congressional Relations to carry out the programs funded by this Act, including programs involving intergovernmental affairs and liaison within the executive branch, $3,821,000: Provided, That these funds may be transferred to agencies of the Department of Agriculture funded by this Act to maintain personnel at the agency level: Provided further, That no funds made available by this appropriation may be obligated after 30 days from the date of enactment of this Act, unless the Secretary has notified the Committees on Appropriations of both Houses of Congress on the allocation of these funds by USDA agency: Provided further, That no other funds appropriated to the Department by this Act shall be available to the Department for support of activities of congressional relations.

OFFICE OF COMMUNICATIONS

For necessary expenses to carry out services relating to the coordination of programs involving public affairs, for the dissemination of agricultural information, and the coordination of information, work, and programs authorized by Congress in the Department, $9,509,000: Provided, That not to exceed $2,000,000 may be used for farmers' bulletins.

OFFICE OF THE INSPECTOR GENERAL

For necessary expenses of the Office of the Inspector General, including employment pursuant to the Inspector General Act of 1978, $80,336,000, including such sums as may be necessary for contracting and other arrangements with public agencies and private persons pursuant to section 6(a)(9) of the Inspector General Act of 1978, and including not to exceed $125,000 for certain confidential operational expenses, including the payment of informants, to be expended under the direction of the Inspector General pursuant to Public Law 95–452 and section 1337 of Public Law 97–98.

OFFICE OF THE GENERAL COUNSEL

For necessary expenses of the Office of the General Counsel, $39,351,000.

OFFICE OF THE UNDER SECRETARY FOR RESEARCH, EDUCATION AND ECONOMICS

For necessary salaries and expenses of the Office of the Under Secretary for Research, Education and Economics to administer the laws enacted by the Congress for the Economic Research Service, the National Agricultural Statistics Service, the Agricultural Research Service, and the Cooperative State Research, Education, and Extension Service, $598,000.

ECONOMIC RESEARCH SERVICE

For necessary expenses of the Economic Research Service in conducting economic research and analysis, $75,931,000: Provided, That none of the funds made available by this Act or any other Act may be used by the Department of Agriculture to publish, disseminate, or distribute, internally or externally, Agriculture Information Bulletin Number 787: Provided further, That of the funds provided to the Economic Research Service, the Secretary of Agriculture shall use $350,000 to enter into an agreement for a comprehensive report on the economic development and current status of the sheep industry in the United States to be prepared by the National Academy of Sciences.

NATIONAL AGRICULTURAL STATISTICS SERVICE

For necessary expenses of the National Agricultural Statistics Service in conducting statistical reporting and service work, $140,700,000, of which up to $29,115,000 shall be available until expended for the Census of Agriculture.

AGRICULTURAL RESEARCH SERVICE

SALARIES AND EXPENSES

For necessary expenses to enable the Agricultural Research Service to perform agricultural research and demonstration relating to production, utilization, marketing, and distribution (not otherwise provided for); home economics or nutrition and consumer use including the acquisition, preservation, and dissemination of agricultural information; and for acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed $100, and for land exchanges where the lands exchanged shall be of equal value or shall be equalized by a payment of money to the grantor which shall not exceed 25 percent of the total value of the land or interests transferred out of Federal ownership, $1,135,004,000: Provided, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed one for replacement only: Provided further, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building shall not exceed $375,000, except for headhouses or greenhouses which shall each be limited to $1,200,000, and except for 10 buildings to be constructed or improved at a cost not to exceed $750,000 each, and the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building or $375,000, whichever is greater: Provided further, That the limitations on alterations contained in this Act shall not apply to modernization or replacement of existing facilities at Beltsville, Maryland: Provided further, That appropriations hereunder shall be available for granting easements at the Beltsville Agricultural Research Center: Provided

further, That the foregoing limitations shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a): Provided further, That the foregoing limitations shall not apply to the purchase of land at Florence, South Carolina: Provided further, That funds may be received from any State, other political subdivision, organization, or individual for the purpose of establishing or operating any research facility or research project of the Agricultural Research Service, as authorized by law: Provided further, That the Secretary, through the Agricultural Research Service, or successor, is authorized to lease approximately 40 acres of land at the Central Plains Experiment Station, Nunn, Colorado, to the Board of Governors of the Colorado State University System, for its Shortgrass Steppe Biological Field Station, on such terms and conditions as the Secretary deems in the public interest: Provided further, That the Secretary understands that it is the intent of the University to construct research and educational buildings on the subject acreage and to conduct agricultural research and educational activities in these buildings: Provided further, That as consideration for a lease, the Secretary may accept the benefits of mutual cooperative research to be conducted by the Colorado State University and the Government at the Shortgrass Steppe Biological Field Station: Provided further, That the term of any lease shall be for no more than 20 years, but a lease may be renewed at the option of the Secretary on such terms and conditions as the Secretary deems in the public interest: Provided further, That the Agricultural Research Service may convey all rights and title of the United States, to a parcel of land comprising 19 acres, more or less, located in Section 2, Township 18 North, Range 14 East in Oktibbeha County, Mississippi, originally conveyed by the Board of Trustees of the Institution of Higher Learning of the State of Mississippi, and described in instruments recorded in Deed Book 306 at pages 553–554, Deed Book 319 at page 219, and Deed Book 33 at page 115, of the public land records of Oktibbeha County, Mississippi, including facilities, and fixed equipment, to the Mississippi State University, Starkville, Mississippi, in their ''as is'' condition, when vacated by the Agricultural Research Service: Provided further, That none of the funds appropriated under this heading shall be available to carry out research related to the production, processing, or marketing of tobacco or tobacco products.

BUILDINGS AND FACILITIES

For acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities as necessary to carry out the agricultural research programs of the Department of Agriculture, where not otherwise provided, $131,195,000, to remain available until expended.

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE

RESEARCH AND EDUCATION ACTIVITIES

For payments to agricultural experiment stations, for cooperative forestry and other research, for facilities, and for other expenses, $676,849,000, as follows: to carry out the provisions of the Hatch Act of 1887 (7 U.S.C. 361a–i), $178,757,000; for grants for cooperative forestry research (16 U.S.C. 582a through a–7), $22,230,000; for payments to the 1890 land-grant colleges, including Tuskegee University and West Virginia State University (7 U.S.C. 3222), $37,591,000, of which $1,507,496 shall be made available only for the purpose of ensuring that each institution shall receive no less than $1,000,000; for special grants for agricultural research (7 U.S.C. 450i(c)), $128,223,000; for special grants for agricultural research on improved pest control (7 U.S.C. 450i(c)), $14,798,000; for competitive research grants (7 U.S.C. 450i(b)), $183,000,000; for the support of animal health and disease programs (7 U.S.C. 3195), $5,057,000; for supplemental and alternative crops and products (7 U.S.C. 3319d), $1,187,000; for grants for research pursuant to the Critical Agricultural Materials Act (7 U.S.C. 178 et seq.), $1,102,000, to remain available until expended; for the 1994 research grants program for 1994 institutions pursuant to section 536 of Public Law 103–382 (7 U.S.C. 301 note), $1,039,000, to remain available until expended; for rangeland research grants (7 U.S.C. 3333), $1,000,000; for higher education graduate fellowship grants (7 U.S.C. 3152(b)(6)), $3,738,000, to remain available until expended (7 U.S.C. 2209b); for a veterinary medicine loan repayment program pursuant to section 1415A of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3101 et seq.), $500,000; for higher education challenge grants (7 U.S.C. 3152(b)(1)), $5,478,000; for a higher education multicultural scholars program (7 U.S.C. 3152(b)(5)), $998,000, to remain available until expended (7 U.S.C. 2209b); for an education grants program for Hispanic-serving Institutions (7 U.S.C. 3241), $6,000,000; for noncompetitive grants for the purpose of carrying out all provisions of 7 U.S.C. 3242 (section 759 of Public Law 106–78) to individual eligible institutions or consortia of eligible institutions in Alaska and in Hawaii, with funds awarded equally to each of the States of Alaska and Hawaii, $3,250,000; for a secondary agriculture education program and 2-year postsecondary education (7 U.S.C. 3152(j)), $1,000,000; for aquaculture grants (7 U.S.C. 3322), $3,968,000; for sustainable agriculture research and education (7 U.S.C. 5811), $12,400,000; for a program of capacity building grants (7 U.S.C. 3152(b)(4)) to colleges eligible to receive funds under the Act of August 30, 1890 (7 U.S.C. 321–326 and 328), including Tuskegee University and West Virginia State University, $12,312,000, to remain available until expended (7 U.S.C. 2209b); for payments to the 1994 Institutions pursuant to section 534(a)(1) of Public Law 103–382, $2,250,000; for resident instruction grants for insular areas under section 1491 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3363), $500,000; and for necessary expenses of Research and Education Activities, $50,471,000, of which $2,587,000 for the Research, Education, and Economics Information System and $2,051,000 for the Electronic Grants Information System, are to remain available until expended: Provided, That none of the funds appropriated under this heading shall be available to carry out research related to the production, processing, or marketing of tobacco or tobacco products: Provided further, That this paragraph shall not apply to research on the medical, biotechnological, food, and industrial uses of tobacco.

NATIVE AMERICAN INSTITUTIONS ENDOWMENT FUND

For the Native American Institutions Endowment Fund authorized by Public Law 103–382 (7 U.S.C. 301 note), $12,000,000, to remain available until expended.

EXTENSION ACTIVITIES

For payments to States, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, Micronesia, Northern Marianas, and American Samoa, $455,955,000, as follows: payments for cooperative extension work under the Smith-Lever Act, to be distributed under sections 3(b) and 3(c) of said Act, and under section 208(c) of Public Law 93–471, for retirement and employees' compensation costs for extension agents, $275,730,000; payments for extension work at the 1994 Institutions under the Smith-Lever Act (7 U.S.C. 343(b)(3)), $3,273,000; payments for the nutrition and family education program for low-income areas under section 3(d) of the Act, $62,634,000; payments for the pest management program under section 3(d) of the Act, $9,960,000; payments for the farm safety program under section 3(d) of the Act, $4,563,000; payments for New Technologies for Ag Extension under Section 3(d) of the Act, $1,500,000; payments to upgrade research, extension, and teaching facilities at the 1890 land-grant colleges, including Tuskegee University and West Virginia State University, as authorized by section 1447 of Public Law 95–113 (7 U.S.C. 3222b), $16,777,000, to remain available until expended; payments for youth-at-risk programs under section 3(d) of the Smith-Lever Act, $7,728,000; for youth farm safety education and certification extension grants, to be awarded competitively under section 3(d) of the Act, $444,000; payments for carrying out the provisions of the Renewable Resources Extension Act of 1978 (16 U.S.C. 1671 et seq.), $4,060,000; payments for Indian reservation agents under section 3(d) of the Smith-Lever Act, $1,996,000; payments for sustainable agriculture programs under section 3(d) of the Act, $4,067,000; payments for rural health and safety education as authorized by section 502(i) of Public Law 92–419 (7 U.S.C. 2662(i)), $1,965,000; payments for cooperative extension work by the colleges receiving the benefits of the second Morrill Act (7 U.S.C. 321–326 and 328) and Tuskegee University and West Virginia State University, $33,868,000, of which $1,724,884 shall be made available only for the purpose of ensuring that each institution shall receive no less than $1,000,000; for grants to youth organizations pursuant to section 7630 of title 7, United States Code, $2,000,000; and for necessary expenses of Extension Activities, $25,390,000.

INTEGRATED ACTIVITIES

For the integrated research, education, and extension grants programs, including necessary administrative expenses, $55,792,000, as follows: for competitive grants programs authorized under section 406 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7626), $45,792,000, including $12,867,000 for the water quality program, $14,847,000 for the food safety program, $4,167,000 for the regional pest management centers program, $4,464,000 for the Food Quality Protection Act risk mitigation program for major food crop systems, $1,389,000 for the crops affected by Food Quality Protection Act implementation, $3,106,000 for the methyl bromide transition program, and $1,874,000 for the organic transition program; for a competitive international science and education grants program authorized under section 1459A of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3292b), to remain available until expended, $1,000,000; for grants programs authorized under section 2(c)(1)(B) of Public Law 89–106, as amended, $744,000, to remain available until September 30, 2007 for the critical issues program, and $1,334,000 for the regional rural development centers program; and $10,000,000 for the Food and Agriculture Defense Initiative authorized under section 1484 of the National Agricultural Research, Extension, and Teaching Act of 1977, to remain available until September 30, 2007.

OUTREACH FOR SOCIALLY DISADVANTAGED FARMERS

For grants and contracts pursuant to section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279), $6,000,000, to remain available until expended.

OFFICE OF THE UNDER SECRETARY FOR MARKETING AND REGULATORY PROGRAMS

For necessary salaries and expenses of the Office of the Under Secretary for Marketing and Regulatory Programs to administer programs under the laws enacted by the Congress for the Animal and Plant Health Inspection Service; the Agricultural Marketing Service; and the Grain Inspection, Packers and Stockyards Administration; $724,000.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For expenses, not otherwise provided for, necessary to prevent, control, and eradicate pests and plant and animal diseases; to carry out inspection, quarantine, and regulatory activities;

and to protect the environment, as authorized by law, $815,461,000, of which $4,140,000 shall be available for the control of outbreaks of insects, plant diseases, animal diseases and for control of pest animals and birds to the extent necessary to meet emergency conditions; of which $39,000,000 shall be used for the boll weevil eradication program for cost share purposes or for debt retirement for active eradication zones; of which $33,340,000 shall be available for a National Animal Identification program: Provided, That no funds shall be used to formulate or administer a brucellosis eradication program for the current fiscal year that does not require minimum matching by the States of at least 40 percent: Provided further, That this appropriation shall be available for the operation and maintenance of aircraft and the purchase of not to exceed four, of which two shall be for replacement only: Provided further, That, in addition, in emergencies which threaten any segment of the agricultural production industry of this country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as may be deemed necessary, to be available only in such emergencies for the arrest and eradication of contagious or infectious disease or pests of animals, poultry, or plants, and for expenses in accordance with sections 10411 and 10417 of the Animal Health Protection Act (7 U.S.C. 8310 and 8316) and sections 431 and 442 of the Plant Protection Act (7 U.S.C. 7751 and 7772), and any unexpended balances of funds transferred for such emergency purposes in the preceding fiscal year shall be merged with such transferred amounts: Provided further, That appropriations hereunder shall be available pursuant to law (7 U.S.C. 2250) for the repair and alteration of leased buildings and improvements, but unless otherwise provided the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

In fiscal year 2006, the agency is authorized to collect fees to cover the total costs of providing technical assistance, goods, or services requested by States, other political subdivisions, domestic and international organizations, foreign governments, or individuals, provided that such fees are structured such that any entity's liability for such fees is reasonably based on the technical assistance, goods, or services provided to the entity by the agency, and such fees shall be credited to this account, to remain available until expended, without further appropriation, for providing such assistance, goods, or services.

BUILDINGS AND FACILITIES

For plans, construction, repair, preventive maintenance, environmental support, improvement, extension, alteration, and purchase of fixed equipment or facilities, as authorized by 7 U.S.C. 2250, and acquisition of land as authorized by 7 U.S.C. 428a, $4,996,000, to remain available until expended.

AGRICULTURAL MARKETING SERVICE

MARKETING SERVICES

For necessary expenses to carry out services related to consumer protection, agricultural marketing and distribution, transportation, and regulatory programs, as authorized by law, and for administration and coordination of payments to States, $75,376,000, including funds for the wholesale market development program for the design and development of wholesale and farmer market facilities for the major metropolitan areas of the country: Provided, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

Fees may be collected for the cost of standardization activities, as established by regulation pursuant to law (31 U.S.C. 9701).

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed $65,667,000 (from fees collected) shall be obligated during the current fiscal year for administrative expenses: Provided, That if crop size is understated and/or other uncontrollable events occur, the agency may exceed this limitation by up to 10 percent with notification to the Committees on Appropriations of both Houses of Congress.

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY (SECTION 32)

(INCLUDING TRANSFERS OF FUNDS)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), shall be used only for commodity program expenses as authorized therein, and other related operating expenses, including not less than $20,000,000 for replacement of a system to support commodity purchases, except for: (1) transfers to the Department of Commerce as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; and (3) not more than $16,055,000 for formulation and administration of marketing agreements and orders pursuant to the Agricultural Marketing Agreement Act of 1937 and the Agricultural Act of 1961.

PAYMENTS TO STATES AND POSSESSIONS

For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), $3,847,000, of which not less than $2,500,000 shall be used to make a grant under this heading.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the United States Grain Standards Act, for the administration of the Packers and Stockyards Act, for certifying procedures used to protect purchasers of farm products, and the standardization activities related to grain under the Agricultural Marketing Act of 1946, $38,443,000: Provided, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

LIMITATION ON INSPECTION AND WEIGHING SERVICES EXPENSES

Not to exceed $42,463,000 (from fees collected) shall be obligated during the current fiscal year for inspection and weighing services: Provided, That if grain export activities require additional supervision and oversight, or other uncontrollable factors occur, this limitation may be exceeded by up to 10 percent with notification to the Committees on Appropriations of both Houses of Congress.

OFFICE OF THE UNDER SECRETARY FOR FOOD SAFETY

For necessary salaries and expenses of the Office of the Under Secretary for Food Safety to administer the laws enacted by the Congress for the Food Safety and Inspection Service, $602,000.

FOOD SAFETY AND INSPECTION SERVICE

For necessary expenses to carry out services authorized by the Federal Meat Inspection Act, the Poultry Products Inspection Act, and the Egg Products Inspection Act, including not to exceed $50,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), $837,756,000, of which no less than $753,252,000 shall be available for Federal food safety inspection; and in addition, $1,000,000 may be credited to this account from fees collected for the cost of laboratory accreditation as authorized by section 1327 of the Food, Agriculture, Conservation and Trade Act of 1990 (7 U.S.C. 138f): Provided, That no fewer than 63 full time equivalent positions above the fiscal year 2002 level shall be employed during fiscal year 2006 for purposes dedicated solely to inspections and enforcement related to the Humane Methods of Slaughter Act: Provided further, That of the amount available under this heading, notwithstanding section 704 of this Act $4,000,000, available until September 30, 2007, shall be obligated to include the Humane Animal Tracking System as part of the Field Automation and Information Management System following notification to the Committees on Appropriations, which shall include a detailed explanation of the components of such system: Provided further, That of the total amount made available under this heading, no less than $20,653,000 shall be obligated for regulatory and scientific training: Provided further, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

OFFICE OF THE UNDER SECRETARY FOR FARM AND FOREIGN AGRICULTURAL SERVICES

For necessary salaries and expenses of the Office of the Under Secretary for Farm and Foreign Agricultural Services to administer the laws enacted by Congress for the Farm Service Agency, the Foreign Agricultural Service, the Risk Management Agency, and the Commodity Credit Corporation, $635,000.

FARM SERVICE AGENCY

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses for carrying out the administration and implementation of programs administered by the Farm Service Agency, $1,030,000,000: Provided, That the Secretary is authorized to use the services, facilities, and authorities (but not the funds) of the Commodity Credit Corporation to make program payments for all programs administered by the Agency: Provided further, That other funds made available to the Agency for authorized activities may be advanced to and merged with this account: Provided further, That none of the funds made available by this Act may be used to pay the salaries or expenses of any officer or employee of the Department of Agriculture to close any local or county office of the Farm Service Agency unless the Secretary of Agriculture, not later than 30 days after the date on which the Secretary proposed the closure, holds a public meeting about the proposed closure in the county in which the local or county office is located, and, after the public meeting but not later than 120 days before the date on which the Secretary approves the closure, notifies the Committee on Agriculture and the Committee on Appropriations of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry and the Committee on Appropriations of the Senate, and the members of Congress from the State in which the local or county office is located of the proposed closure.

STATE MEDIATION GRANTS

For grants pursuant to section 502(b) of the Agricultural Credit Act of 1987, as amended (7 U.S.C. 5101–5106), $4,250,000.

GRASSROOTS SOURCE WATER PROTECTION PROGRAM

For necessary expenses to carry out wellhead or groundwater protection activities under section 12400 of the Food Security Act of 1985 (16 U.S.C. 3839bb–2), $3,750,000, to remain available until expended.

DAIRY INDEMNITY PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses involved in making indemnity payments to dairy farmers and manufacturers of dairy products under a dairy indemnity program, $100,000, to remain available until expended: Provided, That such program is carried out by the Secretary in the same manner

as the dairy indemnity program described in the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 106–387, 114 Stat. 1549A–12).

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For gross obligations for the principal amount of direct and guaranteed farm ownership (7 U.S.C. 1922 et seq.) and operating (7 U.S.C. 1941 et seq.) loans, Indian tribe land acquisition loans (25 U.S.C. 488), and boll weevil loans (7 U.S.C. 1989), to be available from funds in the Agricultural Credit Insurance Fund, as follows: farm ownership loans, $1,608,000,000, of which $1,400,000,000 shall be for guaranteed loans and $208,000,000 shall be for direct loans; operating loans, $2,074,632,000, of which $1,150,000,000 shall be for unsubsidized guaranteed loans, $274,632,000 shall be for subsidized guaranteed loans and $650,000,000 shall be for direct loans; Indian tribe land acquisition loans, $2,020,000; and for boll weevil eradication program loans, $100,000,000: Provided, That the Secretary shall deem the pink bollworm to be a boll weevil for the purpose of boll weevil eradication program loans.

For the cost of direct and guaranteed loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, as follows: farm ownership loans, $17,370,000, of which $6,720,000 shall be for guaranteed loans, and $10,650,000 shall be for direct loans; operating loans, $133,849,000, of which $34,845,000 shall be for unsubsidized guaranteed loans, $34,329,000 shall be for subsidized guaranteed loans, and $64,675,000 shall be for direct loans; and Indian tribe land acquisition loans, $81,000.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, $312,591,000, of which $304,591,000 shall be transferred to and merged with the appropriation for ''Farm Service Agency, Salaries and Expenses''.

Funds appropriated by this Act to the Agricultural Credit Insurance Program Account for farm ownership and operating direct loans and guaranteed loans may be transferred among these programs: Provided, That the Committees on Appropriations of both Houses of Congress are notified at least 15 days in advance of any transfer.

RISK MANAGEMENT AGENCY

For administrative and operating expenses, as authorized by section 226A of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6933), $77,048,000: Provided, That not to exceed $1,000 shall be available for official reception and representation expenses, as authorized by 7 U.S.C. 1506(i).

CORPORATIONS

The following corporations and agencies are hereby authorized to make expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided.

FEDERAL CROP INSURANCE CORPORATION FUND

For payments as authorized by section 516 of the Federal Crop Insurance Act (7 U.S.C. 1516), such sums as may be necessary, to remain available until expended.

COMMODITY CREDIT CORPORATION FUND

REIMBURSEMENT FOR NET REALIZED LOSSES

For the current fiscal year, such sums as may be necessary to reimburse the Commodity Credit Corporation for net realized losses sustained, but not previously reimbursed, pursuant to section 2 of the Act of August 17, 1961 (15 U.S.C. 713a–11): Provided, That of the funds available to the Commodity Credit Corporation under section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C 714i) for the conduct of its business with the Foreign Agricultural Service, up to $5,000,000 may be transferred to and used by the Foreign Agricultural Service for information resource management activities of the Foreign Agricultural Service that are not related to Commodity Credit Corporation business.

HAZARDOUS WASTE MANAGEMENT

(LIMITATION ON EXPENSES)

For the current fiscal year, the Commodity Credit Corporation shall not expend more than $5,000,000 for site investigation and cleanup expenses, and operations and maintenance expenses to comply with the requirement of section 107(g) of the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9607(g)), and section 6001 of the Resource Conservation and Recovery Act (42 U.S.C. 6961).

TITLE II

CONSERVATION PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

For necessary salaries and expenses of the Office of the Under Secretary for Natural Resources and Environment to administer the laws enacted by the Congress for the Forest Service and the Natural Resources Conservation Service, $744,000.

NATURAL RESOURCES CONSERVATION SERVICE

CONSERVATION OPERATIONS

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a–f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures for soil and water management as may be necessary to prevent floods and the siltation of reservoirs and to control agricultural related pollutants); operation of conservation plant materials centers; classification and mapping of soil; dissemination of information; acquisition of lands, water, and interests therein for use in the plant materials program by donation, exchange, or purchase at a nominal cost not to exceed $100 pursuant to the Act of August 3, 1956 (7 U.S.C. 428a); purchase and erection or alteration or improvement of permanent and temporary buildings; and operation and maintenance of aircraft, $839,519,000, to remain available until May 31, 2007, of which not less than $10,650,000 is for snow survey and water forecasting, and not less than $10,547,000 is for operation and establishment of the plant materials centers, and of which not less than $27,500,000 shall be for the grazing lands conservation initiative: Provided, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for construction and improvement of buildings and public improvements at plant materials centers, except that the cost of alterations and improvements to other buildings and other public improvements shall not exceed $250,000: Provided further, That when buildings or other structures are erected on non-Federal land, that the right to use such land is obtained as provided in 7 U.S.C. 2250a: Provided further, That this appropriation shall be available for technical assistance and related expenses to carry out programs authorized by section 202(c) of title II of the Colorado River Basin Salinity Control Act of 1974 (43 U.S.C. 1592(c)): Provided further, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the Service.

WATERSHED SURVEYS AND PLANNING

For necessary expenses to conduct research, investigation, and surveys of watersheds of rivers and other waterways, and for small watershed investigations and planning, in accordance with the Watershed Protection and Flood Prevention Act (16 U.S.C. 1001–1009), $6,083,000.

WATERSHED AND FLOOD PREVENTION OPERATIONS

For necessary expenses to carry out preventive measures, including but not limited to research, engineering operations, methods of cultivation, the growing of vegetation, rehabilitation of existing works and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act (16 U.S.C. 1001–1005 and 1007–1009), the provisions of the Act of April 27, 1935 (16 U.S.C. 590a–f), and in accordance with the provisions of laws relating to the activities of the Department, $75,000,000, to remain available until expended; of which up to $10,000,000 may be available for the watersheds authorized under the Flood Control Act (33 U.S.C. 701 and 16 U.S.C. 1006a): Provided, That not to exceed $30,000,000 of this appropriation shall be available for technical assistance: Provided further, That not to exceed $1,000,000 of this appropriation is available to carry out the purposes of the Endangered Species Act of 1973 (Public Law 93–205), including cooperative efforts as contemplated by that Act to relocate endangered or threatened species to other suitable habitats as may be necessary to expedite project construction.

WATERSHED REHABILITATION PROGRAM

For necessary expenses to carry out rehabilitation of structural measures, in accordance with section 14 of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1012), and in accordance with the provisions of laws relating to the activities of the Department, $31,561,000, to remain available until expended.

RESOURCE CONSERVATION AND DEVELOPMENT

For necessary expenses in planning and carrying out projects for resource conservation and development and for sound land use pursuant to the provisions of sections 31 and 32 of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1010–1011; 76 Stat. 607); the Act of April 27, 1935 (16 U.S.C. 590a–f); and subtitle H of title XV of the Agriculture and Food Act of 1981 (16 U.S.C. 3451–3461), $51,300,000, to remain available until expended: Provided, That the Secretary shall enter into a cooperative or contribution agreement, within 45 days of enactment of this Act, with a national association regarding a Resource Conservation and Development program and such agreement shall contain the same matching, contribution requirements, and funding level, set forth in a similar cooperative or contribution agreement with a national association in fiscal year 2002: Provided further, That not to exceed $3,411,000 shall be available for national headquarters activities.

TITLE III

RURAL DEVELOPMENT PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR RURAL DEVELOPMENT

For necessary salaries and expenses of the Office of the Under Secretary for Rural Development to administer programs under the laws enacted by the Congress for the Rural Housing Service, the Rural Business-Cooperative Service, and the Rural Utilities Service, $635,000.

RURAL COMMUNITY ADVANCEMENT PROGRAM

(INCLUDING TRANSFERS OF FUNDS)

For the cost of direct loans, loan guarantees, and grants, as authorized by 7 U.S.C. 1926, 1926a, 1926c, 1926d, and 1932, except for sections 381E–H and 381N of the Consolidated Farm and Rural Development Act, $701,941,000, to remain available until expended, of which $82,620,000 shall be for rural community programs described in section 381E(d)(1) of such Act; of which $530,100,000 shall be for the rural utilities programs described in sections 381E(d)(2), 306C(a)(2), and 306D of such Act, of which not to exceed $500,000 shall be available for the rural utilities program described in section 306(a)(2)(B) of such Act, and of which not to exceed $1,000,000 shall be available for the rural

utilities program described in section 306E of such Act; and of which $89,221,000 shall be for the rural business and cooperative development programs described in sections 381E(d)(3) and 310B(f) of such Act: Provided, That of the total amount appropriated in this account, $25,000,000 shall be for loans and grants to benefit Federally Recognized Native American Tribes, including grants for drinking water and waste disposal systems pursuant to section 306C of such Act, of which $4,464,000 shall be available for community facilities grants to tribal colleges, as authorized by section 306(a)(19) of the Consolidated Farm and Rural Development Act, and of which $250,000 shall be available for a grant to a qualified national organization to provide technical assistance for rural transportation in order to promote economic development: Provided further, That of the amount appropriated for rural community programs, $6,350,000 shall be available for a Rural Community Development Initiative: Provided further, That such funds shall be used solely to develop the capacity and ability of private, nonprofit community-based housing and community development organizations, low-income rural communities, and Federally Recognized Native American Tribes to undertake projects to improve housing, community facilities, community and economic development projects in rural areas: Provided further, That such funds shall be made available to qualified private, nonprofit and public intermediary organizations proposing to carry out a program of financial and technical assistance: Provided further, That such intermediary organizations shall provide matching funds from other sources, including Federal funds for related activities, in an amount not less than funds provided: Provided further, That of the amount appropriated for the rural business and cooperative development programs, not to exceed $500,000 shall be made available for a grant to a qualified national organization to provide technical assistance for rural transportation in order to promote economic development; $2,000,000 shall be for grants to the Delta Regional Authority (7 U.S.C. 1921 et seq.) for any purpose under this heading: Provided further, That of the amount appropriated for rural utilities programs, not to exceed $25,000,000 shall be for water and waste disposal systems to benefit the Colonias along the United States/Mexico border, including grants pursuant to section 306C of such Act; $25,000,000 shall be for water and waste disposal systems for rural and native villages in Alaska pursuant to section 306D of such Act, with up to 2 percent available to administer the program and/or improve interagency coordination may be transferred to and merged with the appropriation for ''Rural Development, Salaries and Expenses'', of which $100,000 shall be provided to develop a regional system for centralized billing, operation, and management of rural water and sewer utilities through regional cooperatives, of which 25 percent shall be provided for water and sewer projects in regional hubs, and the State of Alaska shall provide a 25 percent cost share, and grantees may use up to 5 percent of grant funds, not to exceed $35,000 per community, for the completion of comprehensive community safe water plans; not to exceed $18,250,000 shall be for technical assistance grants for rural water and waste systems pursuant to section 306(a)(14) of such Act, unless the Secretary makes a determination of extreme need, of which $5,600,000 shall be for Rural Community Assistance Programs and not less than $850,000 shall be for a qualified national Native American organization to provide technical assistance for rural water systems for tribal communities; and not to exceed $13,750,000 shall be for contracting with qualified national organizations for a circuit rider program to provide technical assistance for rural water systems: Provided further, That of the total amount appropriated, not to exceed $21,367,000 shall be available through June 30, 2006, for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones; of which $1,067,000 shall be for the rural community programs described in section 381E(d)(1) of such Act, of which $12,000,000 shall be for the rural utilities programs described in section 381E(d)(2) of such Act, and of which $8,300,000 shall be for the rural business and cooperative development programs described in section 381E(d)(3) of such Act: Provided further, That of the amount appropriated for rural community programs, $18,000,000 shall be to provide grants for facilities in rural communities with extreme unemployment and severe economic depression (Public Law 106–387), with 5 percent for administration and capacity building in the State rural development offices: Provided further, That of the amount appropriated, $26,000,000 shall be transferred to and merged with the ''Rural Utilities Service, High Energy Cost Grants Account'' to provide grants authorized under section 19 of the Rural Electrification Act of 1936 (7 U.S.C. 918a): Provided further, That any prior year balances for high cost energy grants authorized by section 19 of the Rural Electrification Act of 1936 (7 U.S.C. 901(19)) shall be transferred to and merged with the ''Rural Utilities Service, High Energy Costs Grants Account''.

RURAL DEVELOPMENT SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses for carrying out the administration and implementation of programs in the Rural Development mission area, including activities with institutions concerning the development and operation of agricultural cooperatives; and for cooperative agreements; $164,625,000: Provided, That of the funds appropriated under this title for salaries and expenses, $11,147,000, to remain available until September 30, 2007, shall be used to complete the consolidation of Rural Development activities in St. Louis, Missouri: Provided further, That notwithstanding any other provision of law, funds appropriated under this section may be used for advertising and promotional activities that support the Rural Development mission area: Provided further, That not more than $10,000 may be expended to provide modest nonmonetary awards to non-USDA employees: Provided further, That any balances available from prior years for the Rural Utilities Service, Rural Housing Service, and the Rural Business-Cooperative Service salaries and expenses accounts shall be transferred to and merged with this appropriation.

RURAL HOUSING SERVICE

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For gross obligations for the principal amount of direct and guaranteed loans as authorized by title V of the Housing Act of 1949, to be available from funds in the rural housing insurance fund, as follows: $4,821,832,000 for loans to section 502 borrowers, as determined by the Secretary, of which $1,140,799,000 shall be for direct loans, and of which $3,681,033,000 shall be for unsubsidized guaranteed loans; $35,000,000 for section 504 housing repair loans; $100,000,000 for section 515 rental housing; $100,000,000 for section 538 guaranteed multi-family housing loans; $5,000,000 for section 524 site loans; $11,500,000 for credit sales of acquired property, of which up to $1,500,000 may be for multi-family credit sales; and $5,048,000 for section 523 self-help housing land development loans.

For the cost of direct and guaranteed loans, including the cost of modifying loans, as defined in section 502 of the Congressional Budget Act of 1974, as follows: section 502 loans, $170,837,000, of which $129,937,000 shall be for direct loans, and of which $40,900,000, to remain available until expended, shall be for unsubsidized guaranteed loans; section 504 housing repair loans, $10,238,000; repair, rehabilitation, and new construction of section 515 rental housing, $45,880,000; section 538 multi-family housing guaranteed loans, $5,420,000; multi-family credit sales of acquired property, $681,000; and section 523 self-help housing and development loans, $52,000: Provided, That of the total amount appropriated in this paragraph, $2,500,000 shall be available through June 30, 2006, for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones: Provided further, That any funds under this paragraph initially allocated by the Secretary for housing projects in the State of Alaska that are not obligated by September 30, 2006, shall be carried over until September 30, 2007, and made available for such housing projects only in the State of Alaska.

For additional costs to conduct a demonstration program for the preservation and revitalization of the section 515 multi-family rental housing properties, $9,000,000: Provided, That funding made available under this heading shall be used to restructure existing section 515 loans, as the Secretary deems appropriate, expressly for the purposes of ensuring the project has sufficient resources to preserve the project for the purpose of providing safe and affordable housing for low-income residents including reducing or eliminating interest; deferring loan payments, subordinating, reducing or reamortizing loan debt; and other financial assistance including advances and incentives required by the Secretary.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, $454,809,000, which shall be transferred to and merged with the appropriation for ''Rural Development, Salaries and Expenses'', of which not less than $1,000,000 shall be made available for the Secretary to contract with third parties to acquire the necessary automation and technical services needed to restructure section 515 mortgages.

RENTAL ASSISTANCE PROGRAM

For rental assistance agreements entered into or renewed pursuant to the authority under section 521(a)(2) or agreements entered into in lieu of debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Housing Act of 1949, $653,102,000; and, in addition, such sums as may be necessary, as authorized by section 521(c) of the Act, to liquidate debt incurred prior to fiscal year 1992 to carry out the rental assistance program under section 521(a)(2) of the Act: Provided, That of this amount, up to $8,000,000 shall be available for debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Act, and not to exceed $50,000 per project for advances to nonprofit organizations or public agencies to cover direct costs (other than purchase price) incurred in purchasing projects pursuant to section 502(c)(5)(C) of the Act: Provided further, That agreements entered into or renewed during the current fiscal year shall be funded for a four-year period: Provided further, That any unexpended balances remaining at the end of such four-year agreements may be transferred and used for the purposes of any debt reduction; maintenance, repair, or rehabilitation of any existing projects; preservation; and rental assistance activities authorized under title V of the Act: Provided further, That rental assistance that is recovered from projects that are subject to prepayment shall be deobligated and reallocated for vouchers and debt forgiveness or payments consistent with the requirements of this Act for purposes authorized under section 542 and section 502(c)(5)(D) of the Housing Act of 1949, as amended.

RURAL HOUSING VOUCHER PROGRAM

For the rural housing voucher program as authorized under section 542 of the Housing Act of 1949, (without regard to section 542(b)), $16,000,000, to remain available until expended:

Provided, That such vouchers shall be available to any low-income household (including those not receiving rental assistance) residing in a property financed with a section 515 loan which has been prepaid after September 30, 2005: Provided further, That the amount of the voucher shall be the difference between comparable market rent for the section 515 unit and the tenant paid rent for such unit: Provided further, That funds made available for such vouchers, shall be subject to the availability of annual appropriations: Provided further, That the Secretary shall, to the maximum extent practicable, administer such vouchers with current regulations and administrative guidance applicable for section 8 housing vouchers administered by the Secretary of the Department of Housing and Urban Development (including the ability to pay administrative costs related to delivery of the voucher funds).

MUTUAL AND SELF-HELP HOUSING GRANTS

For grants and contracts pursuant to section 523(b)(1)(A) of the Housing Act of 1949 (42 U.S.C. 1490c), $34,000,000, to remain available until expended: Provided, That of the total amount appropriated, $1,000,000 shall be available through June 30, 2006, for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones.

RURAL HOUSING ASSISTANCE GRANTS

For grants and contracts for very low-income housing repair, supervisory and technical assistance, compensation for construction defects, and rural housing preservation made by the Rural Housing Service, as authorized by 42 U.S.C. 1474, 1479(c), 1490e, and 1490m, $43,976,000, to remain available until expended: Provided, That $2,976,000 shall be made available for loans to private non-profit organizations, or such non-profit organizations' affiliate loan funds and State and local housing finance agencies, to carry out a housing demonstration program to provide revolving loans for the preservation of low-income multi-family housing projects: Provided further, That loans under such demonstration program shall have an interest rate of not more than 1 percent direct loan to the recipient: Provided further, That the Secretary may defer the interest and principal payment to the Rural Housing Service for up to 3 years and the term of such loans shall not exceed 30 years: Provided further, That of the total amount appropriated, $1,200,000 shall be available through June 30, 2006, for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones.

FARM LABOR PROGRAM ACCOUNT

For the cost of direct loans, grants, and contracts, as authorized by 42 U.S.C. 1484 and 1486, $31,168,000, to remain available until expended, for direct farm labor housing loans and domestic farm labor housing grants and contracts.

RURAL BUSINESS—COOPERATIVE SERVICE

RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the principal amount of direct loans, as authorized by the Rural Development Loan Fund (42 U.S.C. 9812(a)), $34,212,000.

For the cost of direct loans, $14,718,000, as authorized by the Rural Development Loan Fund (42 U.S.C. 9812(a)), of which $1,724,000 shall be available through June 30, 2006, for Federally Recognized Native American Tribes and of which $3,449,000 shall be available through June 30, 2006, for Mississippi Delta Region counties (as determined in accordance with Public Law 100–460): Provided, That of such amount made available, the Secretary may provide up to $1,500,000 for the Delta Regional Authority (7 U.S.C. 1921 et seq.): Provided further, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That of the total amount appropriated, $887,000 shall be available through June 30, 2006, for the cost of direct loans for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones.

In addition, for administrative expenses to carry out the direct loan programs, $4,793,000 shall be transferred to and merged with the appropriation for ''Rural Development, Salaries and Expenses''.

RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT

(INCLUDING RESCISSION OF FUNDS)

For the principal amount of direct loans, as authorized under section 313 of the Rural Electrification Act, for the purpose of promoting rural economic development and job creation projects, $25,003,000.

For the cost of direct loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, $4,993,000, to remain available until expended.

Of the funds derived from interest on the cushion of credit payments, as authorized by section 313 of the Rural Electrification Act of 1936, $170,000,000 shall not be obligated and $170,000,000 are rescinded.

RURAL COOPERATIVE DEVELOPMENT GRANTS

For rural cooperative development grants authorized under section 310B(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932), $29,488,000, of which $500,000 shall be for a cooperative research agreement with a qualified academic institution to conduct research on the national economic impact of all types of cooperatives; and of which $2,500,000 shall be for cooperative agreements for the appropriate technology transfer for rural areas program: Provided, That not to exceed $1,488,000 shall be for cooperatives or associations of cooperatives whose primary focus is to provide assistance to small, minority producers and whose governing board and/or membership is comprised of at least 75 percent minority; and of which $20,500,000, to remain available until expended, shall be for value-added agricultural product market development grants, as authorized by section 6401 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1621 note).

RURAL EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES GRANTS

For grants in connection with second and third rounds of empowerment zones and enterprise communities, $11,200,000, to remain available until expended, for designated rural empowerment zones and rural enterprise communities, as authorized by the Taxpayer Relief Act of 1997 and the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105–277): Provided, That of the funds appropriated, $1,000,000 shall be made available to third round empowerment zones, as authorized by the Community Renewal Tax Relief Act (Public Law 106–554).

RENEWABLE ENERGY PROGRAM

For the cost of a program of direct loans, loan guarantees, and grants, under the same terms and conditions as authorized by section 9006 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8106), $23,000,000 for direct and guaranteed renewable energy loans and grants: Provided, That the cost of direct loans and loan guarantees, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974.

RURAL UTILITIES SERVICE

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

Insured loans pursuant to the authority of section 305 of the Rural Electrification Act of 1936 (7 U.S.C. 935) shall be made as follows: 5 percent rural electrification loans, $100,000,000; municipal rate rural electric loans, $100,000,000; loans made pursuant to section 306 of that Act, rural electric, $2,700,000,000; Treasury rate direct electric loans, $1,000,000,000; guaranteed underwriting loans pursuant to section 313A, $1,500,000,000; 5 percent rural telecommunications loans, $145,000,000; cost of money rural telecommunications loans, $424,000,000; and for loans made pursuant to section 306 of that Act, rural telecommunications loans, $125,000,000.

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, including the cost of modifying loans, of direct and guaranteed loans authorized by sections 305 and 306 of the Rural Electrification Act of 1936 (7 U.S.C. 935 and 936), as follows: cost of rural electric loans, $6,160,000, and the cost of telecommunications loans, $212,000: Provided, That notwithstanding section 305(d)(2) of the Rural Electrification Act of 1936, borrower interest rates may exceed 7 percent per year.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, $38,784,000 which shall be transferred to and merged with the appropriation for ''Rural Development, Salaries and Expenses''.

RURAL TELEPHONE BANK PROGRAM ACCOUNT

(INCLUDING TRANSFER AND RESCISSION OF FUNDS)

The Rural Telephone Bank is hereby authorized to make such expenditures, within the limits of funds available to such corporation in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out its authorized programs.

For administrative expenses, including audits, necessary to continue to service existing loans, $2,500,000, which shall be transferred to and merged with the appropriation for ''Rural Development, Salaries and Expenses''.

Of the unobligated balances from the Rural Telephone Bank Liquidating Account, $2,500,000 shall not be obligated and $2,500,000 are rescinded.

DISTANCE LEARNING, TELEMEDICINE, AND BROADBAND PROGRAM

For the principal amount of direct distance learning and telemedicine loans, $25,000,000; and for the principal amount of broadband telecommunication loans, $500,000,000.

For the cost of direct loans and grants for telemedicine and distance learning services in rural areas, as authorized by 7 U.S.C. 950aaa et seq., $30,375,000, to remain available until expended, of which $375,000 shall be for direct loans: Provided, That the cost of direct loans shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That $5,000,000 shall be made available to convert analog to digital operation those noncommercial educational television broadcast stations that serve rural areas and are qualified for Community Service Grants by the Corporation for Public Broadcasting under section 396(k) of the Communications Act of 1934, including associated translators and repeaters, regardless of the location of their main transmitter, studio-to-transmitter links, and equipment to allow local control over digital content and programming through the use of high-definition broadcast, multi-casting and datacasting technologies.

For the cost of broadband loans, as authorized by 7 U.S.C. 901 et seq., $10,750,000, to remain available until September 30, 2007: Provided, That the interest rate for such loans shall be the cost of borrowing to the Department of the Treasury for obligations of comparable maturity: Provided further, That the cost of direct loans shall be as defined in section 502 of the Congressional Budget Act of 1974.

In addition, $9,000,000, to remain available until expended, for a grant program to finance broadband transmission in rural areas eligible for Distance Learning and Telemedicine Program benefits authorized by 7 U.S.C. 950aaa.

TITLE IV

DOMESTIC FOOD PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR FOOD, NUTRITION AND CONSUMER SERVICES

For necessary salaries and expenses of the Office of the Under Secretary for Food, Nutrition and Consumer Services to administer the laws enacted by the Congress for the Food and Nutrition Service, $599,000.

FOOD AND NUTRITION SERVICE

CHILD NUTRITION PROGRAMS

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the National School Lunch Act (42 U.S.C. 1751 et seq.), except section 21, and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), except sections 17 and 21; $12,660,829,000, to remain available through September 30, 2007, of which $7,473,208,000 is hereby appropriated and $5,187,621,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c): Provided, That none of the funds made available under this heading shall be used for studies and evaluations: Provided further, That up to $5,235,000 shall be available for independent verification of school food service claims.

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

For necessary expenses to carry out the special supplemental nutrition program as authorized by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), $5,257,000,000, to remain available through September 30, 2007, of which such sums as are necessary to restore the contingency reserve to $125,000,000 shall be placed in reserve, to remain available until expended, to be allocated as the Secretary deems necessary, notwithstanding section 17(i) of such Act, to support participation should cost or participation exceed budget estimates: Provided, That of the total amount available, the Secretary shall obligate not less than $15,000,000 for a breastfeeding support initiative in addition to the activities specified in section 17(h)(3)(A): Provided further, That only the provisions of section 17(h)(10)(B)(i) and section 17(h)(10)(B)(ii) shall be effective in 2006; including $14,000,000 for the purposes specified in section 17(h)(10)(B)(i) and $20,000,000 for the purposes specified in section 17(h)(10)(B)(ii): Provided further, That funds made available for the purposes specified in section 17(h)(10)(B)(ii) shall only be made available upon a determination by the Secretary that funds are available to meet caseload requirements without the use of the contingency reserve funds: Provided further, That none of the funds made available under this heading shall be used for studies and evaluations: Provided further, That none of the funds in this Act shall be available to pay administrative expenses of WIC clinics except those that have an announced policy of prohibiting smoking within the space used to carry out the program: Provided further, That none of the funds provided in this account shall be available for the purchase of infant formula except in accordance with the cost containment and competitive bidding requirements specified in section 17 of such Act: Provided further, That none of the funds provided shall be available for activities that are not fully reimbursed by other Federal Government departments or agencies unless authorized by section 17 of such Act.

FOOD STAMP PROGRAM

For necessary expenses to carry out the Food Stamp Act (7 U.S.C. 2011 et seq.), $40,711,395,000, of which $3,000,000,000 to remain available through September 30, 2007, shall be placed in reserve for use only in such amounts and at such times as may become necessary to carry out program operations: Provided, That none of the funds made available under this heading shall be used for studies and evaluations: Provided further, That of the funds made available under this heading and not already appropriated to the Food Distribution Program on Indian Reservations (FDPIR) established under section 4(b) of the Food Stamp Act of 1977 (7 U.S.C. 2013(b)), not less than $3,000,000 shall be used to purchase bison meat for the FDPIR from Native American bison producers as well as from producer-owned cooperatives of bison ranchers: Provided further, That funds provided herein shall be expended in accordance with section 16 of the Food Stamp Act: Provided further, That this appropriation shall be subject to any work registration or workfare requirements as may be required by law: Provided further, That funds made available for Employment and Training under this heading shall remain available until expended, as authorized by section 16(h)(1) of the Food Stamp Act: Provided further, That notwithstanding section 5(d) of the Food Stamp Act of 1977, any additional payment received under chapter 5 of title 37, United States Code, by a member of the United States Armed Forces deployed to a designated combat zone shall be excluded from household income for the duration of the member's deployment if the additional pay is the result of deployment to or while serving in a combat zone, and it was not received immediately prior to serving in the combat zone.

COMMODITY ASSISTANCE PROGRAM

For necessary expenses to carry out disaster assistance and the commodity supplemental food program as authorized by section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note); the Emergency Food Assistance Act of 1983; special assistance (in a form determined by the Secretary of Agriculture) for the nuclear affected islands, as authorized by section 103(f)(2) of the Compact of Free Association Amendments Act of 2003 (Public Law 108–188); and the Farmers' Market Nutrition Program, as authorized by section 17(m) of the Child Nutrition Act of 1966, $179,366,000, to remain available through September 30, 2007: Provided, That none of these funds shall be available to reimburse the Commodity Credit Corporation for commodities donated to the program: Provided further, That notwithstanding any other provision of law, effective with funds made available in fiscal year 2006 to support the Seniors Farmers' Market Nutrition Program, as authorized by section 4402 of Public Law 107–171, such funds shall remain available through September 30, 2007: Provided further, That of the funds made available under section 27(a) of the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), the Secretary may use up to $10,000,000 for costs associated with the distribution of commodities.

NUTRITION PROGRAMS ADMINISTRATION

For necessary administrative expenses of the domestic nutrition assistance programs funded under this Act, $140,761,000.

TITLE V

FOREIGN ASSISTANCE AND RELATED PROGRAMS

FOREIGN AGRICULTURAL SERVICE

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (7 U.S.C. 1761–1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed $158,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), $147,901,000: Provided, That the Service may utilize advances of funds, or reimburse this appropriation for expenditures made on behalf of Federal agencies, public and private organizations and institutions under agreements executed pursuant to the agricultural food production assistance programs (7 U.S.C. 1737) and the foreign assistance programs of the United States Agency for International Development.

PUBLIC LAW 480 TITLE I DIRECT CREDIT AND FOOD FOR PROGRESS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of agreements under the Agricultural Trade Development and Assistance Act of 1954, and the Food for Progress Act of 1985, including the cost of modifying credit arrangements under said Acts, $65,040,000, to remain available until expended: Provided, That the Secretary of Agriculture may implement a commodity monetization program under existing provisions of the Food for Progress Act of 1985 to provide no less than $5,000,000 in local-currency funding support for rural electrification development overseas.

In addition, for administrative expenses to carry out the credit program of title I, Public Law 83–480, and the Food for Progress Act of 1985, to the extent funds appropriated for Public Law 83–480 are utilized, $3,385,000, of which $168,000 may be transferred to and merged with the appropriation for ''Foreign Agricultural Service, Salaries and Expenses'', and of which $3,217,000 may be transferred to and merged with the appropriation for ''Farm Service Agency, Salaries and Expenses''.

PUBLIC LAW 480 TITLE I OCEAN FREIGHT DIFFERENTIAL GRANTS

(INCLUDING TRANSFER OF FUNDS)

For ocean freight differential costs for the shipment of agricultural commodities under title I of the Agricultural Trade Development and Assistance Act of 1954 and under the Food for Progress Act of 1985, $11,940,000, to remain available until expended: Provided, That funds made available for the cost of agreements under title I of the Agricultural Trade Development and Assistance Act of 1954 and for title I ocean freight differential may be used interchangeably between the two accounts with prior notice to the Committees on Appropriations of both Houses of Congress.

PUBLIC LAW 480 TITLE II GRANTS

For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954, for commodities supplied in connection with dispositions abroad under title II of said Act, $1,150,000,000, to remain available until expended.

COMMODITY CREDIT CORPORATION EXPORT LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For administrative expenses to carry out the Commodity Credit Corporation's export guarantee program, GSM 102 and GSM 103, $5,279,000; to cover common overhead expenses as permitted by section 11 of the Commodity Credit Corporation Charter Act and in conformity with the Federal Credit Reform Act of 1990, of which $3,440,000 may be transferred to and merged with the appropriation for ''Foreign Agricultural Service, Salaries and Expenses'', and of which $1,839,000 may be transferred to and merged with the appropriation for ''Farm Service Agency, Salaries and Expenses''.

MC GOVERN-DOLE INTERNATIONAL FOOD FOR EDUCATION AND CHILD NUTRITION PROGRAM GRANTS

For necessary expenses to carry out the provisions of section 3107 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1736o–1), $100,000,000, to remain available until expended: Provided, That the Commodity Credit Corporation is authorized to provide the services, facilities, and authorities for the purpose of implementing such section, subject to reimbursement from amounts provided herein.

TITLE VI

RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Food and Drug Administration, including hire and purchase of passenger motor vehicles; for payment of space rental and related costs pursuant to Public Law 92–313 for programs and activities of the Food and Drug Administration which are included in this Act; for rental of special purpose space in the District of Columbia or elsewhere; for miscellaneous and emergency expenses of enforcement activities, authorized and approved by the Secretary and to be accounted for solely on the Secretary's certificate, not to exceed $25,000; and notwithstanding section 521 of Public Law 107–188; $1,838,567,000: Provided, That of the amount provided under this heading, $305,332,000 shall be derived from prescription drug user fees authorized by 21 U.S.C. 379h, shall be credited to this account and remain available until expended, and shall not include any fees pursuant to 21 U.S.C. 379h(a)(2) and (a)(3) assessed for fiscal year 2007 but collected in fiscal year 2006; $40,300,000 shall be derived from medical device user fees authorized by 21 U.S.C. 379j, and shall be credited to this account and remain available until expended; and $11,318,000 shall be derived from animal drug user fees authorized by 21 U.S.C. 379j, and shall be credited to this account and remain available until expended: Provided further, That fees derived from prescription drug, medical device, and animal drug assessments received during fiscal year 2006, including any such fees assessed prior to the current fiscal year but credited during the current year, shall be subject to the fiscal year 2006 limitation: Provided further, That none of these funds shall be used to develop, establish, or operate any program of user fees authorized by 31 U.S.C. 9701: Provided further, That of the total amount appropriated: (1) $443,153,000 shall be for the Center for Food Safety and Applied Nutrition and related field activities in the Office of Regulatory Affairs; (2) $520,564,000 shall be for the Center for Drug Evaluation and Research and related field activities in the Office of Regulatory Affairs; (3) $178,714,000 shall be for the Center for Biologics Evaluation and Research and for related field activities in the Office of Regulatory Affairs; (4) $99,787,000 shall be for the Center for Veterinary Medicine and for related field activities in the Office of Regulatory Affairs; (5) $245,770,000 shall be for the Center for Devices and Radiological Health and for related field activities in the Office of Regulatory Affairs; (6) $41,152,000 shall be for the National Center for Toxicological Research; (7) $58,515,000 shall be for Rent and Related activities, of which $21,974,000 is for White Oak Consolidation, other than the amounts paid to the General Services Administration for rent; (8) $134,853,000 shall be for payments to the General Services Administration for rent; and (9) $116,059,000 shall be for other activities, including the Office of the Commissioner; the Office of Management; the Office of External Relations; the Office of Policy and Planning; and central services for these offices: Provided further, That funds may be transferred from one specified activity to another with the prior approval of the Committees on Appropriations of both Houses of Congress.

In addition, mammography user fees authorized by 42 U.S.C. 263b may be credited to this account, to remain available until expended.

In addition, export certification user fees authorized by 21 U.S.C. 381 may be credited to this account, to remain available until expended.

BUILDINGS AND FACILITIES

For plans, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of or used by the Food and Drug Administration, where not otherwise provided, $8,000,000, to remain available until expended.

INDEPENDENT AGENCIES

COMMODITY FUTURES TRADING COMMISSION

For necessary expenses to carry out the provisions of the Commodity Exchange Act (7 U.S.C. 1 et seq.), including the purchase and hire of passenger motor vehicles, and the rental of space (to include multiple year leases) in the District of Columbia and elsewhere, $98,386,000, including not to exceed $3,000 for official reception and representation expenses.

FARM CREDIT ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed $44,250,000 (from assessments collected from farm credit institutions and from the Federal Agricultural Mortgage Corporation) shall be obligated during the current fiscal year for administrative expenses as authorized under 12 U.S.C. 2249: Provided, That this limitation shall not apply to expenses associated with receiverships.

TITLE VII

GENERAL PROVISIONS

(INCLUDING RESCISSIONS AND TRANSFERS OF FUNDS)

SEC. 701. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department of Agriculture for the current fiscal year under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed 320 passenger motor vehicles, of which 320 shall be for replacement only, and for the hire of such vehicles.

SEC. 702. Hereafter, funds appropriated by this or any other Appropriations Act to the Department of Agriculture (excluding the Forest Service) shall be available for uniforms or allowances as authorized by law (5 U.S.C. 5901–5902).

SEC. 703. Hereafter, funds appropriated by this or any other Appropriations Act to the Department of Agriculture (excluding the Forest Service) shall be available for employment pursuant to the second sentence of section 706(a) of the Department of Agriculture Organic Act of 1944 (7 U.S.C. 2225) and 5 U.S.C. 3109.

SEC. 704. New obligational authority provided for the following appropriation items in this Act shall remain available until expended: Animal and Plant Health Inspection Service, the contingency fund to meet emergency conditions, information technology infrastructure, fruit fly program, emerging plant pests, boll weevil program, low pathogen avian influenza program, up to $33,340,000 in animal health monitoring and surveillance for the animal identification system, up to $1,500,000 in the scrapie program for indemnities, up to $3,000,000 in the emergency management systems program for the vaccine bank, up to $1,000,000 for wildlife services methods development, up to $1,000,000 of the wildlife services operations program for aviation safety, and up to 25 percent of the screwworm program; Food Safety and Inspection Service, field automation and information management project; Cooperative State Research, Education, and Extension Service, funds for competitive research grants (7 U.S.C. 450i(b)), funds for the Research, Education, and Economics Information System, and funds for the Native American Institutions Endowment Fund; Farm Service Agency, salaries and expenses funds made available to county committees; Foreign Agricultural Service, middle-income country training program, and up to $2,000,000 of the Foreign Agricultural Service appropriation solely for the purpose of offsetting fluctuations in international currency exchange rates, subject to documentation by the Foreign Agricultural Service.

SEC. 705. The Secretary of Agriculture may transfer unobligated balances of discretionary funds appropriated by this Act or other available unobligated discretionary balances of the Department of Agriculture to the Working Capital Fund for the acquisition of plant and capital equipment necessary for the delivery of financial, administrative, and information technology services of primary benefit to the agencies of the Department of Agriculture: Provided, That none of the funds made available by this Act or any other Act shall be transferred to the Working Capital Fund without the prior approval of the agency administrator: Provided further, That none of the funds transferred to the Working Capital Fund pursuant to this section shall be available for obligation without the prior approval of the Committees on Appropriations of both Houses of Congress.

SEC. 706. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 707. Hereafter, not to exceed $50,000 in each fiscal year of the funds appropriated by this or any other Appropriations Act to the Department of Agriculture (excluding the Forest Service) shall be available to provide appropriate orientation and language training pursuant to section 606C of the Act of August 28, 1954 (7 U.S.C. 1766b).

SEC. 708. No funds appropriated by this Act may be used to pay negotiated indirect cost rates on cooperative agreements or similar arrangements between the United States Department of Agriculture and nonprofit institutions in excess of 10 percent of the total direct cost of the agreement when the purpose of such cooperative arrangements is to carry out programs of mutual interest between the two parties. This does not preclude appropriate payment of indirect costs on grants and contracts with such institutions when such indirect costs are computed on a similar basis for all agencies for which appropriations are provided in this Act.

SEC. 709. None of the funds in this Act shall be available to pay indirect costs charged against competitive agricultural research, education, or extension grant awards issued by the Cooperative State Research, Education, and Extension Service that exceed 20 percent of total Federal funds provided under each award: Provided, That notwithstanding section 1462 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3310), funds provided by this Act for grants awarded competitively by the Cooperative State Research, Education, and Extension Service shall be available to pay full allowable indirect costs for each grant awarded under section 9 of the Small Business Act (15 U.S.C. 638).

SEC. 710. Hereafter, loan levels provided in this or any other Appropriations Act to the Department of Agriculture shall be considered estimates, not limitations.

SEC. 711. Appropriations to the Department of Agriculture for the cost of direct and guaranteed loans made available in the current fiscal year shall remain available until expended to cover obligations made in the current fiscal year for the following accounts: the Rural Development Loan Fund program account, the Rural Electrification and Telecommunication Loans program account, and the Rural Housing Insurance Fund program account.

SEC. 712. Of the funds made available by this Act, not more than $1,800,000 shall be used to cover necessary expenses of activities related to all advisory committees, panels, commissions, and task forces of the Department of Agriculture, except for panels used to comply with negotiated rule makings and panels used to evaluate competitively awarded grants.

SEC. 713. None of the funds appropriated by this Act may be used to carry out section 410 of the Federal Meat Inspection Act (21 U.S.C. 679a) or section 30 of the Poultry Products Inspection Act (21 U.S.C. 471).

SEC. 714. No employee of the Department of Agriculture may be detailed or assigned from an agency or office funded by this Act to any other

agency or office of the Department for more than 30 days unless the individual's employing agency or office is fully reimbursed by the receiving agency or office for the salary and expenses of the employee for the period of assignment.

SEC. 715. None of the funds appropriated or otherwise made available to the Department of Agriculture or the Food and Drug Administration shall be used to transmit or otherwise make available to any non-Department of Agriculture or non-Department of Health and Human Services employee questions or responses to questions that are a result of information requested for the appropriations hearing process.

SEC. 716. None of the funds made available to the Department of Agriculture by this Act may be used to acquire new information technology systems or significant upgrades, as determined by the Office of the Chief Information Officer, without the approval of the Chief Information Officer and the concurrence of the Executive Information Technology Investment Review Board: Provided, That notwithstanding any other provision of law, none of the funds appropriated or otherwise made available by this Act may be transferred to the Office of the Chief Information Officer without the prior approval of the Committees on Appropriations of both Houses of Congress: Provided further, That none of the funds available to the Department of Agriculture for information technology shall be obligated for projects over $25,000 prior to receipt of written approval by the Chief Information Officer.

SEC. 717. (a) None of the funds provided by this Act, or provided by previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in the current fiscal year, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds which—

(1) creates new programs;

(2) eliminates a program, project, or activity;

(3) increases funds or personnel by any means for any project or activity for which funds have been denied or restricted;

(4) relocates an office or employees;

(5) reorganizes offices, programs, or activities; or

(6) contracts out or privatizes any functions or activities presently performed by Federal employees; unless the Committees on Appropriations of both Houses of Congress are notified 15 days in advance of such reprogramming of funds.

(b) None of the funds provided by this Act, or provided by previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in the current fiscal year, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for activities, programs, or projects through a reprogramming of funds in excess of $500,000 or 10 percent, which-ever is less, that: (1) augments existing programs, projects, or activities; (2) reduces by 10 percent funding for any existing program, project, or activity, or numbers of personnel by 10 percent as approved by Congress; or (3) results from any general savings from a reduction in personnel which would result in a change in existing programs, activities, or projects as approved by Congress; unless the Committees on Appropriations of both Houses of Congress are notified 15 days in advance of such reprogramming of funds.

(c) The Secretary of Agriculture, the Secretary of Health and Human Services, or the Chairman of the Commodity Futures Trading Commission shall notify the Committees on Appropriations of both Houses of Congress before implementing a program or activity not carried out during the previous fiscal year unless the program or activity is funded by this Act or specifically funded by any other Act.

SEC. 718. With the exception of funds needed to administer and conduct oversight of grants awarded and obligations incurred in prior fiscal years, none of the funds appropriated or otherwise made available by this or any other Act may be used to pay the salaries and expenses of personnel to carry out the provisions of section 401 of Public Law 105–185, the Initiative for Future Agriculture and Food Systems (7 U.S.C. 7621).

SEC. 719. None of the funds appropriated by this or any other Act shall be used to pay the salaries and expenses of personnel who prepare or submit appropriations language as part of the President's Budget submission to the Congress of the United States for programs under the jurisdiction of the Appropriations Subcommittees on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies that assumes revenues or reflects a reduction from the previous year due to user fees proposals that have not been enacted into law prior to the submission of the Budget unless such Budget submission identifies which additional spending reductions should occur in the event the user fees proposals are not enacted prior to the date of the convening of a committee of conference for the fiscal year 2007 appropriations Act.

SEC. 720. None of the funds made available by this or any other Act may be used to close or relocate a State Rural Development office unless or until cost effectiveness and enhancement of program delivery have been determined.

SEC. 721. In addition to amounts otherwise appropriated or made available by this Act, $2,500,000 is appropriated for the purpose of providing Bill Emerson and Mickey Leland Hunger Fellowships, through the Congressional Hunger Center.

SEC. 722. Hereafter, notwithstanding section 412 of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1736f), any balances available to carry out title III of such Act as of the date of enactment of this Act, and any recoveries and reimbursements that become available to carry out title III of such Act, may be used to carry out title II of such Act.

SEC. 723. There is hereby appropriated $1,250,000 for a grant to the National Sheep Industry Improvement Center, to remain available until expended.

SEC. 724. The Secretary of Agriculture shall—

(1) as soon as practicable after the date of enactment of this Act, conduct an evaluation of any impacts of the court decision in Harvey v. Veneman, 396 F.3d 28 (1st Cir. Me. 2005); and

(2) not later than 90 days after the date of enactment of this Act, submit to Congress a report that—

(A) describes the results of the evaluation conducted under paragraph (1);

(B) includes a determination by the Secretary on whether restoring the National Organic Program, as in effect on the day before the date of the court decision described in paragraph (1), would adversely affect organic farmers, organic food processors, and consumers;

(C) analyzes issues regarding the use of synthetic ingredients in processing and handling;

(D) analyzes the utility of expedited petitions for commercially unavailable agricultural commodities and products; and

(E) considers the use of crops and forage from land included in the organic system plan of dairy farms that are in the third year of organic management.

SEC. 725. Hereafter, of any shipments of commodities made pursuant to section 416(b) of the Agricultural Act of 1949 (7 U.S.C. 1431(b)), the Secretary of Agriculture shall, to the extent practicable, direct that tonnage equal in value to not more than $25,000,000 shall be made available to foreign countries to assist in mitigating the effects of the Human Immunodeficiency Virus and Acquired Immune Deficiency Syndrome on communities, including the provision of—

(1) agricultural commodities to—

(A) individuals with Human Immunodeficiency Virus or Acquired Immune Deficiency Syndrome in the communities; and

(B) households in the communities, particularly individuals caring for orphaned children; and

(2) agricultural commodities monetized to provide other assistance (including assistance under microcredit and microenterprise programs) to create or restore sustainable livelihoods among individuals in the communities, particularly individuals caring for orphaned children.

SEC. 726. Notwithstanding any other provision of law, the Natural Resources Conservation Service shall provide financial and technical assistance—

(1) from funds available for the Watershed and Flood Prevention Operations program—

(A) to the Kane County, Illinois, Indian Creek Watershed Flood Prevention Project, in an amount not to exceed $1,000,000;

(B) for the Muskingam River Watershed, Mohican River, Jerome and Muddy Fork, Ohio, obstruction removal projects, in an amount not to exceed $1,800,000;

(C) to the Hickory Creek Special Drainage District, Bureau County, Illinois, in an amount not to exceed $50,000; and

(D) to the Little Red River Irrigation project, Arkansas, in an amount not to exceed $210,000;

(2) through the Watershed and Flood Prevention Operations program for—

(A) the Matanuska River erosion control project in Alaska;

(B) the Little Otter Creek project in Missouri;

(C) the Manoa Watershed project in Hawaii;

(D) the West Tarkio project in Iowa;

(E) the Steeple Run and West Branch DuPage River Watershed projects in DuPage County, Illinois; and

(F) the Coal Creek project in Utah;

(3) through the Watershed and Flood Prevention Operations program to carry out the East Locust Creek Watershed Plan Revision in Missouri, including up to 100 percent of the engineering assistance and 75 percent cost share for construction cost of site RW1; and

(4) through funds of the Conservation Operations program provided for the Utah Conservation Initiative for completion of the American Fork water quality and habitat restoration project in Utah.

SEC. 727. Hereafter, none of the funds made available in this Act may be transferred to any department, agency, or instrumentality of the United States Government, except pursuant to a transfer made by, or transfer authority provided in, this or any other appropriation Act.

SEC. 728. Notwithstanding any other provision of law, of the funds made available in this Act for competitive research grants (7 U.S.C. 450i(b)), the Secretary may use up to 22 percent of the amount provided to carry out a competitive grants program under the same terms and conditions as those provided in section 401 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7621).

SEC. 729. None of the funds appropriated or made available by this or any other Act may be used to pay the salaries and expenses of personnel to carry out section 14(h)(1) of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1012(h)(1)).

SEC. 730. None of the funds made available to the Food and Drug Administration by this Act shall be used to close or relocate, or to plan to close or relocate, the Food and Drug Administration Division of Pharmaceutical Analysis in St. Louis, Missouri, outside the city or county limits of St. Louis, Missouri.

SEC. 731. None of the funds appropriated or made available by this or any other Act may be used to pay the salaries and expenses of personnel to carry out subtitle I of the Consolidated

Farm and Rural Development Act (7 U.S.C. 2009dd through dd–7).

SEC. 732. Hereafter, agencies and offices of the Department of Agriculture may utilize any unobligated salaries and expenses funds to reimburse the Office of the General Counsel for salaries and expenses of personnel, and for other related expenses, incurred in representing such agencies and offices in the resolution of complaints by employees or applicants for employment, and in cases and other matters pending before the Equal Employment Opportunity Commission, the Federal Labor Relations Authority, or the Merit Systems Protection Board with the prior approval of the Committees on Appropriations of both Houses of Congress.

SEC. 733. None of the funds appropriated or made available by this or any other Act may be used to pay the salaries and expenses of personnel to carry out section 6405 of Public Law 107–171 (7 U.S.C. 2655).

SEC. 734. None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel to enroll in excess of 150,000 acres in the calendar year 2006 wetlands reserve program as authorized by 16 U.S.C. 3837.

SEC. 735. None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel who carry out an environmental quality incentives program authorized by chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.) in excess of $1,017,000,000.

SEC. 736. None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel to expend the $23,000,000 made available by section 9006(f) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8106(f)).

SEC. 737. None of the funds appropriated or otherwise made available under this or any other Act shall be used to pay the salaries and expenses of personnel to expend the $80,000,000 made available by section 601(j)(1) of the Rural Electrification Act of 1936 (7 U.S.C. 950bb(j)(1)).

SEC. 738. None of the funds made available in fiscal year 2006 or preceding fiscal years for programs authorized under the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691 et seq.) in excess of $20,000,000 shall be used to reimburse the Commodity Credit Corporation for the release of eligible commodities under section 302(f)(2)(A) of the Bill Emerson Humanitarian Trust Act (7 U.S.C. 1736f–1): Provided, That any such funds made available to reimburse the Commodity Credit Corporation shall only be used pursuant to section 302(b)(2)(B)(i) of the Bill Emerson Humanitarian Trust Act.

SEC. 739. None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel to expend the $120,000,000 made available by section 6401(a) of Public Law 107–171.

SEC. 740. Notwithstanding subsections (c) and (e)(2) of section 313A of the Rural Electrification Act (7 U.S.C. 940c(c) and (e)(2)) in implementing section 313A of that Act, the Secretary shall, with the consent of the lender, structure the schedule for payment of the annual fee, not to exceed an average of 30 basis points per year for the term of the loan, to ensure that sufficient funds are available to pay the subsidy costs for note guarantees under that section.

SEC. 741. None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel to carry out a Conservation Security Program authorized by 16 U.S.C. 3838 et seq., in excess of $259,000,000.

SEC. 742. None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel to carry out section 2502 of Public Law 107–171 in excess of $43,000,000.

SEC. 743. Of the unobligated balances available in the Special Supplemental Nutrition Program for Women, Infants, and Children reserve account, $32,000,000 is hereby rescinded.

SEC. 744. None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel to carry out section 2503 of Public Law 107–171 in excess of $73,500,000.

SEC. 745. With the exception of funds provided in fiscal year 2005, none of the funds appropriated or otherwise made available by this or any other Act shall be used to carry out section 6029 of Public Law 107–171.

SEC. 746. Hereafter, none of the funds appropriated or otherwise made available in this Act shall be expended to violate Public Law 105–264.

SEC. 747. None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel to carry out a ground and surface water conservation program authorized by section 2301 of Public Law 107–171 in excess of $51,000,000.

SEC. 748. None of the funds made available by this Act may be used to issue a final rule in furtherance of, or otherwise implement, the proposed rule on cost-sharing for animal and plant health emergency programs of the Animal and Plant Health Inspection Service published on July 8, 2003 (Docket No. 02–062–1; 68 Fed. Reg. 40541).

SEC. 749. Hereafter, notwithstanding any other provision of law, the Secretary of Agriculture may use appropriations available to the Secretary for activities authorized under sections 426–426c of title 7, United States Code, under this or any other Act, to enter into cooperative agreements, with a State, political subdivision, or agency thereof, a public or private agency, organization, or any other person, to lease aircraft if the Secretary determines that the objectives of the agreement will: (1) Serve a mutual interest of the parties to the agreement in carrying out the programs administered by the Animal and Plant Health Inspection Service, Wildlife Services; and (2) all parties will contribute resources to the accomplishment of these objectives; award of a cooperative agreement authorized by the Secretary may be made for an initial term not to exceed 5 years.

SEC. 750. None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel to carry out section 9010 of Public Law 107–171 in excess of $60,000,000.

SEC. 751. Hereafter, agencies and offices of the Department of Agriculture may utilize any available discretionary funds to cover the costs of preparing, or contracting for the preparation of, final agency decisions regarding complaints of discrimination in employment or program activities arising within such agencies and offices.

SEC. 752. Funds made available under section 1240I and section 1241(a) of the Food Security Act of 1985 in the current fiscal year shall remain available until expended to cover obligations made in the current fiscal year, and are not available for new obligations.

SEC. 753. There is hereby appropriated $750,000, to remain available until expended, for the Denali Commission to address deficiencies in solid waste disposal sites which threaten to contaminate rural drinking water supplies.

SEC. 754. Notwithstanding any other provision of law—

(1) the City of Palmer, Alaska shall be eligible to receive a water and waste disposal grant under section 306(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)) in an amount that is equal to not more than 75 percent of the total cost of providing water and sewer service to the proposed hospital in the Matanuska-Susitna Borough, Alaska;

(2) or any percentage of cost limitation in current law or regulations, the construction projects known as the Tri-Valley Community Center addition in Healy, Alaska; the Cold Climate Housing Research Center in Fairbanks, Alaska; and the University of Alaska-Fairbanks Allied Health Learning Center skill labs/classrooms shall be eligible to receive Community Facilities grants in amounts that are equal to not more than 75 percent of the total facility costs: Provided, That for the purposes of this paragraph, the Cold Climate Housing Research Center is designated an ''essential community facility'' for rural Alaska;

(3) for any fiscal year and hereafter, in the case of a high cost isolated rural area in Alaska that is not connected to a road system, the maximum level for the single family housing assistance shall be 150 percent of the median household income level in the nonmetropolitan areas of the State and 115 percent of all other eligible areas of the State; and

(4) any former RUS borrower that has repaid or prepaid an insured, direct or guaranteed loan under the Rural Electrification Act, or any not-for-profit utility that is eligible to receive an insured or direct loan under such Act, shall be eligible for assistance under Section 313(b)(2)(B) of such Act in the same manner as a borrower under such Act.

SEC. 755. There is hereby appropriated $1,000,000, to remain available until expended, for a grant to the Ohio Livestock Expo Center in Springfield, Ohio.

SEC. 756. Hereafter, notwithstanding the provisions of the Consolidated Farm and Rural Development Act (including the associated regulations) governing the Community Facilities Program, the Secretary may allow all Community Facility Program facility borrowers and grantees to enter into contracts with not-for-profit third parties for services consistent with the requirements of the Program, grant, and/or loan: Provided, That the contracts protect the interests of the Government regarding cost, liability, maintenance, and administrative fees.

SEC. 757. None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel to carry out an Agricultural Management Assistance Program as authorized by section 524 of the Federal Crop Insurance Act in excess of $6,000,000 (7 U.S.C. 1524).

SEC. 758. Notwithstanding any other provision of law, the Secretary of Agriculture is authorized to make funding and other assistance available through the emergency watershed protection program under section 403 of the Agricultural Credit Act of 1978 (16 U.S.C. 2203) to repair and prevent damage to non-Federal land in watersheds that have been impaired by fires initiated by the Federal Government and shall waive cost sharing requirements for the funding and assistance.

SEC. 759. None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel to carry out a Biomass Research and Development Program in excess of $12,000,000, as authorized by Public Law 106–224 (7 U.S.C. 7624 note).

SEC. 760. None of the funds provided in this Act may be used for salaries and expenses to carry out any regulation or rule insofar as it would make ineligible for enrollment in the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.) land that is planted to hardwood trees as of the date of enactment of this Act and was enrolled in the conservation reserve program under a contract that expired prior to calendar year 2002.

SEC. 761. Notwithstanding 40 U.S.C. 524, 571, and 572, the Secretary of Agriculture may sell the US Water Conservation Laboratory, Phoenix, Arizona, and credit the net proceeds of such sale as offsetting collections to its Agricultural Research Service Buildings and Facilities account. Such funds shall be available until September 30, 2007 to be used to replace these facilities and to improve other USDA-owned facilities.

SEC. 762. None of the funds provided in this Act may be used for salaries and expenses to draft or implement any regulation or rule insofar as it would require recertification of rural status for each electric and telecommunications borrower for the Rural Electrification and Telecommunication Loans program.

SEC. 763. The Secretary of Agriculture may use any unobligated carryover funds made available for any program administered by the Rural Utilities Service (not including funds made available under the heading ''Rural Community Advancement Program'' in any Act of appropriation) to carry out section 315 of the Rural Electrification Act of 1936 (7 U.S.C. 940e).

SEC. 764. There is hereby appropriated $650,000, to remain available until expended, to carry out provisions of section 751 of division A of Public Law 108–7.

SEC. 765. (a) Notwithstanding any other provision of law, and until the receipt of the decennial Census in the year 2010, the Secretary of Agriculture shall consider—

(1) the City of Bridgeton, New Jersey, the City of Kinston, North Carolina, and the City of Portsmouth, Ohio as rural areas for the purposes of Rural Housing Service Community Facilities Program loans and grants;

(2) the Township of Bloomington, Illinois (including individuals and entities with projects within Township) shall be eligible for Rural Housing Service Community Facilities Programs loans and grants;

(3) the City of Lone Grove, Oklahoma (including individuals and entities with projects within the city) shall be eligible for Rural Housing Service Community Facilities Program loans and grants;

(4) the City of Butte/Silverbow, Montana, rural areas for purposes of eligibility for Rural Utilities Service water and waste water loans and grants and Rural Housing Service Community Facilities Program loans and grants;

(5) Cleburne County, Arkansas, rural areas for purposes of eligibility of Rural Utilities Service water and waste water loans and grants;

(6) the designated Census track areas for the Upper Kanawha Valley Enterprise Community, West Virginia, rural areas for purposes of eligibility for rural empowerment zones and enterprise community programs in the rural development mission area;

(7) the Municipality of Carolina, Puerto Rico, as meeting the eligibility requirements for Rural Utilities Service water and waste water loans and grants;

(8) the Municipalities of Vega Baja, Manatí, Guayama, Fajardo, Humacao, and Naguabo, Puerto Rico, (including individuals and entities with projects within the Municipalities) shall be eligible for Rural Community Advancement Program loans and grants and intermediate relending programs;

(9) the City of Hidalgo, Texas as a rural area for the purpose of the Rural Business-Cooperative Service Rural Business Enterprise Grant Program;

(10) the City of Elgin, Oklahoma (including individuals and entities with projects within the city) shall be eligible for Rural Utilities Service water and waste water loans and grants; and

(11) the City of Lodi, California, the City of Atchison, Kansas, and the City of Belle Glade, Florida as rural areas for the purposes of the Rural Utilities Service water and waste water loans and grants.

SEC. 766. There is hereby appropriated $200,000 for a grant to Alaska Village Initiatives for the purpose of administering a private lands wildlife management program in Alaska.

SEC. 767. There is hereby appropriated $2,250,000, to remain available until expended, for a grant to the Wisconsin Federation of Cooperatives for pilot Wisconsin-Minnesota health care cooperative purchasing alliances.

SEC. 768. The counties of Burlington and Camden, New Jersey (including individuals and entities with projects within these counties) shall be eligible for loans and grants under the Rural Community Advancement Program for fiscal year 2006 to the same extent they were eligible for such assistance during the fiscal year 2005 under section 106 of Chapter 1 of Division B of Public Law 108–324 (188 Stat. 1236).

SEC. 769. Hereafter, notwithstanding any other provision of law, funds made available to States administering the Child and Adult Care Food Program, for the purpose of conducting audits of participating institutions, funds identified by the Secretary as having been unused during the initial fiscal year of availability may be recovered and reallocated by the Secretary: Provided, That States may use the reallocated funds until expended for the purpose of conducting audits of participating institutions.

SEC. 770. The Secretary of Agriculture is authorized and directed to quitclaim to the City of Elkhart, Kansas, all rights, title and interests of the United States in that tract of land comprising 151.7 acres, more or less, located in Morton County, Kansas, and more specifically described in a deed dated March 11, 1958, from the United States of America to the City of Elkhart, State of Kansas, and filed of record April 4, 1958 at Book 34 at Page 520 in the office of the Register of Deeds of Morton County, Kansas.

SEC. 771. There is hereby appropriated $2,500,000 to carry out the Healthy Forests Reserve Program authorized under Title V of Public Law 108–148 (16 U.S.C. 6571–6578).

SEC. 772. Unless otherwise authorized by existing law, none of the funds provided in this Act, may be used by an executive branch agency to produce any prepackaged news story intended for broadcast or distribution in the United States unless the story includes a clear notification within the text or audio of the prepackaged news story that the prepackaged news story was prepared or funded by that executive branch agency.

SEC. 773. In addition to other amounts appropriated or otherwise made available by this Act, there is hereby appropriated to the Secretary of Agriculture $7,000,000, of which not to exceed 5 percent may be available for administrative expenses, to remain available until expended, to make specialty crop block grants under section 101 of the Specialty Crops Competitiveness Act of 2004 (Public Law 108–465; 7 U.S.C. 1621 note).

SEC. 774. The Rural Electrification Act of 1936 is amended by inserting after section 315 (7 U.S.C. 940e) the following:

''SEC. 316. EXTENSION OF PERIOD OF EXISTING GUARANTEE. (a) IN GENERAL.—Subject to the limitations in this section and the provisions of the Federal Credit Reform Act of 1990, as amended, a borrower of a loan made by the Federal Financing Bank and guaranteed under this Act may request an extension of the final maturity of the outstanding principal balance of such loan or any loan advance thereunder. If the Secretary and the Federal Financing Bank approve such an extension, then the period of the existing guarantee shall also be considered extended.

''(b) LIMITATIONS.—

''(1) FEASIBILITY AND SECURITY.—Extensions under this section shall not be made unless the Secretary first finds and certifies that, after giving effect to the extension, in his judgment the security for all loans to the borrower made or guaranteed under this Act is reasonably adequate and that all such loans will be repaid within the time agreed.

''(2) EXTENSION OF USEFUL LIFE OR COLLATERAL.—Extensions under this section shall not be granted unless the borrower first submits with its request either—

''(A) evidence satisfactory to the Secretary that a Federal or State agency with jurisdiction and expertise has made an official determination, such as through a licensing proceeding, extending the useful life of a generating plant or transmission line pledged as collateral to or beyond the new final maturity date being requested by the borrower, or

''(B) a certificate from an independent licensed engineer concluding, on the basis of a thorough engineering analysis satisfactory to the Secretary, that the useful life of the generating plant or transmission line pledged as collateral extends to or beyond the new final maturity date being requested by the borrower.

''(3) AMOUNT ELIGIBLE FOR EXTENSION.—Extensions under this section shall not be granted if the principal balance extended exceeds the appraised value of the generating plant or transmission line referred to in subsection paragraph (2).

''(4) PERIOD OF EXTENSION.—Extensions under this section shall in no case result in a final maturity greater than 55 years from the time of original disbursement and shall in no case result in a final maturity greater than the useful life of the plant.

''(5) NUMBER OF EXTENSIONS.—Extensions under this section shall not be granted more than once per loan advance.

''(c) FEES.—

''(1) IN GENERAL.—A borrower that receives an extension under this section shall pay a fee to the Secretary which shall be credited to the Rural Electrification and Telecommunications Loans Program account. Such fees shall remain available without fiscal year limitation to pay the modification costs for extensions.

''(2) AMOUNT.—The amount of the fee paid shall be equal to the modification cost, calculated in accordance with section 502 of the Federal Credit Reform Act of 1990, as amended, of such extension.

''(3) PAYMENT.—The borrower shall pay the fee required under this section at the time the existing guarantee is extended by making a payment in the amount of the required fee.''.

SEC. 775. (a) IN GENERAL.—The Secretary of Health and Human Services, on behalf of the United States may, whenever the Secretary deems desirable, relinquish to the State of Arkansas all or part of the jurisdiction of the United States over the lands and properties encompassing the Jefferson Labs campus in the State of Arkansas that are under the supervision or control of the Secretary.

(b) TERMS.—Relinquishment of jurisdiction under this section may be accomplished, under terms and conditions that the Secretary deems advisable,

(1) by filing with the Governor of the State of Arkansas a notice of relinquishment to take effect upon acceptance thereof; or

(2) as the laws of such State may otherwise provide.

(c) DEFINITION.—In this section, the term ''Jefferson Labs campus'' means the lands and properties of the National Center for Toxicological Research and the Arkansas Regional Laboratory.

SEC. 776. Section 204(b)(3)(A) of the Child Nutrition and WIC Reauthorization Act of 2004 (118 Stat. 781; 42 U.S.C. 1751 note) is amended by striking ''July 1, 2006'' and inserting ''October 1, 2005''.

SEC. 777. (a) Section 18(f)(1)(B) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769(f)(1)(B)) is amended—

(1) by striking ''April 2004'' and inserting ''June 2005''; and

(2) in clause (ii), by striking ''66.67'' and inserting ''75''.

(b) The amendments made by subsection (a) take effect on January 1, 2006.

SEC. 778. None of the funds in this Act may be used to retire more than 5 percent of the Class A stock of the Rural Telephone Bank, except in the event of liquidation or dissolution of the telephone bank during fiscal year 2006, pursuant to section 411 of the Rural Electrification Act of 1936, as amended, or to maintain any account or subaccount within the accounting records of the Rural Telephone Bank the creation of which has not specifically been authorized by statute: Provided, That notwithstanding any other provision of law, none of the funds

appropriated or otherwise made available in this Act may be used to transfer to the Treasury or to the Federal Financing Bank any unobligated balance of the Rural Telephone Bank telephone liquidating account which is in excess of current requirements and such balance shall receive interest as set forth for financial accounts in section 505(c) of the Federal Credit Reform Act of 1990.

SEC. 779. There is hereby appropriated $6,000,000 to carry out Section 120 of Public Law 108–265 in Utah, Wisconsin, New Mexico, Texas, Connecticut, and Idaho.

SEC. 780. Section 508(a)(4)(B) of the Federal Crop Insurance Act (7 U.S.C. 1508(a)(4)(B)) is amended by inserting ''or similar commodities'' after ''the commodity''.

SEC. 781. (a) Notwithstanding subtitles B and C of the Dairy Production Stabilization Act of 1983 (7 U.S.C. 4501 et seq.), during fiscal year 2006, the National Dairy Promotion and Research Board may obligate and expend funds for any activity to improve the environment and public health.

(b) The Secretary of Agriculture shall review the impact of any expenditures under subsection (a) and include the review in the 2007 report of the Secretary to Congress on the dairy promotion program established under subtitle B of the Dairy Production Stabilization Act of 1983 (7 U.S.C. 4501 et seq.).

SEC. 782. The Federal facility located at the South Mississippi Branch Experiment Station in Poplarville, Mississippi, and known as the ''Southern Horticultural Laboratory'', shall be known and designated as the ''Thad Cochran Southern Horticultural Laboratory'': Provided, That any reference in law, map, regulation, document, paper, or other record of the United States to such Federal facility shall be deemed to be a reference to the ''Thad Cochran Southern Horticultural Laboratory''.

SEC. 783. As soon as practicable after the Agricultural Research Service operations at the Western Cotton Research Laboratory located at 4135 East Broadway Road in Phoenix, Arizona, have ceased, the Secretary of Agriculture shall convey, without consideration, to the Arizona Cotton Growers Association and Supima all right, title, and interest of the United States in and to the real property at that location, including improvements.

SEC. 784. (a) IN GENERAL.—In carrying out a livestock assistance, compensation, or feed program, the Secretary of Agriculture shall include horses and deer within the definition of ''livestock'' covered by the program.

(b) CONFORMING AMENDMENTS.—

(1) Section 602(2) of the Agricultural Act of 1949 (7 U.S.C. 1471(2)) is amended—

(A) by inserting ''horses, deer,'' after ''bison,''; and

(B) by striking ''equine animals used for food or in the production of food,''.

(2) Section 806 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 106–387; 114 Stat. 1549A–51) is amended by inserting ''(including losses to elk, reindeer, bison, horses, and deer)'' after ''livestock losses''.

(3) Section 10104(a) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1472(a)) is amended by striking ''and bison'' and inserting ''bison, horses, and deer''.

(4) Section 203(d)(2) of the Agricultural Assistance Act of 2003 (Public Law 108–7; 117 Stat. 541) is amended by striking ''and bison'' and inserting ''bison, horses, and deer''.

(c) APPLICABILITY.—

(1) IN GENERAL.—This section and the amendments made by this section apply to losses resulting from a disaster that occurs on or after July 28, 2005.

(2) PRIOR LOSSES.—This section and the amendments made by this section do not apply to losses resulting from a disaster that occurred before July 28, 2005.

SEC. 785. Amounts made available for the Plant Materials Center in Fallon, Nevada, under the heading ''CONSERVATION OPERATIONS'' under the heading ''NATURAL RESOURCES CONSERVATION SERVICE'' of title II of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2005 (Public Law 108–447; 118 Stat. 2823) shall remain available until expended.

SEC. 786. None of the funds made available in this Act may be used to study, complete a study of, or enter into a contract with a private party to carry out, without specific authorization in a subsequent Act of Congress, a competitive sourcing activity of the Secretary of Agriculture, including support personnel of the Department of Agriculture, relating to rural development or farm loan programs.

SEC. 787. None of the funds made available under this Act shall be available to pay the administrative expenses of a State agency that, after the date of enactment of this Act and prior to receiving certification in accordance with the provisions set forth in section 17(h)(11)(E) of the Child Nutrition Act of 1966, authorizes any new for-profit vendor(s) to transact food instruments under the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) if it is expected that more than 50 percent of the annual revenue of the vendor from the sale of food items will be derived from the sale of supplemental foods that are obtained with WIC food instruments, except that the Secretary may approve the authorization of such a vendor if the approval is necessary to assure participant access to program benefits.

SEC. 788. Of the unobligated balances under section 32 of the Act of August 24, 1935, $37,601,000 are hereby rescinded.

SEC. 789. None of the funds provided in this Act may be obligated or expended for any activity the purpose of which is to require a recipient of any grant that was funded in Public Law 102–368 and Public Law 103–50 for ''Rural Housing for Domestic Farm Labor'' in response to Hurricane Andrew to pay the United States any portion of any interest earned with respect to such grants: Provided, That such funds are expended by the grantee within 18 months of the date of enactment of this section for the purposes of providing farm labor housing consistent with the purpose authorized in Title V of the Housing Act of 1949, as determined by the Secretary.

SEC. 790. There is hereby appropriated $140,000 to remain available until expended, for a grant to the University of Nevada at Reno; $400,000 to remain available until expended for a grant to the Ohio Center for Farmland Policy Innovation at Ohio State University, Columbus, Ohio; $200,000 to remain available until expended, for a grant to Utah State University for a farming and dairy training initiative; $500,000, to remain available until expended, for a grant to the Nueces County, Texas Regional Fairground; and $350,000 to provide administrative support for a world hunger organization: Provided, That none of the funds may be used for a monetary award to an individual.

SEC. 791. There is hereby appropriated $1,000,000 to establish a demonstration intermediate relending program for the construction and rehabilitation of housing for the Mississippi Band of Choctaw Indians: Provided, That the interest rate for direct loans shall be 1 percent: Provided further, That no later than one year after the establishment of this program the Secretary shall provide the Committees on Appropriations with a report providing information on the program structure, management, and general demographic information on the loan recipients.

SEC. 792. Section 285 of the Agriculture Marketing Act of 1946 (7 U.S.C. 1638d) is amended by striking ''2006'' and inserting ''2008''.

SEC. 793. None of the funds appropriated or otherwise made available by this Act shall be used to pay salaries and expenses of personnel who implement or administer Section 508(e)(3) of the Federal Crop Insurance Act (7 U.S.C. 1508(e)(3)) or any regulation, bulletin, policy or agency guidance issued pursuant to Section 508(e)(3) of such Act for the 2007 reinsurance year.

SEC. 794. Effective 120 days after the date of enactment of this Act, none of the funds made available in this Act may be used to pay the salaries or expenses of personnel to inspect horses under section 3 of the Federal Meat Inspection Act (21 U.S.C. 603) or under the guidelines issued under section 903 the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 1901 note; Public Law 104–127).

SEC. 795. (a) Subject to subsection (b), none of the funds made available in this Act may be used to—

(1) grant a waiver of a financial conflict of interest requirement pursuant to section 505(n)(4) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(n)(4)) for any voting member of an advisory committee or panel of the Food and Drug Administration; or

(2) make a certification under section 208(b)(3) of title 18, United States Code, for any such voting member.

(b) Subsection (a) shall not apply to a waiver or certification if—

(1) not later than 15 days prior to a meeting of an advisory committee or panel to which such waiver or certification applies, the Secretary of Health and Human Services discloses on the Internet website of the Food and Drug Administration—

(A) the nature of the conflict of interest at issue; and

(B) the nature and basis of such waiver or certification (other than information exempted from disclosure under section 552 of title 5, United States Code (popularly known as the Freedom of Information Act)); or

(2) in the case of a conflict of interest that becomes known to the Secretary less than 15 days prior to a meeting to which such waiver or certification applies, the Secretary shall make such public disclosure as soon as possible thereafter, but in no event later than the date of such meeting.

(c) None of the funds made available in this Act may be used to make a new appointment to an advisory committee or panel of the Food and Drug Administration unless the Commissioner of Food and Drugs submits a quarterly report to the Inspector General of the Department of Health and Human Services and the Committees on Appropriations of the House and Senate on the efforts made to identify qualified persons for such appointment with minimal or no potential conflicts of interest.

SEC. 796. Section 274(a)(1) of the Immigration and Nationality Act (8 U.S.C. 1324(a)(1)) is amended by adding at the end the following:

''(C) It is not a violation of clauses (ii) or (iii) of subparagraph (A), or of clause (iv) of subparagraph (A) except where a person encourages or induces an alien to come to or enter the United States, for a religious denomination having a bona fide nonprofit, religious organization in the United States, or the agents or officers of such denomination or organization, to encourage, invite, call, allow, or enable an alien who is present in the United States to perform the vocation of a minister or missionary for the denomination or organization in the United States as a volunteer who is not compensated as an employee, notwithstanding the provision of room, board, travel, medical assistance, and other basic living expenses, provided the minister or missionary has been a member of the denomination for at least one year.''.

SEC. 797. (a) Section 2111(a)(1) of the Organic Foods Production Act of 1990 (7 U.S.C. 6510(a)(1)) is amended by inserting ''not appearing on the National List'' after ''ingredient''.

(b) Section 2118 of the Organic Foods Production Act of 1990 (7 U.S.C. 6517) is amended—

(1) in subsection (c)(1)—

(A) in the paragraph heading, by inserting ''IN ORGANIC PRODUCTION AND HANDLING OPERATIONS'' after ''SUBSTANCES'';

(B) in subparagraph (B)—

(i) in clause (i), by inserting ''or'' at the end; and

(ii) in clause (ii), by striking ''or'' at the end and inserting ''and''; and

(C) by striking clause (iii); and

(2) in subsection (d), by adding at the end the following:

''(6) EXPEDITED PETITIONS FOR COMMERCIALLY UNAVAILABLE ORGANIC AGRICULTURAL PRODUCTS CONSTITUTING LESS THAN 5 PERCENT OF AN ORGANIC PROCESSED PRODUCT.—The Secretary may develop emergency procedures for designating agricultural products that are commercially unavailable in organic form for placement on the National List for a period of time not to exceed 12 months.''.

(c) Section 2110(e)(2) of the Organic Foods Production Act of 1990 (7 U.S.C. 6509(e)(2)) is amended—

(1) by striking ''A dairy'' and inserting the following:

''(A) IN GENERAL.—Except as provided in subparagraph (B), a dairy''; and

(2) by adding at the end the following:

''(B) TRANSITION GUIDELINE.—Crops and forage from land included in the organic system plan of a dairy farm that is in the third year of organic management may be consumed by the dairy animals of the farm during the 12-month period immediately prior to the sale of organic milk and milk products.''.

SEC. 798. (a) AMENABLE SPECIES.—The Federal Meat. Inspection Act (21 U.S.C. 601 et seq.) is amended—

(1) by striking ''cattle, sheep, swine, goats, horses, mules, and other equines'' each place it appears and inserting ''amenable species'';

(2) in section 1, by adding at the end the following new subsection:

''(w) The term 'amenable species' means—

''(1) those species subject to the provisions of the Act on the day before the date of the enactment of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2006; and

''(2) any additional species of livestock that the Secretary considers appropriate.''; and

(3) in section 19—

(A) by striking ''horses, mules, or other equines'' and inserting ''species designated by regulations in effect on the day before the date of the enactment of the Agriculture, Rural Development, Food and Drug Administration and Related Agencies Appropriations Act, 2006''; and

(B) by striking ''cattle, sheep, swine, or goats'' and inserting ''other amenable species''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect of the day after the effective date of section 794 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2006.

SEC. 799. Public Law 109–54, the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2006 is amended as follows:

(a) Under the heading National Park Service, Construction by:

(1) Striking ''of which'' after ''$301,291,000, to remain available until expended,'' and inserting in lieu thereof ''and'';

(2) In the sixth proviso, striking ''hereinafter'' and inserting in lieu thereof ''hereafter'' and, after ''Annex'', inserting ''and the Blue Ridge Parkway Regional Destination Visitor Center''; and

(3) In the seventh proviso, striking ''solicitation and contract'' and inserting in lieu thereof ''solicitations and contracts'';

(b) Under the heading National Park Service, Land Acquisition and State Assistance by striking '$74,824,000'' and inserting in lieu thereof ''$64,909,000'';

(c) Under the heading Departmental Management, Salaries and Expenses by striking ''$127,183,000'' and inserting in lieu thereof ''$117,183,000'';

(d) Under the heading Title II—Environmental Protection Agency, State and Tribal Assistance Grants by:

(1) Before the period at the end of the first paragraph, inserting '': Provided further, That of the funds made available under this heading in Division I of Public Law 108–447, $300,000 is for the Haleyville, AL, North Industrial Area Water Storage Tank project: Provided further, That the referenced statement of the managers under the heading Environmental Protection Agency, State and Tribal Assistance Grants in Public Law 107–73, in reference to item 184, is deemed to be amended by striking ''$2,000,000'' and inserting in lieu thereof ''$29,945'' and by inserting after ''improvements'': '', $500,000 to the City of Sheridan for water system improvements, $500,000 to Meagher County/Martinsdale Water and Sewer District for Martinsdale Water System Improvements, and $970,055 to the City of Bozeman for Hyalite Waterline and Intake''; and

(2) In the second paragraph, striking the word ''original'';

(e) Under the heading Forest Service, Land Acquisition by striking ''land that are encumbered'' and all that follows through ''under this section,'' and inserting in lieu thereof ''lands that are encumbered by unpatented claims acquired under this section, or with previously appropriated funds,''; and

(f) At the end of Title IV—General Provisions, insert the following:

''SEC. 440. REDESIGNATION OF WILDERNESS.

(a) REDESIGNATION.—Section 140(c)(4) of Division E of Public Law 108–447 is amended by striking ''National''.

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the ''Gaylord A. Nelson National Wilderness'' shall be deemed to be a reference to the ''Gaylord A. Nelson Wilderness''.''

This Act may be cited as the ''Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2006''.

And the Senate agree to the same.

HENRY BONILLA,
JACK KINGSTON,
TOM LATHAM,
JO ANN EMERSON,
VIRGIL GOODE, JR.,
RAY LAHOOD,
JOHN T. DOOLITTLE,
RODNEY ALEXANDER,
JERRY LEWIS,
Managers on the part of the House.

R.F. BENNETT,
THAD COCHRAN,
ARLEN SPECTER,
CHRIS BOND,
MITCH MCCONNELL,
TED STEVENS,
HERB KOHL,
DIANNE FEINSTEIN,
RICHARD DURBIN,
MARY LANDRIEU,
ROBERT C. BYRD,
Managers on the part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to bill (H.R. 2744), making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2006 and for other purposes, submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

CONGRESSIONAL DIRECTIVES

The statement of the managers remains silent on provisions that were in both the House and Senate bills that remain unchanged by this conference agreement, except as noted in this statement of the managers.

The conferees agree that executive branch wishes cannot substitute for Congress' own statements as to the best evidence of congressional intentions-that is, the official reports of the Congress. The conferees further point out that funds in this Act must be used for the purposes for which appropriated, as required by section 1301 of title 31 of the United States Code, which provides: ''Appropriations shall be applied only to the objects for which the appropriations were made except as otherwise provided by law.''

The House and Senate report language that is not changed by the conference is approved by the committee of conference. The statement of the managers, while repeating some report language for emphasis, does not intend to negate the language referred to above unless expressly provided herein.

In cases in which the House or the Senate have directed the submission of a report, such report is to be submitted to both the House and Senate Committees on Appropriations.

TITLE I—AGRICULTURAL PROGRAMS

PRODUCTION, PROCESSING, AND MARKETING

OFFICE OF THE SECRETARY

The conference agreement provides $5,127,000 for the Office of the Secretary as proposed by the House and the Senate.

The conference agreement provides the fiscal year 2005 funding level for cross-cutting trade negotiations and biotechnology resources in the following accounts: Office of the Secretary; Animal and Plant Health Inspection Service; Grain Inspection, Packers and Stockyards Administration; and the Foreign Agricultural Service.

The conferees appreciate receiving the detailed information provided in the Explanatory Notes prepared by the Department and rely heavily on this information when considering budget proposals. These materials have traditionally been prepared for the sole use of the Committees on Appropriations in a format consistent with the organization and operation of the programs and the structure of the Appropriations Act. At the direction of the Office of Management and Budget, the Department has changed the format and content of these materials to focus on broader goals and objectives rather than the major program structure followed in the Act, and in the actual conduct of the programs. The new organization and content does not present budget information in a format useful to the deliberations of the Committees. For fiscal year 2007 and future years, the Department is directed to present Explanatory Notes in a format consistent with the presentation used for the fiscal year 2002 Budget. Any deviations from that format are to be approved in advance by the Committees.

The conferees direct the Secretary to advise the Committees on Appropriations in writing of the status of all reports requested of the Department by the committees, at the time of submission of the fiscal year 2007 budget and quarterly thereafter.

The conferees are concerned by protocols employed by various food aid agencies related to measuring the quality of food products offered for international humanitarian assistance. The Secretary is encouraged to work with appropriate organizations to determine what actions may be proper to improve the nutritional integrity of food aid

commodities and the consistency of testing methods. The Secretary is further encouraged, if appropriate, to work with groups experienced in food aid quality and tracking systems to carry out authorities provided in section 3013 of Public Law 107–171. The Committees on Appropriations expect a report on this subject no later than March 1, 2006.

The conferees are aware of the various USDA agencies that were affected by Hurricanes Katrina, Rita, and other storm events in recent months. As a result of the dislocation of many individuals employed by these agencies, the conferees expect the Department to initiate all safe harbor means available to ensure safe and adequate relief and recovery for these employees until full restoration of agency facilities is complete and agency personnel are able to return to their homes. The conferees expect the Secretary to provide a report to the Committees on Appropriations of the House and Senate on actions taken in this regard by March 1, 2006.

The conferees take note of the heightened awareness and concern surrounding the potential for an avian flu pandemic. The Secretary is directed to instruct all agencies with jurisdiction over possible introduction of foreign animal disease into this country to take all necessary steps, including increased surveillance and ensuring they have all the necessary authorities to provide the greatest level of safeguard against the introduction of highly pathogenic avian flu into the United States. The Secretary is further directed to report to the Committees on Appropriations of the House and Senate on this subject by March 1, 2006.

The conferees remain committed to provide funding for federal, state university, and other arenas of research and development activities to support U.S. agriculture. Given current budget constraints, this conference agreement provides the highest levels of funding possible for various research programs under the jurisdiction of this Act. In addition, the conferees urge the Secretary, and others in the Executive Branch, to increase public sector investment in this important area.

The conference agreement does not include language proposed by the Senate which would have conditioned imports of beef from Japan until that country takes steps toward opening its market to U.S. beef products. Nonetheless, the conferees strongly urge the Secretary to continue ongoing negotiations with the Japanese government to open this important market. The conferees are encouraged by recent movement in these negotiations, but clearly reserve the right to impose restrictions similar to those suggested by the Senate if there is not a swift resolution to this issue.

The conferees direct the Secretary to submit to the Committees on Appropriations of the House and Senate, as a supplement to the President's fiscal year 2007 budget request, a report on measures identified to address bark beetle infestations. This report should include information regarding resources identified in the fiscal year 2007 budget request, including assistance under the authorities of the Healthy Forests Restoration Act of 2003, relating to bark beetles. It is expected that the Secretary of Agriculture shall coordinate these activities with the Secretary of the Interior.

The conferees remain aware of public attention to animal health issues, especially those that have implications for food safety and other aspects of human public health issues. Following the discovery of a BSE-infected cow in Washington State in December of 2003, the Secretary of Agriculture imposed a ban on the entry of non-ambulatory beef cattle into the food supply. The conferees note the continuing strong interest among the American consuming public regarding this policy and direct the Secretary to notify and closely confer with the Committees on Appropriations of the House and Senate, and appropriate authorizing committees, before the Department takes any actions that would weaken this safeguard. In addition, the conferees encourage the Secretary to initiate an Advanced Notice of Proposed Rulemaking on this subject. Finally, the conferees urge the Secretary to continue efforts for enhanced surveillance of animal health through sampling tissues and other materials retrieved from rendering facilities or places where non-ambulatory animals are otherwise disposed.

The conferees recognize the importance of public and private contributions to relieve world hunger. Human suffering related to food shortages resulting from famine, natural disaster, civil unrest, and similar circumstances is one of the greatest tragedies of current times. Further, world hunger complicates international relations where civil unrest leads to national destabilization and sympathies toward terrorist organizations. The conferees are aware of the organization which annually awards the World Food Prize for outstanding work in the field of humanitarian food assistance, and encourages the Secretary to work with this organization in any form appropriate to support its activities and to further its goal of relieving world hunger. The Secretary is directed to report to the Committees by March 1, 2006, on ways in which the Department can participate in support of this organization.

The conferees are aware that the Department intends to release an interim report on a feasibility study on converting sugar into ethanol by December 15, 2005. The conferees encourage the Department to release the interim report to Congress by December 15, 2005 and final report not later that July 1, 2006.

The conferees are aware that the state of Texas has recently entered into a contract to privatize certain operations of the Food Stamp program. It is the conferees' understanding that USDA has worked with the State in order to ensure that this contract will not result in a higher food stamp error rate or reduced access to the program. Therefore, the conferees direct the Secretary to provide quarterly reports, beginning 30 days after enactment of this Act, on the status of this contract, including the effects it is having on program access, error rates, and spending on administrative expenses.

EXECUTIVE OPERATIONS

CHIEF ECONOMIST

The conference agreement provides $10,539,000 for the Office of the Chief Economist as proposed by the House and the Senate.

NATIONAL APPEALS DIVISION

The conference agreement provides $14,524,000 for the National Appeals Division, as proposed by the House and the Senate.

OFFICE OF BUDGET AND PROGRAM ANALYSIS

The conference agreement provides $8,298,000 for the Office of Budget and Program Analysis as proposed by the House and the Senate.

HOMELAND SECURITY STAFF

The conference agreement provides $934,000 for Homeland Security Staff as proposed by the House instead of $1,166,000 as proposed by the Senate.

OFFICE OF THE CHIEF INFORMATION OFFICER

The conference agreement provides $16,462,000 for the Office of the Chief Information Officer as proposed by the House instead of $16,726,000 as proposed by the Senate.

COMMON COMPUTING ENVIRONMENT

The conference agreement provides $110,072,000 for common computing environment instead of $60,725,000 as proposed by the House and $118,072,000 as proposed by the Senate.

The conferees direct the Department to continue reporting to the Committees on Appropriations on a quarterly basis on the implementation of the common computing environment.

Since fiscal year 2000, Congress has appropriated over $500,000,000 for the modernization and integration of information systems in USDA's county field offices. The conferees have fully supported this effort, but will expect to see reduced or level funding levels for this account in future budget submissions as a result of anticipated efficiencies and economies of scale.

The following table reflects the conference agreement's recommendation:

[Dollars in thousands]

CCE base infrastructure	$ 19,735
FSA specific	74,000
NRCS specific	11,137
RD specific	4,000
Interagency e-Gov	1,200
	$110,072

OFFICE OF THE CHIEF FINANCIAL OFFICER

The conference agreement provides $5,874,000 for the Office of the Chief Financial Officer as proposed by the House and the Senate.

The conferees direct USDA to work with the Office of Management and Budget and the Office of Personnel Management to investigate the feasibility of creating a public/private partnership to help leverage scarce federal resources to expand upon the existing e-payroll program to include such functions as automated data processing, cross-servicing capabilities, and other beneficial services to federal agencies. The conferees encourage the Secretary to continue these expansions and to give close consideration for the continuity of National Finance Center (NFC) operations in Louisiana.

The conferees commend the employees of the NFC in suburban New Orleans for their outstanding work in continuing the payrolls and cross-servicing operations of more than 130 government agencies during the devastation of Hurricane Katrina. The conferees note that several hundred NFC employees have been relocated to other work sites because of hurricane damage and directs the Secretary to report to the Committees on Appropriations by January 31, 2006 on the continuity of operations of the NFC and the reestablishment of payroll and cross-servicing operations and functions in New Orleans and plans for back-up facilities.

WORKING CAPITAL FUND

The conference agreement includes a general provision that authorizes the Secretary to transfer unobligated balances of other accounts to the Working Capital Fund.

OFFICE OF THE ASSISTANT SECRETARY FOR CIVIL RIGHTS

The conference agreement provides $821,000 for the Office of the Assistant Secretary for Civil Rights as proposed by the Senate instead of $811,000 as proposed by the House.

OFFICE OF CIVIL RIGHTS

The conference agreement provides $20,109,000 for the Office of Civil Rights as proposed by the House and the Senate.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

The conference agreement provides $676,000 for the Office of the Assistant Secretary for Administration as proposed by the House and the Senate.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

The conference agreement provides $187,734,000 for agriculture buildings and facilities and rental payments as proposed by

the Senate instead of $183,133,000 as proposed by the House. The conference agreement provides an increase of $4,601,000 for building operations and maintenance to be applied to the highest priority needs for which additional funding was requested.

HAZARDOUS MATERIALS MANAGEMENT

The conference agreement provides $12,000,000 for Hazardous Materials Management as proposed by the Senate instead of $15,644,000 as proposed by the House.

DEPARTMENTAL ADMINISTRATION

The conference agreement provides $23,103,000 for Departmental Administration as proposed by the House and the Senate.

OFFICE OF THE ASSISTANT SECRETARY FOR CONGRESSIONAL RELATIONS

The conference agreement provides $3,821,000 for the Office of the Assistant Secretary for Congressional Relations as proposed by the House instead of $3,846,000 as proposed by the Senate.

OFFICE OF COMMUNICATIONS

The conference agreement provides $9,509,000 for the Office of Communications as proposed by the House and the Senate.

The conferees direct the Office of Communications to continue providing the Committees with copies of open source news material made available to USDA officials through the use of appropriated funds.

OFFICE OF THE INSPECTOR GENERAL

The conference agreement provides $80,336,000 for the Office of the Inspector General instead of $79,626,000 as proposed by the House and $81,045,000 as proposed by the Senate.

The conference agreement includes a program increase of $1,010,000, for computer forensics evidence storage and other high priority budgeted increases.

OFFICE OF THE GENERAL COUNSEL

The conference agreement provides $39,351,000 for the Office of the General Counsel instead of $38,439,000 as proposed by the House and $40,263,000 as proposed by the Senate.

The conference agreement provides an increase of $2,908,000 for 2 staff years for additional legal services for the Marketing and Regulatory Programs and for the highest priority needs for which additional funding was requested.

OFFICE OF THE UNDER SECRETARY FOR RESEARCH, EDUCATION AND ECONOMICS

The conference agreement provides $598,000 for the Office of the Under Secretary for Research, Education and Economics as proposed by the House and the Senate.

ECONOMIC RESEARCH SERVICE

The conference agreement provides $75,931,000 for the Economic Research Service as proposed by the House instead of $78,549,000 as proposed by the Senate.

The conference agreement provides an increase of $1,000,000, of which $350,000 is for an agreement with the National Academy of Sciences to conduct a comprehensive report on the economic development and current status of the sheep industry in the United States and $650,000 is to be applied to the highest priority needs for which additional funding was requested.

Also, within the funds provided, the conferees expect not later than 90 days after the date of enactment of this Act, the Secretary of Agriculture, in cooperation with the Secretary of Energy, to provide to the Committees on Appropriations of both Houses of Congress, a report that describes the impact of increased prices of gas, natural gas, and diesel on agricultural producers, ranchers, and rural communities.

NATIONAL AGRICULTURAL STATISTICS SERVICE

The conference agreement provides $140,700,000 for the National Agricultural Statistics Service instead of $136,241,000 as proposed by the House and $145,159,000 as proposed by the Senate.

The conference agreement provides an increase of $5,367,000 for agricultural estimates to be applied to the highest priority needs for which additional funding was requested.

AGRICULTURAL RESEARCH SERVICE

SALARIES AND EXPENSES

The conference agreement provides $1,135,004,000 for the Agricultural Research Service, Salaries and Expenses, instead of $1,035,475,000 as proposed by the House and $1,109,981,000 as proposed by the Senate.

The conferees note that the Agricultural Research Service has had the authority to construct certain buildings provided by 7 U.S.C. 2250 for several years. The conferees direct the Agricultural Research Service to notify the Committees on Appropriations on the use of this authority on a semi-annual basis beginning January 1, 2006.

The conferees expect the agency to promptly implement programs and allocate funds provided for the purposes identified by the Congress.

In complying with the conferees' directives, ARS is expected not to redirect support for programs from one State to another without prior notification to and approval of the Committees on Appropriations in accordance with the reprogramming procedures specified in this Act. Unless otherwise directed, the agency shall implement appropriations by programs, projects, and activities as specified by the Appropriations Committees. Unspecified reductions necessary to carry out the provisions of this Act are to be implemented in accordance with the definitions contained in the ''Program, Project, and Activity'' section of this Act.

The conference agreement continues the fiscal year 2005 level of funding for all research projects proposed to be terminated in the President's budget as provided in House Report 109–102 and Senate Report 109–92 accompanying the fiscal year 2006 Agriculture Appropriations bills, including hyperspectral imaging in New Orleans, LA.

The conferees have agreed to fund budgeted increases for the following areas of research:

Emerging Diseases of Livestock/Crops—Develop Systems for Rapid Response to Bioterrorism Agents—Laramie, WY, $250,000; Athens, GA, $175,000; Vaccinology Research for Control and Eradication of Biological Threat Agents—Ames, IA, $450,000; Plum Island, NY, (Antigen Delivery Systems) $250,000; Plum Island, NY, (Foot and Mouth Disease) $150,000; Advance Intervention Strategies for Emerging Diseases of Livestock and Poultry—Ames, IA, $300,000; Develop Diagnostics for Rapid, Practical, Identification of Pathogens—Parlier, CA, $150,000; Ft. Pierce, FL, $150,000; Salinas, CA, $175,000; Develop Taxonomy, Biology, and Genetics of Pathogens—St. Paul, MN, Pullman, WA, others (Wheat Stripe Initiative), $500,000; Pullman, WA (Rust Disease of Wheat), $175,000; Ft. Pierce, FL, $300,000; Develop Science-Based Forecasting Systems for Each Pathogen/Crop Combination—Ft. Detrick, MD, $250,000; Develop Integrated Disease Management Strategies and Tools—Stoneville, MS, $240,000; Ames, IA, $150,000; Raleigh, NC, $150,000; Urbana, IL, $150,000; Charleston, SC, $50,000; and, Tifton, GA, $50,000.

Food Safety—Develop Food Animal Surveillance and Epidemiology Programs for Early Detection of Epizootic Pathogens and Antibiotic Resistance—Athens, GA, $250,000; Beltsville, MD, $250,000; Genomics to Analyze Microbial Communities to Control Food Pathogens in Preharvest Stage—Clay Center, NE, $50,000; College Station, TX, $50,000; Fungal Genomics to Identify Improved Control Strategies for Mycotoxins—New Orleans, LA, $150,000; Develop Sampling Systems and Protocols in Detecting Intentional Contamination—Beltsville, MD, $150,000; Develop Rapid Systems to Maximize Detection Potential of Pathogens in Foods—Albany, CA, $50,000; Develop Detection and Processing Intervention Systems for Liquid Egg Products—Wyndmoor, PA, $250,000, Athens, GA, $150,000; Identification of Toxic Chemical Residues and Heavy Metals—Beltsville, MD, $125,000; and, Biological Toxins—Albany, CA, $150,000.

Bovine Spongiform Encephalopathy (BSE) Research—Implement an Integrated Zoonotic Research Program (BSE) in Pathogenesis, Diagnostics, and Intervention—Ames, IA, (Risk Assessment of BSE) $900,000; Albany, CA, (Pathophysiology of BSE) $450,000; Pullman, WA, $500,000; Ames, IA, (Pre-Clinical Live Animal Test) $250,000; and, Albany, CA, (Prion Deactivation for Decontamination of Feed) $250,000.

Obesity/Nutrition—Understanding Dietary Patterns That Contribute to Obesity in Low Socioeconomic and Minority Populations in the U.S.—Beltsville, MD, $250,000; Determine the Energy and Nutrient Content of Foods Consumed by U.S. Minority Populations—Grand Forks, ND, $200,000; Address the Obesity Epidemic and Promote a Healthier Lifestyle—Davis, CA, $150,000; Boston, MA, $150,000; Little Rock, AR, $150,000; Houston, TX, $200,000; Baton Rogue, LA, $200,000; and, Grand Forks, ND, $70,000.

Invasive Species—Conduct Research to Control Sudden Oak Death, Tamarisk, Emerald Ash Borer, Yellow Starthistle, Asian Long Horned Beatle, Lobate Lac Scale, Swallow—Worts, and Teasel—Corvalis, OR, $150,000; Ft. Detrick, MD, $150,000; Newark, DE, $137,500; Ithaca, NY, $150,000; Ft. Lauderdale, FL, $75,000; Reno, NV, $200,000; Develop IPM Components and Systems for Invasive Insects—Mt. Pellier, France, $100,000; Peoria, IL, $100,000; Columbia, MO, $100,000; Improve Taxonomic Knowledge of Invasive Species—Beltsville, MD, $150,000; and, Identify the Genes in the Red Invasive Fire Ant and Develop Better Bait Controls—Gainesville, FL, $150,000.

Air and Water Quality—Reduce Gaseous Particulate Matter Emissions from Animal Feeding Operations—Bushland, TX, $150,000.

Biobased Products/Bioenergy Research—Improve the Quality and Quantity of Agricultural Biomass Feedstock for Production of Energy and Biobased Products—Peoria, IL, $250,000; Develop Technologies to Produce Biofuels and Co products from Agricultural Commodities and Byproducts—Beltsville, MD, $150,000; Wyndmoor, PA, $150,000; and, Develop Technologies Leading to New Value Added Products from Food Animal Byproducts—Wyndmoor, PA, $162,500.

Genetic Resources—Genetic Resource Enhancement—Aberdeen, ID, $100,000; Miami, FL, $125,000; Raleigh, NC, $125,000; Madison, WI, $125,000; Genetic Resource Acquisition, Maintenance, and Characterization—Stuttgart, AR, $125,000; Ft. Collins, CO, $125,000; and, Ithaca, NY, $125,000.

Genomics—Collect Phenotypic Data and Use Genome Sequence—Derived Markers to Characterize Available Germplasm of Economic Importance in Food Animals—Miles City, MT, $150,000; Identify and Characterize Genes That Affect Feed Efficiency, Reproduction, Animal Well-being, Disease Resistance Product Quality, and Other Economically Important Production Traits in Food Animals—Clay Center, NE, $350,000; Discover, Characterize and Localize Genes that Medicate Expression of Economically Important Traits in Plants—Salinas, CA, $112,500; St. Paul, MN, $200,000; and Baton Rogue, LA, $375,000.

Characterize Functional Products of Important Genes That Influence Productivity

and Product Quality in Plants—Manhattan, KS, $150,000.

Agricultural Information—Ensure Long-term Access to National Digital Library for Agriculture—Beltsville, MD, $200,000.

The conference agreement includes increased funding in fiscal year 2006 to expand the following research projects: Agroforestry (Shiitake Mushroom, $50,000), Booneville, AR—$130,000; Animal Vaccines, Greenport, NY—$60,000; Appalachian Horticulture (University of TN/TN State), Poplarville, MS—$150,000; Arid Lands, Las Cruces, NM—$120,000; Barley Yellow Dwarf, West Lafayette, IN—$75,000; Binational Agricultural Research and Development Program, $32,000; Bioinformatics, Santa Fe, NM—$100,000; Biological Weed Control, Sidney, MT—$120,000; Bioremediation, $120,000; Bovine Genetics, Beltsville, MD (University of CT/University of IL)—$300,000; Broomweed, Albany, CA—$100,000; Catfish Genome, Auburn, AL—$75,000; Center for Food Safety and Post-Harvest Technology, $449,000; Cereal Crops Research, Madison, WI—$250,000; Chloroplast Genetic Engineering, Urbana, IL (University of Central FL)—$80,000; Coffee/Cocoa, Beltsville, MD(H/S)/Miami, FL(S)—$120,000; Corn Rootworm, Ames, IA—$100,000; Cotton Ginning, Stoneville, MS—$50,000; Cropping Systems Research, Stoneville, MS (University of TN/Western TN Ag Experiment Station)—$150,000; Dairy Forage, Madison, WI—$510,000; Delta Human Nutrition Research, Stoneville, MS—$300,000; Delta Human Nutrition Research Initiative, Little Rock, AR—$100,000; Floriculture and Nursery Crops, $250,000; Forage and Range Research, Logan, UT—$250,000; Formosan Termites, New Orleans, LA—$120,000; Ft. Pierce Horticulture Research Lab, Ft. Pierce, FL—$250,000; Grape Genetics, Geneva, NY—$100,000; Grapefruit Juice/Drug Interaction, Winterhaven, FL—$80,000; Great Lakes Aquaculture, Madison, WI—$30,000; Greenhouse Lettuce Germplasm, Salinas, CA—$150,000; Improved Forage and Livestock Production, Lexington, KY (University of KY)—$120,000; Invasive Aquatic Weeds, Ft. Lauderdale, FL—$100,000; Invasive Ludwigia, Davis, CA—$100,000; Karnal Bunt, Manhattan, KS—$80,000; Medicinal and Bioactive Crops, Steven F. Austin State University/University of MD—$240,000; Mid-west/Mid-South Irrigation, Columbia, MO (Delta Center, University of MO)—$68,000; Mosquito Biological Control, (Stoneville, MS)—$210,000; National Cold Water Marine Aquaculture, Franklin, ME—$160,000; National Sclerotinia Initiative, $300,000; National Soil Dynamics, Auburn, AL—$120,000; Natural Products, Oxford, MS—$180,000; Northeast Plant Soil and Water Lab, Orono, ME—$80,000; NutriCore, National Center for Excellence in Foods and Nutrition Research—$42,000; Ogallala Aquifer, Bushland, TX (Texas A&M, Texas Tech, & Kansas State University)—$1,375,000; Peanut Production, Dawson, GA—$75,000; Peanut Variety, Stillwater, OK—$180,000; Pear Thrips, Ithaca, NY (University of Vermont)—$50,000; Pierce's Disease/Glassy-winged Sharpshooter, Parlier, CA—$25,000; Plant Genetic Diversity and Gene Discovery, Logan, UT—$180,000; Plant Protein Grazing Livestock, El Reno, OK—$100,000; Potato Blight, Orono, ME—$80,000; Quantify Basin Water Budget Components in the Southwest, Tucson, AZ—$200,000; Range and Forage Management (Sage Grouse), Burns, OR—$180,000; Regional Grains Genotyping Research, Raleigh, NC—$178,000; Salmonella, Listeria, E.coli, and Other Food Pathogens, Wyndmoor, PA—$100,000; Seafood Waste, Fairbanks, AK—$75,000; Seasonal Grazing, Coshocton, OH—$100,000; Soybean Research South, Stoneville, MS—$240,000; Sugarcane Breeding and Harvesting, Houma, LA—$100,000; Sustainable Aquaculture Feeds, Aberdeen, ID—$100,000; Swine Lagoon Alternatives, Florence, SC—$100,000; Turf Grass Research, Beaver, WV—$180,000; U.S. National Arboretum (Germplasm/Ornamental Horticulture), Washington, D.C.—$250,000; Vaccines and Microbe Control for Fish Health, Auburn, AL—$80,000; Viticulture, Corvallis, OR—$150,000; Waste Management, Bowling Green, KY (Western KY University)—$120,000; and, Winter Grain Legume, Pullman, WA—$120,000.

The conference agreement provides an increase of $200,000 above the fiscal year 2005 level for additional research at the Southwest Watershed Research Center at Tucson, Arizona instead of at the ARS Research Laboratory at Maricopa, Arizona and at the University of Arizona as proposed by the House.

BUILDINGS AND FACILITIES

The conference agreement provides $131,195,000 for the Agricultural Research Service, Buildings and Facilities, instead of $87,300,000 as proposed by the House and $160,645,000 as proposed by the Senate.

The following items reflect the conference agreement: National Center for Animal Health (Ames, Iowa), $58,800,000; Grape Genomics Research Center (Davis, California), $3,625,000; U.S. Agricultural Research Station (Salinas, California), $3,625,000; U.S. Pacific Basin Agricultural Research Center (Hilo, Hawaii), $3,625,000; Aquaculture Facility (Aberdeen/Bilingsley Creek, Idaho) $1,000,000; National Center for Agricultural Utilization Research (Peoria, Illinois), $3,625,000; Animal Waste Management Research Laboratory (Bowling Green, Kentucky), $3,000,000; Forage-Animal Research Laboratory (Lexington, Kentucky) $4,000,000; ARS Sugarcane Research Laboratory (Houma, Louisiana), $3,625,000; National Marine Cold Water Aquaculture Research Center (Orono/Franklin, Maine), $2,500,000; Beltsville Agricultural Research Center (Beltsville, Maryland), $3,625,000; Biotechnology Laboratory, Alcorn State (Lorman, MS), $2,000,000; Poultry Science Research Facility (Starkville, Mississippi), $5,000,000; National Plant and Genetics Security Center (Columbia, Missouri), $3,725,000; Animal Bioscience Facility (Bozeman, Montana), $4,000,000; Center for Grape Genetics (Geneva, New York), $3,625,000; Center for Crop-based Health Genomics (Ithaca, New York), $3,625,000; University of Toledo (Toledo, Ohio), $1,600,000; U.S. Vegetable Laboratory (Charleston, South Carolina), $2,000,000; ARS Research Laboratory (Pullman, Washington), $3,625,000; Appalachian Fruit Laboratory (Kearneysville, West Virginia), $2,045,000; Nutrient Management Research Laboratory (Leetown, West Virginia), $900,000; and, Nutrient Management Laboratory (Marshfield, Wisconsin), $8,000,000.

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE

RESEARCH AND EDUCATION ACTIVITIES

The conference agreement provides $676,849,000 for research and education activities instead of $662,546,000 as proposed by the House and $652,231,000 as proposed by the Senate.

The conference agreement provides $500,000 for resident instruction grants for insular areas.

The conference agreement provides $500,000 for the implementation of the National Veterinary Medical Services Act.

The following table reflects the conference agreement:

Cooperative State Research, Education, and Extension Service	
Research and Education Activities	
(Dollars in Thousands)	
	2006
	Conference
Hatch Act	$178,757
McIntire-Stennis Cooperative Forestry	22,230
Evans-Allen Program	37,591
National Research Initiative	183,000
State Agricultural Experiment Station Competitive Grants Program (SAES)	0
Special Research Grants	143,021
Animal Health and Disease (Sec. 1433)	5,057
1994 Institutions Research Program	1,039
Joe Skeen Institute for Rangeland Restoration (NM,TX,MT)	1,000
Graduate Fellowship Grants	3,738
Institution Challenge Grants	5,478
Multicultural Scholars Program	998
Hispanic Education Partnership Grants	6,000
Secondary/2-year Post-secondary	1,000
Capacity Building Grants (1890 Institutions)	12,312
Payments to the 1994 Institutions	2,250
Alaska Native-serving and Native Hawaiian-serving Education Grants	3,250
Resident Instruction Grants for Insular Areas	500
Veterinary Medical Services Act	500
Subtotal	607,721
Federal Administration:	
Ag-based Industrial Lubricants (IA)	549
Agriculture Development in the American Pacific	486
Agriculture Waste Utilization (WV)	690
Agriculture Water Policy (GA)	891
Alternative Fuels Characterization Laboratory (ND)	282
Animal Waste Management (OK)	396
Applied Agriculture and Environmental Research (CA)	1,000
Aquaculture (OH)	900
Aquaculture (PA)	220
Biodesign and Processing Research Center (VA)	950
Biotechnology Research (MS)	687
Botanical Research (UT)	900
Center for Agricultural and Rural Development (IA)	595
Center for Food Industry Excellence (TX)	1,367
Center for Innovative Food Technology (OH)	1,145
Center for North American Studies (TX)	1,000
Climate Forcasting (FL)	3,602
Cotton Research (TX)	2,500
Council for Agriculture Science and Technology	149
Data Information System (REEIS)	2,587
Dietary Intervention (OH)	1,250
Electronic Grants Administration System	2,051

Feed Efficiency (WV)	160
Global Environmental Management	1,000
High Value Horticultural Crops (VA)	725
Hispanic Leadership in Agriculture (TX)	546
Greenhouse Nurseries (OH)	726
Income Enhancement Demonstration (OH)	0
Information Technology (GA)	369
Livestock Marketing Information Center (CO)	174
Mariculture (NC)	317
Mississippi Valley State University, Curriculum Development	1,433
Monitoring Agricultural Sewage Sludge Application (OH)	1,287
NE Center for Invasive Plants (CT, VT, ME)	425
Office of Extramural Programs (Grants)	423
Pasteurization of Shell Eggs (MI)	1,350
Pay Costs and FERS	3,112
Peer Panels	310
Phytoremediation Plant Research (OH)	779
PM-10 Study (WA)	387
Precision Agriculture, Tennessee Valley Research Center (AL)	599
Produce Pricing (AZ)	100
Rio Grande/Rio Bravo (TX) Physical Assessment	350
Rural Systems (MS)	308
Salmon Quality Standards (AK)	166
Shrimp Aquaculture (AZ, HI, MS, MA, SC, LA, TX)	4,200
Sustainable Agricultural Freshwater Conservation (TX)	1,850
University of Hawaii	3,000
Urban Silviculture (NY)	270
Vitis Gene Discovery (MO)	608
Water Pollutants (WV)	600
Water Quality (ND)	500
Wetland Plants (WV)	200
Total, Federal Administration	50,471
Other:	
Alternative Crops	1,187
Aquaculture Centers (Sec. 1475)	3,968
Critical Agricultural Materials Act	1,102
Sustainable Agriculture	12,400
Total, Other	18,657
Total, Research and Education Activities	676,849

Cooperative State Research, Education, and Extension Service Research and Education Activities Special Research Grants (Dollars in Thousands)	
	2006 Conference
Advanced Computing Research and Education (UT)	$545
Advanced Genetic Technologies (KY)	645
Advanced Spatial Technologies (MS)	936
Aegilops Cylindricum (Jointed Goatgrass) (WA,ID)	355
Agricultural Diversification (HI)	221
Agricultural Diversity/Red River Corridor (MN, ND)	622
Agriculture Science (OH)	570
Agriculture Water Usage (GA)	0
Agroecology (MD)	406
Air Quality (CA)	300
Air Quality (TX, KS)	1,574
Alliance for Food Protection (NE)	157
Alternative Nutrient Management (VT)	182
Alternative Salmon Products (AK)	1,099
Alternative Uses for Tobacco (MD)	332
Animal Disease Research (WY)	350
Animal Science Food Safety Consortium (AR, KS, IA)	1,432
Apple Fire Blight (MI, NY)	500
Aquaculture (AR)	205
Aquaculture (FL, CA, TX)	600
Aquaculture (WA, ID)	764
Aquaculture (LA)	329
Aquaculture (MS)	517
Aquaculture (NC)	325
Aquaculture (VA)	200
Aquaculture Product and Marketing Development (WV)	750
Armilliaria Root Rot (MI)	151
Asparagus Technology and Production (WA)	248
Avian Bioscience (DE)	100
Babcock Institute (WI)	600
Barley for Rural Development (MT, ID)	735
Beef Technology Transfer (MO)	259
Beef Improvement Research (TX, MO)	1,000
Berry Research (AK)	1,300
Biobased Nanocomposite Research (ND)	177
Biomass-based Energy Research (OK, MS)	1,200
Biotechnology (NC)	287
Biotechnology Research (IL)	100
Biotechnology Test Production (IA)	465
Bovine Tuberculosis (MI)	356
Brucellosis Vaccine (MT)	440
Center for Public Lands and Rural Economies (UT)	300
Center for Rural Studies (VT)	365
Chesapeake Bay Agroecology (MD)	314
Childhood Obesity and Nutrition (VT)	201
Citrus Canker (FL)	500
Citrus Tristeza (WA)	691
Competitiveness of Agricultural Products (WA)	679
Computational Agriculture (NY)	239
Cool Season Legume Research (ID, WA,ND)	564
Cotton Fiber Quality (GA)	0
Cotton Insect Management (GA)	494
Cranberry/Blueberry (MA)	160
Cranberry/Blueberry Disease and Breeding (NJ)	650
Crop Integration and Production (SD)	300
Crop Diversification Center (MO)	375
Crop Pathogens (NC)	325
Dairy and Meat Goat Research (TX)	150
Dairy Farm Profitability (PA)	500

Delta Rural Revitalization (MS)	250
Designing Foods for Health (TX)	2,000
Diaprepes Root Weevil (FL)	500
Drought Mitigation (NE)	222
Drought Management (UT)	800
Efficient Irrigation (NM, TX)	1,675
Environmental Biotechnology (RI)	643
Environmental Research (NY)	373
Environmental Risk Factors/Cancer (NY)	217
Environmentally Safe Products (VT)	750
Ethnobotany Research (AK)	250
Exotic Pest Diseases (CA)	1,929
Expanded Wheat Pasture (OK)	323
Farm Injuries and Illnesses (NC)	0
Feed Barley for Rangeland Cattle (MT)	0
Feed Efficiency in Cattle (FL)	400
Feedstock Conversion (SD)	675
Fish and Shellfish Technologies (VA)	476
Food Chain Economic Analysis (IA)	416
Floriculture (HI)	352
Food and Agriculture Policy Research Institute (IA, MO)	1,612
Food Marketing Policy Center (CT)	579
Food Quality (AK)	275
Food Safety (AL)	1,146
Food Safety (OK, ME)	552
Food Safety (TX)	200
Food Safety Research Consortium (NY)	1,000
Food Safety Initiatives (ND)	1,425
Food Security (WA)	398
Food Systems Research Group (WI)	550
Forages for Advancing Livestock Production (KY)	390
Forestry Research (AR)	461
Fruit and Berry Crop Trials for Rural Villages (AK)	500
Fruit and Vegetable Market Analysis (AZ, MO)	350
Functional Genomics (UT)	1,485
Future Foods (IL)	666
Generic Commodity Promotions, Research and Evaluation (NY)	191
Genetically Enhanced Plants for Micro-nutrients and	0
Bio-renewable Oils (MO)	740
Genomics (MS)	1,140
Geographic Information System	1,802
Global Change/ Ultraviolet Radiation	2,184
Grain Sorghum (KS,TX)	736
Grapefruit Juice/Drug Interaction (FL)	344
Grass Seed Cropping for Sustainable Agriculture (WA, OR, ID)	450
Grazing Research (WI)	260
Greenhouse Crop Production (AK)	300
Hardwood Scanning (IN)	300
Horn Fly Research (AL)	200
Human Nutrition (IA)	650
Human Nutrition (LA)	706
Human Nutrition (NY)	580
Hydroponic Tomato Production (OH)	179
Illinois-Missouri Alliance for Biotechnology	1,170
Improved Dairy Management Practices (PA)	352
Improved Fruit Practices (MI)	212
Increasing Shelf Life of Agricultural Commodities (ID)	863
Infectious Disease Research (CO)	817
Institute for Biobased Products and Food Science (MT)	563
Institute for Food Science and Engineering (AR)	1,119
Integrated Fruit and Vegetable Research (GA)	256
Integrated Production Systems (OK)	255
International Arid Lands Consortium (AZ)	579
Iowa Biotechnology Consortium	1,775
Leopold Center Hypoxia Project (IA)	222
Livestock and Dairy Policy (NY, TX)	1,000
Livestock Genome Sequencing (IL)	815
Livestock Waste (IA)	266

Lowbush Blueberry Research (ME)	246
Maple Research (VT)	139
Meadow Foam (OR)	260
Michigan Biotechnology Consortium	555
Midwest Advanced Food Manufacturing Alliance (NE)	500
Midwest Agricultural Products (IA)	612
Midwest Poultry Consortium (IA)	682
Milk Safety (PA)	788
Minor Use Animal Drugs	588
Molluscan Shellfish (OR)	365
Montana Sheep Institute	597
Multi-commodity Research (OR)	353
Multi-cropping Strategies for Aquaculture (HI)	0
National Beef Cattle Genetic Evaluation Consortium (NY, CO, GA)	880
National Biological Impact Assessment Program (VA)	264
National Center for Soybean Biotechnology (MO)	987
Nematode Resistance Genetic Engineering (NM)	139
Nevada Arid Rangelands Initiative (NV)	504
New Crop Opportunities (AK)	443
New Crop Opportunities (KY)	760
Nursery, Greenhouse, Turf Specialties (AL)	0
Oil Resources from Desert Plants (NM)	211
Organic Cropping (WA)	359
Organic Waste Utilization (NM)	93
Oyster Post Harvest Treatment (FL)	446
Ozone Air Quality (CA)	401
Pasture and Forage Research (UT)	225
Peach Tree Short Life (SC)	278
Perrenial Wheat (WA)	141
Pest Control Alternatives (SC)	282
Phytophthora Research (GA)	258
Phytophthora Research (MI)	500
Phytophthora Root Rot (NM)	182
Pierce's Disease (CA)	2,211
Plant, Drought, and Disease Resistance Gene Cataloging (NM)	233
Potato Research	1,497
Precision Agriculture (KY)	675
Preharvest Food Safety (KS)	202
Preservation and Processing Research (OK)	250
Protein Utilization (IA)	845
Rangeland Ecosystems (NM)	282
Regional Barley Gene Mapping Project (OR)	682
Regionalized Implications of Farm Programs (MO, TX)	860
Rice Agronomy (MO)	250
Ruminant Nutrition Consortium (MT, ND, SD, WY)	494
Rural Development Centers (LA, ND)	230
Rural Obesity (NY)	187
Rural Policies Institute (NE, IA, MO)	1,205
Russian Wheat Aphid (CO)	306
Seafood Harvesting, Processing and Marketing (AK)	0
Seafood and Aquaculture Harvesting, Processing and Marketing (MS)	0
Seafood Safety (MA)	458
Seed Research (AK)	0
Seed Technology (SD)	360
Small Fruit Research (OR, WA, ID)	443
Soil and Environmental Quality (DE)	295
Southwest Consortium for Plant Genetics and Water Resources (NM)	392
Soybean Cyst Nematode (MO)	802
Soybean Research (IL)	1,076
STEEP III -- Water Quality in Northwest	640
Sudden Oak Death (CA)	98
Sustainable Agriculture (CA)	515
Sustainable Agriculture (MI)	384
Sustainable Agriculture and Natural Resources (PA)	190
Sustainable Beef Supply (MT)	984
Sustainable Engineered Materials from Renewable Sources (VA)	700
Swine and Other Animal Waste Management (NC)	489
Tick Borne Disease Prevention (RI)	150

Tillage, Silviculture, Waste Management (LA)	500
Tri-state Joint Peanut Research (AL)	591
Tropical Aquaculture (FL)	211
Tropical and Subtropical Research/T-Star	9,548
Uniform Farm Management Program (MN)	298
Value-added Product Development from Agricultural Resources (MT)	405
Virtual Plant Database Enhancement Project (MO)	705
Viticulture Consortium (NY, CA, PA)	2,100
Water Conservation, (KS)	74
Water Use Efficiency and Water Quality Enhancements (GA)	494
Weed Control (ND)	384
West Nile Virus (IL)	0
Wetland Plants (LA)	563
Wheat Genetic Research (KS)	344
Wheat Sawfly Research (MT)	521
Wine Grape Foundation Block (WA)	322
Wood Utilization (OR, MS, NC, MN, ME, MI, ID, TN, AK, WV)	6,435
Wool Research (TX, MT, WY)	298
Subtotal, Special Research Grants	128,223
Improved Pest Control:	
Expert IPM Decision Support System	157
Integrated Pest Management	2,420
Minor Crop Pest Management (IR-4)	10,785
Pest Management Alternatives	1,436
Total, Improved Pest Control	14,798
Total, Special Research Grants	143,021

The conference agreement does not provide funding, within the National Research Initiative, for the competitive grants program as authorized under section 406 of the Agricultural Research, Extension, and Education Reform Act of 1998 as proposed by the House.

The conference agreement provides $1,000,000 for Applied Agricultural and Environmental Research of which $150,000 shall be for California State–Poly, and the remaining funds shall be equally divided among California State–Fresno, California State–San Luis Obispo, California State–Pomona, and California State–Chico.

The conference agreement provides $350,000 to continue physical assessments of the Rio Grande/Rio Bravo watershed to evaluate the hydrological feasibility of water management improvements.

The conference agreement provides $300,000 for air quality research of which $150,000 each shall be for the University of California at Davis and Fresno State University to supplement existing research initiatives for bovine emissions and manure lagoon emissions.

The conference agreement does not include language proposed by the House regarding Polymer-based University Research.

The conference agreement provides $1,612,000 for the Food and Agriculture Policy Research Institute. Of that amount, the conferees provide an increase of $75,000 above the fiscal year 2005 level for the Center for Agricultural and Trade Policies for the Northern Plains Region at North Dakota State University.

The conference agreement provides $736,000 for grain sorghum research of which $210,000 is for Texas Tech, $149,000 is for Texas A&M, and $377,000 is for Kansas State.

The conference agreement provides $9,548,000 for the Tropical and Subtropical Research program for Florida and Hawaii as proposed by the House instead of $4,699,000 for Hawaii as proposed by the Senate.

The conference agreement provides $600,000 for aquaculture research of which $300,000 shall be for Florida, and $150,000 each for California (Hubbs Research Institute) and Texas (Mote Marine Laboratory/University of Texas).

NATIVE AMERICAN INSTITUTIONS ENDOWMENT FUND

The conference agreement provides $12,000,000 for the Native American Institutions Endowment Fund as proposed by both the House and Senate.

EXTENSION ACTIVITIES

The conference agreement provides $455,955,000 for extension activities instead of $444,871,000 as proposed by the House and $453,438,000 as proposed by the Senate.

The conference agreement includes $2,000,000 for grants to youth organizations instead of $2,646,000 as proposed by the Senate.

The following table reflects the conference agreement:

Cooperative State Research, Education, and Extension Service	
Extension Activities	
(Dollars in Thousands)	
	2006
	Conference
Smith-Lever Sections 3(b) and 3(c)	$275,730
Smith-Lever Section 3(d):	
Farm Safety	4,563
Food and Nutrition Education (EFNEP)	62,634
Indian Reservation Agents	1,996
New Technologies for Ag Extension	1,500
Pest Management	9,960
Sustainable Agriculture	4,067
Youth at Risk	7,728
Youth Farm Safety Education and Certification	444
Total Section 3(d) Programs	92,892
1890 Colleges and Tuskegee	33,868
1890 Facilities Grants (Sec. 1447)	16,777
Renewable Resources Extension Act (RREA)	4,060
Rural Health and Safety Education	1,965
Extension Services at the 1994 Institutions	3,273
Grants to Youth Organizations	2,000
Subtotal	430,565
Federal Administration and Special Grants:	
Ag in the Classroom	865
Agricultural and Entrepreneurship Education (WI)	250
Alabama Beef Connection	850
Beef Producers Improvement (AR)	180
Conservation Technology Transfer (WI)	486
Dairy Education (IA)	229
Dairy Industry Revitalization (WI)	298
Diabetes Detection, Prevention (WA)	1,093
E-commerce (MS)	331
Efficient Irrigation (NM, TX)	2,325
Entrepreneurial Alternatives (PA)	333
Extension Specialist (MS)	132
Food Animal Residue Avoidance Database (FARAD)	806
Food Preparation and Marketing (AK)	331
Food Product Development (AK)	350
General Administration	6,922
Health Education Leadership (KY)	843
Income Enhancement Demonstration (OH)	1,247
Iowa Vitality Center	248
National Center for Agriculture Safety (IA)	241
National Wild Turkey Federation	234
Northern Aquaculture Demonstration (WI)	500
Nursery Production (RI)	295
Nutrition Enhancement (WI)	1,100
Ohio-Israel Agriculture Initiative	593
Oquirrh Institute	300
Pilot Technology Transfer (OK, MS)	300
Pilot Technology Transfer (WI)	250
Potato Pest Management (WI)	400
Range Improvement (NM)	244
Resilient Communities (NY)	0
Rural Business Enhancement (WI)	190
Rural Development (AK)	683
Rural Development Through Tourism (NM)	348
Rural Technologies (HI, WI)	315

Urban Horticulture (WI)	817
Urban Market Development (NY)	273
Web-based Agriculture Classes (MO)	0
Wood Biomass as an Alternative Farm Product (NY)	188
Total, Federal Administration	25,390
Total, Extension Activities	$455,955

INTEGRATED ACTIVITIES

The conference agreement provides $55,792,000 for integrated activities instead of $15,513,000 as proposed by the House and $55,784,000 as proposed by the Senate.

The following table reflects the conference agreement:

Cooperative State Research, Education, and Extension Service	
Integrated Activities	
(Dollars in Thousands)	
	2006
	Conference
Water Quality	$12,867
Food Safety	14,847
Regional Pest Management Centers	4,167
Crops at Risk from FQPA Implementation	1,389
FQPA Risk Mitigation Program for Major Food Crop Systems	4,464
Methyl Bromide Transition Program	3,106
Organic Transition Program	1,874
International Science and Education Grants Program	1,000
Critical Issues Program	744
Regional Rural Development Centers Program	1,334
Homeland Security, Food and Agriculture Defense Initiative	10,000
Total, Integrated Activities	$55,792

OUTREACH FOR SOCIALLY DISADVANTAGED FARMERS

The conference agreement provides $6,000,000 for Outreach for Socially Disadvantaged Farmers instead of $7,810,000 as proposed by the House and $5,888,000 as proposed by the Senate.

OFFICE OF THE UNDER SECRETARY FOR MARKETING AND REGULATORY PROGRAMS

The conference agreement provides $724,000 for the Office of the Under Secretary for Marketing and Regulatory Programs as proposed by the House and the Senate.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

SALARIES AND EXPENSES

The conference agreement provides $815,461,000 for the Animal and Plant Health Inspection Service (APHIS) instead of $842,520,000 as proposed by the House and $807,768,000 as proposed by the Senate.

The conference agreement provides specific amounts for each program administered by APHIS, and directs appropriations for a number of projects and activities within the programs. Unless otherwise directed, APHIS shall implement appropriations by program, projects, and activities as specified by the Committees on Appropriations. The conferees expect APHIS to provide the specified amount for each program or activity, and expect that there will not be any redirection of funds without prior notification to and approval by the Committees on Appropriations, in accordance with the reprogramming procedures specified in this Act.

The conference agreement does not assume Animal Welfare Act user fees of $10,858,000, as proposed in the President's budget request. Such fees are not authorized.

The following table reflects the conference agreement:

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

[In thousands of dollars]

Program	*FY 2006 Conference Recommendation*
Pest and Disease Exclusion:	
Agricultural quarantine inspection	27,524
Cattle ticks	7,627
Foreign animal diseases/FMD	8,743
Fruit fly exclusion and detection	59,976
Import-export inspection	12,493
Screwworm	28,000
Trade issues resolution management	12,583
Tropical bont tick	426
Total, Pest and Disease Exclusion	157,372
Plant and Animal Health Monitoring:	
Animal health monitoring & surveillance	147,449
Animal and plant health regulatory enforcement	10,399
Bio Survelllance	2,007
Emergency management systems	13,686
Pest detection	27,316
Select Agents	3,519
Wildlife Disease Monitoring and Surveillance	—
Total, Plant & Animal Health Monitoring	204,376
Pest and Disease Management:	
Aquaculture	1,262
Biological control	9,579
Boll weevil	39,000
Brucellosis	10,453
Chronic wasting disease	18,710
Emerging plant pests	100,217
Golden nematode	808
Grasshopper and Mormon cricket	5,555
Gypsy moth	4,818
Imported fire ant	2,154
Johnes disease	13,189
Low pathogen avian influenza	13,837
Noxious weeds	1,920
Pink bollworm	5,221
Plum pox	2,216
Pseudorabies	4,391
Scrapie	18,600
Tuberculosis	15,001
Wildlife services operations	77,927
Witchweed	1,527
Total, Pest and Disease Management	346,385
Animal Care:	
Animal welfare	17,478
Horse protection	497
Total, Animal Care	17,975
Scientific and Technical Services:	
Biosecurity	1,972
Information technology infrastructure	4,552
Biotechnology regulatory services	10,574
Environmental compliance	2,653
Plant methods development labs	8,535
Veterinary biologics	15,647
Veterinary diagnostics	22,890
Wildlife services methods development	17,390
Total, Scientific and Technical Services	84,213
Contingency fund	4,140
Physical security	1,000
Total, Salaries and Expenses	$815,461

For fiscal year 2006, the conferees provide $27,524,000 for the AQI appropriated account, which includes an increase of $52,000 over the fiscal year 2005 funding level for interline activities in Hawaii. The conference agreement includes $2,514,000 for the National Germplasm and Biotechnology Laboratory to operate its biosecurity level 3 greenhouse, and support detection of high-risk plant pathogens to protect the agriculture sector.

The conferees include $59,976,000 for fruit fly exclusion and detection. Of that amount, $2,758,000 is for fruit fly control in Texas, as requested.

The conferees are aware of the development of a strategic plan to address the threat of multiple fruit fly species to U.S. agriculture. While APHIS does participate in sterile fly production relating to the Mediterranean Fruit Fly, there are three other fruit fly species in Hawaii which pose serious threats to agricultural production in that and other states. The conferees are aware of an existing agency facility located on the island of Oahu which has been used to produce sterile fruit flies, and the Secretary is directed to take no action toward the dismantling or demolition of that facility since it may play a role in developing a multi-species fruit fly strategy for U.S. tropical and subtropical agriculture. The Secretary is also directed to work with representatives of the Hawaii agriculture sector in developing such a strategy and for possible inclusion of the existing APHIS facility in that regard.

The conferees provide $12,493,000 for import-export inspection, including $1,000,000 for a cooperative agreement with the California County Pest Detection Augmentation Program.

The conference agreement includes $147,449,000 for Animal Health Monitoring and Surveillance. Within that amount, the conference agreement provides $33,340,000 for the National Animal Identification System (NAIS), as requested. The conference agreement also includes an increase of $2,500,000 for the Comprehensive Surveillance System.

The conference agreement provides the full amount requested, $17,184,000, for surveillance and other activities related to Bovine Spongiform Encephalopathy (BSE).

The conference agreement includes: $600,000 for the Farm Animal Identification and Records (FAIR) program; funding of the New Mexico Rapid Syndrome Validation Program at $547,000 to support early detection of pathogens in animals and prevent their spread; $375,000 for Iowa State's work regarding risk assessments of genetically modified agricultural products; $325,000 to address bio-safety issues relating to antibiotic-resistant strains of bacteria in Vermont; $50,000 for animal tracking in Washington; and $50,000 for the Population Management Center, a collaboration between the Lincoln Park Zoo and the Davee Center for Epidemiology in Chicago, Illinois.

The conference agreement includes $3,571,000 for cooperative agreements with states, $1,900,000 for cooperative agreements as part of the National Animal Health Laboratory Network, and $8,930,000 for FMD/FAD surveillance.

The conference agreement includes $13,686,000 for emergency management systems, which includes a total of $4,307,000 for emergency coordinators and a total of $3,000,000 for the vaccine bank.

The conference agreement includes $27,316,000 for pest detection, including $200,000 for a remote sensing, hyperspectral imaging and light detection and ranging project; an increase of $100,000 for a cooperative agreement with California; and an increase of $1,546,000 for surveys through the Cooperative Agricultural Pest Surveys system.

The conference agreement provides a total of $3,519,000 for the Select Agents program. The funding for this program was transferred from the Import/Export and Pest Detection line items, as proposed in the President's budget request.

The conferees provide an increase of $50,000 above the fiscal year 2005 level for the Greater Yellowstone Interagency Brucellosis Committee and an increase of $50,000 for Montana.

For chronic wasting disease, the conferees provide $18,710,000. The program provides funding to states in which the disease has been found, including West Virginia. The conferees direct that of the total, $1,750,000 is for Wisconsin; $246,000 for Utah; $247,000 for the Conservation Medicine Center of Chicago; $50,000 for Colorado; and $150,000 for Alaska to monitor chronic wasting disease.

The conferees direct the Secretary to publish in the Federal Register proposed regulations relating to the control of chronic wasting disease. The Secretary is further directed to provide notice to the Committees on Appropriations of the House and Senate if this directive has not been achieved within 90 days of enactment and such notice shall include a description of actions taken and a timetable for publication in the Federal Register.

The conference agreement includes $100,217,000 for plant pests. The conferees provide $36,629,000 for citrus canker eradication; $24,250,000 for Pierce's Disease/Glassy-winged sharpshooter; $10,000,000 for Emerald Ash borer; $1,500,000 for Karnal Bunt; and $3,076,000 for Sudden Oak Death. The conferees provide $500,000 for hydrilla eradication around Lake Gaston in Virginia and North Carolina. Funding for olive fruit fly is continued at the fiscal year 2005 level.

The conference agreement includes $20,000,000 for Asian longhorned beetle activities. The conferees direct that no less than the fiscal year 2005 level be provided for activities in Chicago, Illinois. The conferees also direct that sufficient resources be allocated for activities in New York.

The conferees note their continued concern regarding the devastation caused by citrus canker. The conference agreement includes $36,629,000 for eradication and control activities. Additional funds have recently been made available by the Administration. In September 2005, the Secretary announced that USDA had provided $53,750,000 in emergency funding for eradication and control, and in October 2005, he announced $200,000,000 in disaster relief funding to compensate commercial growers for losses. Although the conferees understand that these funds do not cover total needs, particularly since the hurricanes that hit Florida in 2004 contributed to the spread of disease, the investment to date has been substantial. In total, over $740,000,000 in federal funding has been provided to address needs related to citrus canker. The conferees will continue to monitor the situation, and encourage the Administration to continue its support of the industry.

The conferees expect the Secretary of Agriculture to continue to utilize his authority to transfer funds from the Commodity Credit Corporation (CCC) to assist states with the arrest and eradication of animal and plant pests and diseases that threaten American agriculture.

The conference agreement provides $13,189,000 for Johne's Disease. Of that amount, no less than the fiscal year 2005 level shall be available for activities in Wisconsin.

The conferees note that a total of $28,337,000 is available for activities related to the prevention, control, and eradication of avian influenza, including $12,000,000 in carryover funds for indemnities. A program increase of $3,000,000 for detection, control, and eradication activities is provided in the conference agreement.

The conferees provide $1,920,000 for the noxious weeds account. This amount includes $50,000 for weed management in Nevada.

The conference agreement includes the amount requested, $2,216,000, for surveillance and control of the plum pox virus. In addition, approximately $600,000 is available for the program from carryover funds. The conferees understand that the virus has not moved beyond the borders of Pennsylvania, but are concerned about recent positive findings in the state. The conferees expect that if the incidence of plum pox virus increases, APHIS will use its authorities for emergency funding to support surveillance and removal and destruction of infected trees.

The conferees are aware of an outbreak of bovine tuberculosis in New Mexico and, in response, that an MOU has been executed between USDA and that state. The conferees urge the Secretary to use authorities and resources of the Department to provide testing, monitoring, surveillance, and other services, as needed, toward the control and eradication of this disease.

The conferees direct that, other than funding for the specific items noted in this statement, the funds provided in the Wildlife Services Operations line item are available for general operations needs.

The conferees do not concur with the President's request to reduce funding in the Wildlife Services account to allow cooperators to assume a larger share of the costs associated with these activities.

The conferees provide $1,200,000 for wolf predation management, of which $1,050,000 is for Wisconsin, Minnesota, and Michigan, and $150,000 is for New Mexico and Arizona.

The conference agreement continues funding for the following projects: $300,000 for beaver management in North Carolina; $250,000 for crop and aquaculture losses in Southeast Missouri; $625,000 for game bird predation work with the University of Georgia; $150,000 for predation wildlife services in western and southside Virginia; $135,000 for blackbird control in Louisiana; $1,337,000 for predator control programs in Montana, Idaho, and Wyoming; $1,000,000 for wildlife services in Texas; $225,000 for beaver management and damage in Wisconsin; $50,000 for control of feral hogs in Missouri; $1,000,000 for cormorant control in New York; $200,000 for cormorant control in Michigan; $150,000 for cormorant control in the Lake Champlain basin; $750,000 for wildlife service operations with the South Dakota Department of Game, Fish, and Parks; $539,000 for the management of beavers in Mississippi; $380,000 to continue control measures for minimizing blackbird damage to sunflowers in North Dakota and South Dakota; $172,000 for Kansas blackbird control; $342,000 for the Jack Berryman Institute, Utah; $247,000 for Kentucky State operations; $321,000 for Delta states operations; $196,000 for geese control in New York; and $250,000 for the New Hampshire State operations. The conference agreement does not include $100,000 increases for state operations in Alaska, Tennessee or Pennsylvania, as proposed by the Senate.

The conference agreement includes $10,700,000 for wildlife control in Western states.

The conference agreement provides $404,000 for activities in Hawaii and Guam. The conferees expect these funds to be used to enhance activities for control of pest species. In addition, the conference agreement provides $950,000 for brown tree snake control.

The conference agreement includes $23,580,000 for a cooperative oral rabies vaccination program, an increase of $2,000,000 over the fiscal year 2005 level. The conferees encourage APHIS to make use of existing funds to appropriately address rabies in Broward County, Florida.

Within the amount provided for wildlife surveillance, the conference agreement provides an increase of $100,000 for remote diagnostics and wildlife disease surveillance activities with North Dakota State University and Dickinson State University.

The conferees provide an increase of $1,900,000 for the National Animal Health Laboratory Network, as requested. Within the total, $375,000 is included for an agriculture biosecurity center in Kansas.

The conference agreement includes $17,390,000 for wildlife services methods development. Within that amount, the conferees provide $419,000 in funding for the National Wildlife Research Station in Kingsville, Texas, to address emerging infectious disease issues associated with wildlife populations; an increase of $175,000 for the Jack Berryman Institute, Mississippi; and an increase of $118,000 for the Utah Predator Research Station.

The conferees support the microchipping of pets for identification under a system of open microchip technology in which all scanners can read all chips. The conferees direct APHIS to develop the appropriate regulations that allow for universal reading ability and best serve the interests of pet owners. The conferees also direct APHIS to take into consideration the effect such regulation may have on the current practice of microchipping pets in this country, and to report to the Committees on Appropriations within 90 days of the date of enactment of this Act on progress toward that end.

The conferees are aware of the scientific achievements that have been made possible through the use of laboratory animals. However, the conferees also strongly support strict enforcement of the Animal Welfare Act, including regulatory oversight of the trade by Class B animal dealers. The Secretary is directed to report to the Appropriations Committees of the House and Senate by March 1, 2006, on enforcement actions taken in the regulation of Class B animal dealers. Such report should also include information regarding the frequency of inspection of Class B dealers, the allocation of resources for that purpose, and other actions of the Department.

BUILDINGS AND FACILITIES

The conference agreement provides $4,996,000 for Animal and Plant Health Inspection Service Buildings and Facilities as proposed by the House and the Senate.

AGRICULTURAL MARKETING SERVICE

MARKETING SERVICES

The conference agreement provides $75,376,000 for the Agricultural Marketing Service instead of $78,032,000 as proposed by the House and $76,643,000 as proposed by the Senate. The conference agreement does not include $2,918,000 in standardization fees, as proposed in the President's budget. These fees are not currently authorized in law.

The conference agreement does not include funding under this account for a web-based supply chain management system, but does provide funding for the system under the Funds for Strengthening Markets, Income, and Supply (section 32) Account.

The conferees provide $2,026,000 for activities relating to organic standards, $15,262,000 for the Pesticide Data Program, and $2,927,000 for Pesticide Recordkeeping, as requested in the budget, and an increase of $1,000,000 for activities related to country of origin labeling enforcement.

The conference agreement includes $1,000,000 for the Farmers' Market Promotion Program, to make grants to eligible entities for the purposes of establishing, expanding, and promoting farmers' markets. The conferees direct that no entity shall receive more than $75,000 in funding from the program, and request a report on the grants made, including the entity, purpose, and location, and administrative costs of the program within 180 days of enactment.

LIMITATION ON ADMINISTRATIVE EXPENSES

The conference agreement provides $65,667,000 as proposed by both the House and Senate.

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY (SECTION 32)

The conference agreement provides $16,055,000 for Funds for Strengthening Markets, Income, and Supply as proposed by the House and the Senate.

In addition, the conferees provide not less than $20,000,000 for the first phase of development of the Web-based Supply Chain Management (WBSCM) system, which will benefit the programs of the Agricultural Marketing Service, the Farm Service Agency, and the Food and Nutrition Service, as well as enhancing food distribution to schools and other feeding outlets. The conferees note that administrative expenses to support commodity purchases are expressly allowed in the authorizing legislation, and Section 32 funds, accordingly, should be used to fund the development of the WBSCM system.

PAYMENTS TO STATES AND POSSESSIONS

The conference agreement provides $3,847,000 for Payments to States and Possessions as proposed by the Senate instead of $1,347,000 as proposed by the House.

The conference agreement includes bill language and funding for a specialty markets grant as proposed by the Senate.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement provides $38,443,000 for the Grain Inspection, Packers and Stockyards Administration as proposed by the Senate instead of $38,400,000 as proposed by the House.

The conference agreement fully funds the requested increase for pay costs and the development of an information disaster recovery program, and provides an increase of $225,000 for other high priority budgeted increases. The conference agreement does not include $24,701,000 in grain standardization and Packers and Stockyards licensing fees, as proposed in the President's budget. These fees are not currently authorized in law.

The conferees remain very interested in the study on marketing arrangements that GIPSA has undertaken with $4,500,000 provided in fiscal year 2003 for that purpose. Although the study was delayed, the conferees have been informed that it is scheduled for completion in mid–2006 and that the total cost is not affected. The conferees direct GIPSA to provide quarterly updates and report the study findings to the Committees on Appropriations by June 30, 2006.

The conference agreement includes $500,000 to continue the product verification protocols pilot program, in conjunction with the Missouri, Illinois, and Iowa Corn Growers Associations. The pilot program is to establish controls for regulated seed varieties and augment grain marketing.

LIMITATION ON INSPECTION AND WEIGHING SERVICES EXPENSES

The conference agreement provides $42,463,000 for limitation on inspection and weighing services expenses as proposed by the House and Senate.

OFFICE OF THE UNDER SECRETARY FOR FOOD SAFETY

The conference agreement provides $602,000 for the Office of the Under Secretary for Food Safety as proposed by the Senate instead of $590,000 as proposed by the House.

FOOD SAFETY AND INSPECTION SERVICE

The conference agreement provides $837,756,000 for the Food Safety and Inspection Service, instead of $837,264,000 as proposed by the House and $836,818,000 as proposed by the Senate. The conference agreement does not assume Food Safety Inspection user fees of $139,000,000, as proposed in the President's budget request. Such fees are not authorized.

The conferees include bill language, as proposed by the Senate, regarding full-time equivalent positions for inspections and enforcement of laws and regulations related to the Humane Methods of Slaughter Act.

The conference agreement provides $4,000,000 for FSIS to continue the incorporation of the Humane Activities Tracking (HAT) system into the Field Automation and Information Management (FAIM) system at slaughter plants throughout the country. This system will assist in connecting the HAT data into FSIS' broader food safety and food security communications infrastructure. In addition, this will provide FSIS with access to real-time information, assisting in the detection and prevention of potential food safety problems at FSIS-inspected facilities throughout the country.

The conference agreement provides the following increases: $2,236,000 for frontline inspection improvement; $1,008,000 for food safety employee training; $417,000 for biosurveillance; and $2,500,000 for laboratory capacity. The conference agreement also provides $2,976,000 for BSE surveillance, as requested, and $2,000,000 for microbiological baseline studies.

FOOD SAFETY AND INSPECTION SERVICE, FUNDING BY ACTIVITY

[In thousands of dollars]

Food Safety & Inspection:	
Federal	$753,252
State	53,790
International	19,551
Codex	3,002
FAIM Project	8,161
Total	837,756

OFFICE OF THE UNDER SECRETARY FOR FARM AND FOREIGN AGRICULTURAL SERVICES

The conference agreement provides $635,000 for the Office of the Under Secretary for Farm and Foreign Agricultural Services as proposed by the House and the Senate.

FARM SERVICE AGENCY

SALARIES AND EXPENSES

The conference agreement provides $1,030,000,000 for the Farm Service Agency instead of $1,023,738,000 as proposed by the House and $1,043,555,000 as proposed by the Senate.

The conference agreement includes the following increases: $15,944,000 for pay cost; $15,018,000 to maintain staffing levels being funded from carryover balances in fiscal year 2005; $2,900,000 for the National Agricultural Imagery Program, of which $300,000 is for a pilot Automated Crop Cultivation Assessment Tool; and $1,500,000 for the enhancement and management of the agriculture imagery catalog repositories and data warehouses as proposed by the Senate.

The conferees direct that of the funds available to the Administrator of the Farm Service Agency, $24,000,000 shall be for the National Agricultural Imagery Program (NAIP). This amount is in addition to any provided by cooperating funds from any other federal, state, or local government funding for NAIP.

The conferees note that USDA has set aside the FSA Tomorrow plan and expect USDA to exercise a cautious approach toward any county or local office closures.

The conferees are aware of the successful partnership between FSA and the National Tribal Development Authority in providing credit outreach to American Indian producers, which offers tribal members an equal opportunity to participate in farm loan programs. The National FSA American Indian Credit Outreach initiative reaches tribal members across the country, and has demonstrated continued success in increasing participation and reducing defaults since its inception in 2001. Recent funding concerns have created some uncertainty for the future of this program. The conferees encourage FSA to continue its partnership with NTDA for its credit outreach initiatives.

STATE MEDIATION GRANTS

The conference agreement provides $4,250,000 for State Mediation Grants, as proposed by the House and Senate.

GRASSROOTS SOURCE WATER PROTECTION PROGRAM

The conference agreement provides $3,750,000 for the Grassroots Source Water Protection Program instead of no funding as proposed by the House and $4,250,000 as proposed by the Senate.

Funding for this program in previous fiscal years has been provided through the Natural Resources Conservation Service.

DAIRY INDEMNITY PROGRAM

The conference agreement provides $100,000 for the Dairy Indemnity Program, as proposed by the House and Senate.

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

The following table reflects the conference agreement:

Farm Ownership Loans:	
Direct	($208,000,000)
Subsidy	10,650,000
Guaranteed	(1,400,000,000)
Subsidy	6,720,000
Farm Operating Loans:	
Direct	(650,000,000)
Subsidy	64,675,000
Unsubsidized Guaranteed	(1,150,000,000)
Subsidy	34,845,000
Subsidized Guaranteed	(274,632,000)
Subsidy	34,329,000
Indian Tribe Land Acquisition	(2,020,000)
Subsidy	81,000
Boll Weevil Eradication	(100,000,000)
Subsidy	0
ACIF Expenses:	
Salaries and Expenses	304,591,000
Administrative Expenses	8,000,000

The conference agreement provides for a transfer of $304,591,000 to salaries and expenses instead of $297,127,000 as proposed by the House and $309,137,000 as proposed by the Senate. Of this amount, $4,194,000 shall be used for increased salary costs, $7,483,000 shall be used for the highest priority operating expenses, and no less than $1,500,000 shall be used to hire and train additional farm loan officers and managers.

The conference agreement provides no new budget authority for the emergency loan program. Currently, this loan program has over $152,000,000 available for eligible producers. Based on historical loan activity, this amount should meet all needs for emergency loans in this fiscal year.

RISK MANAGEMENT AGENCY

The conference agreement provides $77,048,000 for the Risk Management Agency instead of $77,806,000 as proposed by the House and $73,448,000 as proposed by the Senate.

The conference agreement provides $3,600,000 in discretionary funds for data mining and data warehousing activities to address the program compliance and integrity functions of the federal crop insurance program. The conferees will only provide one-time funding for these activities within discretionary funds, and recommend the Agency seek mandatory funds as previously authorized under the Federal Crop Insurance Act (7 U.S.C. §§1501–1524) as proposed by the House.

Within the total funding for the Risk Management Agency, the conference agreement provides an increase of $1,000,000 for the Agency's Emerging Information Technology Architecture initiative, instead of $1,463,000 as proposed by the House.

The conferees urge the Risk Management Agency to initiate a pilot program that would evaluate the effectiveness of lamb price insurance for sheep producers of all size operations and geography as proposed by the House, and a second that would conduct an actuarial study, in conjunction with North Dakota State University, addressing an optional insurance program in North Dakota, South Dakota, and Minnesota on wheat, barley, soybeans, and corn as proposed by the Senate.

The conferees are aware of aerial platform multi-spectral digital imaging and its potential application in facilitating the accurate measurement of crop insurance claims. The conferees encourage the Secretary to consider the development of a pilot program with the University of Minnesota to advance the application of this technology to the claims process.

FEDERAL CROP INSURANCE CORPORATION FUND

The conference agreement provides an appropriation of such sums as may be necessary for the Federal Crop Insurance Corporation Fund (estimated to be $3,159,379,000

in the President's fiscal year 2006 Budget Request), as proposed by the House and Senate.

COMMODITY CREDIT CORPORATION FUND

REIMBURSEMENT FOR NET REALIZED LOSSES

The conference agreement provides an appropriation of such sums as may be necessary for Reimbursement for Net Realized Losses of the Commodity Credit Corporation (estimated to be $25,690,000,000 in the President's fiscal year 2006 Budget Request), as proposed by the House and Senate.

HAZARDOUS WASTE MANAGEMENT

The conference agreement provides a limitation of $5,000,000 for Hazardous Waste Management, as proposed by the House and Senate.

TITLE II—CONSERVATION PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

The conference agreement provides $744,000 for the Office of the Under Secretary for Natural Resources and Environment as proposed by the House and the Senate.

The conferees note that the Natural Resources Conservation Service underwent a reorganization in early 2004. In discussions about the reorganization with the Committees on Appropriations, the Department agreed to revisit the reorganization in two to three years to determine its effectiveness and address any concerns of the Committees. The conferees direct the Department to consult with the Committees prior to conducting an analysis of the reorganization, and describing how it has met the needs of the Service, Congress, and stakeholders.

NATURAL RESOURCES CONSERVATION SERVICE

CONSERVATION OPERATIONS

The conference agreement includes $839,519,000 for Conservation Operations, instead of $773,640,000 as proposed by the House and $819,561,000 as proposed by the Senate.

The conference agreement provides $27,500,000 for the Grazing Lands Conservation Initiative, $10,650,000 for snow surveys, $10,547,000 for Plant Materials Centers, and $88,149,000 for the Soil Surveys Program. The budget authority provided for the Plant Materials Centers does not include funds for completion of the Alaska Plant Materials Center, as proposed by the Senate.

The conference agreement requires funds appropriated for Conservation Operations be available until May 31, 2007. The conferees direct the Secretary to report to the Committees no later than July 1, 2006, on any projects or activities for which funds have been specifically provided by this Act that have not been obligated by that date. Such a report shall include the reasons for which the obligations have not been made and a timetable indicating when those obligations shall occur.

Funding for fiscal year 2005 projects is not continued in fiscal year 2006 unless specifically mentioned in this statement of the managers. The following funds are directed to be used in cooperative agreements continued with the same cooperator entities as in the fiscal year 2005 agreements, except as noted: Cooperative agreement between the Alabama Department of Conservation and Natural Resources and the Alabama Wildlife Federation for conservation education (AL)—$446,000; Cooperative agreement with the Alabama Association of Conservation Districts (AL)—$100,000; Obtain/evaluate materials for cold region seeds of plants in conjunction w/Alaska Division of Agriculture (AK)—$300,000; Native Plant Materials (commercialization) (AK)—$300,000; NRI pilot development (AK)—$500,000; Cooperative agreement w/Soil and Water Conservation Districts (AK)—$1,488,000; National Water Management Center (AR)—$2,750,000; Study to determine logistics of transportation/coordination of excess nutrients (AR)—$225,000; Small Farm Wetlands Management Center w/University of Arkansas at Pine Bluff (AR)—$125,000; East Valley Conservation District/Santa Ana Watershed Authority Plant Removal (CA)—$1,000,000; Monterey Bay Sanctuary (CA)—$600,000; Cooperative agreement with the Municipal Water District of Orange County California (CA)—$200,000; Cooperative agreement w/Tufts University to improve conservation practices (CT)—$500,000; Pilot projects for technology systems resulting in nutrient reduction (FL)—$6,000,000; Manatee Agriculture Reuse System (FL)—$2,000,000; Lake Okeechobee Watershed project planning (FL)—$350,000; Suwannee, Dixie, and Lafayette Counties dairy and poultry waste treatment (FL)—$1,000,000; Cooperative agreement w/Green Institute (FL)—$400,000; Georgia Soil and Water Conservation Commission Cooperative Agreement (GA)—$3,700,000; Community nutrient management facilities (GA)—$350,000; Cooperative agreement w/GSU for the Altamaha River Basin water quality project (GA)—$100,000; Agricultural development/resource conservation (HI)—$900,000; Idaho One Plan (ID)—$200,000; cooperative agreement w/the College of S. Idaho (ID)—$125,000; Trees Forever Program (IL)—$100,000; Illinois River Agricultural Conservation Project w/ Ducks Unlimited (IL)—$242,000; Wildlife habitat education program in conjunction w/ National Wild Turkey Federation (IL)—$242,000; Kane County, Smart Growth Floodplain Monitoring Project (IL)—$600,000; Planning/ops in Illinois River watershed w/ Peoria County (IL)—$175,000; Hungry Canyon/Loess Hills Erosion Control/Western Iowa (IA)—$1,200,000; Trees Forever Program (IA)—$100,000; CEMSA w/Iowa Soybean Association (IA)—$432,000; Cooperative agreement w/ Northern Iowa University (IA)—$446,000; Soil erosion control cost-share program/soil survey program (KY)—$3,00,000; Technical assistance to provide grants to Soil Conservation Districts (KY)—$1,000,000; Cooperative agreement w/ Western Ky. University (KY)—$396,000; Dairy waste remediation-Lake Ponchartrain Basin (LA)—$295,000; Cooperative agreement w/ LSU on effectiveness of agriculture and forestry (LA)—$400,000; False River sedimentation/Bayou Grosse (LA)—$200,000; Union-Lincoln Parish Regional Water Conservation w/Lincoln Parish (LA)—$125,000; Chesapeake Bay activities (MD)—$6,000,000; Conservation related to cranberry production (MA/WI)—$600,000; Weed It Now-Taconic Mountains (MA/NY/CT)—$200,000; Great Lakes pilot program for conservation (MI)—$600,000; Conservation in the Driftless area w/Southwest Badger RC&D (MN/WI)—$263,000; Mississippi Conservation Initiative (MS)—$10,000,000; Delta Water Resources Study (MS)—694,000; Delta Conservation Demonstration Center, Washington County (MS)—$1,389,000; Soil erosion/Alcorn State (MS)—$192,000; Cattle and nutrient management in stream crossings (MS)—$893,000; Choctaw County feasibility study for surface impoundment (MS)—$250,000; Wildlife Habitat Management Institute (MS)—$5,776,000; Alluvial Floodplain Conservation (MS)—$750,000; Soil Monitoring Pilot Project (MT)—$150,000; Upper White River Water Quality Project in southern MO—$431,000; Carson City Erosion Control Project w/ Carson City (NV)—$375,000; Rangeland Conservation w/ Nevada Fire Safety Council (NV)—$125,000; State conservation cost share program (NJ)—$1,000,000; Riparian restoration activities along Rio Grande and Pecos (NM)—$537,000; Pastureland Management/Rotational Grazing (NY)—$600,000; Best management practices/Skaneateles and Owasco Watersheds (NY)—$325,000; Address non-point pollution in Onondaga and Oneida Lake Watersheds (NY)—$500,000; Phase II/Watershed Agriculture Council in Walton (NY)—$720,000; Pace University Land Use Law Center (NY)—$200,000; New York State Agriculture and Environment Program (NY)—$800,000; Long Island Sound watershed initiative (NY)—$200,000; Erosion control/stabilization for Hudson River shoreline (NY)—$250,000; Technical assistance to livestock/poultry industry (NC)—$450,000; West Cary Watershed and Farmland Protection Project (NC)—$298,000; North Central Planning Council water utilization/ Devil's Lake (ND)—$350,000; Maumee Watershed Hydrological Study and Flood Mitigation Plan (OH)—$1,000,000; Lake Erie Wetlands Conservation Corridors Project (OH)—$125,000; Cooperative agreement with Chemeketa Community College for the Oregon Garden, Silverton (OR)—$350,000; Conservation in Klamath and Lake Co. w/ Klamath County Economic Development Association (OR)—$175,000; Soil Survey Work in the State w/ MapCoast Partnership (RI)—$100,000; Study to characterize land use change while preserving natural resources in cooperation with Clemson University (SC)—$1,190,000; Bexar, Medina, Uvalde Counties irrigation in Edwards Aquifer (TX)—$500,000; Field office telecommunications pilot program/advanced soil survey methods (TX)—$2,400,000; Range vegetation pilot project, Ft. Hood (TX)—$500,000; Texas Water Resources Institute cooperative agreement for Tarrant County ($500,000) and Hood County ($100,000) (TX)—$600,000; AFO/CAFO Pilot Project (UT)—$300,000; Study to examine effects of vegetative manipulation on water yields w/ Utah State (UT)—$800,000; Washington Fields (UT)—$3,000,000; Utah Conservation Initiative (UT)—$5,000,000; Reduce phosphorus loading into Lake Champlain (VT)—$300,000; Pilot farm viability program project (VT)—$300,000; Walla Walla watershed alliance (WA)—$500,000; Design/implement natural stream restoration initiatives (WV)—$800,000; Soil survey geographic database in the Mid-Atlantic Highlands (WV)—$200,000; Poultry Litter Composting (WV)—$160,000; Potomac and Ohio River Basin Soil Nutrient Project (WV)—$300,000; Appalachian Small Farmer Outreach Program (WV)—$860,000; GIS Center of Excellence, West Virginia University (WV)—$4,500,000; Multiflora Rose Control w/ West Virginia State Conservation Agency (WV)—$750,000; Grazing Lands Initiative/Wisconsin Department of Agriculture (WI)—$950,000; Conservation land internship program (WI)—$120,000; Wisconsin Tribal Conservation Advisory Committee cooperative agreement (WI)—$300,000; Cooperative agreement with Sand County Foundation (WI)—$1,200,000; University of Wisconsin cooperative agreement on conservation tech transfer (WI)—$300,000; Cooperative agreement Pioneer Farm (WI)—$300,000; Soil survey mapping project (WY)—$300,000; Audubon at Home Pilot Program—$500,000; Great Lakes Basin Program for Soil & Erosion Sediment—$2,500,000; On-Farm Management Systems Evaluation Network—$250,000; Watershed management demo program/NPPC—$548,000; National Fish and Wildlife Foundation Partnerships—$3,000,000; and Operation Oak to restore hardwoods—$400,000. The conference agreement includes funding for the Grassroots Source Water Protection Program in a separate account.

The conferees direct that the funding included in this account for the Community Nutrient Management Facilities project and the Georgia Soil and Water Conservation Commission Cooperative Agreement be provided to the Commission through the state NRCS office in a timely manner and in total, not in part, so that vital water projects in

Georgia are not delayed. Of the funds provided for the Community Nutrient Management Facilities, $100,000 is for a contract with the Georgia Rural Water Association to continue the Lagoon Waste Management Demonstration program at agricultural and municipal sludge disposal facilities.

The conference agreement provides $6,000,000 for the continued implementation of pilot projects for innovative technology systems resulting in a 75 percent reduction in nutrients of waste stream discharged by animal feeding operations to be managed by Farm Pilot Project Coordination, Inc. The Secretary is directed to release these funds after submitting a report to the Committees on Appropriations that a satisfactory cooperative agreement between the NRCS and Farm Pilot Project Coordination, Inc. has been consummated.

The conference agreement provides $27,500,000 for the Grazing Lands Conservation Initiative. This is $4,188,000 more than the fiscal year 2005 level. The conferees expect the additional funds will be used to enhance efforts to manage and prevent the spread of invasive species. The conferees encourage the agency to make western range lands a priority when allocating funding.

The conferees support the NRCS proposal to use Conservation Innovation Grants to support the goals of the Wildlife Habitat Management Institute.

WATERSHED SURVEYS AND PLANNING

The conference agreement provides $6,083,000 for Watershed Surveys and Planning instead of $7,026,000 as proposed by the House and $5,141,000 as proposed by the Senate.

The conferees direct that the Chief of the Natural Resources Conservation Service evaluate and rank efforts currently underway in order to fund and complete the most promising projects, based upon merit, and notify the Committees on Appropriations of the House and Senate on the selected watershed projects. In addition, the agency is directed not to initiate any new planning starts for projects not otherwise specifically provided for by this Act.

WATERSHED AND FLOOD PREVENTION OPERATIONS

The conference agreement provides $75,000,000 for Watershed and Flood Prevention Operations instead of $60,000,000 as proposed by the House and the Senate.

The conferees include bill language which limits the amount spent on technical assistance to not more than $30,000,000.

WATERSHED REHABILITATION PROGRAM

The conference agreement provides $31,561,000 for the Watershed Rehabilitation Program instead of $47,000,000 as proposed by the House and $27,313,000 as proposed by the Senate.

The conferees direct that funding under this program be provided for rehabilitation of structures determined to be of high priority need in order to protect property and ensure public safety.

RESOURCE CONSERVATION AND DEVELOPMENT

The conference agreement provides $51,300,000 for Resource Conservation and Development instead of $51,360,000 as proposed by the House and $51,228,000 as proposed by the Senate.

The conferees include bill language as proposed by the House that directs the Secretary to enter into an agreement with a national association related to the Resource Conservation and Development program, and directs that such an agreement must maintain the same matching, contribution requirements and funding set forth in previous agreements.

The conferees also include bill language that limits funding for national headquarters activities as proposed by the House.

The conference agreement restores this account, rather than accepting the budget proposal to defund the 189 Resource Conservation and Development (RC&D) Councils that have been in existence for twenty years or more. The conferees would expect any such budget proposal to be based on the effectiveness and performance of the Councils rather than on Council age. The conferees direct that NRCS work with the Councils to develop appropriate measures of effectiveness for both conservation and economic development.

TITLE III—RURAL DEVELOPMENT PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR RURAL DEVELOPMENT

The conference agreement provides $635,000 for the Office of the Under Secretary for Rural Development as proposed by the Senate instead of $627,000 as proposed by the House.

The conferees direct the Under Secretary to give consideration to the following projects or organizations requesting financial and/or technical assistance, and grants and/or loans made available under the Rural Development mission area: Farm Counseling Project of Rural Services of Indiana (IN), to start a co-op; Northeast Texas (TX) Community College/Hanson-Sewell Center, to build a community outreach center; Navajo Tribal Utility Authority-Crownpoint Chapter (NM); a water and waste water system for Franklin County (ID); a water and waste water system for Franklin City (ID); a water and waste system for Dayton City (ID); a water and waste system for Preston City (ID); a water and waste system for Weston City (ID); Tuscarora Township (MI), Indian River wastewater system; Hartselle (AL), water works environmental education; Orangeburg County (SC), Felderville Church Road water project; Decatur County (IA), Decatur County Development Corporation; Franklin Furnace (OH), sewer and road improvements; Assumption Parish (LA), water and waste water infrastructure; a water and waste system for Lodi (CA); Northeast Organic Farming Association of Vermont (VT), farmers market; Scottsville Streetscape Project (VA); and the Chautauqua County (KS) Rural Water District No. 4.

The conferees expect the Under Secretary to approve these projects only when such applications are judged to be meritorious when subject to established review procedures.

The conferees are aware that the Department has previously provided funding for the National Rural Development Partnership (NRDP). The NRDP, and its associated State Rural Development Councils, facilitate interagency coordination and provide programmatic guidance for rural development at several levels. The State Rural Development Councils are uniquely positioned to support the work of the National Rural Development Coordinating Committee (NRDCC), which recently began operations. The conferees expect funds to be provided for the NRDP and State Rural Development Councils at a level comparable to fiscal year 2004. The Department is strongly encouraged to utilize funds outside of the Rural Development mission area and to solicit the participation of federal departments and agencies, nongovernmental organizations serving rural stakeholders, and State Rural Development Councils in support of the work of the NRDCC.

RURAL COMMUNITY ADVANCEMENT PROGRAM

The conference agreement provides $701,941,000 for the Rural Community Advancement Program (RCAP) instead of $657,389,000 as proposed by the House and $705,106,000 as proposed by the Senate.

The conference agreement provides $82,620,000 for rural community programs; $530,100,000 for rural utilities programs, of which $1,000,000 is for grants to nonprofit organizations to finance construction, refurbishing, and servicing of individually-owned household water well systems in rural areas, and of which $500,000 is for revolving funds for financing water and wastewater projects; and $89,221,000 is for rural business and cooperative development programs.

The conference agreement provides $25,000,000 for loans and grants to benefit Federally Recognized Native American Tribes.

The conference agreement provides $4,464,000 for community facilities grants to tribal colleges.

The conference agreement provides $6,350,000 for the Rural Community Development Initiative.

The conference agreement does not include in this account, $140,000 for a feasibility study for a cooperative sheep slaughter facility.

The conference agreement provides $2,000,000 for grants to the Delta Regional Authority.

The conference agreement provides $25,000,000 for rural and native villages in Alaska.

The conference agreement provides $18,250,000 for technical assistance grants for rural water and waste systems, unless the Secretary makes a determination of extreme need.

The conference agreement provides $5,600,000 for the Rural Community Assistance Programs and not less than $850,000 shall be for a qualified national Native American organization to provide technical assistance for rural water systems for tribal communities.

The conference agreement provides $13,750,000 for a circuit rider program.

The conference agreement provides $18,000,000 for facilities in rural communities with extreme unemployment and severe economic depression.

The conference agreement provides $26,000,000 to be transferred to the Rural Utilities Service, High Energy Cost Grants Account.

The following table indicates the distribution of funding for the RCAP:

Community:	
Community facility loan subsidies	$10,806,000
Community facility grants	17,000,000
Economic impact initiative grants	18,000,000
High energy costs grants	26,000,000
Rural community development initiative	6,350,000
Tribal college grants	4,464,000
Subtotal, community	82,620,000
Business:	
Business and industry guaranteed loan subsidies	44,221,000
Rural business enterprise grants	40,000,000
Rural business opportunity grants	3,000,000
Delta regional authority	2,000,000
Subtotal, business	89,221,000
Utilities:	
Water and waste disposal direct loan subsidies	69,100,000
Water and waste disposal grants	456,000,000
Solid waste management grants	3,500,000
Well system grants	1,000,000

Water and wastewater revolving funds	500,000
Subtotal, utilities	530,100,000
Total, loan subsidies and grants	$701,941,000

Directed spending:	
Federally Recognized Native American Tribes	25,000,000
Technical Assistance for Rural Transportation	750,000
Colonias	25,000,000
Alaska Villages	25,000,000
Technical Assistance	18,250,000
Circuit Rider	13,750,000
EZ/EC and REAP	21,367,000
RCAP	5,600,000

RURAL DEVELOPMENT SALARIES AND EXPENSES

The conference agreement provides $164,625,000 for Rural Development Salaries and Expenses instead of $152,623,000 as proposed by the House and $164,773,000 as proposed by the Senate.

The conference agreement provides an increase of $11,147,000 within the Rural Development Salaries and Expenses account to complete the consolidation of St. Louis Rural Development activities at the Goodfellow facility. Rural Development reported to the Committees on Appropriations on July 18, 2005, that this amount is based on revised numbers resulting from discussions between the General Services Administration and Rural Development to accomplish the move. The conferees request the Department to provide the Committees on Appropriations a report on the status of the consolidation within 60 days after enactment of this Act and quarterly thereafter.

RURAL HOUSING SERVICE

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

The conference agreement provides a total subsidy of $242,108,000 for activities under the Rural Housing Insurance Fund Program Account instead of $233,391,000 as proposed by the House and $228,983,000 as proposed by the Senate.

The conference agreement provides for an estimated loan program level of $5,078,380,000 instead of $5,079,349,000 as proposed by the House and $4,927,581,000 as proposed by the Senate.

The conference agreement provides for a transfer of $454,809,000 to salaries and expenses instead of $455,242,000 as proposed by the House and $465,886,000 as proposed by the Senate.

The conference agreement includes a provision authorizing housing funds initially allocated to Alaska to be available until September 30, 2007.

The conference agreement includes bill language making the section 515 rental housing program available for repair, rehabilitation, and new construction.

The conference agreement provides $9,000,000 to carry out a demonstration program for projects financed under the section 515 program. The conferees intend that the Department assist section 515 owners in revitalizing and preserving the section 515 portfolio through financial options provided in this demonstration and consistent with recommendations provided in the Comprehensive Property Assessment report released by the Department in 2004. The conferees expect that owners assisted under this demonstration program shall be required to maintain the housing assisted under this demonstration as affordable, as determined by the Secretary, for the remaining term of the original loan or the term of a restructured loan, whichever is longer.

The conference agreement provides $1,000,000 for the Secretary to acquire the necessary automation and technical support needed to restructure section 515 mortgages. The conferees encourage the Secretary to contract with third parties with expertise in multifamily housing finance, mortgage restructuring, development, market analysis, management, finance, taxation and other requirements as determined by the Secretary.

The following table indicates loan and subsidy levels provided in the conference agreement:

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

Loan authorizations:	
Single family direct (sec. 502)	($1,140,799,000)
Single family unsubsidized guaranteed	(3,681,033,000)
Housing repair (sec. 504)	(35,000,000)
Rental housing (sec. 515)	(100,000,000)
Site development loans (sec. 524)	(5,000,000)
Multi-family guarantees (sec. 538)	(100,000,000)
Multi-family housing credit sales	(1,500,000)
Single family housing credit sales	(10,000,000)
Self help housing land development	(5,048,000)
Total, Loan authorizations	($5,078,380,000)
Loan subsidies:	
Single family direct (sec. 502)	$129,937,000
Single family unsubsidized guaranteed	40,900,000
Housing repair (sec. 504)	10,238,000
Rental housing (sec. 515)	45,880,000
Site development loans (sec. 524)	—
Multi-family guarantees (sec. 538)	5,420,000
Multi-family housing credit sales	681,000
Single family housing credit sales	—
Self help housing land development	52,000
Subtotal, Loan subsidies	233,108,000
Multi-family housing preservation	9,000,000
Total, Loan subsidies	$242,108,000
RHIF administration expenses (transfer to RD)	$454,809,000

RENTAL ASSISTANCE PROGRAM

The conference agreement provides $653,102,000 for the Rental Assistance Program as proposed by the Senate instead of $650,026,000 as proposed by the House. Of this amount, the conference agreement includes up to $8,000,000 for debt forgiveness and payments to enhance preservation efforts and not to exceed $50,000 per project for advances to nonprofit organizations or public agencies to cover direct costs incurred in purchasing projects.

The conference agreement provides additional funding above the budget request for debt forgiveness. The conference agreement also includes a provision that will deobligate the cost of rental assistance in section 515 projects that are subject to prepayment and reallocate these funds through a separate funding stream for the cost of the vouchers and debt forgiveness consistent with the requirements of this Act. These funds are in addition to funds otherwise provided for such activities in this Act.

RURAL HOUSING VOUCHER PROGRAM

The conference agreement provides $16,000,000 for the Rural Housing Voucher Program as proposed by the Senate. The House did not provide funding for this program.

The conference agreement provides adequate funding for vouchers as a safety net to prevent the displacement of low-income rural tenants that currently reside in section 515 projects that are subject to prepayment or foreclosure of their existing loans. The conference agreement does not alter prepayment restrictions or intend for vouchers to be used in a property that would not be eligible or able to prepay without the use of such voucher.

MUTUAL AND SELF-HELP HOUSING GRANTS

The conference agreement provides $34,000,000 for Mutual and Self-Help Housing Grants as proposed by the House and Senate.

RURAL HOUSING ASSISTANCE GRANTS

The conference agreement provides $43,976,000 for Rural Housing Assistance Grants as proposed by the Senate instead of $41,000,000 as proposed by the House.

The conferees provide $2,976,000 for the preservation of the section 515 multi-family housing portfolio.

FARM LABOR PROGRAM ACCOUNT

The conference agreement provides $31,168,000 for the Farm Labor Program Account instead of $32,728,000 as proposed by the House and $29,607,000 as proposed by the Senate.

The conference agreement provides for an estimated loan program level of $38,502,000, $17,168,000 for loan subsidies, and $14,000,000 for grants.

RURAL BUSINESS—COOPERATIVE SERVICE

RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT

The conference agreement provides an estimated loan program level of $34,212,000 with a subsidy of $14,718,000 for the Rural Development Loan Fund as proposed by the House and Senate.

The conference agreement provides for a transfer of $4,793,000 to the Rural Development salaries and expense account instead of $4,719,000 as proposed by the House and $6,656,000 as proposed by the Senate.

The conference agreement includes $3,449,000 for Mississippi Delta Region counties, of which up to $1,500,000 is for the Delta Regional Authority.

RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT

The conference agreement provides an estimated loan program level of $25,003,000 with a subsidy of $4,993,000 for the Rural Economic Development Loans Program Account as proposed by the House and Senate.

RURAL COOPERATIVE DEVELOPMENT GRANTS

The conference agreement provides $29,488,000 for Rural Cooperative Development Grants instead of $64,000,000 as proposed by the House and $24,988,000 as proposed by the Senate.

The conference agreement provides $20,500,000 for value-added agricultural product market development grants.

The conference agreement provides $1,488,000 for cooperatives or associations of cooperatives to assist minority producers.

The conference agreement provides $500,000 for a cooperative research agreement with a qualified academic institution to conduct research on the national economic impact of all types of cooperatives.

RURAL EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES GRANTS

The conference agreement provides $11,200,000 for Rural Empowerment Zones and Enterprise Communities Grants instead of $10,000,000 as proposed by the House and $12,400,000 as proposed by the Senate.

The conferees are concerned that rural empowerment zones, particularly zones selected because of outmigration, are having a difficult time successfully competing for USDA Rural Development program funds. This difficulty is occurring because many Rural Development programs fail to consider outmigration as a factor when awarding grants. Additional funding from competitive grant programs, which supplements funding Congress has set-aside for empowerment zones over the last several years, is essential for the advancement of economic development in these communities. The conferees strongly encourage the Department to consider outmigration when awarding competitive grants.

The conferees further recognize that third round rural empowerment zones have not received funding at the same level as first and second round rural empowerment zones. The conferees believe that the competitive grant process is one way to address this disparity. The Department is strongly encouraged to give priority consideration to applications for Rural Development competitive grants from third round rural empowerment zones.

RENEWABLE ENERGY PROGRAM

The conference agreement provides $23,000,000 for the Renewable Energy Program as proposed by the House and the Senate.

RURAL UTILITIES SERVICE

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM ACCOUNT

The conference agreement provides a total subsidy of $6,372,000 for activities under the Rural Electrification and Telecommunications Loans Program Account as proposed by the House and Senate. The conference agreement provides for an estimated loan program level of $6,094,000,000 instead of $4,994,000,000 as proposed by the House and $6,095,000,000 as proposed by the Senate.

The conference agreement provides for a transfer of $38,784,000 to the Rural Development salaries and expenses account instead of $38,907,000 as proposed by the House and $39,933,000 as proposed by the Senate.

The following table indicates loan and subsidy levels provided in the conference agreement:

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM ACCOUNT

Loan authorizations:	
Electric:	
Direct, 5 percent	($100,000,000)
Direct, Muni	(100,000,000)
Direct, FFB	(2,600,000,000)
Direct, Treasury rate	(1,000,000,000)
Guaranteed	(100,000,000)
Guaranteed underwriting	(1,500,000,000)
Subtotal	(5,400,000,000)
Telecommunications:	
Direct, 5 percent	(145,000,000)
Direct, Treasury rate	(424,000,000)
Direct, FFB	(125,000,000)
Subtotal	(694,000,000)
Total, loan authorizations	(6,094,000,000)
Loan subsidies:	
Electric:	
Direct, 5 percent	920,000
Direct, Muni	5,050,000
Direct, Treasury rate	100,000
Guaranteed	90,000
Subtotal	6,160,000
Telecommunications:	
Direct, Treasury rate	212,000
Total, loan subsidies	6,372,000
RETLP administrative expenses (transfer to RD)	38,784,000

RURAL TELEPHONE BANK PROGRAM ACCOUNT

The conference agreement provides for a transfer of $2,500,000 to the Rural Development salaries and expenses account as proposed by the House and the Senate.

DISTANCE LEARNING, TELEMEDICINE, AND BROADBAND PROGRAM

The conference agreement provides for an estimated loan program level of $25,000,000 for distance learning and telemedicine and $500,000,000 for broadband telecommunications.

The conference agreement includes $375,000 for distance learning and telemedicine loan subsidy and $30,000,000 for distance learning and telemedicine grants, of which $5,000,000 is for public broadcasting system grants.

The conference agreement includes $10,750,000 for broadband telecommunications loan subsidy, and $9,000,000 for broadband telecommunications grants.

TITLE IV—DOMESTIC FOOD PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR FOOD, NUTRITION AND CONSUMER SERVICES

The conference agreement provides $599,000 for the Office of the Under Secretary for Food, Nutrition and Consumer Services, as proposed by the House and the Senate.

The conferees encourage the Agency to conduct a feasibility study, in consultation with WIC State agencies, to explore a common cost effective strategy to implement the cash value voucher for fruits and vegetables that may be adopted in response to recommendations outlined in the Institute of Medicine report on the food packages provided by the Special Supplemental Nutrition Program for Women, Infants and Children (WIC).

FOOD AND NUTRITION SERVICE

CHILD NUTRITION PROGRAMS

The conference agreement provides $12,660,829,000 for Child Nutrition Programs, instead of $12,412,027,000 as proposed by the House and $12,422,027,000 as proposed by the Senate. Included in the total is an appropriated amount of $7,473,208,000 and a transfer from section 32 of $5,187,621,000.

The conferees are aware that USDA, through its Team Nutrition program, recently updated its dietary guidelines and published My Pyramid and My Pyramid for Kids, which are updates to the former food guide pyramids. The conferees are also aware that FNS is currently working to publicize these nutrition standards. The conferees encourage FNS to use all available resources to ensure that funding for Team Nutrition remains at a level which will allow it to effectively provide this important nutrition information to both adults and children.

The conference agreement provides the following for Child Nutrition programs:

TOTAL OBLIGATIONAL AUTHORITY

Child Nutrition Programs:	
School lunch program	$7,415,142,000
School breakfast program	2,076,141,000
Child and adult care food program	2,159,711,000
Summer food service program	300,226,000
Special milk program	14,499,000
State administrative expenses	156,061,000
Commodity procurement and computer support	522,732,000
School meals initiative/Team nutrition	10,025,000
Food safety education	1,000,000
Coordinated review effort	5,235,000
Program pay cost	57,000
Total	12,660,829,000

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

The conference agreement provides $5,257,000,000 for the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) as proposed by both the House and Senate.

The conference agreement includes $15,000,000 for continuation of the breastfeeding peer counselor program. In addition, the conference agreement provides $20,000,000 for investments in management information systems, if the Secretary determines that those funds are not needed to maintain caseload and will not require use of the contingency fund.

The conference agreement does not include language regarding adjunct eligibility restrictions.

The conference agreement includes such sums as are necessary to restore the contingency reserve to $125,000,000, to be allocated as the Secretary deems necessary, as proposed by the Senate.

FOOD STAMP PROGRAM

The conference agreement provides $40,711,395,000 for the Food Stamp Program, as proposed by the House and the Senate. Included in this amount is a reserve of $3,000,000,000, to remain available until September 30, 2007.

The conference agreement includes $36,049,026,000 for program expenses, $1,522,369,000 for grants to Puerto Rico and Samoa, and $140,000,000 for commodity purchase for The Emergency Food Assistance Program.

The conference agreement includes a provision allowing for purchase of bison meat, in an amount not less than $3,000,000, for the Food Distribution Program on Indian Reservations (FDPIR).

The conference agreement includes statutory language to exclude special pay for military personnel deployed to designated combat areas when determining food stamp eligibility.

COMMODITY ASSISTANCE PROGRAM

The conference agreement provides $179,366,000 for the Commodity Assistance Program instead of $178,797,000 as proposed by the House and $179,935,000 as proposed by the Senate.

The conference agreement provides $108,285,000 for the Commodity Supplemental Food Program. According to the USDA's latest estimates, approximately $6,020,000 in commodity inventory is expected to be available to CSFP in fiscal year 2006, making the total available for the program approximately $114,305,000. The conferees strongly encourage USDA to make every effort to maintain the fiscal year 2005 caseload by making full use of CSFP inventory and carryover from preceding years, and to access all available resources from bonus commodity holdings and CCC stocks.

The conferees provide $50,000,000 for administration (processing, storage, transport, and distribution—of The Emergency Food Assistance Program (TEFAP). The conference agreement includes a provision that provides

the Secretary authority to transfer up to an additional $10,000,000 from TEFAP commodities for this purpose.

The conference agreement includes $20,000,000 for the Farmers' Market Nutrition Program.

The conferees note that $15,000,000 in funding is available for the Seniors Farmers' Market Nutrition Program in fiscal year 2006 through the Farm Security and Rural Investment Act of 2002.

NUTRITION PROGRAMS ADMINISTRATION

The conference agreement provides $140,761,000 for Nutrition Programs Administration as proposed by the House and the Senate. The conference agreement does not include language regarding limitations on the amount specified for certain administrative activities.

The conferees direct the Department to promptly publish interim final regulations regarding WIC vendor cost containment, as described in the legislative history of the Child Nutrition and WIC Reauthorization Act. The conferees also expect the Department to work with the WIC State agencies to implement the interim final regulations regarding vendor cost containment in accordance with the provisions set forth in section 17(h)(11)(G) of the Child Nutrition Act of 1966. In the event the WIC State agencies should fail to implement the interim final regulations before the enactment of this Act, the conferees have provided an extension of the moratorium on authorization of new 'WIC-only' stores until implementation of the regulations by the WIC State agencies. This moratorium is not intended to restrict the transfer or relocation of existing 'WIC-only' stores.

TITLE V—FOREIGN ASSISTANCE AND RELATED PROGRAMS

FOREIGN AGRICULTURAL SERVICE

SALARIES AND EXPENSES

The conference agreement provides $147,901,000 for the Foreign Agricultural Service, Salaries and Expenses instead of $148,224,000 as proposed by the House and $147,868,000 as proposed by the Senate.

The conference agreement includes the following increases: $1,788,000 for pay costs; $1,200,000 for ICASS; $4,000,000 to offset the increased costs in overseas wages and currency rates, of which $2,000,000 shall remain available until expended; $300,000 for increased FAS presence in Baghdad; $2,743,000 for the capital surcharge being levied by the State Department; and $200,000 for technical assistance for the promotion of specialty crop exports.

The conference agreement provides $951,000 for administering Title I Food for Progress grant programs.

PUBLIC LAW 480 TITLE I AND TITLE II PROGRAM AND GRANT ACCOUNTS

The conference agreement provides $65,040,000 for Title I loan subsidies for a loan level of $74,032,000 as proposed by the House and the Senate.

The conference agreement includes bill language providing that the Secretary of Agriculture may implement a commodity monetization program under existing provisions of the Food for Progress Act of 1985 to provide no less than $5,000,000 in local-currency funding support for rural electrification overseas as proposed by the Senate.

The conference agreement provides $11,940,000 for Ocean Freight Differential as proposed by the House and the Senate.

The conference agreement provides $1,150,000,000 for international food assistance through PL 480 title II grants.

The conferees take the responsibilities of meeting humanitarian needs very seriously, and given current budget constraints, this conference agreement provides the highest levels of funding possible for various international food assistance programs. Under this conference agreement, title II grants under PL 480, one of the primary international food assistance programs, are funded at a level $265,000,000 higher than the President's request. The conferees encourage the Executive Branch to restore, through future budget requests, funding levels for international food assistance under the jurisdiction of the appropriations subcommittees of the House and Senate which fund USDA programs, more closely in line with historic levels. The conferees further admonish the Executive Branch to refrain from proposals which place at risk a carefully balanced coalition of interests which have served the interests of international food assistance programs well for more than fifty years.

The following table reflects the conference agreement for Public Law 480 program accounts:

PUBLIC LAW 480

Title 1—Program account:	
Loan authorization, direct	($74,032,000)
Loan subsidies	65,040,000
Ocean freight differential	11,940,000
Title II—Commodities for disposition abroad:	
Program level	(1,150,000,000)
Appropriation	1,150,000,000
Salaries and expenses:	
Foreign Agricultural Service (transfer)	168,000
Farm Service Agency (transfer)	3,217,000

COMMODITY CREDIT CORPORATION EXPORT LOANS PROGRAM ACCOUNT

The conference agreement provides $5,279,000 for the Commodity Credit Corporation Export Loans Program Account as proposed by the House and the Senate.

MCGOVERN-DOLE INTERNATIONAL FOOD FOR EDUCATION AND CHILD NUTRITION PROGRAM GRANTS

The conference agreement provides $100,000,000 for the McGovern-Dole International Food for Education and Child Nutrition Program as proposed by the House and the Senate.

TITLE VI—RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement provides total appropriations, including Prescription Drug User Fee Act, Medical Device User Fee Act, and Animal Drug User Fee Act collections, of $1,838,567,000 for the salaries and expenses of the Food and Drug Administration, instead of $1,837,928,000, as proposed by the House and $1,841,959,000 as proposed by the Senate, and provides specific amounts by FDA activity as reflected in the following table.

FOOD AND DRUG ADMINISTRATION, SALARIES AND EXPENSES

[In thousands of dollars]

Program	Budget authority	Prescription drug user fees	Medical device user fees	Animal drug user fees	Total
Foods	443,153				443,153
Human Drugs	300,723	219,841			520,564
Biologics	122,238	47,675	8,801		178,714
Animal Drugs and Feeds	90,486			9,301	99,787
Medical Devices	222,792		22,978		245,770
National Center for Toxicological Research	41,152				41,152
Other Activities	85,762	25,116	4,535	646	116,059
Rent and Rent-related Activities	57,732	0	783		58,515
Rental Payments to GSA	117,579	12,700	3,203	1,371	134,853
Total Recommendation	1,481,617	305,332	40,300	11,318	1,838,567

The conference agreement also makes mammography user fees and export certification user fees available to the agency. The conference agreement includes bill language related to the White Oak consolidation, as proposed by the House, and does not contain a provision relating to Congressional testimony, as proposed by the House.

Within the total funding for the Food and Drug Administration, the following increases above the fiscal year 2005 level are provided: $10,000,000 for activities related to food safety and food defense; $7,827,000 for medical device review; $10,000,000 for drug safety activities; $884,000 for activities related to direct-to-consumer advertising; $750,000 to support research with the Critical Path Institute; $200,000 for agricultural product testing at the Physical Science Laboratory at New Mexico State University; $300,000 for the National Center for Natural Products Research; $4,128,000 for relocation expenses related to the move to the consolidated White Oak campus; and $4,100,000 in rent paid to GSA. The conference agreement assumes reductions of $1,554,000 in administrative efficiencies and $5,116,000 in IT reductions, as proposed in the request.

The conference agreement provides $14,696,000 for Orphan Product grants, not less than $4,000,000 for the Office of Women's Health, and not less than $56,228,000 for the generic drug program.

The conference agreement provides the $5,000,000 increase for the Office of Drug Safety as requested in the budget. In addition, the conference agreement provides an increase of $5,000,000 for drug safety activities within CDER. The conferees intend that these increases be used for FDA's highest priority drug safety needs that were not funded in fiscal year 2005, such as hiring of additional scientists or the acquisition of databases to which FDA does not now have access to help track adverse drug events. The conferees direct FDA to provide a report to the Committees on Appropriations within 30 days of enactment, setting forth its proposed

use of these funds in detail, including an object class breakout for the $10,000,000 increase.

The conference agreement provides no less than $29,556,000 for Bovine Spongiform Encephalopathy (BSE), as requested. The conferees understand that this funding will support agency-wide BSE activities including conducting yearly inspections of all renderers and feed mills processing products containing prohibited materials, extending BSE inspections into targeted segments of industries subject to the BSE Feed regulation, validating test methods for the detection of bovine-derived proteins in animal feed, and continuing to conduct research on Transmissible Spongiform Encephalopathies in FDA's product centers.

Within the food safety and defense increase, the conference agreement provides increases of $5,074,000 for food defense research, $3,926,000 for the Food Emergency Response Network, $500,000 for food defense biosurveillance, and $500,000 to improve and increase import surveillance of food.

The conferees have serious concerns regarding seafood safety issues posed by banned antibiotic contamination in farm-raised shrimp imports. In addition, the conferees are concerned that the FDA inspects less than 2 percent of shrimp being imported into the United States. The conferees recommend that the FDA, in cooperation with any state testing programs, continue testing of farm-raised shrimp imports for chloramphenicol and other related harmful antibiotics.

The conference agreement includes total funding of $5,360,000 for the CFSAN Adverse Events Reporting System, of which approximately $1,500,000 is for dietary supplements. This is $860,000 more than the amount in the budget request.

The conference agreement fully funds the amount designated for influenza in the budget request. The conferees encourage the Administration to develop a comprehensive response plan for dealing with potential human-to-human transmission of avian influenza, including the availability of vaccine and treatment. The conferees direct the agency to provide regular updates to the Committees on its involvement in influenza preparedness activities. Further, the conferees expect the Administration to provide a supplemental request should the need for additional influenza funding arise.

The conferees support the work of the National Antimicrobial Resistance Monitoring System (NARMS) and its collaborative relationship between FDA, USDA, and the Centers for Disease Control. The conferees expect the coordination of activities among these three areas of government to result in the most unbiased presentation of timely, accurate data in the best interest of public health, and encourage FDA to equally divide research funding among the three branches of the program. Further, the conferees direct that FDA perform a review of all components of the NARMS program to analyze the program's scientific soundness and relevance to public health, the criteria utilized to evaluate the program, the transparency of the program, opportunities for public input, and report the result to the Committees.

The conference agreement provides an increase of $300,000 to enhance the collaboration between FDA and the National Center for Natural Products Research and allow increased participation by FDA staff in the research on botanicals and dietary supplements being conducted at the National Center for Natural Products Research in Oxford, MS.

The conference agreement includes no more than $13,026,357 for the Unified Financial Management System (UFMS). Of this amount, $9,720,374 is for development and implementation, and $3,305,953 is for operations and maintenance of UFMS. The conferees note that FDA has spent in excess of the amount expressly appropriated for UFMS in previous fiscal years, and direct FDA to provide quarterly reports on spending for this system to ensure this does not continue.

The conference agreement does not include funding for a foods research center or a pilot program for compounded drug monographs or directed inspection funding, as proposed by the Senate.

The conferees are aware of concerns about the regulation of imports of ethnic foods in the Los Angeles district. Concerns include the issues of communication to importers about shipments being held by FDA, the amount of time that shipments are held, and proper declaration of products. The conferees understand that in 2004 FDA's Los Angeles District implemented new operating procedures and held a public meeting on these issues. Since two years have elapsed, the conferees suggest that FDA now review the performance of the program and solicit input from the import community.

The conferees note that FDA may use available funds to support review and action on new drug applications and supplements seeking approval for replacement or alternative abuse-resistant formulations of currently-available drug products that include an active ingredient that is a listed chemical under the Controlled Substances Act. Further, it is the understanding of the conferees that these applications may be considered under the expedited, priority review process at FDA.

The conferees are aware that the FDA issued a monograph for sunscreen products in 2002, and the monograph was stayed shortly thereafter so that FDA could address the issue of measuring protection against UVA rays, which cause skin cancer. Since that time, no further official action has been taken by the FDA, although skin cancer rates continue to rise, especially among young persons and women. The conferees believe that a comprehensive monograph would be useful to consumers. Therefore, the conferees direct FDA to issue a comprehensive final monograph for over-the-counter sunscreen products, including UVA and UVB labeling requirements, within six months of enactment of this Act.

The conferees do not include language in the House bill that withheld five percent of the funds provided to FDA's central offices pending a public hearing with the agency head on the fiscal year 2006 budget, because this requirement was satisfied by former Commissioner Crawford's testimony before the House subcommittee in July. However, the conferees expect the head of the agency to testify before the House and Senate subcommittees on the fiscal year 2007 budget during the regular course of budget hearings.

The conferees appreciate the detailed information provided in the budget justification prepared by the Food and Drug Administration and rely heavily on this information when considering budget proposals. These materials have traditionally been prepared for the sole use of the Committees on Appropriations in a format consistent with the structure of the Appropriations Act. The account organization in the fiscal year 2006 budget request does not present information in a format that is useful to the Committees. Therefore, the conferees do not approve the proposed restructuring of FDA's budget for the field activities, rent activities, and other activities accounts. The conferees direct the Agency to submit the fiscal year 2007 budget request in a format that follows the same account structure as the fiscal year 2005 budget request unless otherwise approved by the Committees.

The conferees direct the Department of Health and Human Services (HHS) to include all anticipated consolidations that impact FDA in the FDA budget request submitted to Congress. Further, the conferees direct that none of the funds made available to FDA in this Act be used for any assessments, fee, or charges by HHS unless such assessments, fees, or charges are identified in the FDA budget justification and expressly provided by Congress, or approved by Congress in the official reprogramming process as required in the General Provisions of this Act. The conferees further direct HHS to include in the fiscal year 2007 budget submission all sources of funding projected to be received by FDA from all other federal agencies in fiscal years 2006 and 2007, by agency, with a brief description of the reason for which the funds are to be provided to FDA.

In its fiscal year 2006 budget, FDA requested $146,213,000 for ''research, development and evaluation'' (RD&E) activities. This amounts to about 10 percent of the agency's discretionary request. FDA provided only general descriptions of its planned RD&E activities within the context of its strategic plan, without specifying the dollars requested, and provided only total proposed expenditures for each ''research theme.'' The conferees direct FDA to provide the same level of budget justification for its research activities in the fiscal year 2007 budget as it does other activities, including a justification of both base spending and any proposed increases by activity within center or office.

The conference agreement provides $750,000 to support collaborative research with the C-Path Institute and the University of Utah on cardiovascular biomarkers predictive of safety and clinical outcomes. The conferees understand the research would involve identifying candidate genes and proteins in University of Utah databases, designing and conducting genomic and proteomic biomarker validation experiments by the C-Path Institute, the University of Utah, FDA and manufacturers, determining which biomarkers identify heart failure patients who are most likely to respond favorably to drug therapy and those at highest risk of adverse events.

The conferees remain concerned about the legal and regulatory issues relating to approval of drugs as both prescription and over the counter products, and urge FDA to expedite rulemaking on this topic.

BUILDINGS AND FACILITIES

The conference agreement provides $8,000,000 for the Food and Drug Administration Buildings and Facilities instead of $5,000,000 as proposed by the House and $7,000,000 as proposed by the Senate. Of the total, $4,000,000 is for the repair and improvement of existing buildings and facilities, and $4,000,000 is to complete the final phase of the Arkansas Regional Laboratory.

INDEPENDENT AGENCIES

COMMODITY FUTURES TRADING COMMISSION

The conference agreement provides $98,386,000 for the Commodity Futures Trading Commission as proposed by the House and the Senate. This is an increase of $4,814,000 over the fiscal year 2005 level.

FARM CREDIT ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

The conference agreement includes a limitation of $44,250,000 on administrative expenses of the Farm Credit Administration (FCA), as proposed by the House and the Senate.

The conference agreement does not include language allowing some expenses associated with terminations to exceed the limitation, as proposed by the Senate.

TITLE VII—GENERAL PROVISIONS

(INCLUDING RESCISSIONS AND TRANSFERS OF FUNDS)

Section 704.—The conference agreement includes language regarding appropriation items, which shall remain available until expended.

Section 705.—The conference agreement includes language that allows for unobligated balances to be transferred to the Working Capital Fund.

Section 709.—The conference agreement limits indirect costs for grants awarded by the Cooperative State Research, Education, and Extension Service to 20 percent.

Section 712.—The conference agreement includes language for funds to cover necessary expenses related to advisory committees.

Section 715.—The conference agreement includes language regarding the appropriations hearing process.

Section 716.—The conference agreement includes language regarding the transfer of funds to the Office of the Chief Information Officer and information technology funding obligations.

Section 717.—The conference agreement provides language regarding the reprogramming of funds.

Section 718.—The conference agreement includes language regarding the Initiative for Future Agriculture and Food Systems.

Section 723.—The conference agreement includes language that provides funding for the National Sheep Industry Improvement Center.

Section 724.—The conference agreement includes language regarding conducting an evaluation of the impact of a court decision.

Section 725.—The conference agreement directs the Secretary to make commodity tonnage available, to the extent practicable, to assist foreign countries to mitigate the effects of the Human Immunodeficiency Virus and Acquired Immune Deficiency Syndrome.

Section 726.—The conference agreement includes language regarding Natural Resources Conservation Service financial and technical assistance for certain projects in Illinois, Ohio, Arkansas, Alaska, Missouri, Hawaii, Iowa, and Utah.

Section 729.—The conference agreement includes language regarding the Dam Rehabilitation Program.

Section 730.—The conference agreement includes language to prohibit funds from being used to close or relocate the Food and Drug Administration Division of Pharmaceutical Analysis.

Section 731.—The conference agreement includes language regarding the Rural Strategic Investment Program.

Section 732.—The conference agreement allows unobligated balances within the Department of Agriculture to be used to reimburse the Office of the General Counsel for certain services provided.

Section 733.—The conference agreement includes language regarding the Rural Firefighters and Emergency Personnel Grant Program.

Section 734.—The conference agreement includes language regarding the Wetlands Reserve Program.

Section 735.—The conference agreement includes language regarding the Environmental Quality Incentives Program.

Section 736.—The conference agreement includes language regarding the renewable energy program.

Section 737.—The conference agreement includes language regarding the broadband telecommunications program.

Section 738.—The conference agreement includes language regarding the Bill Emerson Humanitarian Trust Act.

Section 739.—The conference agreement includes language regarding the value-added market development program.

Section 741.—The conference agreement includes language regarding the Conservation Security Program.

Section 742.—The conference agreement includes language regarding the Wildlife Habitat Incentives Program.

Section 743.—The conference agreement includes language that rescinds certain unobligated balances.

Section 744.—The conference agreement includes language regarding the Farmland Protection Program.

Section 745.—The conference agreement includes language regarding the Rural Business Investment Program.

Section 746.—The conference agreement includes language regarding Public Law 105–264.

Section 747.—The conference agreement includes language regarding the ground and surface water conservation program.

Section 748.—The conference agreement includes language related to final rulemaking on APHIS cost-sharing.

Section 749.—The conference agreement gives the Secretary of Agriculture the authority to enter into cooperative agreements to lease aircraft.

Section 750.—The conference agreement includes language regarding the Bioenergy Program.

Section 751.—The conference agreement includes language regarding the use of discretionary funds for certain purposes.

Section 752.—The conference agreement includes language regarding the availability of funds for certain conservation programs.

Section 753.—The conference agreement provides funding for the Denali Commission.

Section 754.—The conference agreement includes language regarding eligibility for certain rural development programs.

Section 755.—The conference agreement includes funds for a certain grant.

Section 756.—The conference agreement includes a provision to allow Community Facility Program borrowers to enter into contracts with third parties for necessary services.

Section 757.—The conference agreement includes language regarding the Agricultural Management Assistance program.

Section 758.—The conference agreement includes language regarding the Emergency Watershed Protection Program.

Section 759.—The conference agreement includes language that limits the Biomass Research and Development Program.

Section 760.—The conference agreement includes language regarding eligibility for the Conservation Reserve Program for land planted in hardwood trees, and previously enrolled in the program, to remain enrolled.

Section 761.—The conference agreement includes language regarding the disposal of certain federal facilities in Phoenix, AZ.

Section 762.—The conference agreement includes language regarding the recertification of rural status.

Section 763.—The conference agreement includes language allowing use of unobligated balances in certain accounts within the Rural Utilities Service for the purposes of section 315 of the Rural Electrification Act of 1936.

Section 764.—The conference agreement includes funds for a certain grant.

Section 765.—The conference agreement includes language that provides that certain locations shall be considered eligible for certain rural development programs.

Section 766.—The conference agreement includes funds for a certain grant.

Section 767.—The conference agreement includes funds for a certain grant.

Section 768.—The conference agreement includes language that provides that certain locations shall be considered eligible for certain rural development programs.

Section 769.—The conference agreement includes language regarding Child and Adult Care Food Program audit funds.

Section 770.—The conference agreement includes language in regard to the City of Elkhart, Kansas.

Section 771.—The conference agreement includes language to provide funding for the Healthy Forests Reserve program.

Section 772.—The conference agreement includes language that relates to government sponsored news stories.

Section 773.—The conference agreement includes funding for a specialty crops competitiveness program.

Section 774.—The conference agreement includes language in regard to the Federal Financing Bank.

Section 775.—The conference agreement includes language in regard to law enforcement at the National Center for Toxicological Research and the Arkansas Regional Laboratory.

Section 776.—The conference agreement includes a technical correction regarding the Child Nutrition Act.

Section 777.—The conference agreement includes language regarding the Summer Food Service Program.

Section 778.—The conference agreement includes language regarding the Rural Telephone Bank.

Section 779.—The conference agreement includes language in regard to the Fruit and Vegetable Pilot Program.

Section 780.—The conference agreement includes language amending the Federal Crop Insurance Act.

Section 781.—The conference agreement includes language regarding the National Dairy Promotion and Research Board.

Section 782.—The conference agreement includes language renaming the South Mississippi Branch Experiment Station.

Section 783.—The conference agreement includes language regarding the conveyance of certain federal facilities in Phoenix, AZ.

Section 784.—The conference agreement includes language amending the Agricultural Act of 1949.

Section 785.—The conference agreement includes language regarding the availability of funding for Conservation Operations.

Section 786.—The conference agreement includes language related to competitive sourcing of rural development or farm loan programs.

Section 787.—The conference agreement includes language regarding WIC-only vendors.

Section 788.—The conference agreement includes language that rescinds certain unobligated balances.

Section 789.—The conference agreement includes language regarding the Rural Housing for Domestic Farm Labor Program.

Section 790.—The conference agreement includes funds for certain grants.

Section 791.—The conference agreement includes language in regard to a demonstration intermediate relending program.

Section 792.—The conference agreement includes language regarding country of origin labeling.

Section 793.—The conference agreement includes language regarding the Federal Crop Insurance Act.

Section 794.—The conference agreement includes language regarding inspection activities under the Federal Meat Inspection Act or the Federal Agriculture Improvement and Reform Act of 1966.

It is the understanding of the conferees that the Department is obliged under existing statutes to provide for the inspection of meat intended for human consumption (domestic and exported). The conferees recognize that the funding limitation in Section 794 prohibits the use of appropriated funds

only for payment of salaries or expenses of personnel to inspect horses.

Section 795.—The conference agreement includes language in regard to Food and Drug Administration waivers of a financial conflict of interest.

Section 796.—The conference agreement includes language amending the Immigration and Nationality Act.

Section 797.—The conference agreement includes language regarding provisions of the Organic Foods Product Act.

Section 798.—The conference agreement includes language regarding the Federal Meat Inspection Act.

Section 799.—The conference agreement makes technical corrections to the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2006. The corrections for the Department of the Interior involve the amounts appropriated for construction and land acquisition by the National Park Service and for departmental management. There is also a correction dealing with the construction of the Blue Ridge Parkway Regional Destination Visitor Center. In the Environmental Protection Agency, there are technical corrections for two State and Tribal Assistance Grants projects and for language associated with the rescission of funds from various EPA accounts. In the Forest Service, there is a correction to language dealing with a land acquisition in the Thunder Mountain area of the Payette National Forest, ID. In Title IV—General Provisions, there is a correction to the name of the Gaylord A. Nelson Wilderness.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 2006 recommended by the Committee of Conference, with comparisons to the fiscal year 2005 amount, the 2006 budget estimates, and the House and Senate bills for 2006 follow:

[In thousands of dollars]

New budget (obligational) authority, fiscal year 2005	$89,439,376
Budget estimates of new (obligational) authority, fiscal year 2006	100,132,911
House bill, fiscal year 2006	100,321,593
Senate bill, fiscal year 2006	100,722,949
Conference agreement, fiscal year 2006	100,981,758
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 2005	+11,542,382
Budget estimates of new (obligational) authority, fiscal year 2006	+848,847
House bill, fiscal year 2006	+660,165
Senate bill, fiscal year 2006	+258,809

HENRY BONILLA,
JACK KINGSTON,
TOM LATHAM,
JO ANN EMERSON,
VIRGIL H. GOODE, Jr.,
RAY LAHOOD,
JOHN T. DOOLITTLE,
RODNEY ALEXANDER,
JERRY LEWIS,
Managers on the Part of the House.

R.F. BENNETT,
THAD COCHRAN,
ARLEN SPECTER,
CHRIS BOND,
MITCH MCCONNELL,
TED STEVENS,
HERB KOHL,
DIANNE FEINSTEIN,
RICHARD DURBIN,
MARY LANDRIEU,
ROBERT C. BYRD,
Managers on the Part of the Senate.

IRAN NONPROLIFERATION AMENDMENTS ACT OF 2005

Mr. ROHRABACHER. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1713) to make amendments to the Iran Nonproliferation Act of 2000 related to International Space Station payments, as amended.

The Clerk read as follows:

S. 1713

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 ''Iran Nonproliferation Amendments Act of 2005''.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) The Director of Central Intelligence's most recent Unclassified Report to Congress on the Acquisition of Technology Relating to Weapons of Mass Destruction and Advanced Conventional Munitions, 1 July Through 31 December 2003, states ''Russian entities during the reporting period continued to supply a variety of ballistic missile-related goods and technical know-how to countries such as Iran, India, and China. Iran's earlier success in gaining technology and materials from Russian entities helped accelerate Iranian development of the Shahab-3 MRBM, and continuing Russian entity assistance has supported Iranian efforts to develop new missiles and increase Tehran's self-sufficiency in missile production.''

(2) Vice Admiral Lowell E. Jacoby, the Director of the Defense Intelligence Agency, stated in testimony before the Select Committee on Intelligence of the Senate on February 16, 2005, that ''Tehran probably will have the ability to produce nuclear weapons early in the next decade''.

(3) Iran has—

(A) failed to act in accordance with the Agreement Between Iran and the International Atomic Energy Agency for the Application of Safeguards in Connection with the Treaty on the Non-Proliferation of Nuclear Weapons, done at Vienna June 19, 1973 (commonly referred to as the ''Safeguards Agreement'');

(B) acted in a manner inconsistent with the Protocol Additional to the Agreement Between Iran and the International Atomic Energy Agency for the Application of Safeguards, signed at Vienna December 18, 2003 (commonly referred to as the ''Additional Protocol'');

(C) acted in a manner inconsistent with its obligations under the Treaty on the Non-Proliferation of Nuclear Weapons, done at Washington, London, and Moscow July 1, 1968, and entered into force March 5, 1970 (commonly referred to as the ''Nuclear Non-Proliferation Treaty''); and

(D) resumed uranium conversion activities, thus ending the confidence building measures it adopted in its November 2003 agreement with the foreign ministers of the United Kingdom, France, and Germany.

(4) On September 24, 2005, the Board of Governors of the International Atomic Energy Agency (IAEA) formally declared that Iranian actions constituted noncompliance with its nuclear safeguards obligations, and that Iran's history of concealment of its nuclear activities has given rise to questions that are within the purview of the United Nations Security Council.

(5) The executive branch has on multiple occasions used the authority provided under section 3 of the Iran Nonproliferation Act of 2000 (Public Law 106–178; 50 U.S.C. 1701 note) to impose sanctions on entities that have engaged in activities in violation of restrictions in the Act relating to—

(A) the export of equipment and technology controlled under multilateral export control lists, including under the Australia Group, Chemical Weapons Convention, Missile Technology Control Regime, Nuclear Suppliers Group, and the Wassenaar Arrangement or otherwise having the potential to make a material contribution to the development of weapons of mass destruction or cruise or ballistic missile systems to Iran; and

(B) the export of other items to Iran with the potential of making a material contribution to Iran's weapons of mass destruction programs or on United States national control lists for reasons related to the proliferation of weapons of mass destruction or missiles.

(6) The executive branch has never made a determination pursuant to section 6(b) of the Iran Nonproliferation Act of 2000 that—

(A) it is the policy of the Government of the Russian Federation to oppose the proliferation to Iran of weapons of mass destruction and missile systems capable of delivering such weapons;

(B) the Government of the Russian Federation (including the law enforcement, export promotion, export control, and intelligence agencies of such government) has demonstrated and continues to demonstrate a sustained commitment to seek out and prevent the transfer to Iran of goods, services, and technology that could make a material contribution to the development of nuclear, biological, or chemical weapons, or of ballistic or cruise missile systems; and

(C) no entity under the jurisdiction or control of the Government of the Russian Federation, has, during the 1-year period prior to the date of the determination pursuant to section 6(b) of such Act, made transfers to Iran reportable under section 2(a) of the Act.

(7) On June 29, 2005, President George W. Bush issued Executive Order 13382 blocking property of weapons of mass destruction proliferators and their supporters, and used the authority of such order against 4 Iranian entities, Aerospace Industries Organization, Shahid Hemmat Industrial Group, Shahid Bakeri Industrial Group, and the Atomic Energy Organization of Iran, that have engaged, or attempted to engage, in activities or transactions that have materially contributed to, or pose a risk of materially contributing to, the proliferation of weapons of mass destruction or their means of delivery (including missiles capable of delivering such weapons), including efforts to manufacture, acquire, possess, develop, transport, transfer, or use such items.

SEC. 3. AMENDMENTS TO IRAN NONPROLIFERATION ACT OF 2000 RELATED TO INTERNATIONAL SPACE STATION PAYMENTS.

(a) TREATMENT OF CERTAIN PAYMENTS.—Section 7(1)(B) of the Iran Nonproliferation Act of 2000 (Public Law 106–178; 50 U.S.C. 1701 note) is amended—

(1) by striking the period at the end and inserting a comma; and

(2) by adding at the end the following: ''except that such term does not mean payments in cash or in kind made or to be made by the United States Government prior to January 1, 2012, for work to be performed or services to be rendered prior to that date necessary to meet United States obligations under the Agreement Concerning Cooperation on the Civil International Space Station, with annex, signed at Washington January 29, 1998, and entered into force March

27, 2001, or any protocol, agreement, memorandum of understanding, or contract related thereto.''.

(b) EXCEPTION.—Section 6(h) of the Iran Nonproliferation Act of 2000 (Public Law 106–178; 50 U.S.C. 1701 note) is amended by inserting after ''extraordinary payments in connection with the International Space Station'' the following: '', or any other payments in connection with the International Space Station,''.

(c) REPORTING REQUIREMENTS.—Section 6 of the Iran Nonproliferation Act of 2000 (Public Law 106–178; 50 U.S.C. 1701 note) is amended by adding at the end the following new subsection:

''(i) REPORT ON CERTAIN PAYMENTS RELATED TO INTERNATIONAL SPACE STATION.—

''(1) IN GENERAL.—The President shall, together with each report submitted under section 2(a), submit to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives a report that identifies each Russian entity or person to whom the United States Government has, since the date of the enactment of the Iran Nonproliferation Amendments Act of 2005, made a payment in cash or in kind for work to be performed or services to be rendered under the Agreement Concerning Cooperation on the Civil International Space Station, with annex, signed at Washington January 29, 1998, and entered into force March 27, 2001, or any protocol, agreement, memorandum of understanding, or contract related thereto.

''(2) CONTENT.—Each report submitted under paragraph (1) shall include—

''(A) the specific purpose of each payment made to each entity or person identified in the report; and

''(B) with respect to each such payment, the assessment of the President that the payment was not prejudicial to the achievement of the objectives of the United States Government to prevent the proliferation of ballistic or cruise missile systems in Iran and other countries that have repeatedly provided support for acts of international terrorism, as determined by the Secretary of State under section 620A(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2371(a)), section 6(j) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)), or section 40(d) of the Arms Export Control Act (22 U.S.C. 2780(d)).''.

SEC. 4. AMENDMENTS TO THE IRAN NONPROLIFERATION ACT OF 2000 TO MAKE SUCH ACT APPLICABLE TO IRAN AND SYRIA.

(a) REPORTS ON PROLIFERATION RELATING TO IRAN OR SYRIA.—Section 2 of the Iran Nonproliferation Act of 2000 (Public Law 106–178; 50 U.S.C. 1701 note) is amended—

(1) in the heading, by striking ''**TO IRAN**'' and inserting ''**RELATING TO IRAN AND SYRIA**''; and

(2) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by inserting ''or acquired from'' after ''transferred to''; and

(ii) by inserting after ''Iran'' the following: '', or on or after January 1, 2005, transferred to or acquired from Syria''; and

(B) in paragraph (2), by inserting after ''Iran'' the following: ''or Syria, as the case may be,''.

(b) DETERMINATION EXEMPTING FOREIGN PERSONS FROM CERTAIN MEASURES.—Section 5(a) of the Iran Nonproliferation Act of 2000 (Public Law 106–178; 50 U.S.C. 1701 note) is amended—

(1) in paragraph (1), by striking ''transfer to Iran'' and inserting ''transfer to or acquire from Iran or Syria, as the case may be,''; and

(2) in paragraph (2), by striking ''Iran's efforts'' and inserting ''the efforts of Iran or Syria, as the case may be,''.

(c) RESTRICTION ON EXTRAORDINARY PAYMENTS IN CONNECTION WITH THE INTERNATIONAL SPACE STATION.—Section 6(b) of the Iran Nonproliferation Act of 2000 (Public Law 106–178; 50 U.S.C. 1701 note) is amended—

(1) in the heading, by striking ''TO IRAN'' and inserting ''RELATING TO IRAN AND SYRIA'';

(2) in paragraphs (1) and (2), by striking ''to Iran'' each place it appears and inserting ''to or from Iran and Syria''; and

(3) in paragraph (3), by striking ''to Iran'' and inserting ''to or from Iran or Syria''.

(d) DEFINITIONS.—Section 7(2) of the Iran Nonproliferation Act of 2000 (Public Law 106–178; 50 U.S.C. 1701 note) is amended—

(1) in subparagraph (C) to read as follows:

''(C) any foreign government, including any foreign governmental entity; and''; and

(2) in subparagraph (D), by striking ''subparagraph (B) or (C)'' and inserting ''subparagraph (A), (B), or (C), including any entity in which any entity described in any such subparagraph owns a controlling interest''.

(e) SHORT TITLE.—

(1) AMENDMENT.—Section 1 of the Iran Nonproliferation Act of 2000 (Public Law 106–178; 50 U.S.C. 1701 note) is amended by striking ''Iran Nonproliferation Act of 2000'' and inserting ''Iran and Syria Nonproliferation Act''.

(2) REFERENCES.—Any reference in a law, regulation, document, or other record of the United States to the Iran Nonproliferation Act of 2000 shall be deemed to be a reference to the Iran and Syria Nonproliferation Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. ROHRABACHER) and the gentleman from California (Mr. LANTOS) each will control 20 minutes.

Mr. PAUL. Mr. Speaker, I request the time in opposition if neither gentleman is opposed to the bill.

The SPEAKER pro tempore. Is the gentleman from California (Mr. LANTOS) opposed to the bill?

Mr. LANTOS. Mr. Speaker, no, I am not. I am supporting the bill.

The SPEAKER pro tempore. Pursuant to clause 1 of rule XV, the gentleman from Texas (Mr. PAUL) will control 20 minutes in opposition.

The Chair recognizes the gentleman from California (Mr. ROHRABACHER).

GENERAL LEAVE

Mr. ROHRABACHER. 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 S. 1713, the bill under consideration.

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

There was no objection.

Mr. ROHRABACHER. Mr. Speaker, I yield 10 minutes to the gentleman from California (Mr. LANTOS) and ask unanimous consent that he control that time.

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

There was no objection.

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

I want to thank the gentleman from California (Mr. LANTOS) and, of course, the gentleman from Illinois (Mr. HYDE) for the leadership that has been demonstrated in getting this legislation to the floor.

One of America's challenges as we seek global security and stability is stopping the proliferation of nuclear and missile technologies.

Several years ago, we enacted the Iran Nonproliferation Act of 2000 to give the United States several tools in our fight against proliferation to Iran, one of which was a restriction on U.S.-Russian space cooperation. As a member of both the Committee on International Relations and the Committee on Science, I was deeply involved in that aspect of the Iran Nonproliferation Act.

While many of the INA's tools have helped and should be continued, the limitation on space cooperation has not been effective and is now counterproductive. So, today, we have an opportunity to both correct and strengthen that legislation.

Mr. Speaker, I rise in strong support of the amended version of Senate bill 1713. First and foremost, the bill strengthens the tools available to fight proliferation to, and from, Iran. This bill also provides urgently needed relief for NASA so that the United States can maintain a continued presence on the International Space Station and enables cost-effective commercial partnerships to support the Space Station. This latter benefit also strengthens non-proliferation, because over the past decade we have learned that commercial ties between the United States and Russian aerospace companies have been an effective tool against proliferation. We need to employ such carrots along with our non-proliferation sticks.

The changes put in place by S. 1713 will prevent a major setback for America's space program, and that is one of the most important things we are talking about today. It will prevent this setback by ensuring a continued and uninterrupted presence, an American presence, on the International Space Station.

Cooperation with Russia, just as similar cooperation with Russia by the State of Israel in terms of space policy, will help us achieve America's space goals while maintaining our commitment to non-proliferation.

This bill needs to be passed. There is a time element here, and I would like to thank all those who have been involved in trying to get this legislation to the floor.

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

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

I rise in opposition to the bill, but I want to make it very clear that the portion of the bill that the gentleman from California was speaking about I strongly endorsed. Matter of fact, I had a similar bill that would have made the same corrections, but I would like to make two points about this portion of the bill.

The one is that the corrections were necessary because we had placed sanctions on Iran, and there was an unintended consequence. It actually harmed NASA and harmed our relationships with Russia. This is making a correction and I think that is good, and I strongly support that part of the bill.

□ 1845

But it goes to show that sanctions per se are not necessarily good. We might just use as an example not having sanctions on a country like China. We do better talking with and getting along with China as we become trading partners rather than adversaries. So even countries that seem to be adversarial, there are some downsides to putting on sanctions.

Actually, the portion of the bill that I rise in objection to is the portion that was amended dealing with Syria. I consider this a significant change in our law. There has been very little discussion on this. This makes the bill quite different from the Senate bill. But once again, I think it is doing things that could come back to haunt us, and that is expanding our authority and the President's authority to place sanctions on Syria, of course always with good intentions; but too often bad things can happen.

In 1998, a bill came up on the suspension calendar. It was considered noncontroversial and was called the Iraq Liberation Act. It passed overwhelmingly, but at that particular time, I took the time in opposition to point out that there could be some unintended, or maybe some intended, consequences that at that time the Congress was not admitting to, and that it could lead to war. And, of course, that was the first stepping stone to the current war that we are in.

Although this particular bill is not nearly as strong as what the Iraq Liberation Act was, this nevertheless is a step as far as I am concerned in the wrong direction.

The basic thing that happens here is we are expanding tremendously the power to place sanctions on Syria, and this comes in light of the publication of the U.N. investigation on Hariri's murder, and there is a tremendous move right now to move on to the next regime change in the Middle East. To me, I believe we are overstepping our bounds and looking for more trouble.

We have essentially zero right to decide who should head foreign states. Once we decide that we know what is best for foreign countries and we can actually pick a head of state, I think it leads to trouble. I could give Members every bit of reason why we ought to change the King of Saudi Arabia, as we should change the King of Syria; and yet Saudi Arabia gets a lot of support from us.

There was a recent report in a newspaper today, whether it is factual or not it is still frightening, it said that the administration was actually putting feelers out and asking Israel and Italy to nominate a replacement for Assad. This means we are moving in that direction.

One of the reasons we are supposed to be doing this and looking closely to Syria is they present a destabilizing element in the Middle East. That in itself is stretching it. They are struggling to stabilize and survive with the pounding they are getting internationally. We forget that Syria actually sent troops into the first Persian Gulf war dealing with Kuwait. But those kinds of things are easily forgotten.

The truth is the Mehlis Report is rather vague. There is no way it ties it to Assad. There is no proof of that whatsoever. As a matter of fact, Der Spiegel, a German magazine, reported today that the most important information that the Mehlis Report cites comes from an informer who was a convicted swindler and felon. That is one of the sources of the information they are using to try to tie this into Syria.

If you want to talk about destabilization of a region, all we have to do is look at 150,000 troops in a country 6,000 miles from our borders. If we talk about the responsibility of somebody being assassinated, we might ask the question how many dozens of Iraqi administrators have been assassinated in Iraq since we have been in charge. So there are two different ways we can look at that. My deep concern is that we are moving in the direction of expanding our presence and expanding the war in that region.

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

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

Mr. Speaker, I rise in support of this legislation. Five years ago, Congress approved far-reaching legislation to stop the flow of nuclear missiles and other sensitive technology to the ayatollahs of terror in Tehran. By a unanimous vote, Congress commanded that those who aid in the development of Iran's destabilizing nuclear and missile programs be exposed and sanctioned.

The need for the Iran Nonproliferation Act is stronger today than it was 5 years ago. The Iranian regime continues to seek aggressively a nuclear weapons capability by exploiting allegedly peaceful nuclear facilities to produce nuclear weapons materials. Iran is also developing long-range missile systems capable of destabilizing the entire Middle East and beyond. The Iranians are accomplishing this task with the active assistance of Russia and other irresponsible actors on the international scene.

Fortunately, Mr. Speaker, in large part due to the farsighted initiatives such as the Iran Nonproliferation Act, the world no longer trusts Tehran. Just this past month, the Board of Governors of the International Atomic Energy Agency in Vienna voted to find Iran in violation of its nuclear safeguards obligations. And absent any dramatic turnaround by Iran, the United States must and will demand that Iran's violations be reported to the U.N. Security Council at the next meeting of the International Atomic Energy Agency this coming November.

The legislation before us today is designed to preserve the core of the Iran Nonproliferation Act while allowing for continued cooperation with the Russians in support of our national space program.

It is unfortunate, Mr. Speaker, that this legislation is necessary. I wish that the Russians had ceased their missile-related cooperation with the Iranians so Congress would not be forced to carve out this new exception. Moscow's deliberate decision to flaunt international norms on weapons of mass destruction just shows how far away the Russian regime is from being a responsible international actor.

But we are compelled to pass this legislation because the United States needs to continue paying Russia for rides for American astronauts to the International Space Station and for other space services. Because the President cannot certify that Russia has ended it missile cooperation with Iran, and with the space shuttle still experiencing difficulties in its return to service, this exemption has proved necessary.

But, Mr. Speaker, at the end of the day, the Iran Nonproliferation Act is emerging even stronger than before. My good friend, the chairman of the Committee on International Relations, the gentleman from Illinois (Mr. HYDE), and I made changes to the bill which will focus even greater attention on Russia's destabilizing cooperation with Iran. The Hyde-Lantos provisions will make governments, not just individuals and business entities, newly vulnerable to sanctions for trade in weapons of mass destruction with the Iranian regime. It will also help ensure that Iran does not spread dangerous technology in the future.

Our bill also applies the provision of the Iran Nonproliferation Act for the first time to the authoritarian regime in Damascus. This action will help ensure that whatever happens to the regime of Bashir Assad in the near term as it faces international condemnation richly deserved for its direct complicity in the assassination of Rafik Hariri, the Prime Minister of neighboring Lebanon, it cannot develop weapons of mass destruction.

Mr. Speaker, the leadership cabals in both Tehran and Damascus are aggressively seeking to develop such weapons that would threaten the entire Middle East and the region beyond. Our legislation marks an important step in focusing greater attention on these emerging threats while preserving key aspects of our own space program. I urge all of my colleagues to support this most important and urgent piece of legislation.

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

Mr. ROHRABACHER. Mr. Speaker, I yield 3 minutes to the gentleman from

Texas (Mr. DELAY), a Member whose leadership has been a major factor in the passage of so much historic legislative reform that has gone through this body.

Mr. DELAY. Mr. Speaker, I thank the gentleman from California, and I appreciate the work that you all have done. I rise in strong support of this legislation and also to commend everyone on both sides of the aisle and both sides of the Capitol who helped develop this legislation in the recent months.

The legislation before us will correct an unintended consequence of the Iran Nonproliferation Act of 2000. Under that 2000 act passed by a Republican Congress and signed into law by President Clinton, the United States will soon find itself unable to manage many of its investments in space and unable to continue to develop and conduct vital scientific experiments aboard the International Space Station.

Under that 2000 act, by next April, NASA would be severely limited in its ability to maintain an American scientific crew on the ISS, let alone monitor the billions of dollars in investments that the American people have made in the program.

The bill before us will carve out an exemption in the 2000 act for NASA's relationships with Russian companies that build and maintain the vehicles and machinery that provide the services that help us in our partnership with them on the International Space Station. Among the most critical of these relationships are those that allow American astronauts access to the Russian Soyuz, a crew rescue vehicle, docking components for our own spacecraft, and other critical equipment and services.

The United States' permanent presence in space today depends on our ongoing partnership with the Russian Federal Space Agency and other international partners. The President's new vision for space exploration depends on America's investment and involvement in the ISS so that we can develop the science necessary to prepare our astronauts for long-term exposure to microgravity and radiation.

The experiments planned in coming years aboard the ISS can only be conducted in space, and NASA's future missions to the Moon and Mars depend on those experiments. Meanwhile, the potential gap between the retirement of the space shuttle and the deployment of NASA's new crew exploration vehicle would, without this legislation, leave the United States without continual access to space at a time at the end of this decade when we need it the most.

This bill ensures NASA has the flexibility it needs to meet America's challenges in space. I urge all Members to support it.

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

I want to reiterate that the portion of the bill that deals with our ability to pursue our space program I strongly endorse. It is the portion that deals with Syria that was added on at the last minute that I am concerned about.

I want to say that portion of the bill, I believe, further destabilizes the Middle East and we should move with great caution. We have been warned. We should be prepared for a broader war in the Middle East as plans are being laid for the next U.S.-led regime change in Syria.

A U.N. report of the death of Lebanese Prime Minister Hariri elicited this comment from a senior U.S. policy maker: ''Out of a tragedy comes an extraordinary strategic opportunity.'' This statement reflects the continued neoconservative, Machiavellian influence on our foreign policy.

□ 1900

The ''opportunity'' refers to the long-held neoconservative plan for regime change in Syria, similar to what was carried out in Iraq.

This plan for remaking the Middle East has been around for a long time. Just as 9/11 served the interests of those who longed for changes in Iraq, the sensationalism surrounding Hariri's death is being used to advance plans to remove Assad.

Congress already has assisted these plans by authorizing the sanctions placed on Syria last year. Harmful sanctions, as applied to Iraq in the 1990s, inevitably represent a major step toward war since they bring havoc to so many innocent people. Syria already has been charged with developing weapons of mass destruction based on no more evidence than was available when Iraq was similarly charged.

Syria has been condemned for not securing its borders by the same U.S. leaders who cannot secure our own borders. Syria was castigated for placing its troops in Lebanon, a neighboring country, although such action was invited by an elected government and encouraged by the United States. The Syrian occupation of Lebanon elicited no suicide terrorist attacks, as was suffered by Western occupiers.

Condemning Syria for having troops in Lebanon seems strange considering most of the world sees our 150,000 troops in Iraq as unwarranted foreign intervention. Syrian troops were far more welcome in Lebanon.

Secretary Rice likewise sees the problem in Syria that we helped to create as an opportunity to advance our Middle Eastern agenda. In recent testimony she stated that it was always the administration's intent to redesign the greater Middle East, and Iraq was only part of that plan. And once again we have been told that all options are still on the table for dealing with Syria, including war.

The statement that should scare all Americans and the world is the assurance by Secretary Rice that the President needs no additional authority from Congress to attack Syria. She argues that authority already has been granted by the resolutions on 9/11 and Iraq. This is not true, but if Congress remains passive to the powers assumed by the executive branch, it will not matter. As the war spreads, the only role for the Congress will be to provide funding lest they be criticized for not supporting the troops. In the meantime, the Constitution and our liberties here at home will be further eroded as more Americans die.

This escalation of conflict with Syria comes as a result of the U.N. report concerning Hariri's death. When we need an excuse for our actions, it is always nice to rely on the organization our administration routinely condemns, one that brought us the multimillion-dollar oil-for-food scandal and the sexual crimes by U.N. representatives.

It is easy to ignore the fact that the report did not implicate Assad, who is targeted for the next regime change. The U.N. once limited itself to disputes between nations; yet now it assumes the U.N., like the United States, has a legal and moral right to inject itself into the internal policies of sovereign nations. Yet what is the source of this presumed wisdom? Where is the moral imperative that allows us to become the judge and jury of a domestic murder in a country 6,000 miles from our shores?

Moral, constitutional, and legal arguments for a less aggressive foreign policy receives little attention in Washington, but the law of unintended consequences serves as a thorough teacher for the slow learners and the morally impaired.

Is Iraq not yet a headache for the proponents of the shock and awe policy? Are 2,000 lives lost not enough to get their attention? How many hundreds of billions of dollars must be drained from our economy before it is noticed? Is it still plausible that deficits do not matter? Is the apparent victory for Iran in the Shiite theocracy we have created in Iraq not yet seen as a disturbing consequence of the ill-fated Iraq regime change effort? When we have our way with the next election in Lebanon and Hezbollah becomes a governing party, what do we do then?

If our effort to destabilize Syria is no more successful than our efforts in Iraq, then what? If destabilizing Syria leads to the same in Iran, what are our options? If we cannot leave now, we will surely not leave then. We will be told we must stay to honor the fallen to prove the cause was just.

We should remember Ronald Reagan's admonition regarding this area of the world. Ronald Reagan reflected on Lebanon in his memoirs, describing the Middle East as a ''jungle'' and Middle Eastern politics as ''irrational.'' It forced him to rethink his policy in the region. It is time we do some rethinking as well.

This bill today does not help.

Mr. Speaker, I yield the balance of my time to be equally divided between the gentleman from California (Mr. LANTOS) and the gentleman from California (Mr. ROHRABACHER), and I ask

unanimous consent that they be allowed to control that time.

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

There was no objection.

Mr. LANTOS. Mr. Speaker, I yield 5 minutes to the gentleman from California (Mr. SHERMAN), a distinguished member of the Committee on International Relations.

Mr. SHERMAN. Mr. Speaker, as a member of the Committee on International Relations, and a member of the Committee on Science, and as a member of the Space and Aeronautics Subcommittee, and, in fact, the ranking member of International Terrorism and Nonproliferation Subcommittee, I am well aware of the conflict of two goals of the Federal Government. One of those is to meet our obligations to the international space station. The other is to use every device possible to try to prevent Iran from developing nuclear weapons and to try to prevent Russia from assisting in that process.

For me, these goals are not of equal weight. The supreme goal and objective and obligation of the Federal Government is to protect our people. Iranian nuclear weapons could be smuggled into our cities, and I would say that we should adopt no legislation and leave on the books current law that puts one objective, and that is limiting Iranian nuclear weapons, as the sole objective that is embodied in our statutes.

But, in fact, some balance is going to be struck, and it is not going to be the overwhelming balance that I would strike, a balance in favor of doing everything possible to limit Iranian nuclear weapons development and giving far less weight to meeting our international space station obligations.

I want to take this opportunity to commend the ranking member and the chairman of the Committee on International Relations and of the Committee on Science and the gentleman from California (Mr. ROHRABACHER) for doing a very good job of trying to narrowly tailor this legislation, to try to balance those two goals in not the way I would, but in a way that I have to concede is reasonable. And for that reason I will not ask for a recorded vote on this bill. I recognize that if this bill does not pass in this form, it is as likely to get worse as it is to get better because, in fact, my colleagues have labored very effectively and have taken some input from me to create a bill which is tailored to the twin objectives.

Now, I would hope the day would come when the President of the United States could certify to this Nation that Russia is doing everything possible to help us prevent Iran from developing nuclear weapons and in any case was not helping Iran to develop those terrible weapons. But until that day comes, present law says that we cannot contract with agencies of the Russian Government space program no matter what for various space-related activities.

As I understand this bill in its final revised form, and I see most of the principal authors of the amendment to it here on the floor, and I know the rest will correct the record tomorrow if I misstate anything, but I would yield to anyone here to correct me if I am wrong, the bill in its present form creates a very limited exception to present law. It allows NASA to contract with Russian Government space agencies only when those agencies are the only available seller of goods and services necessary to meet our obligations to the international space station.

There are two important aspects of that understanding. One is the language that I said, the only available seller of essential goods and services. That is to say this bill does not authorize us to turn a blind eye to Russian space agency cooperation with the nuclear plans of Tehran just because the Russian space agency is the cheapest or the most convenient or a few days faster. It allows us to ignore those important Iran nonproliferation goals only when it is absolutely necessary and only when necessary to meet our own obligations to the space station, not obligations of other countries.

To reiterate, not only is this bill limited to situations where it is necessary, not merely convenient, for us to contract with the Russian space agency, but it is also a requirement that we are meeting our obligations to the international space station, not a circumstance when we are paying the Russians to meet their own obligations or the obligations of some other country.

So I thank the gentleman for yielding me this time. And to put it in context, I think this bill does a good job of striking what is the best balance we are likely to see in this legislative process between our goals.

Mr. ROHRABACHER. Mr. Speaker, I yield 6 minutes to the gentleman from New York (Mr. BOEHLERT), a Member who was both the senior member of the Permanent Select Committee on Intelligence as well as serving as chairman of the Committee on Science.

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

Mr. BOEHLERT. Mr. Speaker, I rise in strong support of this amended version of S. 1713.

Let me start by thanking the gentleman from Illinois (Mr. HYDE) and the gentleman from California (Mr. LANTOS) for working so cooperatively with us for so long on this issue, which is of great concern to both of our committees over which both of our committees have jurisdiction. I also want to thank the gentleman from California (Mr. CALVERT), the chairman of our Space and Aeronautics Subcommittee, who, as always, has helped to keep our eye on the ball and has pressed to make sure we got this done. The gentleman from California (Mr. ROHRABACHER), the gentleman from California's (Mr. CALVERT) predecessor, who serves on both committees, played a similarly dogged role. And if one has been exposed to the Rohrabacher machine, they know he is persistent. All of us have cosponsored the bill before us today.

Finally, I want to thank the administration, including NASA and the State Department and the National Security Council, for being willing to consider a variety of approaches, and I want to thank the gentleman from Tennessee (Mr. GORDON), my ranking Democrat on the Committee on Science, for being a thoughtful participant as we examined different ways to deal with this issue.

The puzzle we had to solve with dealing with the Iran Nonproliferation Act was how to enable the U.S. to continue to man the international space station without reducing our vigilance with regard to nonproliferation. I have been clear all along that, for me, maintaining nonproliferation is a far more important goal than is continuing to have Americans aboard the space station.

But from the point of view of space policy, we had another goal here, too. We wanted to make sure that Russia, or any other foreign nation, could not bring our space program to a screeching halt or whatever the equivalent would be in the vacuum of space. Therefore, we wanted to try to write this bill in a way that would create an incentive for NASA to contract with new suppliers that would not be dependent on foreign technology to get U.S. personnel or supplies to and from the Space Station.

□ 1915

These are all tough goals, goals that have had their critics, goals that create winners and losers, goals that seek to balance competing national needs. And I think with this version of the Iran Nonproliferation Act, we have come as close as anyone possibly could to accomplishing our goals.

The bill enables the U.S. to continue to use the International Space Station unimpeded. The bill, in effect, allows the status quo to continue until 2012, when presumably the U.S. will have access to a new crew exploration vehicle to carry astronauts and commercial firms to move cargo. We will see if the budget enables that to actually happen on that schedule, but it is a plausible position.

The bill encourages NASA to find commercial firms that are not dependent on the Russians to carry cargo in the future by setting a specific end date for our current relationship with the Russians. And the bill minimizes the harm to the nonproliferation regime by requiring the act to be reviewed again in 2012, by making it clear that no individual entity that violates the act can receive U.S. money and by adding Syria to the countries listed in the act, and, finally, by requiring clear reporting of payments under the act.

The Senate deserves credit for moving all parties toward compromise; and our version, I would say, perfects that compromise by adding Syria and by making it clear that we have a true deadline. Under our bill, no funds can be used in violation of the Iran Nonproliferation Act after 2012, even if the funds are made available before 2012 and even if they are made available pursuant to an agreement that existed before that date.

So I think we are where we have to be on this bill in order that we are going to protect the space program while protecting the world from nuclear weapons. These issues are never easy and nonproliferation necessarily involves a lot of guesswork about what is and what is not working; but this is a responsible, thoughtful compromise.

In closing, let me again thank the Members of the Committee on International Relations and their staff, particularly Walker Roberts, for working so cooperatively with us and for continuing to push for tighter, but reasonable, language.

I want to thank our staff on the Committee on Science, particularly Bill Adkins, for ensuring that we always took into account all the implications of the proposed language.

Mr. Speaker, I urge my colleagues to support this measure, which incorporates a truly thoughtful and effective compromise.

Mr. LANTOS. Mr. Speaker, before yielding back my time, I want to pay public tribute to two outstanding members of our staff, David Abramowitz and David Fite, who did extraordinary work on this very complex piece of legislation.

Mr. Speaker, I have no additional requests for time, and I yield back the balance of my time.

Mr. ROHRABACHER. Mr. Speaker, I yield myself 3 minutes.

First of all, thank you very much to the gentleman from California (Mr. LANTOS) and all those on the other side of the aisle and the gentleman from California (Mr. SHERMAN), who has done such great work in our committee and on issues dealing with Iran and trying to secure the safety of our country as well as the Middle East. The gentleman has my respect; and as he knows, he has had my cooperation in the past, and we appreciate his cooperation on this effort as well.

This legislation needed to come to the floor, and we needed that type of bipartisan cooperation as well as cooperation with the Members on this side of the aisle and the hard work of the staff of both the Committee on International Relations and the Committee on Science to ensure that we were able to get this legislation passed in time to prevent what would have been an embarrassment, a major embarrassment, to the United States of America, which would have done irreparable damage to our credibility.

Our space program would have been humiliated by the elimination of America's presence on the International Space Station, having an International Space Station, which we paid for, then to be occupied and controlled by Russians. We have, by this effort today, and by this cooperation, prevented that shortcoming, that humiliation from happening.

But let me note, it was never the intent of the authors of this part of the Iran Nonproliferation Act that we should ever come to a crisis like this. I can say that with certainty, because I was the one who was involved with writing this portion of the Iran Nonproliferation Act. I felt at that time we should have taken care of this issue a long time ago with carrots rather than sticks.

I went to both the Clinton administration and the Bush administration years ago to ask them to offer Russia an alternative to being involved with Iran in terms of building nuclear facilities. The Clinton administration did not act and the Bush administration did not act to prevent this crisis that we are averting right now at the last minute from happening.

Thus, for the record, let us note that, yes, we have averted a crisis; but a long time ago, positive and responsible actions by either the Clinton administration or the Bush administration could have prevented this from happening in a most important way.

Let me note, cooperation with Russia in the space program is not inherently bad. It is something that is inherently good. It places the Russian scientists working on positive programs such as cooperation with America's space program. Israel itself is very involved with the Russians in their space program. Russian rockets launch Israeli satellites. Thus, we know that it is not inherently tied to Iran, the cooperation with Russia in space matters.

But let us make sure that by passing this today we in no way are belittling the argument about the importance of dealing with Iran's development of nuclear weapons. This should be of concern to each and every one of us, and passage of this bill does not lessen that concern whatsoever.

Mr. HYDE. Mr. Speaker, I rise in support of the Hyde-Lantos amendments to S. 1713, a bill passed by the Senate on September 21, 2005 amending the Iran Nonproliferation Act of 2000 to authorize new payments to Russia in support of the international space station. The Hyde-Lantos amendments, which have been authored on a bipartisan basis, would provide a substitute text for the Senate bill.

The Senate bill is defective in significant respects. Chief among these would be a reduction in United States leverage over Russian technology transfers to Iran's weapons programs. The Hyde-Lantos substitute text would remedy this and other deficiencies in the Senate bill by more carefully balancing space cooperation interests with our nonproliferation interests.

In particular, the substitute text would permit NASA to make payments to Russia for the next six years, up to January 1, 2012, as provided in the Senate version. But, it would eliminate the ambiguity in the Senate version, whereby payments and services might be rendered well beyond January 1, 2012. Instead, the substitute text would clearly establish that no payments or services may take place after that date unless Congress provides additional authority through new legislation or the Executive Branch makes the determination required under existing law concerning an end to Russia's support for Iran's weapons programs.

During my discussion of the substitute text with NASA Administrator Griffin, he expressed support for our version of the bill provided one small concern could be resolved. His concern centered on a parenthetical expression, which he felt might constrain negotiation of arrangements with Russia before new payments could commence. I agreed to strike the relevant language on the express understanding, which Mr. Griffin accepted, that, while the substitute text as revised would permit any necessary arrangement for payments in order to fulfill existing United States obligations under the space station agreement, it would not permit payments for new obligations. During consideration of the bill a question arose concerning whether this limitation would restrict NASA's ability to purchase international space station re-supply services from U.S. companies using Russian content, should NASA conclude that this is necessary to meet U.S. obligations under the space station agreement. In my opinion, this would not be the case, assuming the bona fides of the Russian suppliers.

In addition, the substitute text makes three changes to the underlying law, the Iran Nonproliferation Act of 2000. First, the Act would henceforth be applicable to Syria, as well as to Iran. Second, the Act would cover weapons technology exported to other countries by Iran and Syria (as well as weapons technology imported by them). Third, ''foreign persons'' would hereafter be defined to include foreign governmental entities, in addition to individuals and business organizations.

I consider these changes to the underlying law to be both necessary and timely in light of two recent developments. The first concerns charges by the United Kingdom that either Iran, or Iranian-backed Hezbollah, is supplying explosives technology used by insurgents against coalition forces in Iraq. The second is the very troubling UN report implicating Syria in the February 14th massive bombing assassination in Beirut of former Lebanese Prime Minister Rafik al-Hariri.

In light of NASA's support and the enhancements to United States nonproliferation interests we have made to the bill, I am optimistic that the Senate will have little difficulty agreeing to this substitute text.

Mr. CALVERT. Mr. Speaker, I rise in support of S. 1713, as amended, which strengthens the Nation's nonproliferation principles and objectives while allowing NASA to meet its operational and programmatic needs with regard to the International Space Station (ISS), as called for in the President's Vision for Space Exploration. I am pleased to be a cosponsor of such important legislation with my colleagues and friends, Chairman HYDE, Ranking Member LANTOS, Chairman BOEHLERT, and Congressman ROHRABACHER. This amendment is timely. NASA must revise its agreement and contractual arrangements with the Russian Federal Space Agency quickly in order to ensure uninterrupted training beyond October 2005. The next ISS crew is scheduled

to fly on the Russian Soyuz in April 2006. If this amendment is not enacted, INA restrictions will prevent a continued presence of U.S. crew onboard the ISS and limit U.S. presence onboard the ISS to Space Shuttle visits. We could lose our leadership role on the International Space Station.

I know this amendment has been negotiated and discussed by many of my colleagues, who recognize the extreme importance of passing a measure which allows NASA to continue with its current role on the Space Station. I am a sponsor of this legislation and, at the same time, I have been concerned that we not be so restrictive on NASA to prevent them from doing their mission. S. 1713 as amended grants NASA the authority to procure urgent required goods and services from Russia, including crew rescue, to allow continuing ISS operations in the most safe and effective way possible. Some of these goods and services will be required from 2012 to the end of the program's operation. Moreover, ISS is an operational program that continues to evolve, requiring enough flexibility to deal with emerging issues over time. Consequently, Congress may need to address this issue again at a later date. We should be watchful as we move forward that we are able to maintain the ISS and to retain our leadership role.

As the Chairman of the House Space and Aeronautics Subcommittee, I am mindful of the importance of a continued American presence in space. This amendment moves in the right direction by supporting those Russian entities which are compliant, while helping to solve near-term problems for NASA and its international partners.

Without legislative action, NASA will have limited access to the ISS until the U.S. Crew Exploration Vehicle is ready to be deployed. I urge my colleagues to pass S. 1713 as amended as expeditiously as possible. I also salute my colleagues for bringing this important legislation to the floor in such a timely manner and plan to offer my support as we pass this legislation today in the House of Representatives.

Mr. CROWLEY. Mr. Speaker, I rise today to speak in strong support of the amendment offered by Mr. HYDE and Mr. LANTOS.

Iran and Syria remain threats to the security and stability of the Middle East and the world whether it is from their continued support of terrorists to their desire to obtain unconventional weapons.

Iran continues to thumb its nose to the IAEA and the international community on its desire to obtain nuclear weapons.

According to the British, Iran is providing weapons to terrorists attacking coalition troops and working hard to destabilize Iraq even though it is not in the region's interests.

Syria keeps its border with Iraq open thus allowing foreign fighters to illegally enter Iraq and carry out terrorists plots.

These terrorists are working against the Iraqi people's quest for freedom and democracy.

Iran is not the only neighbor Syria has been working hard to destabilize.

Last week, the UN released the findings of its investigation into the assassination of former Lebanese prime minister Rafik Hariri and I don't think any of us in this House were surprised to see that they pointed a finger at the regime of Syria's President Bashar Assad.

Before his death the former prime minister had become one of the most vocal opponents of the Syrian occupation.

This report names high level Syrian and Lebanese government officials who plotted to assassinate this outspoken leader.

I hope that our actions today will show President Assad that our resolve is strong.

Mr. Speaker, Syria must change its ways and begin to contribute to international peace and security rather than undermine it.

I urge all my colleagues to support this important amendment.

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

The SPEAKER pro tempore (Mr. POE). The question is on the motion offered by the gentleman from California (Mr. ROHRABACHER) that the House suspend the rules and pass the Senate bill, S. 1713, as amended.

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

The title of the Senate bill was amended so as to read: ''An Act to make amendments to the Iran Nonproliferation Act of 2000 related to International Space Station payments, and for other purposes.''.

A motion to reconsider was laid on the table.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

THE CONCERN OF FARMERS AND RANCHERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. MORAN) is recognized for 5 minutes.

Mr. MORAN of Kansas. Mr. Speaker, tonight I rise to voice the concerns of farmers and ranchers who struggle to feed the world as well as their own families. Kansans will tell you it is difficult to make a living on the farm. Federal farm policies do not take into account the current scenario of input prices rising to record levels. Natural disasters, whether it is hurricanes in the South, in the gulf, or droughts in the Midwest, still fall far beyond what a farm bill or crop insurance policy can adequately address.

As we have seen with hurricanes Katrina and Rita, not only do such disasters introduce terrible human suffering and paralyze the region in which they hit, but they also affect with transportation bottlenecks and skyrocketing energy prices many others a long way away.

Any suggestion that things are good in ag country does not meet the reality test. Having completed 69 town hall meetings, one in each of the counties that I represent, I know farmers are greatly affected by the high cost of fuel, fertilizer, and natural gas.

American agriculture depends on natural gas to bring food to our tables. We use natural gas for irrigation, for drying our crops, processing our food, and, most importantly, in producing our fertilizer.

In addition to price of natural gas and fertilizer, the cost of diesel is a major concern for producers. In Kansas, it is estimated that the average farmer's fuel bill will increase $17,000 this year. Since January, diesel fuel has increased from $1.95 a gallon to $3.15 a gallon this month. Kansas farmers say when you do the math, it just does not pencil out.

It is easy for a Congressman to talk about these issues, but the mail from my Kansas farmers can better tell of the real struggles and convey the real story of life on the farm.

Mr. Speaker, this is a letter from a farmer at Otis, Kansas. He gives me his name and tells me he is a middle-age farmer with an operation located in western Barton and eastern Rush counties. He tells me: ''The recent fuel and fertilizer price increases are pushing my bottom line into the red. Three years ago I could buy a transport load of diesel fuel for $7,800 and today the same amount costs me $27,740, a difference of 330 percent.''

He says: ''It seems as though other industries can pass fuel expenses by putting on fuel surcharges. However, we are not able to do that. The American public is taking the farmer for granted with the cheap quality food that we provide. Wait until we are dependent upon foreign food like we are oil. I just hope and pray that the farmer can survive. Thanks for any help.''

And this from Lynette Stenzel, a farmer in Ness City, Kansas. She tells me she is ''extremely concerned with rising fuel prices. It not only affects the economic concerns on the farmer, but our local government, schools, churches, hospitals and even our community service organizations. More money into the expense side of farming leaves less on the income side to support schools, churches and help raise funds for community projects. When living in a rural area, the economic situation of the farmer really does affect local bills as well.''

She tells me that her younger brother, who now operates a third-generation family farm, said he felt if and when he had to pay the same amount for fuel as he got for a bushel of wheat, it would be time to give up the farm. ''I am hoping he forgot that comment, as that time is here. His 12-year-old son wants to continues the family farm, so hopefully that will be possible.''

Finally, from a farm couple in Southwest Kansas: ''The real America is not in the political realm of Washington. Real Americans cannot afford to drive to work. They won't be able to heat their homes in the winter. Real American farmers continue to lose money feeding the world. We need real help for the real America.''

Mr. Speaker, we need to work together as Members of Congress, as policymakers in these very challenging

times. We must pursue economic, agriculture, and energy policies that increase the chances that our farmers can continue to farm the land and feed the world.

Mr. Speaker, as my farmers said, we need real help for the real America.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Indiana (Ms. CARSON) is recognized for 5 minutes.

(Ms. CARSON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

WAL-MART MAKING LIFE WORSE FOR WORKERS WHILE APPEARING TO DO GOOD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. GEORGE MILLER) is recognized for 5 minutes.

Mr. GEORGE MILLER of California. Mr. Speaker, this morning the New York Times reported an absolutely shocking story. The Times published an internal memo from Wal-Mart written earlier this year. The contents of that memo are stunning.

The memo, penned by Wal-Mart's executive vice president for benefits, is concerned with employee benefits, namely how to cut the cost of benefits while improving Wal-Mart's public relations. In other words, the memo laid out a scheme whereby Wal-Mart will make life worse for working people, while appearing to do good. It focused on cosmetic improvements to Wal-Mart's image and real damage to Wal-Mart's employees.

□ 1930

First of all, the memo admits that Wal-Mart's critics are onto something.

The memo states that Wal-Mart's health care plan, for example, is expensive for low-income families, and Wal-Mart has a significant percentage of associates and their children on public assistance. The memo states that 46 percent of children of Wal-Mart employees are either on Medicaid or uninsured. It reveals that in 2004, 38 percent of Wal-Mart's employees enrolled in the company health plan spent more than 16 percent of the average Wal-Mart income on health care.

Next, the memo goes on to complain that too many workers are sticking around too long, driving up labor costs. The thanks that these loyal employees get from Wal-Mart is a plan by Wal-Mart to get rid of them. According to the memo, Wal-Mart is seeking to cut its labor costs by switching to more part-time employees who will not have meaningful access to the company health care plan. So while Wal-Mart announces to the public that they are going to offer the best health care plan they can for their employees, they are secretly redesigning their work force so those who work for them will not be able to take advantage of the health care plan that they have announced.

The memo also suggests that Wal-Mart can cut its labor costs by keeping less healthy employees out of the workforce. It even suggests that they should include physical lifting requirements in the cashier job, just so that the company can use that requirement as an excuse not to hire unhealthy people. The memo says that the top Wal-Mart officials received the recommendation enthusiastically. And, guess what? We are starting to see those changes take place.

Earlier this week Wal-Mart announced a new health care plan for employees, including a high-deductible plan with health savings accounts. What does the memo say about this? It recommends plans with high deductibles and health savings accounts in order to attract low utilizers, that is a euphemism for healthier people, and discourage employment of high utilizers, the euphemism for sick people.

The question is often asked, is Wal-Mart bad for America? The company's own executive vice president has answered that question. The memo speaks for itself.

Madam Speaker, what Wal-Mart is saying here is that the benefit that they have announced to their employees as being new and expansive it turns out is no benefit at all. You must work 1 year before you qualify, and yet Wal-Mart plans to get rid of those people who have worked that length of time. Wal-Mart plans to hire more part-time people so they will not qualify for the health care plan. Should they hire somebody that qualifies for it, they want to be able to discriminate in their hiring against somebody who may have a health care problem, and, therefore, they do not want to hire them, so they will make up a test that that person has to go through, go around collecting shopping carts or lifting things so that they can root those people out of the selection process for whom they would hire. So Wal-Mart then says that this is the discriminatory policy that they want to follow.

What this shows is that Wal-Mart in the last couple of days has announced a new energy policy; they announced a new health care policy; they said they support an increase in the minimum wage, that it would help their businesses; and people started to say, what is this? Is this an extreme makeover for Wal-Mart? Have they come to their senses whereby they recognize their obligations to their employees, their obligations to the Earth's environment, their obligations on energy policy? Has Wal-Mart finally become responsible?

No, this is not an extreme makeover. This is a cosmetic nip and tuck. This is a cosmetic redo of a policy that is no policy at all, because, apparently, Wal-Mart has already designed, as this memo points out, the means by which they will not have to invoke the benefits of the health policy for their employees.

This is damning evidence, but what it means, if we thought that this was going to be maybe a new Wal-Mart, a Wal-Mart that would be welcome to communities rather than fought by communities, what this means is, in fact, that that is not the case at all. Wal-Mart is going to continue their policy of everyday low wages, of everyday no health care, of everyday ruination of the environment, of everyday mistreatment of their workers. That is the Wal-Mart policy. That is the Wal-Mart policy that caused them to violate labor laws over and over again, to discriminate against their employees over and over again, to abuse the women employees over and over again. That is the record of Wal-Mart.

This was a false sunrise. This was a false sense that somehow Wal-Mart had started to accept its responsibility towards its employees. In fact, once again, it is going to abuse its employees. Sadly so, that is the case.

The SPEAKER pro tempore (Mrs. SCHMIDT). 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.)

EXCHANGE OF SPECIAL ORDER TIME

Mr. GINGREY. Madam Speaker, I ask unanimous consent to take the time of the gentleman from North Carolina (Mr. JONES).

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

There was no objection.

REMEMBERING SAM SMITH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. GINGREY) is recognized for 5 minutes.

Mr. GINGREY. Madam Speaker, I rise today to recall the life of Sam C. Smith, former mayor of Cartersville, Georgia, president of Century Bank, and a lifelong community activist who leaves behind an everlasting legacy of service to his hometown. Sam is survived by his wife, Connie Hill Smith, and his three children, Ginny, Taylor, and Drew.

Sam's untimely death this past weekend is deeply felt by the entire Cartersville community, and I would like to share some of his accomplishments here today.

Sam lived life with a passion for everything he did, and he worked tirelessly for the betterment of his community. Never a man with small dreams or goals, Sam served as mayor of Cartersville from 1998 to 2002, and his tenure exemplified the kind of work that can be achieved when a city's leader is committed, involved, and enthusiastic about making his city a better place to live.

However, Sam's involvement in his community far outdates his rise to mayor. Sam Smith was a true fixture in Cartersville, and his shoes will be hard ones to fill. This is a man who earlier today was laid to rest less than a mile from the place where he was born 58 years ago.

After graduating from the University of Tennessee with a degree in finance, Sam quickly became a shining star for the Bartow County community. In 1972, he was named Cartersville's Outstanding Young Man of the Year, and in 1979, he was named one of five Outstanding Young Men in the State of Georgia by the Georgia Jaycees. These early accolades were followed by years of service to the community that honored him.

At the age of 26, Sam became president of Bartow County Bank, making him the youngest bank president in the State of Georgia. His distinguished tenure lasted for 20 years. More recently, he cofounded and served as president of Century Bank, the position he held at the time of his death.

Sam Smith exemplified that ''personal banker'' we value in a bank. So many people remember Sam as a banker who gave them their first loan, their first job, or that first vote of confidence in their new home or business.

Sam was also intimately involved in community organizations. He served as president of the Cartersville-Bartow Chamber of Commerce in the early 1980s and as chairman of the Georgia Bar Association Committee on Fee Arbitration in the 1990s. At the time of his death, Sam was chairman of the Independent Bankers Association's Bank Services Committee.

Sam Smith's community involvement went well beyond the financial sector. He helped bring a new Georgia Highlands College campus to Cartersville, and was an active member of Sam Jones United Methodist Church, and was an avid supporter of Cartersville's high school athletics. Just 12 days ago I was honored to be his guest at the Cartersville-Carrollton football game. Sam knew every Purple Hurricane by first name.

Last night I attended Sam's wake, and I was reminded of the impact a leader can have on the community he serves. Everyone shared words of praise, joyful memories, and personal stories I know will be told for many years to come.

It is fitting that the current mayor of Cartersville, a job Sam held with such honor, eloquently captured the spirit of Sam Smith this week. Cartersville mayor Mike Fields commented, ''I can't think of anybody else who cared more about this city than Sam Smith. Very few people put as much heart and soul into the city than Sam. His accomplishments speak for themselves, but it will take an awful lot of effort from a lot of folks to replace what he did.''

Madam Speaker, the residents of Cartersville, Georgia, were fortunate to have Sam leading their community. He made Bartow County a better place to live, to do business, even cheer on a local baseball team. It was a privilege to know him, and his presence will be deeply missed.

Madam Speaker, today Bartow County said goodbye to a favorite son. I offer my condolences to his family, his friends, and his beloved community. I know that while Sam Smith is no longer with us, his legacy will continue for many years to come.

TIME TO TAKE THE INCENTIVES OUT OF PRICE-GOUGING BY THE OIL COMPANIES

The SPEAKER pro tempore (Mr. GINGREY). Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

Mr. DEFAZIO. Mr. Speaker, yesterday, we saw an extraordinary event: The Republican leadership of Congress asking, pretty please, if the oil industry would build more refineries.

Now, of course, this flies in the face of the strategy of the oil industry and everything that has been done in the so-called energy bills we have passed so far, which is providing incentives, tax subsidies, and status quo to the oil and gas industry. In fact, in the last 10 years, the oil industry, through mergers, has managed to close half of the refineries in America. And now today, when we see extortion in prices for gas at the pump, and we say, why is that? And they say, we do not have enough refineries. And then they say, those darn environmentalists. But they do not put it in the same sentence, because they know it is not true. Not a single refinery was closed for environmental reasons.

They have not applied to build new refineries. They, in fact, have consciously closed refineries and squeezed down refinery capacity, so like Enron in California, when they shut down their generating plants, they can say, oh, the price has got to go up. We do not have enough of the product out there.

In fact, if you look at where consumers' money is going, if you take gas at $2.50 a gallon, about 95 cents of that is going to the refiners. That is up from the historic average of 27 cents, a 400 percent increase in profits to refiners, which is adding up to a wonderful bottom line for the oil companies. Today Conoco-Phillips announced that their profits are up 89 percent over this quarter last year, $3.8 billion in the third quarter. Not bad. BP, kind of a piker here, probably their stock will go down; their profits only went up 34 percent. What Americans' wages went up 34 percent, except maybe some of the CEOs of these companies, $6.53 billion?

But Exxon Mobil, the big one, will announce tomorrow, and it is widely expected among analysts, that they will report third quarter profits, one quarter, that is 3 months, of nearly $9 billion, which will be the largest quarterly profit for any corporation in the history of the world, and there is no price gouging going on.

Now, one part of that sentence was true, and the other part was a lie. The first part was true: The largest ever quarterly profit in the history of the world will go to Exxon Mobil, who has closed dozens of refineries, and then they say, well, we do not have enough capacity. The Republican leadership says, pretty please, might you build more refineries?

Now, the oil industry is getting a little worried because the American people are kind of onto this game. We saw over three bucks a gallon on the west coast on Labor Day weekend, but guess what? We are not in the east coast supply chain. Now, what justified that, except for price gouging and profit-taking, which did contribute to the largest ever quarterly profit for a corporation in the history of the world? Oregonians and other Westerners contributed to that, or were extorted to contribute to that?

And the industry is starting to get a little worried that maybe some meaningful action might happen, but they do not have to worry, because we have two oilmen in the White House, and we have a Republican leadership in Congress that says, pretty please, would you please do something about this, and you better not price gouge anybody.

In fact, the so-called energy bill we passed just about 10 days ago, energy bill II, all the bad ideas that did not fit into energy bill I, actually would have penalties for price gouging. But they could not be applied to refiners whose profits are up 400 percent, or to producers, crude oil producers, whose profits are up 50 percent, or even to distributors, but to retailers whose profits are up 2 percent.

Now, it is not the Mom and Pop gas station that is gouging the consumers. They are at the end of the chain. They get the gas; they get a tiny little markup. They are not the ones manipulating the system.

It is time to break up these energy cartels, no more mergers, break up some of these megacompanies that have been created, apply a windfall profits tax to take the incentive out of price gouging, adopt meaningful price gouging legislation like 23 States in the Union have; do that nationally to reign this in, go after OPEC and their restriction of supply in violation of WTO.

The President is a great free trader until it comes to OPEC, because he could file a free trade complaint about them, but he will not. I have written to him. I have asked him. I have introduced legislation. They will not hear it; they will not let us vote on it. Nobody wants to take on OPEC, because they are working hand in glove with Exxon Mobil and the big oil companies. They are all getting really rich together, and the American consumers are getting taken to the cleaners.

Short term we could save tens of billions of dollars for American industry, business, consumers, and others, and then long term we need an energy policy in America, something that has not happened in 5 years, even with Dick Cheney's secret meetings at the beginning of his term as Vice President. What we have is more subsidies for the oil, coal, and gas industry instead of a visionary energy policy that will get us new fuels, new technologies for the future, and make us energy-independent and efficient.

□ 1945

The SPEAKER pro tempore (Mr. GINGREY). Under a previous order of the House, the gentleman from Texas (Mr. BURGESS) is recognized for 5 minutes.

(Mr. BURGESS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

ORDER OF BUSINESS

Mrs. SCHMIDT. Mr. Speaker, I ask unanimous consent to speak out of order for 5 minutes.

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

There was no objection.

HONORING THE MEMORY OF CINCINNATI, OHIO NATIVE MARINE STAFF SERGEANT RICHARD T. PUMMILL

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio (Mrs. SCHMIDT) is recognized for 5 minutes.

Mrs. SCHMIDT. Mr. Speaker, I rise today to honor the memory of a brave soldier who died in Iraq nobly defending our freedom and in the service of our country. Staff Sergeant Richard Pummill was killed in action while on combat operations in the Al Anbar Province on Thursday, October 20, 2005.

Rick is remembered as a star athlete who participated in football and wrestling at Anderson High School where he graduated in 1996. His friends and family knew him as a fun-loving, outgoing, and energetic person who loved life and his family. He also loved his community and his country. He was an individual who wanted to do something special with his life. He decided that special purpose was to join the Marines and serve his country.

He truly loved his country, and our Nation is a richer place because of his presence. Devoted to his family, Rick is survived by his wife, Chantal; his son, Donald; his parents, Lynn and Tom; and his loving grandparents.

Visitations are going on this evening in Cincinnati. He will be honored with a full military funeral tomorrow, Thursday, October 27, and buried at the Mt. Moriah Cemetery in Withamsville, Ohio. All of us mourn Rick's loss and are grateful for his brave and valiant service to our country.

I ask my colleagues to join me in praying for his family in their time of grief and need. May Richard Pummill rest in peace.

2,000 DEAD IN IRAQ

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, his name is Staff Sergeant George T. Alexander of Clanton, Alabama. He died on Saturday, 5 days after a bomb exploded near his vehicle about 60 miles north of Baghdad. He was the 2,000th brave American to give his life in the Iraq war.

My deepest sympathies go out to his family, who I hope finds some comfort in the knowledge that Sergeant George Alexander is remembered by all of us as a true national hero. We mourn the loss of Staff Sergeant Alexander just as we continue to mourn all 1,999 who came before him.

In my recent visit to Iraq, nothing made a greater impression on me than the intelligence, decency, and loyalty I saw in our soldiers. They really are the best our country has to offer. It pains me to think that any one of them could become casualty number 2,001; 2,002; 2,050; or 2,060. And it pains me that we clearly do not have civilian leaders worthy of our troops.

It pains me that these soldiers have been betrayed by their superiors who sent them to Iraq on false pretenses, on a poorly defined mission without all of the tools they needed and without a plan to bring them home.

2,000 deaths is 2,000 too many for this mission, a mission which was immorally conceived and has been incompetently managed. The devastating truth is that Americans are not safer because of this war. We are not defeating the insurgency; we are inspiring it. That is not the fault of the men and women wearing the uniform; it is just the nature of this conflict.

Every day that we occupy Iraq breeds more resentment, more vicious and violent anti-Americanism. As one military commander put it, for every insurgent killed, three more are created. How do we win such a war? And let us not forget that the very first casualty in this war was the truth.

The President waxes idealistic about spreading freedom. But we all know that if spreading freedom had been the stated rationale for war back in 2002, there is no way this body would have authorized the use of force.

No, this was about the world's most dangerous weapons in the hands of most dangerous people. Remember, it was about yellow cake and aluminum tubes, mushroom clouds and nuclear winters. They engaged in a campaign of fear based on a lie.

Saddam Hussein had no weapons of mass destruction, a very expensive lie that has cost America 2,000 of its finest patriots. Their campaign of deceit was absolutely reprehensible. But I think we also have to look forward, as well back; to focus on not just how we got into Iraq, but how we are going to get out.

I held a hearing last month to explore in detail that very question. But the President meanwhile can offer nothing but the emptiest of platitudes: it is hard work. Stay the course. We will be there as long as we need to be there. Terrorism bad, freedom good. That is all well and good, but what is the plan?

He says he is confident of victory. But what exactly constitutes victory? What are the benckmarks of success? What is the plan? What does the endgame look like?

If the President will not lead, then I guess the rest of us will have to do it for him. There are three measures that we can take immediately: first, multilateral corporation. The Iraq campaign never was a global coalition. But now we can prevent further loss of life by bringing the U.S. Armed Forces home while simultaneously encouraging the United Nations and the NATO Alliance to establish a multinational interim security force for Iraq.

Second, diplomatic nonmilitary initiatives. The U.S. must lead a diplomatic offensive, making its presence in Iraq a humanitarian partnership, rather than a military occupation.

Third, post-conflict reconciliation. The U.S. should work with the U.N. to designate an international peace commission to oversee Iraq's postwar reconciliation. It is time for the President to admit his mistakes, eat a little crow and shift course.

It is time to return Iraq to the Iraqi people and the troops safely home to their families.

The SPEAKER pro tempore (Mrs. SCHMIDT). Under a previous order of the House, the gentleman from Texas (Mr. PAUL) is recognized for 5 minutes.

(Mr. PAUL addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

HONORING THE AMERICANS FALLEN IN IRAQ AND AFGHANISTAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. EMANUEL) is recognized for 5 minutes.

Mr. EMANUEL. Madam Speaker, yesterday we marked a solemn milestone: over 2,000 American military personnel have now given their lives fighting in Iraq. 246 Americans have also fallen in the line of duty in Afghanistan.

We owe these brave men and women and their families a debt of gratitude that can never fully be repaid. In July of this year, I led a bipartisan group of 21 Members of Congress in reading the names of the fallen into the CONGRESSIONAL RECORD. Tonight we continue this tribute by reading the names of some of those who have fallen recently to complete the list.

At that point we had said we would read every American's name as an official part of the CONGRESSIONAL RECORD. In the words of President Franklin Delano Roosevelt, each of these heroes stands in the unbroken line of patriots who have dared to die that freedom might live and grow and increase in its blessings.

God bless each of them and keep each of the brave Americans whose memory we honor tonight in our hearts: 1st Sergeant Alan Nye Gifford, Specialist David H. Ford IV, Staff Sergeant Regilio E. Nelom, Sergeant 1st Class Lawrence E. Morrison, Specialist William L. Evans, Specialist William V. Fernandez, Sergeant Michael Egan, 1st Lieutenant Mark H. Dooley, Sergeant Pierre A. Raymond, Staff Sergeant William Alvin Allers III, Sergeant Travis M. Arndt, Specialist Scott P. McLaughlin, Specialist Kevin M. Jones, Specialist Mike T. Sonoda Jr., Sergeant Paul C. Neubauer, Sergeant Andrew Joseph Derrick, Sergeant Brian E. Dunlap, Staff Sergeant Daniel R. Schelle, Sergeant Shawn A. Graham, Sergeant Kenneth G. Ross, Sergeant Tane T. Baum, Warrant Officer Adrian B. Stump, Sergeant Patrick D. Stewart, Chief Warrant Officer John M. Flynn, Sergeant 1st Class Casey E. Howe, Master Sergeant Tulsa T. Tuliau, Private Elijah M. Ortega, Sergeant Andrew P. Wallace, Specialist Michael J. Wendling, Sergeant Howard P. Allen, Lance Corporal Steven A. Valdez, Staff Sergeant Robert F. White, Staff Sergeant Jason A. Benford, Private 1st Class Oliver J. Brown, Specialist Lee A. Wiegand, Sergeant Eric W. Slebodnik, Staff Sergeant George A. Pugliese, Staff Sergeant Daniel L. Arnold, Airman 1st Class Elizabeth N. Jacobson, Sergeant Steve Morin Jr., Sergeant 1st Class James J. Stoddard Jr., Staff Sergeant John G. Doles, Staff Sergeant Jens E. Schelbert, Specialist Joshua J. Kynoch, Sergeant Marshall A. Westbrook, Staff Sergeant Timothy J. Roark, Sergeant Larry Wayne Pankey Jr., Private 1st Class Roberto C. Baez, Specialist Jacob T. Vanderbosch, Sergeant Bryan W. Large, Corporal John R. Stalvey, Sergeant Sean B. Berry, Petty Officer 2nd Class Brian K. Joplin, Private 1st Class Andrew D. Bedard, Lance Corporal Carl L. Raines II.

Madam Speaker, in the words of Abraham Lincoln, who wrote to the mother of five fallen soldiers in the Civil War, ''I pray that our Heavenly Father may assuage the anguish of your bereavement, and leave you only the cherished memory of the loved and lost, and the solemn pride that must be yours to have laid so costly a sacrifice upon the alter of freedom.''

I would also like to thank the brave men and women who continue to serve our Nation in Iraq, Afghanistan, and throughout the world, and serve their country with distinction and honor. Our thoughts and prayers and gratitude are with you and your families at this time until you return home.

Madam speaker, in case I mispronounced any names of any of the individuals, I apologize to them and their family. This brings us to little over 2,136 names read out of the 2,246.

STEEL TO SCHOLARS PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. RYAN) is recognized for 5 minutes.

Mr. RYAN of Ohio. Madam Speaker, I rise today to speak on a program back in Youngstown, Ohio in the Mahoney Valley, the old steel valley, called the Steel to Scholars Program. And this program was initiated by the president of our Chamber of Commerce, Tom Humphries. The intention of the program is to go into schools and school districts to set expectations and to highlight schools that are having success on the test scores that are mandated by the State of Ohio, and other test scores that schools take.

And I want to take this opportunity, Madam Speaker, to thank Tom Humphries for taking the initiative in recognizing the importance of education in our community.

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There is a lot that needs to be done in the field of education at a State level and local level and definitely at the Federal level. But I believe that the most important thing that the Steel to Scholars program accomplishes is that it sets goals, and it rewards and highlights positive behavior and positive achievements.

Madam Speaker, we recognize throughout society, whether it is in business or in education, that the level of success that any organization has or any school district has or any team has is directly related to the level of expectations that the community or the coaches provide and the bar that is there for the students to achieve.

Regardless of what we talk about, as far as what needs to be done for education, whether it is through programs, or after-school programs, or exactly what needs to be done, there is nothing more important than telemarketing high levels of expectation, not in any particular school district, but in all school districts, and that is what the Steel to Scholars program is all about.

The competition that we have in the United States of America and around the globe is more pronounced than it has ever been in the history of the United States of America. The competition is fierce. That is why tonight, Madam Speaker, we need to highlight the responsibility and the obligation of all of our citizens. Parents need to make it a personal mission to sit down and do homework with their kids; not some parents, all parents. Teachers and priests and pastors and the Chamber of Commerce and local elected officials all need to be there to raise that bar, to raise that level of expectation so that the kids, the students, will go out and try to achieve those levels.

If we look at what has happened in the past few years, just in the past decade, the local labor pool that used to be the United States is now the globe, and high-tech, high-value workers, are rewarded with high salaries.

I feel that the United States is not making the kind of investment that we need the make. Example: China, last year, graduated 600,000 engineers; India, last year, graduated 350,000 engineers; the United States, 70,000, and half of those graduates are foreign-born.

In high-tech output, total research and development investment, U.S. patent applications, in all three of these areas the Chinese have grown and closed the gap on the United States and are projected to surpass the United States in the upcoming years. The U.S. has lost world share in high-tech exports. If we do not recognize that we need to make investments in research and development, make investments in education, but at the same time demand from local school districts, local teachers, parents, local elected officials, there is no one that cannot be involved in this project. It will lead to the success or the failure of the United States in the next couple of decades. Everyone has a role to play.

Madam Speaker, I believe that the No Child Left Behind plan that passed this Congress needs to be fully funded. We need to make sure that those components of the No Child Left Behind program that allow for tutoring and math and reading that have shown great levels of success, those children who are tutored in math and reading through the No Child Left Behind program have increased their reading scores by 70 percent in some school districts, one teacher to six kids, but the funding needs to be there.

So we have the parents, the local community, the local elected officials, and groups like the Chamber of Commerce, and people like Tom Humphries all coming together to support these kids so that we can have a better economy in the City of Youngstown and in the old steel valley.

The SPEAKER pro tempore (Mrs. SCHMIDT). Under a previous order of the House, the gentleman from Arizona (Mr. FLAKE) is recognized for 5 minutes.

(Mr. FLAKE 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 Florida (Ms. CORRINE BROWN) is recognized for 5 minutes.

(Ms. CORRINE BROWN of Florida addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. HENSARLING) is recognized for 5 minutes.

(Mr. HENSARLING 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. DOGGETT) is recognized for 5 minutes.

(Mr. DOGGETT addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

2,000 U.S. SOLDIERS DEAD IN IRAQ

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WATERS) is recognized for 5 minutes.

Ms. WATERS. Madam Speaker, yesterday we reached a tragic milestone. Staff Sergeant George T. Alexander, Jr., of Texas, died from wounds he sustained while serving in Iraq. His death brought the U.S. death toll in Iraq to 2,000 soldiers. In addition to that, over 15,000 soldiers have been wounded, and over 400 are now amputees. My thoughts and prayers are with Staff Sergeant Alexander's family, and with all the families that have lost a loved one in Iraq.

However, I hope the administration will use this milestone as an opportunity to be honest, to square with the American people about why we are fighting in Iraq, and to develop a stronger plan that will secure Iraq and conclude our involvement the war.

Mr. Speaker, it is often said that to govern is to make choices. When it comes to the Iraq War, President Bush has made the wrong choices. Instead of putting the entire resources of the United States behind the efforts to find those responsible for the September 11th terrorist attacks, the President chose to use those tragic events as an excuse to go to war in Iraq.

Where is Osama bin Laden? Have we stopped looking for him? We have invaded Iraq. We have the shock and awe campaign. Thousands of Iraqis are dead, and now 2,000 of our soldiers are dead. We have left Iraq, and Baghdad in particular, in shambles. We have appropriated money for the reconstruction of Iraq, and we told the American people that we would basically pay for the major reconstruction with the proceeds from the oil that we would pump in Iraq. None of this is true; no weapons of mass destruction, no money coming from the oil fields in Iraq, no rehabilitation having been done. The insurgents not only are bombing all of the different sites in Iraq, they are killing schoolteachers.

We have created a breeding ground for terrorists. Oh, we claim they are coming from Syria. We claim that Iran has a hand in it. What is interesting now is Condoleezza Rice is telling us that we are going to get Iran to help us with Iraq. At the same time, Iran is developing and making more sophisticated its nuclear ability, but now we are going to try and join in with them to help us with Iraq? With this business of trying to make the American people believe that all of the insurgents are coming from Syria, we have created a new bogeyman for the people to focus on.

But that is not all about this terrorism, in this fight against terrorism. It seems to me that the President of the United States finds occasions by which he comes to the American public and he tells us that we have to be worried about a new terrorist threat. Every now and then he reminds us that the terrorists are still out there, and somehow we have to stay in Iraq. If we do not, we are going to be vulnerable to all of these terrorists. But if we stay the course, not only is he going to help keep us safe, no matter how many sacrifices we have to make, the right thing to do is to stay the course.

Mr. Speaker, that is easy to talk about and say when you are talking about somebody else's children. The President chose to go to war based on false and misleading intelligence. Look where it has gotten us. Look at the scandals surrounding the White House today because we tried to make the intelligence fit the decision that had already been made to go to war.

We are finding, and I guess we will know soon, once the indictments come down, who leaked the information about Valerie Plame and outed her because they were so mad at her husband, who had been sent to Niger to help put the story together that somehow Saddam Hussein had been seeking yellowcake in Niger. When Mr. Wilson came back and said it was not true, then they went after Mr. Wilson. Somehow the Vice President's office knows all about this.

Mr. Speaker, it is time to bring our soldiers home. It is time for Republicans and Democrats alike to understand that we do not need to lose another American soldier in Iraq.

He chose to go to war without international support or heed the warnings of those in Congress that urged him to slow the march to war.

The President chose to send our soldiers to war without the body armor and armored vehicles necessary to keep our soldiers safe.

And, he chose to go to war without an adequate number of troops or a clear plan for how to succeed in Iraq.

For those decisions, American soldiers are paying the price—and for 2,000 soldiers they have paid the ultimate price.

It is time that the President recognizes the dangers of "staying the course" and develops a plan that accomplishes our mission in Iraq and allows all our soldiers to return to their families.

Madam Speaker, over the past several weeks, members of the Republican Caucus have been trying to cut the Federal budget by $50 billion. They claim that it is to help pay for the rebuilding efforts in the wake of Hurricane Katrina and Rita.

Perhaps most shocking, the Republicans are trying to cut hundreds of millions of dollars from the Department of Veterans Affairs.

If the Republicans are successful in their efforts to cut discretionary funding by 2 percent, the VA's budget will be cut by more than $600 million which translates to nearly 100,000 fewer veterans receiving health care this year.

It is heartless and cruel to cut the VA's budget in order to make room for more tax cuts for the wealthiest of Americans, while 159,000 U.S. soldiers are fighting in Iraq and tens of thousands more are deployed throughout the world.

I urge my colleagues to oppose these cuts and urge the American people to call their representatives and tell them to oppose these cuts.

Our soldiers and their families have sacrificed too much for us to turn our backs on them when they return home.

Madam Speaker, I close by thanking our soldiers for their service and pray for their safe return.

WAR ON TERROR—PROGRESS IN IRAQ

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, the gentleman from California (Mr. HUNTER) is recognized for 60 minutes as the designee of the majority leader.

Mr. HUNTER. Madam Speaker, I take the floor tonight with my colleagues to talk about the values of freedom and the men and women who have, in very difficult places around the world, but especially in the warfighting theaters in Afghanistan and Iraq, have fought to change the world for freedom and, in doing so, to secure the United States of America, and to make us a more secure Nation, and to accrue to the benefit of generations over the next 10, 20 or 30 years.

I thought to talk a little bit about, especially following the speakers who have deplored our policy and condemned our policy in Iraq and Afghanistan, I thought it might be important to remind ourselves why we are in those theaters.

Madam Speaker, I brought tonight some of the citations for gallantry, gallantry that was carried out by American soldiers and sailors and airmen and marines in Iraq. I wanted to read one of those. Then I wanted to talk about what these soldiers and sailors and airmen and marines have purchased for the United States of America. I want to talk about the value of what they have done for our country.

This individual is Lance Corporal Aaron C. Austin. This is a commendation, a copy of a commendation, and a posthumous Silver Star medal, the Nation's third highest award for valor that was sent over to our office by the Secretary of the Navy. It talks about the incredible job that this young lance corporal, one of the guys who makes the Marine Corps work, that is an enlisted man just a couple of ranks up from private, but somebody who has taken a leadership position, who leads a fire team or a squad in places like Fallujah or Ramadi.

For conspicuous gallantry and bravery in action against the enemy as a Machine Gun Team Leader, Company

E, 2d Battalion, 1st Marines, Regimental Combat Team-1, 1st Marine Division, I Marine Expeditionary Force. That is a force that takes a very dangerous difficult area west of Baghdad.

This great lance corporal, in an incredible firefight in which they were attacked from many different directions, by dozens of rocket-propelled grenades, RPGs, attacked by thousands of machine gun rounds, and then assaulted to within 20 meters of their position, Lance Corporal Austin supported his fellow marines, 16 of whom were wounded in this firefight, ensured that they receive medical treatment, and then rallied the few remaining members of his platoon and rushed to the critical rooftop defensive position to withstand the attack. I am quoting, ''Braving withering enemy machine gun and rocket-propelled grenade fire, he reached the rooftop and prepared to throw a hand grenade. As he moved into a position from which to launch or throw this grenade, enemy machine gunfire struck Lance Corporal Austin multiple times in the chest. Undaunted by his injuries, and with heroic effort, Lance Corporal Austin threw his grenade which exploded amidst the enemy, halting their furious attack.''

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He did that with the last efforts of his body before he succumbed to that mortal wound.

By his bold leadership, wise judgment and complete dedication to duty, Lance Corporal Austin reflected great credit upon himself and upheld the highest tradition of the Marine Corps and the United States naval service. That is what Gordon England, Secretary of the Navy, said in this posthumous award of the Silver Star medal to this lance corporal, one of thousands of about 140,000 personnel who have been in the theater consistently over the last several years, accomplishing their mission in Iraq.

So we know that this lance corporal had incredible bravery, and I think following especially the speakers who have criticized this mission and said it is without value, I think it is important to talk about the value for this Nation that this lance corporal and the other hundreds of thousands of men and women who wear the uniform of the United States have delivered to us through their service to our country.

To hear the speakers who have criticized this mission talk, we somehow have created a terrorist enemy and an insurgent enemy that, because of our own fault, attacks America, and the way for us to hold off these attacks, to dampen these attacks, is to be suppliant and to do nothing and to be compliant, and somehow we have agitated and upset the enemy who otherwise would not be intending to hurt Americans.

I am reminded that when those planes hit the United States in 9/11, it was following two major military operations that this country undertook. Interestingly, we took them both on behalf of Muslim nations, protecting them from neighboring nations, from the attacks of neighboring nations.

One good question to ask the speakers who just finished was what did the United States do to deserve those attacks?

They further said, well, we did not find any nuclear weapons, other weapons of mass destruction, in Iraq, and, Madam Speaker, let me tell you what we did find and what the world found and what history will reflect to the end of time.

I keep in my desk drawer a picture of Iraqi Kurdish mothers holding their babies tightly against them as they lie dead where they fell on the hillsides in northern Iraq where Saddam Hussein killed them with weapons of mass destruction; that is, chemical weapons; that is, poison gas; the only leader, to my knowledge, since Adolf Hitler to kill his own people with poison gas.

Every time I hear a speech about how things would have been better if the Americans did not show up, I pull that picture out to remind myself that things only get better when the Americans show up, and sometimes it is lonely, and sometimes it is tough, and sometimes we only find a few of our really toughest, closest allies like the Aussies and the Brits standing side by side with us. Although we now have lots of people from those countries that we liberated, which Donald Rumsfeld refers to as the new Europe, people like the Polish troops, who are securing, taking part in the multinational organization, securing the southern part of Iraq.

Sometimes we have a difficult mission, but it is very clear to us since September 11 that if we do not change the world, the world is going to change us. For Americans who wonder why we have not been attacked over the last several years, why there has not been another September 11, one answer is that we have kept the bad guy off balance. We pursued them in caves, in mountains, at 12,000 feet high where they thought we would never get to them. We have gotten them in safe houses where they thought they were totally safe, and we have pursued them to places where they never dreamed we would be able to find them. Because of that, we have kept them off balance, and we have kept them in a position where it has been very difficult for them to organize another attack against the United States.

The idea that we can somehow pull back into the United States and not pursue this war against terrorism and everything will be fine is a very erroneous idea. The men and women of our Armed Forces who are undertaking this very difficult mission in Iraq are accomplishing the mission. The mission is of great value because we have discovered in this century that when we have brought freedom to countries, those countries have not been a threat to the United States.

We are not worried about the nuclear weapons in Great Britain's arsenal because Great Britain is a free nation. We are not worried about the nuclear weapons in the arsenals, for example, of France or Israel because they are free nations. But we are worried about nuclear weapons and the possibility of nuclear weapons being obtained by nations which sponsor terrorism and which are themselves tyrannical to their people.

Every time we establish a nation which is free, and it does not have to be a perfect democracy or a perfect republic, but a Nation that has a modicum of freedom for its own people, and which has a benign relationship, a good relationship with the United States, and which is not our enemy, and which will not be a launching point for future terrorist operations, then we have achieved something of value that will accrue to the benefit of future generations of Americans. That is what our troops are doing. Our troops are doing something which is worthwhile and which is good.

For my friends who read off very solemnly the names of dead Americans, please do not give the impression that their lives were given without value, without reason, without cause, because they were given as a result of a very important mission. They have given great value to our country, and we owe all of them a great debt of gratitude.

Madam Speaker, I have some other citations that I will read at a later time. I am just talking a little bit about these great men and women who serve our country in uniform, who I think agreed with the proposition that what we are doing in Iraq is the right thing.

What I would like to do right now, though, is yield to the gentlewoman from Tennessee (Mrs. BLACKBURN), because she has a few things to say about this issue, and then we have five or six other colleagues that I would like to discuss this very important American mission with. I yield to the gentlewoman from Tennessee.

Mrs. BLACKBURN. Madam Speaker, I thank the gentleman from California so much for yielding.

The gentleman from California (Chairman HUNTER) has done a wonderful job in leading in this war on terror and leading in securing this homeland and homeland security, which is right at the top of concerns of the American people. He is a true leader, and this House is fortunate to have him as chairman of the Committee on Armed Services. This country is fortunate to have his leadership on this issue.

Madam Speaker, over the last few weeks, I have noticed a change in the rhetoric, a troubling trend in the rhetoric. We have heard some of it here tonight, and it really saddens me when those that are opposed to an aggressive war on terror speak as they speak.

Increasingly we are seeing those that oppose the war downplay the importance of the war, or they are trying to minimize the seriousness of the sacrifice that our military is making. I find that very sad.

I do not know what the intent of those comments are. I dare not even venture to think what the intent of those comments might be that we are hearing from the far left in this country, and I certainly hope that they will reconsider those comments, but unfortunately, the message those on the left are sending is that we do not favor an aggressive war on terrorism and that we are not winning.

Madam Speaker, they could not be further from the truth, and I want to say thank you to all of these military families, especially the families whose family members the chairman is going to read those citations tonight, thank them for that sacrifice, thank these moms and dads who are here. They really are on the frontline in homeland security, these moms that are tending to children, the dads that are tending to children, while their spouse is deployed. Right here in this country, they are on the frontline. They are making a tremendous sacrifice, and we appreciate that.

My hope is that some of these families are watching tonight and will hear this, and I want to thank every man and woman who is in uniform, and I want them to know this. We are grateful and so thankful for their courage and their commitment. We believe that what we are doing in Afghanistan and Iraq, Guantanamo Bay and around the world, we believe in it. We believe in this mission, and we do not believe that the work in Iraq is in vain.

I would say this to them: Do not let anyone from the left or the right make you think otherwise. We believe in you. We know it is tough. We all know it is tough. Do we mourn each and every time we lose an American servicemember? Absolutely. It breaks our heart. Are there days when we think the sun will not shine on our mission? Absolutely. But Madam Speaker, we fight through those moments of doubt because we do not want our kids and our grandchildren to ever face another September 11. We do not want our kids to pay the price for inaction, and that is the price they would be called on to pay.

I could stand here and I could read through a list, all of my colleagues could join me in reading through a list, of achievements in Afghanistan and Iraq and not even begin to mention the other Middle Eastern countries, but I am not going to do that. It would take a long time. I could talk about how we are dismantling al Qaeda, piece by piece, every single day. I could talk about the fundamental change we are trying to bring to a region that has spawned terrorism for decades before we responded, but I know my colleagues are going to speak to that.

So I simply want to thank our troops and thank our families. I want to thank the men and women who are serving at Fort Campbell, the 101st Airborne, which is currently deploying. I want to welcome home from Iraq Tennessee's own 278th Regimental Combat Team of the National Guard. They are returning to their families and loved ones this week, and we welcome them.

To the families whose loved ones will not be coming home, you are in our thoughts and our prayers. Your suffering is one we cannot fully comprehend, but your sacrifice is never going to be forgotten. We thank you, we appreciate you, and we pray God will bless you.

Mr. HUNTER. Madam Speaker, I want to thank the gentlewoman, and I want to thank her for being such a great representative of those men and women who serve, particularly coming out of her National Guard unit and the 101st Airborne, a legendary division.

I might say to the gentlewoman that a lot was made of the movie Band of Brothers, a story of the 101st in World War II. Of course, we have referred to a lot of those people as the Greatest Generation, and indeed, they were a great generation. But in reading about the exploits and meeting with the individuals of the 101st Air Mobile Division, which today is, in fact, getting ready and going into the northern AO, a very difficult place, and having already served in Iraq, I think it can fairly be said they are the greatest generation. They are every bit as good and great and capable as the people that fought in the Battle of the Bulge and went up those cliffs at Normandy. We are very proud of them.

I thank the gentlewoman, and I would like to yield to the gentleman from New Hampshire (Mr. BRADLEY), who has been a great supporter of the troops and worked with us to put together a great defense bill this year.

Mr. BRADLEY of New Hampshire. Madam Speaker, I thank the gentleman for the opportunity to be here this evening.

When our troops go into battle, they are blessed to have a chairman who will fight for their body armor, who will fight for the resources they need to prevail in every fight in this war on terrorism, and the gentleman from California (Mr. HUNTER) has done that, bar none. You have made it your mission. You have sons that are serving in Iraq. Thank you for the service that you give.

Mr. HUNTER. Madam Speaker, do not go too far in praising me. My son did serve a couple of tours in Iraq, but just like lots and lots of other sons.

Mr. BRADLEY of New Hampshire. Madam Speaker, I think that is what is so important tonight, that all of us here, and I think most of us that are here to speak tonight, have been to Iraq. I have been twice, and I am struck, as I am sure you are struck, by the dedication of our soldiers. Let us face it, it is a difficult mission.

□ 2030

The sacrifice that is involved, a number of Americans have lost their lives or have come home injured. There is a sacrifice for their families. There is no question about that. But when I have gone there, the dedication, the sense of purpose and progress that our troops are making is noteworthy. It is something that I wish most Americans could see, because when we look at the television and see it on the nightly news, you do not get the full balance of the picture of the progress that is being made.

Yes, as I said before, it is a very difficult situation. There is a significant sacrifice that has to be made, but there is progress being made. The progress is our exit strategy. When our troops have successfully completed the mission, all of us, on a bipartisan basis, will be able to welcome them home to their loved ones and say job well done.

Let us look at that progress. I had the opportunity to go in November 2003 and in April 2005, and the difference was night and day. In 2003 there was hardly any Iraqi security forces. The Iraqi security forces now total about 200,000 and are growing every day. Their training is improving. Their ability to operate independent of our forces is growing.

Yes, we have to continue to improve upon the command and control structure and to make sure that they have all of the training and armament that they need, but we are making tremendous progress; and we are seeing it in the field as they are able to operate on their own and take the battle to the terrorists who are killing innocent women and children and Iraqi civilians indiscriminately. And the Iraqi security forces, a year from now or perhaps in that time frame, they will be fully trained, armed and equipped; and that is certainly significant, significant progress.

When I was in Iraq in April, we had an opportunity to meet with a number of Iraqi women leaders, and they told me, and these are Iraqi people, they told me they are doing a much better job protecting their country and their citizens. Yes, there is still work that needs to be done, but hearing that from Iraqi people was very noteworthy.

The other thing that is so important and we saw an example once again of progress is the steady march in Iraq toward democracy. The Constitution has now been ratified. It was a very democratic debate. The Sunnis in particular, many of them were opposed to it; but they went to the ballot box; and for the vast majority, it was a peaceful day. People voted. The majority of the Iraqi people, I believe it was nearly 80 percent, voted for the Constitution.

What that means now, in December, there will be another round of voting for a permanent parliament that will have to go about the business of continuing the reconstruction. But as democracy takes hold, more than anything else that, in combination with the Iraqi security forces, will be what enables our troops to be able to know that they have done a good job, they will be more ancillary. They will first be able to withdraw to certain secure bases and then be able to come home

with a job well done. That is the strategy that is in place. It is working. The number of Iraqi security forces is increasing every day. Their performance is improving, and democracy is gaining traction every day.

With those two forces continuing, our troops will be able to come home. We will welcome them home to a job well done. Once again, it is an honor and pleasure to be here and to work with the gentleman on this important mission.

Mr. HUNTER. Mr. Speaker, I thank the gentleman; and I am reminded also, as I look down through the last several days in October, in fact starting with October 2, Iraqi Army soldiers captured bombers in Fallujah; October 5, Iraqi troops found and cleared improvised explosive devices in Fallujah; October 5, Iraqi soldiers seized a large weapons cache hidden by anti-Iraq forces in a school in Ramadi; October 8, Iraqi Army forces detained a suspected Iraqi bomber in Fallujah.

As we go down the line, we see the accomplishments of this force, which is a young new force, because we did not want to use the senior officers of Saddam Hussein's military. We needed to grow a force from scratch from this population. It has been tough. It has been rough. But these great Americans in the 2nd Marine Division, the 101st Airborne, the 3rd ID, which is going to be replaced shortly by the 4th ID in Baghdad, and all the rest of these tremendous troops who are serving, as we realized after New Orleans, are people with great talents, great ingenuity and great creativity. They can not only carry the day in a fire fight; they can also carry the day in training other personnel.

The accomplishments of the new Iraqi military as it stands up and takes over these areas of responsibility, like Najaf, which previously was a very hot area, that is a reflection on the capability of our troops, an important capability, which is the capability to train others. And of course why would others not want to be like American troops, because they show the greatest characteristics and character of any troops in the world.

Mr. Speaker, I yield to the gentleman from Kentucky (Mr. DAVIS), who has a daughter with a birthday today. Because of that, we have moved him to the front of the queue, but also because he has a great background in the military himself and really works hard for the men and women who wear the uniform of the United States.

Mr. DAVIS of Kentucky. Mr. Speaker, as a fellow Ranger, I thank the chairman. It is a great honor to serve in this Chamber. I think the one thing that has been very humbling to me is the experiences I shared visiting many of my friends that I have known for 28 and 29 years, serving around the world, serving in Afghanistan, serving in Iraq; and I think that their story is never told in this Chamber.

Their story is very rarely told in the American media; and if it is told, it is told almost as an afterthought. The one thing I would share that my classmates from West Point, friends from when I served as an enlisted soldier, friends who are in command of units on the ground now in the theater, returned to the United States with one common feeling towards the American media and toward the left, and that is anger at a complete misrepresentation of what they are doing.

I think the thing that we need to understand very clearly is that the battle to defeat the insurgents in Iraq is not taking place in Baghdad. It is not taking place in Tikrit and Fallujah and Mosul and Ramadi. That is where the kinetic end of the business is; but the insurgents are desperate. If Abu Mosab al-Zarqawi and Ayman al-Zawahiri in Iraq and Afghanistan can make the clear statement that they see the center of gravity of this fight right here in the United States and right here in American public opinion and in the willingness of American citizens to simply accept a call to duty, that is so clear when the American people have the facts.

As I travel in my district and as I have traveled in this country, the one thing I find very clearly is if an American citizen has taken a moment to speak to a soldier or Marine who has served on the ground in Iraq or Afghanistan, they have a completely different opinion, a completely different opinion of what is happening.

I think the thing that is remarkable to me, and I remember when I first joined the Army, is that the members of the left mocked the military. I remember receiving the Hitler salutes and being called a baby killer if I showed up on a college campus in uniform. The thing that is remarkable to me and some of the deceit about the American left, and frankly some of the deceit I see in this Chamber when we talk about the greatest struggle that the United States has faced since the end of the Second World War, is now the American soldier, to their disgust, is being used as a human shield to attack their use in defense of this Nation and defense of our freedom.

To those on the left and my colleagues on the other side who go to great lengths to talk about how much they care about the American military, where were they when 18,000 American servicemen died between 1983 and 1986 during peace and war in the service to this country? I think your lack of an answer to that ever in the media speaks for itself.

When we talk about the success, I think it comes down to the fact that there is a political agenda that is driving this that has to do with taking America down at the expense of right. Moreover, I think that if we listen to what Abu Mosab al-Zarqawi and Ayman al-Zawahiri are really saying, they are more and more desperate, and ironically it feeds into the liberal media's desire to control the message in this country.

I recently met with an editorial board of a major newspaper. We got into this very discussion when I met with the soldiers of an airborne unit I deployed in the Middle East with, the 1st 508th Parachute Infantry, now in the 173rd Airborne Brigade. The national media did not want to cover their successes. They were looking for disgruntled troops and could not understand why 100 percent of those soldiers wanted to reenlist. It is very simple: they believe in the mission they see on the ground.

I brought this up with this editorial board about the successes of the 2nd Brigade Combat Team in East Baghdad that have totally neutralized that area, which was once very violent, working closely and receiving great support from the Iraqi people. In fact, the Iraqi people are moving more and more into the front lines providing intelligence, providing the needed information. They are in the fight.

This editor of a major American daily newspaper looked me in the eye and said, ''Geoff, car bombs are more sexy than opening schools.'' My heart broke when I heard that, because for the sake of a few dollars of profit, for a bit of readership, he chose to distort the very heart of what is happening in the world in the struggle that we face.

I would challenge those in this Chamber, as the left is selective, I would challenge those in this Chamber who want to talk about soldiers, and those watching on C–SPAN from around the United States, ignore the politicians. Talk to the soldiers, sailors, airmen and Marines. I would challenge that in every community in the United States of America, invite a Marine, invite a soldier who has been on the ground, who has been in the theater and served working with the Iraqi people and trained the Iraqi security forces, and who understands who an IED is, and that it is not some convenient means to beat up on the administration or to engage in partisan political attacks, but has lifted a friend who has put his life on the line out of a wreckage.

I would tell you to invite those people to talk to your Rotary clubs and your chamber of commerce, talk to the editorial boards of the local paper, and bypass these people who are bent on one thing, which is deceit of the actual mission, or a complete cultural misunderstanding of what is happening, and share those successes as we hear over and over again from the troops on the ground in every unit that comes back. There are is lack of recruits for the Iraqi security forces, and our units in combat are reenlisting at rates of 100 percent, and it means one thing: they believe in the mission. They see the success. They understand the seriousness of this fight; and ultimately they care about us in this Nation enough to serve.

I thank all of you men and women who are serving on active duty right now who have accepted the call to duty. My prayer is that this Nation

will rise up, that citizens all across this country will rise up on the east and west coasts and in the heartland and will accept the call to duty that we have as a Nation and this generation to protect the foundation of our freedom, to finish this job and to have the forces of tyranny and suppression of truth know once and for all that they cannot prevail.

That is why they will not fight us in the street. They seek to win in American public opinion in the media or in criminal attacks against innocent civilians.

With that, I thank the troops for serving. I thank my colleagues for having the courage to stand in this body and point the truth out, to cut through the political rhetoric. I challenge those in the media to cover the truth of what is happening and to bring our soldiers and our Marines' stories into the forefront so the American people get a true perspective.

Mr. Speaker, I thank the gentleman from California for allowing me to speak tonight.

Mr. HUNTER. Mr. Speaker, I thank the gentleman for his statement and for his service and for all of the wonderful people that he represents.

I add my thanks to folks that wear the uniform. They are our very best citizens.

Mr. Speaker, I yield to the gentleman from Fort Benning, Georgia (Mr. GINGREY), who has done such a wonderful job on the Armed Services Committee and then moved on, but still has us in his heart. I thank the gentleman for all of the help that he gives.

Mr. GINGREY. Mr. Speaker, first of all, let me thank the chairman for allowing me to be a part of this special hour and be with my colleagues. I am humbled from just listening to the remarks of the gentleman from Kentucky who just spoke and others.

Mr. HUNTER. Mr. Speaker, if the gentleman would yield, I just wanted to thank the gentleman from Kentucky (Mr. DAVIS) as he goes out the door because I know he has his beautiful daughter, Hannah, with him tonight. It was good of Hannah to come over and to watch Dad and delay her birthday celebration for a little bit.

Mr. GINGREY. Mr. Speaker, I had the great opportunity to visit Iraq on two occasions: in December of 2003, five days after the capture of Saddam Hussein, and then again in February of this year with my colleagues on the Committee on Rules. I want to say what I noticed in Iraq, in the theater of operation, was I met soldiers' soldiers and I met commanders' commanders; and I want to say, too, that the gentleman from California (Mr. HUNTER), the chairman of our Committee on Armed Services, is a chairman's chairman. It was said earlier by other speakers the sacrifice he made himself while serving in Vietnam, and his sons now serving in Iraq.

This is the kind of support that we need to show and let those young soldiers who are over there right now, maybe some of them are having a needed break, an opportunity to get out of harm's way and possibly watching the deliberations that are occurring right here this evening as we praise them and give them our support.

□ 2045

In the previous 5-minute litany that we heard from the other side, I think it was just the opposite. It was a little sad to hear them read names and then condemn the Commander in Chief, to condemn the cause.

And, Mr. Speaker, I would like to throw out a couple of names of young soldiers that gave their life in Iraq. I could mention Specialist Justin Johnson from Armuchee, Georgia, just 2 years out of high school. His dad, Joe Johnson, actually is in the Reserves now serving, activated, asked to be activated, and yet he gave his son in the ultimate sacrifice.

First Lieutenant Tyler Brown, president of the student body at my alma mater, Georgia Tech, had an opportunity to be in Arlington in the Honor Guard. But, no; instead he chose, he asked, to go to serve in Iraq, and, 2 weeks after he arrived there, was killed by a sniper. President of the student body at Georgia Tech just 4 years ago. I think of his family. I think of his mom and his dad and his brother and his sister.

I think of Command Sergeant Major Eric Cooke, who at age 43, after 19 years of service and four combat tours of duty, 1 day after I met him that first time in December of 2003 that I went to Iraq, on Christmas Eve, he gave his life by sitting in that seat in a Humvee so that one of his soldiers could get some needed rest.

That is the kind of men and women that I want to honor and remember here tonight as we talk about these great patriots that are serving us so well.

Mr. Speaker, I think it is all about one thing that we can remember. Those of us who are not veterans, those of us who are veterans, no matter what war we are talking about, and this country has been through a few in the 235 years of our history, the soldiers, particularly those who have given their lives in combat, they do not want us to forget. They do not want us to forget. That is all they ask of us.

And I am often reminded of that poem that was written by a Canadian physician serving with the Allies in World War I in Flanders, Belgium, when his buddy gave his life in combat. He wrote a poem, a tribute to him, and that is the great poem that we all know called ''In Flanders Fields.'' I will try to recite it, Mr. Speaker. I might not do a very good job, but it goes something like this:

In Flanders Fields the poppies blow
Between the crosses row on row,
That mark our place; and in the sky
The larks, still bravely singing, fly
Scarce heard amid the guns below.

We are the dead. Short days ago
We lived, felt dawn, saw sunset glow,
We loved and were loved, and now we lie
In Flanders Fields.
Take up our quarrel with the foe;
To you from failing hands we throw
The torch; be yours to hold it high.
For if ye break faith with us who die
We shall not sleep, though poppies grow
In Flanders Fields.

That little poem that Dr. McCrae wrote in World War I, of course, is a very famous poem today, and it just says one thing, Mr. Speaker. It says, do not forget us. We died for our country. No matter what the cause, even if you do not agree with it, as we hear from the other side tonight and other times on this floor, we have got to remember the sacrifice, otherwise these 2,000 soldiers who have given their lives, and four times that many who have been injured, will indeed have died in vain. We will have forgotten them. We will not have taken up that torch that they are passing to us and they are asking us to hold it high.

That is our obligation. We do not necessarily have to be veterans, combat veterans, like the gentleman from California (Chairman HUNTER) or the gentleman from Kentucky (Mr. DAVIS) or the many men and women, too. And I think of the gentlewoman from New Mexico (Mrs. WILSON) and others who have served in this country. We are all serving. And I do not question the patriotism of the people on the other side until I hear them talking about the Commander in Chief and saying that he lied to the American people and that we did not need to be there, that we struck first. How quickly, Mr. Speaker, how quickly they forget 9/11.

God bless our troops. God bless the gentleman from California (Chairman HUNTER). We are behind them 100 percent, and we are winning, and we will continue to win and bring these soldiers home safe with a victory in hand.

Mr. HUNTER. Mr. Speaker, reclaiming my time, I thank the gentleman for a very eloquent statement. And I would just protest to my colleague that I did absolutely nothing special in Vietnam, and these guys and women who are serving in Iraq are real heroes and have performed extraordinarily.

And I thought that was a very fitting recitation of Flanders Fields because the last line that the gentleman recited where the soldier says, take up our quarrel with the foe and do not fail us, was forgotten several times in this last century because we came out of World War I, the war that was supposed to end all wars, was so horrible we could not envision having a successor to World War I, and we let our guard down.

And when we got into World War II, we found that we had neglected our Armed Forces, and it took an incredible build-up and lots of casualties before we had the industrial might of the United States and all of our population working and about half of them under uniform and pushing back on the Axis powers. And then we demobilized so

quickly after World War II that when somebody asked General George Marshall how the demobilization was going, he said, It is not a demobilization; it is a route. We are throwing our weapons away.

And because of that we had a third-rate nation, Korea, push us down that peninsula in 1950 and almost pushed us into the ocean before we rallied and came back up to what is now the DMZ.

And we went through other fluctuations where we forgot that the admonition in that poem from people who gave their lives was to be strong and to fight for freedom and not to give up what we had. And we now realize that in this war against terror, we have to be strong, and we have to be forward-leaning because if we let the terrorists have safe haven like they had in Afghanistan where they could assemble their operations, where they could do their training, where they could gather their allies and have a platform to operate from, then we now know they could strike into America with that assemblage of capabilities. And that is what we are trying to deny them.

And if we can have an Iraq that has a modicum of freedom, and we are not threatened by free nations, and has a good relationship with the United States, and will not be a springboard for future terrorist operations, that is going to be good for generations of Americans especially in this neighborhood.

So it is an important thing that we are fighting for. It is a value. And the troops who have achieved this for us and are pushing forward with this mission are of value, and I think that is the essence of what the gentleman just said very eloquently, and I really appreciate his statement.

Mr. Speaker, I now yield to the gentleman from Texas (Mr. CONAWAY), who has been a stalwart on the committee and really cares about the soldiers.

Mr. CONAWAY. Mr. Speaker, I thank the chairman for yielding to me.

It is an honor to serve with him on the Committee on Armed Services. Of all the committees in the House, if our country is at war, there is not a better place to serve if one is too old to do anything else. But this is a great committee to serve on. He leads this committee well, and it is a great honor for me to learn this business, working with him on that committee.

I went to Iraq in July, and I want to talk a little bit about that. I grew up in west Texas. It is an arid desert. As we drove around some of the places in Baghdad and Kuwait, the territory, the scenery was remarkably similar to west Texas. I grew up where summers were hot, and the weather was bad, and the heat and blowing dirt, dust storms sometimes so bad that the street lights would come on at 2 o'clock in the afternoon. So I am a reasonably informed consumer about hot, bad weather.

I got off the C–130 in Baghdad on that July day and stepped out into the meanest, nastiest weather I could have ever imagined. It was so much worse than anything I had ever experienced in west Texas. And we have got the finest group of young men and women, and some not so young, leading this country's fight in Iraq against the terrorists, doing an incredible job.

I found a group of men and women whose morale was incredibly high. They knew they were doing the right thing. They knew they were well equipped. They knew they were well led. They knew they were doing a job that has to be done to protect this country. And they are accomplishing great things.

The other side, it is almost as if they have got their fingers in their ears and their hands over their eyes because they do not see this march to progress that we are doing. The elections last week that we got the official word yesterday 78 percent of the country voted for this Constitution, an Iraqi Constitution, not an American Constitution but an Iraqi Constitution. The march, the votes we have had, the votes we will have in December. We are making progress.

The stories that are not told is the electricity that is flowing, the commerce that is going on, the health care system that is reemerging, the stock market that is reemerging. All these good things that happen in this country get ignored, and it is partly our fault because we are not doing a very good job. Ever since I have gotten back from Iraq, every speech I have made, every talk I have given, I have included a piece of why it is important that we stay the course. And I hate to use that phrase. Let me rephrase that: that we finish this job, that we do not break faith, as our colleague just mentioned, with the young men and women who have led this fight.

Liberty is not cheap. It comes at an incredibly high price. It is easy to be a hawk, but we hawks ought to know the cost. Every one of my colleagues has been with me and others to Walter Reed and to Bethesda to go out there and hug the necks of those young men and women whose lives are forever changed, in some instances in a blink of an eyelash, to hug their necks, to thank them.

I have had three casualties since I have been elected. The first was a young man that was killed in November of last year, Brian Baker; another young man killed this summer, Mario Castillo; a young man who was killed from Odessa. I go see those families. There is nothing one can say. One cannot make the pain any easier, but I go hug their necks and tell them thank you, thank you on behalf of the country for their sacrifice.

I was sitting that evening with young widow Amy Baker, pregnant with twins who would not see their dad. It is a high price we are paying, but liberty is not cheap. Through that crushing grief that only a young widow can feel, she looked at me with tears streaming down our her face and she said, You make sure you tell President Bush to finish this fight. Do not let Brian have died in vain. Do not, in effect, break faith with Brian, because he knew he was doing the right job. He knew he was there getting something done.

The gentleman mentioned earlier the ''greatest generation,'' and it was. My dad is in that generation. He fought World War II. He fought in Korea. And they accomplished great things. But the men and women who have done this fight in Afghanistan and Iraq can lay claim to having freed over 50 million people. We can argue about weapons of mass destruction and why we got where we are and all that kind of stuff, and there is a place for that. Let us do that. But at its core, they have freed 50 million people. Twenty-five million people in Afghanistan have gone to vote, created a democracy there. It is not perfect, but they are free today. They were under the Taliban, one of the most horrible regimes we can imagine, where the women were chattel. If I did not like something my wife did, I would just cut her head off, slit her throat, and let her die on the side of the road. They are no longer in charge over there; Karzai is. And a democracy is emerging there.

Twenty-seven million people are free in Iraq today, out from under the jackboot of Saddam Hussein, arguably the most ruthless, cold-blooded killer of any generation. He is in jail on trial for his life, as he should be.

So let us do not lose sight of the fact that we have accomplished great things, and we will stay in Iraq and get this job finished.

Let me close with a story in Afghanistan. We went from Iraq to Afghanistan, and we went out to a forward operating base, flew out of Kabul on a Chinook helicopter for about an hour, across a landscape where the way of life had not changed in 1,000 years: nomadic herders, tents, mud huts, sheep, those kinds of things. We landed in this forward-operating base, and this lieutenant colonel in charge there told us this story about they were on patrol one day, mounted in Humvees, and they were going down this dirt path because there are no paved roads in this part of the world. A young 10-year-old boy comes running out of a village that they were approaching, waving his arms and screaming and hollering, trying to get their attention. They stopped and waited for him to get there. And he breathlessly told them that the bad guys had come the night before and put a bomb in their path just ahead of that Humvee.

□ 2100

So our guys dismounted, got out there. Sure enough, there was a bomb, bad enough that it would have killed everybody in that lead Humvee. They disarmed it. And as they were getting ready to proceed, the lieutenant. colonel asked that young man, why did you risk your life to come tell us this, because obviously you are a marked individual now for having helped the other

side. The 10-year-old little boy, in that innocence of youth, simply looked at him and said, well, when the Americans came, I got to start going to school.

So the anecdotes are full of these types of stories all over the place, what wonderful things our country has done on behalf of these people in Afghanistan and Iraq. It has come at a high price, but liberty always comes at a high price; to get it originally and to keep it comes at a very, very high price.

I want to thank each one of those moms and dads and husbands and wives and children tonight who grieve over the loss of a loved one, who grieve over the injury of a loved one. I thank you. It sounds awful trite and there is not much more we can do, but each one of us who expresses it does it from the absolute core of our being, to tell these families thank you so very much for your sacrifice.

Mr. Speaker, I thank the chairman for letting me participate tonight. I appreciate that. God bless each and every one of our men and women in uniform tonight, wherever they are serving, whatever their responsibilities are, and particularly bless their families as they make sacrifices that most of us do not have to make, that we are not called upon to make.

So we simply want to make sure that every single day somebody somewhere thanks them and their loved ones for their service to this country. God bless each one of them, and God bless this great United States of America.

Mr. HUNTER. Mr. Speaker, reclaiming my time, I thank the gentleman, and I just want to echo his comments.

I am looking at what our young men and women are doing. The gentleman mentioned the Greatest Generation, and they did great stuff in Normandy and Bastone and Guadalcanal and Iwo Jima. And we had wonderful people, wonderful troops in Vietnam.

The gentleman said I was a combat soldier. Compared to these guys, I was not a combat soldier. I had an easy tour in Vietnam. And compared to what these people went through, these young people who drove that iron spear up into Baghdad, who were told when they were going, and Tommy Franks testified before us on the Committee on Armed Services, General Franks testified that they heard on the radio back and forth between Saddam Hussein's commanders, ''Get ready to use the special weapon,'' and they thought that was nerve gas, those young people were moving ahead into what they thought was a nerve gas battlefield, and they moved ahead.

And this maelstrom of IEDs, these remotely detonated devices, which are very deadly, very tough, all of the conditions that they have gone through and fought through, the massive dust storms, the ambushes and that intense heat that the gentleman from west Texas interestingly mentioned, that makes them, in my estimation, as good as the Greatest Generation, and from my point of view, the Greatest Generation are those folks that are over there right now.

I appreciate the gentleman for his support for these people. We will keep on working. I know we will finish this mission, and we acknowledge the value of those men and women who have carried it to date.

Mr. CONAWAY. Mr. Speaker, if the gentleman will yield further, let me say one more thing, if I might, and the gentleman said it already. A free Iraq, an Iraq that is at peace with its neighbors is no longer a sanctuary for the bad guys, will make the Middle East a safer place to be; and by extension, this country will also be a much safer place, as will the world.

So I agree with the gentleman's assessment, and we will finish the job.

Mr. HUNTER. Mr. Speaker, reclaiming my time, I would like to yield the balance of my time to the gentlewoman who has organized and led this Special Order, the great gentlewoman from Virginia (Mrs. DRAKE), a great member of the Committee on Armed Services. She has waited until last, and she is our cleanup hitter. I yield to the gentlewoman, and I thank her for her great work and her trips to the warfighting theaters.

Mrs. DRAKE. Mr. Speaker, I would like to thank the chairman for organizing this tonight, and I would also like to thank the gentleman for giving me the privilege of leading a Committee on Armed Services trip to Iraq at the very end of September-early October. It was my very first trip.

We flew into Kuwait City and landed there on the airstrip to take a C–130 into Baghdad. There on that airstrip, I had my very first conversation with one of our soldiers. As I spoke with him, he looked at me and he said, Ma'am, I know what I am doing, I know why I am doing it, and if I have anything to do with it, there will never be another attack on our Nation. He said, So don't worry about me, just pray for me. And he picked up his gear and he walked away.

As we got on that plane, I had another conversation with one of our military members who was assigned to that C–130. He told me his enlistment was almost up, but when he got home he was going to join the Reserve unit in his home area. And he said to me, You know, I won't be coming back here anytime soon, because in that Reserve unit, everyone volunteers to come to Iraq, and I won't have a turn to come back for some time.

It hit me right there before we ever left Kuwait City that, first of all, these are volunteers who voluntarily join our military, and many of them volunteer to go to Iraq or to return to Iraq.

That evening, we had dinner with our troops in Baghdad. A young woman from Virginia looked me right in the eye, and the first thing she said was, Why aren't our elected leaders telling America what we are doing? I told her that I already had determined that, that we had done a very poor job of telling the American people what they are doing over there, why they are doing it, the threat to America if they do not succeed, and the great success stories that they are having there. And I promised her that we would tell their story here in America.

These people know why they are there. They know what they are doing. But their question, these American heroes who are serving for us, their question is, what are the American people thinking and what are they saying?

That gave me the opportunity to tell them the stories from back home. To tell them about a cab driver in Phoenix, Arizona, that I met this summer who told me he is from Iraq, he has been here 16 years, he has family there, and he goes back on contract to help train the Iraqi troops. When he realized I was a Member of Congress, he stopped the cab, turned around and said, Will you please thank the American people for me for what you have done for Iraq? He said, You people work harder than anyone I have ever seen. He said, I don't think you even sleep, and you are doing it all for us.

I told them about a presentation at Sea World this summer before Shamu came on that was the commercial from the Super Bowl, where our troops walk into an airport in their camouflage and everyone stood and clapped. And I told them how the audience when that presentation was done, they were standing, they were clapping, they were cheering and they were crying. Of course, I said to my daughter, And you thought you were in the minority.

What I will tell them next time is what happened in Shannon, Ireland, on our way back, and a group of Marines walked through the airport in their camouflage and everyone stood and everyone clapped for those Marines in Ireland.

But I also told them that I believe that their generation will also be named. We have talked a lot tonight about World War II, and they are being named the Greatest Generation. I truly believe history will name them; and I have decided until history does, that I am going to call them the Freedom Believers.

We saw the success of what they are doing there. We met with units that work with IEDs and the EOD unit, that they are able to find and disarm and blow up a lot of these bombs. We met with the 42nd MP Brigade.

We toured that base in Baghdad, and then we flew to Balad Air Base. In that 60-mile trip, flying very fast and very low in an Army helicopter, what we saw were green agricultural fields. And those fields, the people that were working them were waving at us in the helicopter. When I commented on that when I reached Balad to General Frank Gorenc, he told me that happens all the time. We toured the hospital there, and we saw that we not only treat Iraqi civilians who have been injured; we treat

the insurgents or the terrorists themselves that are doing this damage there.

These young men and women and those commanders know the success that is taking place in Iraq. They know that Saddam Hussein did not maintain their infrastructure there, that there was much deferred maintenance, that there was also deliberate destruction that was caused by sabotage and looters.

But USAID is hard at work in Iraq. They have a publication that they have done which talks about the improvements they are making to the infrastructure, the 2,500 schools countrywide that have been rehabbed, over 32,000 teachers and administrators that have been taught, $20.7 million in grants to create partnerships between U.S. and Iraqi universities, 200 USAID missionary personnel there at work, and over 80,000 Iraqis at work in sectors throughout the country.

These young men and women also understand the threat to the Nation. This shows our having dinner in Baghdad. This is in Qatar as we were leaving with the military men and women we met there.

But these young men and women and the commanders understand the threat to the world. We all know that Osama bin Laden made an edict in 1998, and he said, ''Anyone who believes in Allah is to find Americans and to kill them.''

What this map shows in green is their immediate goal. We have all heard and read Osama bin Laden's words and their mission to take over the entire world. None of us can believe that. This is their current goal. In the very bottom corner is their goal in 100 years, and when you see that in color and you see that their entire goal is not a little country in the Middle East, their goal is the entire world, it makes you understand that they are at war with civilization.

We as Americans, some of us think that Iraq is a local conflict. Iraq is the centerpiece of that puzzle, of that very much bigger plan of the people who would go after you and I if they had the opportunity.

It is difficult for us as Americans to understand that and to understand the threat. They have no tanks and they have no planes. They use our things. They use our planes. They use our subways. Their target is not the military; their target is us. It is only the military right now in Iraq.

Our military men and women know that there is no option but to fight this war and to win, not only for Iraq, but for us as well. And they know about the spread of freedom. They are the Freedom Believers. They know the spread of democracy in the Middle East makes this a safer world for all of us. What they want is for the American people to understand that, and I thank them for their service.

Mr. Speaker, I thank the chairman for arranging this tonight.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. WESTMORELAND). The Chair must remind Members that remarks in debate should be addressed to the Chair and not to others in the second person, including persons who might be guests of the House.

TRIBUTE TO ROSA PARKS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, the gentleman from Alabama (Mr. DAVIS) is recognized for 60 minutes as the designee of the minority leader.

Mr. DAVIS of Alabama. Mr. Speaker, I thank you for letting me claim the time for my colleague, the gentleman from Michigan (Mr. CONYERS), who I trust will join us tonight.

Mr. Speaker, several of my colleagues have gathered to honor an individual who was one of the legendary Americans of the last century. She was named by Time magazine as one of the 100 most significant people of that century. She was honored by President Clinton as a winner of the Presidential Medal of Freedom, and she has been honored by numerous organizations all over this world and all over this country. Her name was Rosa Parks. She was, of course, an icon of the South, an icon of the country, and she was called home to her maker just last week.

She will have two memorial services. One we understand will be in Detroit, Michigan next Wednesday, one in Montgomery, Alabama, this coming Sunday. Two communities, Montgomery and Detroit, will do their best to make a statement on behalf of this extraordinary woman; and I thank the House for giving us this hour to speak to her role tonight.

I wanted to begin by hearkening, if I can, back to Montgomery, Alabama, in 1954. Montgomery, Alabama, happens to be the city where I was born in 1967, it happens to be the city where my mother was born, and my grandmother came to that city in 1931.

I still remember them telling me what it was like to sit at the back of the bus. As those who know history remember, that was not simply a Montgomery phenomenon; it was a Southern phenomenon. The practice of making black Americans sit in a certain place in the bus, the practice of making them yield their seat was carried on in a number of Southern cities; but I remember hearing the stories about Montgomery.

□ 2115

My mother and my grandmother never liked the stigma of segregation. They were not happy about it. But, like so many people their age and generation, they just took it as being part of the overlay over the land. They just took it as being part of the atmosphere of living in the South. And, like so many other people, they went on about their business, hoping for a better world, but not knowing when or if it would come.

And then all of a sudden this extraordinary woman named Rosa Parks, who was in her mid-40s at that time, decided that she would rise up and say ''no'' to this system of segregation. One day in late 1954, she resisted the order, she resisted the command to get up and to yield her seat. The world has never turned back from that moment. All of a sudden, people like my mother and grandmother were freed. But the interesting thing is that white Americans and white Montgomerians were freed as well, because all of a sudden, from that day forward, or maybe, more accurately, from the day that the moment succeeded and won concessions from the white power structure in Montgomery, we reached a point where people were free to sit together. That might seem like a quaint thing to those of us in 2005, but the sitting together led to talking together, led to reasoning together, and led to people accommodating each other. It led to people one day getting to the point that they could understand and build one solid and one stable community. That was the legacy of Rosa Parks.

As a number of my colleagues will point out tonight, we would do well if we understood exactly why segregation thrived for so long and what it was meant to do. It was never just meant to be a symbol. It was never just meant to be a code of laws; it was meant to be a stigma. It was meant to say to a certain group of people, you are not like the rest of us. You are not like us. You are different. You are worse than we are. It was meant to confer a badge of inferiority. And I think that the hope of segregationists, the hope of the supremacists was that these people who were being stigmatized might slowly but surely lose their confidence and slowly but surely buy into all the myths and all the hatred about them. That is why segregation thrived for so long.

Well, when Rosa Parks stood up by sitting down, when Rosa Parks refused to move, it was a triumph of the human spirit. It was a triumph of all people who yearn for some measure of freedom and dignity in their lives.

I hearken back to the last conversation, Mr. Speaker, the Special Order that happened before this. Our colleagues on the other side of the aisle talked about the adventure in Iraq right now and talked about the dawning of freedom in that territory. I am reminded how recent is that experience in this country. As we go around the world speaking on behalf of freedom, I am reminded tonight of how fresh and how recent is that experience here.

I think we ought to speak to another woman: Vivian Malone Jones. Vivian Malone Jones was another trailblazer like Rosa Parks. At the age of 20, she was the first African American to attend the University of Alabama and to stay there, and, at the age of 23, she

was the first African American to graduate. It so happens the incredible irony of history that she died last week at the young age of 63.

I remember going on campus at the University of Alabama just last week to speak at a memorial service for her and to see students, black and white, people from the power structure of Tuscaloosa, people from all over Tuscaloosa gathering together to honor her sacrifice. I am reminded, Mr. Speaker, of a cover of Newsweek Magazine in 1963. It showed Vivian Malone Jones, who was a very beautiful young woman, it showed her standing there on the campus, and beneath her image was the anonymous quote: ''We owe them and we owe ourselves a better country.''

Mr. Speaker, I would submit that the Vivian Malone Joneses and the Rosa Parkses, what made them such icons, what makes them icons to us now, is the fact that they challenged us. They made us believe that we owed them a better country, and they also made us believe that we owed ourselves a better country.

One of the last points that I will make tonight is that there ought to be a challenge in this for us, because not only do we owe their successors a better country, we owe the people who are wounded in America, who are coming back from Iraq, a better country. We owe the people who are working every single day, striving to earn a living and falling just short of the water's edge, we owe them a better country. We owe the children who are sliding into poverty in this country a better country and a better vision. That is what we have to understand.

This legacy of civil rights, this history of individuals rising above oppression and segregation is a long-running theme in human history. The story of people standing up against oppressive systems and asserting their dignity is a long-running theme in human history. It is a theme of courage, and it is a uniquely American theme.

So as I prepare to yield to some of my colleagues tonight, I will simply make these two final points. I am very proud to be from Montgomery, Alabama, very proud to be a son of this modern South, because every day that we build bridges of reconciliation, we pay our own tribute to Rosa Parks. Every day that we find a way to exist across racial lines, every day that we find a way to transcend new boundaries, every day that we find a way to make better the lives of all the people who live in our community, we pay a silent tribute to Rosa Parks and to Vivian Malone Jones, and we ought to remember that.

The final point that I will make is simply, once again, to talk about the power of individual choice. I heard one of my colleagues on the other side of the aisle talk about the enormous courage of our soldiers in Iraq, and it is such a thing that inspires us, their courage. Well, there is a common theme between what they do and what Rosa Parks did. It is believing that there is a higher cause that can sustain you, just as our soldiers believe when they get up every morning and face the bunkers and the missiles and the grenades, they believe that there is a higher cause that can sustain them. So did Rosa Parks. When she sat on that bus, she believed that there was something beyond her mortal existence, and that moved her.

The last thing I say today is that our country can be moved if we simply understand the power of individuals asserting their dignity, if we put enough of a foundation beneath them so that they can live their destinies.

With that said, I am very happy to turn over the management of this Special Order to my colleague, John Conyers from Michigan, who employed Rosa Parks for a number of years, someone who was a friend of hers, and someone who has been an advocate for many years now, almost 40 years now, in this Chamber for so many progressive causes.

REMEMBERING ROSA PARKS

The SPEAKER pro tempore (Mr. WESTMORELAND). Under the Speaker's announced policy, and on the designation of the Minority Leader, the balance of the hour will be controlled by the gentleman from Michigan (Mr. CONYERS).

GENERAL LEAVE

Mr. CONYERS. 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 subject of this Special Order.

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

There was no objection.

Mr. CONYERS. Mr. Speaker, I want to thank my colleague from Alabama (Mr. DAVIS) whose district I had the pleasure of being in, and with him, only a few days ago.

Mr. Speaker, this is a sad moment for me. The truth of the matter is that we have known that Mrs. Rosa Louise Parks had been in poor health; that frequently we would ask, how is she doing this week? Is she any better? How are things going? And now that this moment has come 2 days ago, we still cannot accept this reality of this dear, powerful, gentle lady going to her reward after 92 years of being with us on this Earth.

She has been regarded as an ordinary person, as an example of what an ordinary person can do in our system. But I am not convinced that she is an ordinary person, because I have seen her at very close range. The fact of the matter is I believe she is an extremely extraordinary person because of these two qualities. First of all, she was a gentle lady. She was soft-spoken. She had never in the years I have known her ever raised her voice in anger. She did not debate anyone. She was a very mild-mannered person. She never sought the limelight. She never, ever issued a press release. She never sought awards or commendations. Yet she received more than most people do in this world that we live in.

So that was this one aspect of her, but there was another. There was inside her forged a set of principles of which two were very prominent in terms of my analysis here this evening. One, she was a very religious woman. She attended church with great regularity, but, more than that, she worked in the church. She helped out. She was there during the week. And combined with her religious convictions was this fierce antipathy to segregation. And I do not know how many people we can think of that combine these two kinds of characteristics, soft spoken and humble, and yet fiercely prepared, in a nonviolent way, to fight segregation.

So she came to this activity not as something that she just happened to get into or that she moved one day, she did something different; she had always been an activist in Alabama. She was a member of the NAACP, she was always the first to sign the membership card, and it is hard to remember that this could be the case, but in the 1940s, being a member of the NAACP in the South, and publicly acknowledging it, was a very daring and courageous move in and of itself.

She subscribed to the theory of nonviolence. So when, on December 1, 1955, she decided that she would not give up her seat on a public bus in Montgomery, Alabama, some thought that was the first time that she had ever done it. But to the contrary, previously she had refused to give up her seat, but she was ordered off the bus. She had never been arrested. And so this time they told her, you will be arrested, you are going to be arrested.

□ 2130

And she said, I am not giving up my seat. You can do whatever you want. And so we marched into this great history.

Now, I wanted to point out that she was the one that brought Dr. Martin Luther King, Jr., into the civil rights movement. Martin Luther King, Jr., was at that time 26 years old, and he was called in to come after she had been arrested; and it was decided that everyone was going to boycott the buses as a result.

And so it is ironic that she had this role in addition to restarting the civil rights movement in America. She brought in the person who would ultimately lead it at the same time.

I am sure Dr. King may not have been thinking about his future and his destiny, and I am sure that Mrs. Parks could not anticipate what this one move was going to mean. And so I am very happy to tell you that I had the opportunity to meet her, to know her before she came to Detroit, and what a blessing it was to find out that she ultimately with her husband left Montgomery.

Why? Because she wanted to go somewhere else? No. She was fired from her job. She was black-balled. She could not get employment. And she and her husband and family were receiving death threats regularly. So they decided to relocate with relatives that were in Detroit, and so it was my good fortune to be able to get to know her.

She joined in my campaign. I said, the first person I am going to ask to be on my congressional staff when I get elected would be Rosa Parks. And I asked her to join my staff. She did not ask me for a job. I asked her to please come and join me, and it was a great source of pleasure and delight that she was a minor celebrity.

People came to my office to see not the Congressman on a constituent basis, but merely to get a picture of Rosa Parks or get a signature or ask if they could talk with her, and she was as accommodating with them as she was with everybody else.

She was a confidante I was able to connect up. The biggest legislative challenge in my very first year was the passage, the consideration and passage of the Voter Rights Act of 1965. And here she was right in the middle of that, working with the likes of Ralph Abernathy and Andrew Young and Fred Shuttleworth, and of course Dr. Martin Luther King, and many other of the great names that were around that original group that started the civil rights movement, the modern civil rights movement as we know it.

She had a great passion for young people, and she and her husband formed the Raymond and Rosa Parks Foundation which still exists today and which she and her husband and staff trained young people, and then they went visiting the major civil rights sites throughout the South, so that they could get the flavor of what was going on, and what happened and when it transpired.

And so, ladies and gentlemen, I see in the firmament of the great trilogy of leaders of freedom and justice, Nelson Mandella, Martin Luther King, Jr., and Rosa Louise Parks.

When Nelson Mandella came to Detroit and found out that Rosa Parks had come out to join him in welcoming him as he came out of 27 years of imprisonment, he began a chant for Rosa Parks, Rosa Parks. And here were these two great icons, both well aware of each other and their contributions. So it is with some pride that I have had the privilege of associating my congressional career with both Dr. King and Rosa Louise Parks.

And this Special Order will continue the discussion that has already begun to take place about all of the roles, the contributions, the feelings, the legacy of Rosa Parks; and that is how I think she will be remembered, as this gentle person with the determination of steel.

So it is with great pleasure that I yield now to the distinguished gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the distinguished gentleman for yielding.

I am moved by the gentleman's words. I want to thank him for this Special Order. I want to also thank him for wisdom more than his years at that time for the friendship and relationship that he established with Mrs. Parks and the fact that she served and honored all of the congressional staff by being a congressional staffer and working with him over the years.

I want to point out a few items regarding Mrs. Parks and thank her so very much for the service that she has given. John Hope Franklin made a comment that I think is very telling of Rosa Parks: her prominence endures. And she did not strike a cord for African American women, but she struck a cord for Americans. And when we look at the fabric of history, American history, world history, and particularly focus on our history, there were certain volcanic historical incidents in America: the founding of Plymouth Rock, the Revolutionary War, the Civil War, World War I, World War II, certainly different categories, and the beginning of the birth of the civil rights movement in the 20th century.

No one can be more attributed to that than Rosa Parks. For those of us who are the beneficiaries of that simple act from a very diminutive woman, the act of refusing to adhere to an unjust law, we owe her an enormous debt of gratitude.

For those of us who had the pleasure and opportunity of interfacing with her during her lifetime, simply as any one of us would acknowledge being in her presence, again we owe her a debt of gratitude. And, frankly, I think it is important to note that as she sat down on the bus, with intentions to be arrested, she set off a 300-day plus movement, boycott, march, walk, described by Dr. King in his words of watching one of the Montgomerians, if you will, citizens, walk back and forth, back and forth.

Dr. King eventually asked that person who participated in the Montgomery Improvement Association was she not tired. And in her own words she said, My feet is tired, but my soul is rested. Rosa Parks set the tone and the movement to empower these citizens in Montgomery, Alabama to walk and walk and walk and walk.

We should not ignore the fact that she was a trained member of the NAACP, and she will acknowledge that her courage, but also her training to accept that nonviolent approach to challenging an unjust law, came through that very effective NAACP training that was utilized across the deep South.

For the NAACP was the first body politic on the ground that empowered Medgar Evers, and Rosa Parks, many others, Christy Adar in my hometown, to become the kind of leaders and pioneers in the civil rights movement.

Mr. Speaker, I want to rise today to thank my good friend and colleague, the gentleman from Michigan (Mr. CONYERS), the ranking member of the Committee on the Judiciary, for his voice and giving us the opportunity to speak, and to be able to say, as I close, for there are many of us who want to share in our commitment and purpose and our celebration of Rosa Parks, that, Mr. Speaker, you well know, and I might imagine that someone in your life has spoken to you and taught you and said words are not necessarily the best tribute. It has to be deeds.

So I think we stand tonight, many of us, from the Congressional Black Caucus who happen to be Members of this Congress, to hopefully say to Rosa Parks, as she flies away, for that is a song we often sing in a home-going ceremony, she will fly away, flying up to heaven, is that we are committed to the reauthorization of the 1965 Voter Rights Act, we are committed to the voting rights of every single American, that every vote counts, we are committed to a Nation that respects the human dignity of each person, and we are committed to finally breaking the cycle of segregation, discrimination, and racism in this country.

We owe Rosa Parks that commitment that we will forever be indebted to her by our words. Rosa Parks, will you please rest in peace, and I know that you will fly away.

Mr. CONYERS. Mr. Speaker, I am pleased now to recognize the distinguished gentleman from Georgia (Mr. SCOTT).

Mr. SCOTT of Georgia. Mr. Speaker, this is indeed an extraordinary time. I want to thank the gentleman from Michigan (Mr. CONYERS) for allowing me to participate in this great testimonial to an extraordinary woman, Mrs. Rosa Parks.

Mrs. Rosa Parks was indeed an extraordinary lady who made extraordinary contributions at an extraordinary time in American history.

You know, sometimes at certain moments in life you feel that there are no words that are adequate to really tell the true story and to give the worth that a life like Rosa Parks deserves.

But the word that comes to my mind, as I think of Rosa Parks, is that word ''great,'' because Rosa Parks was a great lady. But she was a great lady of greatness.

□ 2145

It might be wise of us just to take a moment and look at that word great, greatness. The great Greek philosopher Aristotle, when asked what did it take to be a great person, said, in order to be a great person, you must first of all know yourself, know thyself.

Well, Rosa Parks certainly knew herself. She not only knew who she was, she knew whose she was. For Rosa Parks more than anything else was foremost and first of all a child of God, as was so eloquently pointed out by the gentleman from Michigan (Mr. CONYERS), who knew her so personally well. She was truly a child of God.

When that question was put to the great Roman general, Marcus Aurelius, what does it take to be a great person, Marcus Aurelius said, in order to be a great person, you must first of all discipline yourself. She was disciplined. She was focussed. She had her mind set on that goal of freedom and quality for everyone.

When that question of greatness was put to the great abolitionist Frederick Douglass, of what does it take to be a great person, Frederick Douglass said, in order to be a great person, you must have courage. Well, Rosa Parks certainly had courage. She was a woman of extraordinary courage. Think about that time when the Ku Klux Klan was running rampant, when black men were getting lynched for barely not tipping their hat or getting off the sidewalk. These were tough, dark days for a woman to sit and defy the white power structure. Courage, courage.

Finally, when that question of greatness was put to the Messiah Jesus Christ what a great person is, he said, you first of all have to sacrifice yourself. And Rosa Parks sacrificed herself. She had what I call the great Isaiah instinct, that instinct when God said, ''Who would go for us and whom shall we send,'' Isaiah cried out, ''Here am I, Lord, send me.''

At that moment of history when Rosa Parks on December 1, 1955, when God called out, ''Who will go for us and who shall we send,'' Rosa Parks said, ''Here am I, Lord, send me.''

My God, what a woman. How much gratitude we have that we must give for her. And as an African American sitting and standing in the well of this House of Representatives, it is important for us to understand that when Rosa Parks sat down and did not get up to give that white man her seat on that bus in Montgomery, as she so eloquently stated, many people said they thought I was sitting there because my feet were tired. Well, that was not the truth. Rosa Parks said, it was not that my feet were tired, it was because my soul was tired of being a second-class citizen. When I sat down and would not give up my seat, I was standing up for justice, for equality for all.

So as an African American standing here, yes, I know she stood up for all of us. She certainly stood up for black people. But let it be said that more than that, Rosa Parks stood up for America, for black people, for white people, for brown people, for yellow people, for everybody who believes in that American dream of justice, of equality, of freedom for all of us. God bless Rosa Parks, and we thank God for sending this extraordinary sojourner of truth our way.

Mr. CONYERS. Mr. Speaker, it is my pleasure to recognize the gentlewoman from Oakland, California (Ms. LEE).

Ms. LEE. Mr. Speaker, first let me thank the gentleman from Michigan (Mr. CONYERS) for his leadership in organizing this tribute to a great leader, Mrs. Rosa Parks. My heart goes out to the gentleman from Michigan (Mr. CONYERS) in his personal loss. He is truly a remarkable human being, and I know that his memories and the love Mrs. Parks had for the gentleman will sustain him during this very difficult time.

My deepest condolences and prayers are with Mrs. Parks's family and her friends tonight as we lift her up, lift up her great spirit on this House floor on this very somber occasion.

Mrs. Parks passing away on Monday evening jolted the world. A giant has gone home. This has been a very difficult year full of losses. Rosa Parks joins other great African American heroes who recently passed away: Shirley Chisholm, Judge Constance Baker Motley, and C. Dolores Tucker, to name a few, all who faced opposition, stood their ground and sacrificed so much for freedom and for justice.

Mrs. Parks's simple nonviolent act 50 years ago to refuse to give up her seat on a bus changed the course of America. The mother of the modern civil rights movement, Mrs. Parks shattered the walls of legal segregation and opened the doors of opportunities for many, including myself. And, yes, I remember those days of the colored only faucets and not being able to go to the theaters and on the train only being able to ride in one car and not being able to attend public schools. I remember those days very vividly.

Let me say this act of defiance and dissent by Mrs. Parks, it toppled Jim Crow. Her life was recognized just this past September when the House, led by the gentleman from Michigan (Mr. CONYERS), and I must remind us, we unanimously passed a resolution in recognition of her legacy, H. Con. Res. 208.

A recipient of this Nation's highest honors, the Presidential Medal of Freedom in 1996 and the Congressional Gold Medal in 1999, Rosa Parks stood tall by sitting down. She quietly and peacefully challenged the status quo. She took on, though, the entire government, and she took down its shameful system of segregation.

Personally I was so inspired by Mrs. Parks in some of the most difficult moments in my career. In fact, just 2 years ago Mrs. Parks wrote me a personal reminder, and I read that letter again last night. And in her letter to me she said, Never think that you are alone when you stand for right, because God is with you. I cannot even explain what that meant and means to me.

Rosa Parks's quiet strength, as her 1994 book is titled, shattered the walls of legal segregation. And I had the privilege to be with her on many occasions in Los Angeles and in Oakland and in Sacramento, California, and I was in awe of this great woman, and I could not help but notice her love for children and her commitment to education.

She was a humble woman, yet a giant of a human being who loved her country and insisted that it live up to its creed of liberty and justice for all. Three thousand miles away and 50 years later, my constituents in the East Bay of California still honor Mrs. Parks's legacy. Students enrolled at the Rosa Parks Environmental Science Magnet School in Berkeley are reminded every day of her example by the painting of Mrs. Parks in the front seat of a bus that hangs above the door to the campus's main office. Their school anthem thanks Mrs. Parks for her role in bringing segregation to its knees.

She also inspired my constituents to create the Martin Luther King, Jr., Freedom Center, on which I serve as a founding board member. The MLK Freedom Center teaches social justice, equality and nonviolence in our community, especially with its outreach efforts to our youth. In fact, the young people from the center participated in the 40th anniversary of the historic civil rights march from Selma to Montgomery, Alabama, where they visited the bus stop where Rosa Parks protested and dared not to get up, and also the Dexter Avenue Baptist Church where Dr. King preached.

It is an important historical reminder of where we have been, just what Rosa Parks really did for us and for the country. It is a reminder of how far we have come, but also it reminds us of how far we have to go, as we have been recently reminded by Hurricane Katrina.

Daphne Muse, the director of the Women's Leadership Institute at my alma mater, Mills College in Oakland, wrote an essay entitled ''Our Week With Rosa Parks—Her Presence is a Gift that Remains Part of our Hearts and Home.'' And in this essay she wrote about Mrs. Parks's visit to Oakland, California, and she said, In the course of preparing for Mrs. Parks's visit, she noted to members of the committee that hotels just did not suit her spirit, and she preferred the tradition extended through southern hospitality of putting people up in your home. She then asked if I would mind if she could be our guest during her week-long stay in Oakland. She made only one request of me, and that is that we keep her presence a secret. She and her longtime friend Elaine Steele were eager to be in a place where they could relax, listen to music, and eat great food without being disturbed.

Daphne Muse goes on to say, Although we had never even met, when Rosa Parks walked through our front door, she instantly became family.

Mr. Speaker, tonight as we remember this dignified, courageous and remarkable woman, let us honor her life and her legacy by standing up for what is right, for embracing peace and nonviolence as an effective tool in our work as public servants. And let us keep her family and her friends in our prayers and in our hearts and in our souls.

Thank you, Rosa Parks. May you finally now rest in peace.

Mr. Speaker, the full text of that essay is as follows:

OUR WEEK WITH ROSA PARKS: HER PRESENCE IS A GIFT THAT REMAINS PART OF OUR HEART AND HOME

(By Daphne Muse)

Everyday, history is made by people whose names remain unknown as well as those who become eternal icons. In May of 1980, a woman who forever changed our country spent a week in our home. The East Bay Area Friends of Highlander Research and Education Center joined with founder Myles Horton to honor two of the Civil Rights Movements most courageous pioneers: Rosa Parks and Septima Clark. Clark broke ground as a pioneering force in citizenship training and voter education. The two women met at Highlander in 1955, a place where my own mother-in-law Margaret Landes was trained during the 1930s.

Founded in 1932, Highlander is a civil rights training school located on a 104-acre farm atop Bays Mountain, near New Market, Tennessee. Over the course of its history, Highlander has played important roles in many major political movements, including the Southern labor movements of the 1930s, the Civil Rights Movement of the 1940s–60s, and the Appalachian people's movements of the 1970s–80s. Through books in our home library, her teachers and my own work as a writer, Anyania knew about the role Ms. Parks played in changing the course of history.

Like millions of other African Americans, Mrs. Parks was tired of the racism, segregation and Jim Crow laws of the times. Through her commitment to freedom and training at Highlander Research and Education Center, her refusal to move to the back of a bus in Montgomery, Alabama on December 1, 1955, spawned a movement. Parks took a seat in the section of a Montgomery city bus designated for whites. She was arrested, tried and fined for violating a city ordinance. Mrs. Parks, a seamstress, often had run-ins with bus drivers and had been evicted from buses. Getting on the front of the bus to pay her fare and then getting off going to the back door was so humiliating. There were times the driver simply would shut the door and drive off. Her very conscious decision turned into an economically crippling, politically dynamic boycott and ended legal segregation in America. A three hundred and eighty two day bus boycott followed her morally correct and courageous act.

In the course of preparing for Ms. Parks' visit, she noted to members of the committee that hotels just didn't suit her spirit and she preferred the tradition extended through southern hospitality of putting people up in your home. She then asked if I would mind if she could be our guest during her week long stay in Oakland. She made only one request of us: that we keep her presence a secret. She and her long time friend Elaine Steele were eager to be in a place where they could relax, listen to music and eat great food without being disturbed. The disturbed part was my greatest concern for between the bullet blasting drug wars and the press, I was concerned about how to maintain that part of the agreement.

Our modest home in the Fruitvale community of Oakland, California had served as a cultural center and refuge to many writers, filmmakers, artists and activists including S1weet Honey in the Rock, novelist Alice Walker and poet Gwendolyn Brooks. Although we'd never even met, when Rosa Parks walked through our front door, she instantly became family. She and Anyania melted into one another's arms like a grandmother seeing her grandchild for the first time. One morning as Anyania was about to take off for school, the button on her dress popped off. It was a jumper filled with multicultural images of ,I children my mother had made Anya. Ms. Parks asked if I had a sewing box, II threaded the needle and sewed the button back on. My spirit spilled over and I just burst into tears.

Anyania was so good at keeping the secret. I, on the other hand, wanted to blurt out to my family, friends and students at Mills College ''Guess who's sleeping in my bed? A few months ago, a former neighbor came by to pay a visit and started set searching the scores of photographs hanging on the walls in our living room. She stopped, turned around and blurted out, ''No that isn't.'' I instantly knew the photograph to which she was referring. Along with pictures of Fannie Lou Hamer, Eleanor Holmes Norton and Jim Forman hangs a very precious photograph of Rosa Parks surrounded by my then seven-year-old daughter and her playmate Kai Beard. Dottie was simply undone that in all the years she'd come into our home, she like so many others simply thought the woman sitting next to Anyania was her grandmother. A few weeks after she returned to Detroit, Ms. Parks sent Anyania an exquisite portrait of her painted by Paul Collins. That portrait now hangs in Anya's home in Brentwood, California where my grandchildren Maelia and Elijah live, read and play everyday.

ROSA & RAYMOND PARKS INSTITUTE FOR SELF DEVELOPMENT.

January 15, 2003.

Hon. Barbara Lee,
U.S. Congress,
Washington, DC.

DEAR CONGRESSWOMAN LEE: Never think you are alone when you stand for right because GOD is with you. We are very proud of you. It makes us feel good that you are a Congressional Member.

Love, Peace and Prosperity,

ROSA PARKS.

Mr. CONYERS. What a beautiful remembrance of a great lady. I am sure the gentlewoman is one of the few people in Congress that have a written communication from Mrs. Parks. I congratulate the gentlewoman.

Mr. Speaker, I am pleased to recognize the gentlewoman from California (Ms. WATSON).

Ms. WATSON. Mr. Speaker, Rosa Parks's life is a milestone in American history. I stand here because she sat there. Her simple defiance of refusing to relinquish her seat 50 years ago on a bus in Montgomery, Alabama, ignited the civil rights movement that transformed these United States. Without Rosa Parks there may not have been a Martin Luther King or a civil rights movement.

Her death at the age of 92 reminds us all that one person can make a profound difference in the lives of others and in the course of history. She is the embodiment and exemplar of today's human rights movements around the world.

Part of Rosa Parks's legacy was her quiet dignity and disdain for injustice. She was truly a woman of peace. What she determined that fateful day on the bus in Montgomery, Alabama, is that she could not compromise her essential humanity. Her grace and her strength exemplified a purity of spirit and commitment to truth.

The road less traveled by Rosa Parks was not always smooth or kind. She and her husband received numerous death threats and lost their jobs in the aftermath of the historic bus boycott. Her supporters' houses were firebombed.

□ 2200

Congress stood by and did nothing. Mrs. Parks finally moved north to Detroit where she had relatives and eventually ended up working for the gentleman from Michigan (Mr. CONYERS), the esteemed Congressman.

We all grieve the loss of Rosa Parks, and we extend our heartfelt sympathy to her family, friends, as well as my friends and colleagues here on the floor today and particularly the gentleman from Michigan (Mr. CONYERS), my friend. We are a better Nation and people because of Rosa Parks.

Mr. Speaker, I also want to briefly acknowledge the passing of two other heroes in the struggle for civil and human rights, Dr. C. Delores Tucker, buried last Saturday, and the former Congressman, Ed Roybal.

C. Delores Tucker was a pioneer in the field of civil rights and politics. She counted Martin Luther King, Jr., Rosa Parks, and many others among the civil rights luminaries as close friends and allies.

In 1971, Pennsylvania Governor Milton Shapp appointed Dr. Tucker as the first Secretary of the Commonwealth.

Dr. Tucker had many firsts in her long public career. She was the first black woman to be named vice chair of Pennsylvania's State Democratic Party and the first African American to serve as president of the National Federation of Democratic Women. She was also founder and chairwoman of the National Congress of Black Women.

Dr. Tucker was always on the front lines in the struggle for civil rights and the rights of African American women. She led with strength and dignity, always stood tall, and was concerned about inequities and justice for all. Her spirit lives on.

Mr. Speaker, Congressman Ed Roybal was a true pioneer in the struggle for human and civil rights in California. He was an advocate his whole life for the poor, the disenfranchised, and for seniors.

Ed stood up not only for the rights of Latinos but all people who have been denied an equal opportunity. I looked to him as he served on the Los Angeles City Council and then in Congress as a voice that could be trusted to consistently respond on behalf of those who could not speak for themselves. During his long career and many accomplishments, he never lost sight of those in need.

My prayers and thoughts are with the gentlewoman from California (Ms. ROYBAL-ALLARD), his daughter, and his family during their period of grieving for the loss of a great American. Ed's strong and dedicated message will never be silenced. He leaves behind a spiritual, indelible legacy that will live on.

Mr. Speaker, we have lost a triumvirate.

Mr. CONYERS. Mr. Speaker, I thank the gentlewoman from California for her kind remarks and remembrances of Rosa Parks; and now, Mr. Speaker, I am very pleased to yield to the gentleman from North Carolina (Mr. WATT), the chairman of the Congressional Black Caucus, a veteran member of the North Carolina bar and member of the Committee on the Judiciary of the House of Representatives.

Mr. WATT. Mr. Speaker, I thank the gentleman from Michigan (Mr. CONYERS) for yielding.

I was trying to decide how to approach this issue and decided that probably there were two things I need to do: number one, I want to thank the gentleman from Alabama (Mr. DAVIS), my good friend and colleague, and the gentleman from Michigan (Mr. CONYERS), my good friend and colleague, the two States with whom Rosa Parks probably had the strongest physical connections, for convening this Special Order for us to pay tribute to Rosa Parks.

I have listened to the gentleman from Michigan (Mr. CONYERS) and the gentleman from Alabama (Mr. DAVIS) and the gentlewoman from California (Ms. LEE) and my other colleagues talk about some of their personal connections to Rosa Parks. One would think that maybe the chairman of the Congressional Black Caucus would have some personal stories, too; but when I reflect, I can only say that I never met Rosa Parks, nor for that matter but for the fact that Martin Luther King spoke at my high school graduation in 1963 did I ever meet Martin Luther King.

So why would we be here talking about somebody that we have never met? Because they have had an impact on our lives. What would compel a person to go visit a bus stop in Alabama? Simply because you knew that there was a particular significance to that bus stop, that that was the stop at which Rosa Parks got on the bus.

I cannot talk about the personal things about Rosa Parks that some of my colleagues have talked about. I can only talk about the impact that she had on my life and the lives of other people who viewed her from a distance and respected and admired her gentle but defiant stand, the stand that she took actually by sitting down and refusing to stand up, and by knowing that it had a tremendous impact on everybody around us as we were growing up, because by her sitting down and refusing to stand up, it allowed other people to stand up and straighten their backs and raise their shoulders and look up and start to move in a direction that we had not been moving before, starting with a bus boycott, and then sit-ins and other public accommodations and the entry of Martin Luther King as a leader of a whole series of things that started to take place.

What does that say for us who never met this wonderful woman, except from a distance? It says that there are probably many, many, many people who are watching us and would it not be a wonderful tribute to have somebody someday pay tribute to us who never, ever met us in person, by saying this person had an impact on my life.

I cannot think of a higher way to pay tribute to her. She had an impact on my life, and I cannot think of a greater challenge to issue to my colleagues in this body, to people who may be watching around the Nation, than to say what a wonderful tribute to have somebody think that you could impact their lives by simply sitting down or taking a stand for what you know is right.

We have that opportunity every single day, and I am delighted to pay tribute to Rosa Parks for exercising that opportunity and for allowing me to stand taller on her shoulders, on that giant commitment that she made.

Mr. CONYERS. Mr. Speaker, I thank the gentleman from North Carolina (Mr. WATT) for his eloquent statement.

Mr. Speaker, I am now pleased to yield to the gentlewoman from California (Ms. MILLENDER-MCDONALD), who has been a strong supporter of civil rights, affirmative action, and the Voter Rights Act.

Ms. MILLENDER-MCDONALD. Mr. Speaker, I thank the gentleman from Michigan (Mr. CONYERS) so much for yielding, and I am absolutely privileged to stand here today on the shoulders of a woman who stood so proud, though her frame was so small. One act, infused with courage, changed this world.

Her act was a spark that ignited a movement that altered the course of history for America. She sat down in order for America to stand up and look at itself, look at herself, and to see the atrocities that they were doing on a group of people, we African Americans.

I am so privileged to have had the opportunity to meet this great woman. She came to California; and while she came to California, she and I both hailed from Alabama. Yes, she was a native Alabaman and so am I.

Rosa Parks, a seamstress who refused to get up from her seat to give to it a white man, that is the type of courage that she displayed; and yet she did not want anyone to showcase her. In California, when we showcased her in the State legislature, she said, I do not want all of this. I said to her, I am sorry, you have all of this, because you have made this country a better country because of one act that you did.

All Americans should be standing up at this point, praising Rosa Parks for what she did, not only for a group of people but for this country. She raised the consciousness of this country and brought it to its knees in terms of segregation.

I am looking at the Washington Post Style, and they say: ''Appreciation. The Thread That Unraveled Segregation.'' Indeed, she did. What a mighty force she was, a woman who used threads to make a living, and yet when she was about to make a dress for one of her persons, a person who was really not of her ilk, they told her, you have made this wedding dress so beautifully you should come to the wedding. She says, well, I would like to come to the wedding. But then officials at St. John's Episcopal Church told Lucy, the young woman for whom she was making the wedding dress, that if Rosa Parks was to attend this wedding, she would have to wear a uniform like a servant or sit in the balcony. She refused to do that. She was a woman of such great spirit, great soul.

I know the time is passing, but I just want to say to my dear sister, she has made us all proud. My daughters met her. I am sorry my granddaughters Ayanna, Ramia, and Blair did not meet her, nor my grandson Myles; but they will know her because their grandmother will tell them how she stood tall in spite of her small frame.

So thank you, Rosa Parks, for the distinction of becoming the mother of a civil rights movement and having the courage to act on behalf of all man- and womankind.

Mr. CONYERS. Mr. Speaker, I thank the gentlewoman from California (Ms. MILLENDER-MCDONALD) for those remembrances, and we had no idea that she and Rosa Parks had so much in common.

Mr. Speaker, that concludes our list of people that wanted to speak tonight. The celebrations of her life and legacy go on, though we will be observing memorial activities in Montgomery, Alabama; in the Nation's capital; and in Detroit, Michigan, as well. I want to thank you for the privilege of allowing me and other Members to come forward this evening for this round of tributes to the life and legacy of Rosa Louise Parks.

Mr. JACKSON of Illinois. Mr. Speaker, it is my privilege to pay tribute to the life and work of Rosa Lee Parks, a quiet but courageous woman who, by sitting down against injustice allowed a mass civil rights movement to stand up for justice.

She was a small woman who had a large impact.

Rosa Parks was more than the ''Mother of the Civil Rights Movement.''

The three civil rights workers—Schwerner, Goodman and Cheney—were inspired by Rosa Parks before they set out on their journey to register people to vote in Mississippi prior to their tragic deaths.

Viola Gregg Liuzzo, an Italian American Detroit housewife who was killed driving marchers back to Selma after the 1965 Selma to Montgomery march, knew of the witness of Rosa Parks.

In 1966 James Meredith gained strength from Rosa Parks as he led a ''March Against Fear'' from Memphis to Jackson, Mississippi—in which he was shot.

Her dignified leadership inspired those abroad to engage in courageous acts—for example, the young man who stood in front of the tank in Tiananmen Square.

Nelson Mandela knew of her actions before he spent 27 years in a South African jail.

She burst on the scene before Pope John Paul II was able to use his pontifical office to

oppose communism. And when those in Eastern Europe struggling for independence from the Soviet Union sang ''We Shall Overcome,'' they were paying tribute to Rosa Parks, not Ronald Reagan.

Believing in American democracy she affirmed that one person—without money or military might—could make a difference.

In the face of danger, entrenched racism, a ''states' rights'' philosophy—and a belief by many that any effort toward civil rights for ''Negroes'' was communist inspired—this graceful woman acted with the courage of a lion, and out of a grassroots bus boycott in Montgomery, Alabama, came a young man, Dr. Martin Luther King, Jr., and a mass movement to end legal apartheid in America.

Rosa Parks took the legal principle of ''equal protection under the law'' for all Americans in the 1954 Brown decision and applied it to public transportation—which eventually led to a 1964 Civil Rights Act, a 1965 Voting Rights Act and a 1968 Open Housing Act, all of which helped to build a more perfect union among the states and make America better.

Do we memorialize her with tributes like this around the nation? Absolutely.

But it also occurred to me that there are few statues of people of color and women in the Capitol. I think Rosa Parks deserves to be honored with a statue in Statuary Hall in the U.S. Capitol and, therefore, today I introduced H.R. 4145, legislation to design, sculpture and place her among the greats who have helped to make America and the world a better place in which to live. I think that is the most appropriate way to permanently memorialize Rosa Parks.

Mr. SCOTT of Virginia. Mr. Speaker, it was with great sadness that I learned of the passing of Mrs. Rosa Parks on October 24, 2005. I rise today along with my colleagues to celebrate and remember the life of a remarkable woman. I know that I speak for my colleagues here today when I say that America has lost one of its greatest citizens.

Mrs. Rosa Parks became one the Nation's first heroes of the Civil Rights Movement. Her refusal to give up her seat on a Montgomery Alabama bus solely because of her race sparked a result that no one could have predicted. The 381-day boycott of the Montgomery Alabama bus system and Mrs. Parks' court case were the first nationally recognized battles of the Civil Rights Movement. This movement eventually brought about legislation to end segregation in public accommodations, to secure the voting rights of all citizens, and to eliminate discriminatory housing practices, effectively changing the face of American society forever.

Although Mrs. Parks' actions were pivotal in creating laws, her actions also galvanized public support for the equal treatment of African Americans. It's important to remember that Mrs. Parks' actions did not exist in a vacuum. Less than a year had passed since the grisly lynching death of Emmett Till in Mississippi. Violence was a constant threat to anyone, black or white, who spoke out against the status quo. Mrs. Parks' actions resulted in death threats against her and her husband, threats which caused her to leave Alabama. The fact that people could harbor such hatred against Mrs. Parks solely for her desire to be treated as an equal person exposed to much of the country the cruel and ignorant practices of Jim Crow. The images from the fight for civil rights filled television screens throughout the world and were central in changing public opinions.

I had the honor and pleasure to meet Mrs. Parks when I was a fifth grade student in the late 1950's. She worked at Hampton Institute, now Hampton University, with my grandmother at the Holly Tree Inn. After leaving Hampton, she moved to Detroit, Michigan where she found work as a seamstress. In 1965, she went on to serve in the office of our distinguished colleague, the gentleman from Michigan, Mr. Conyers. Her 23 years of service to him and to this body are also worthy of commendation.

I want to express my condolences to the Parks family. Rosa Parks' act of non-violent resistance showed the world the power of one person in the face of injustice. Her name rightly belongs in the pantheon of individuals who have put the civil rights of all above their own personal safety. We have lost a national treasure.

Mr. HENSARLING. Mr. Speaker, today, Americans honor the life and legacy of Rosa Parks. Born in Tuskegee, Alabama, in 1914, Rosa Parks would become one of the most influential names in America's Civil Rights movement.

In December 1955, in Montgomery, Alabama, after a long day of work at a local department store, Rosa Parks paid her fare and took a seat on the bus. When she was asked to move to the back of the bus so that white passengers could take her seat, she refused.

Through her quiet yet courageous action, Rosa Parks will forever remain a lasting example of dignity and nonviolent protest in the quest for equality. By refusing to go to the back of the bus, she moved America forward. And by refusing to stand up and yield, she empowered future generations to stand up for themselves and their civil liberties.

Rosa Parks not only helped change the laws of our country, she helped transform the hearts and minds of the American people, which has helped lead America closer toward the goal of a truly colorblind society.

Mr. NEAL of Massachusetts. Mr. Speaker, I am saddened by the death of Rosa Parks, and I rise today to pay tribute to this exemplary woman who dynamically changed the 20th Century.

Rosa Parks became a major catalyst for racial reform in December 1955 when she refused to give up her seat to a white man on a public bus in Montgomery, Alabama, defying the racial standards of that time. As a result, she was arrested and fined for violating a city ordinance. But this arrest began a bus boycott movement that ended legal segregation in America, and made Ms. Parks an inspiration to those who longed for freedom for everyone. Although the boycott was a success, Rosa Parks later lost her job. But, despite of this mistreatment she still held on to what she believed in ''freedom and equality.''

Ms. Parks' valor, on that particular day, helped to make Americans aware of the history of the civil rights struggle. She was truly an example of courage, determination and inspiration to all Americans and for her courageous deed, Rosa Parks was hailed ''the mother of the civil rights movement.'' Therefore, on June 15, 1999, we in Congress honored Ms. Parks' bravery by awarding her the Congressional Gold Medal in an historic ceremony at the Capitol Rotunda.

It was truly an honor to meet such an outstanding woman, and I will never forget her action and dedication that led to the end of segregation. Her heroism inspired the freedom and equality that African Americans so rightly deserve.

Mr. Speaker, I hope that Rosa Parks' legacy will be carried forward by future generations so that African Americans will continue to experience equality amongst all mankind.

Mr. COSTA. Mr. Speaker, I rise today in honor and memory of the civil rights icon Rosa Louise Parks. Almost half a century ago, Mrs. Parks' refusal to surrender her bus seat triggered the first organized actions in the civil rights movement. Because of her action that day, Mrs. Parks will always be remembered as the ''mother of the civil rights movement.''

Rosa Parks was born in Tuskegee, Alabama on February 4, 1913. As a girl, she wrote, ''I had a very strong sense of what was fair.'' She led a life dedicated to improving civil rights and acted as an inspiration to many Americans.

On December 1, 1955, Mrs. Parks sat in an unreserved section of a city bus. When asked to give up her seat for a white man she politely refused. It is a common misconception that Rosa Parks was unwilling to give up her seat because she was tired from a long day at work. As she told it, ''the only tired I was, was tired of giving in.''

Mrs. Parks' act of civil disobedience is the popular inspiration that led to Martin Luther King Jr.'s decision to lead a bus boycott that lasted an amazing 381 days. On November 13, 1956, in an important victory for the civil rights movement, the Supreme Court outlawed segregation on buses. The civil rights movement would experience many important victories, but Rosa Parks will always be remembered as its catalyst.

Mrs. Parks was a shy, soft spoken woman who was uncomfortable being revered as a symbol of the civil rights movement. She only hoped to inspire young people to achieve great things. However, in 1996 her place in U.S. history was cemented when she was awarded the Nation's highest civilian honor, the Presidential Medal of Freedom by President Bill Clinton. Mrs. Parks passed away October 24th at the age of 92, at her home in Detroit.

Rosa Parks will be remembered for her lasting contributions to society. Her legacy lives on in the continued struggle for civil rights around the world. She will be missed.

Mr. WEINER. Mr. Speaker, in 1913, a little girl name Rosa Louise McCauley was born in Alabama. As she grew up, her mother, Leona McCauley, encouraged her daughter to ''take advantage of the opportunities, no matter how few they were,'' and she did just that. In 1932, she married Raymond Parks, an active participant in civil rights causes. The couple joined the Voters League in the 1940s.

On December 1, 1955, Rosa Parks' life changed forever and she became an icon of the civil rights movement when she refused to give up her seat on a public bus to make extra room for white passengers. She was arrested and convicted of disorderly conduct for violating a local ordinance. Parks' arrest led to the formation of the Montgomery Improvement Association, which organized a boycott of public buses until the U.S Supreme Court ruled that Montgomery's policy of segregation on buses was unconstitutional.

Later, Parks moved to Michigan, where Rosa initially worked as a seamstress and later as an aide to the gentleman from Michigan, Mr. CONYERS, from 1965 to 1988. She cofounded the Rosa and Raymond Parks Institute for Self Development in 1987 with, which sponsors a summer bus tour for teenagers that were interested in learning the history of America and civil rights.

Yesterday, at the age of 92, Rosa Parks passed away. Her contributions to American history will never be forgotten. Her dedication to the cause of civil rights will be sorely missed, but her legacy will live on forever.

Mr. ROTHMAN. Mr. Speaker, I rise today to pay tribute to a courageous American hero, Rosa Parks. Mrs. Parks passed away on Monday evening at the age of 92 in her home in Detroit, Michigan.

On February 4, 1913, Rosa Louise McCauley was born in Tuskegee, Alabama. The daughter of a carpenter and a teacher, Rosa was home schooled until the age of 11 when she attended Industrial School for Girls in Montgomery. She obtained her high school diploma from Alabama State Teachers College, while caring for her ailing grandmother. Rosa married Raymond Parks in 1932 and volunteered for the National Association for the Advancement of Colored People, NAACP from 1943 to 1966 while she worked as a seamstress and housekeeper. She and her family eventually moved to Detroit and joined the staff of Congressman JOHN CONYERS (D–MI) in 1965, where she worked for 23 years.

Mrs. Parks' finest hour occurred on December 1, 1955, when four black passengers on a bus were asked to give up their seats for a single white man. Three of the passengers complied, one did not. It was at that moment that Rosa Parks changed the course of history forever. What seemed like a simple gesture made a huge impact on the character of our Nation then—and continues to affect our lives now. Following Mrs. Parks' brave gesture, residents of Montgomery then began a boycott of the city's bus system, in order to protest the treatment as second class citizens that African-Americans were subjected to on segregated buses.

Her courage, and the 380-day Montgomery, Alabama bus boycott that followed her heroic stand, culminated in the United States Supreme Court decision in Browder v. Gayle, which declared segregation on buses to be unconstitutional. Her refusal to ''move to the back of the bus'' ultimately helped spark the civil rights movement of the 1960s, which achieved stronger civil rights guarantees for Americans in all areas of life, including housing, employment, schools, and places of public accommodation.

One of Mrs. Parks' main concerns was her desire that Americans understand their rights. The day she refused to give up her seat, she was fed up with being treated as an inferior human being and simply wanted to be treated with dignity. She taught us that we must always defend our rights. We must continue the great work spurred on by Mrs. Parks. As she said later in life, ''[W]ithout courage and inspiration, dreams will die—the dream of freedom and peace.''

On May 21, 1983, as Mayor of the City of Englewood, New Jersey, I had the distinct honor to meet Mrs. Parks and personally bestow upon her a key to that city. In addition, two of our Nation's highest honors have been awarded to Rosa Parks. In 1996, President Clinton bestowed upon Mrs. Parks the Presidential Medal of Freedom, which recognizes meritorious service and outstanding contributions to American life. Three years later, I had the privilege to vote for the bill that awarded a Congressional Gold Medal, our Nation's highest civilian honor, to Mrs. Parks on June 15, 1999 for her ''quiet dignity [that] ignited the most significant social movement in the history of the United States.''

I have also supported two recent pieces of legislation that pay tribute to Mrs. Parks. I voted in favor of H. Con. Res. 208, a resolution which commemorates the 50th anniversary of Rosa Parks' refusal to give up her seat on the bus and the subsequent desegregation of American society. This resolution was unanimously approved by the House of Representatives on September 14, 2005. Another resolution that I support, which will be introduced this week by my colleague, Congressman MIKE ROGERS, will honor the 50th Anniversary of the Montgomery Bus Boycott, which resulted from Mrs. Parks' heroic actions and ultimately led to the Supreme Court decision in Browder. It is my hope that this bill will also be unanimously approved.

Mr. Speaker, I rise with sadness today as our Nation has lost a cherished historical figure and civil rights hero. However, we can all take comfort in knowing how much Rosa Parks changed the course of history and, by doing so, improved the lives of us all.

Mr. STUPAK. Mr. Speaker, we all have the opportunity to make choices in our lives. We have the choice to take the easy route, to blindly follow societal values no matter how false they may be. Or, we have the choice to take a stand and do what is right no matter how challenging the consequences may be.

December 1st this year will mark the day 50 years ago when one brave, great American took a stand that, while resulting in many challenges, would spur a civil rights movement that shaped a growing country in a very positive way.

In 1955, when Rosa Parks boarded that bus on her way home from work, she may not have been seeking to start a revolution; she may not have been looking to change the world; she may not have been hoping to lead a noble cause. Rosa Parks was presented with a choice: to accept the restrictions forced on her by false values or to take advantage of the opportunity to do the right thing.

Rosa Parks, right then and there in Montgomery Alabama, decided she would not give up her seat that day because as a leader in the NAACP, she understood that by accepting the restrictions imposed on her under segregation she was only enabling it further. Although she was weary from a hard day at work as a seamstress, Rosa Parks found the strength to challenge that plague of conformity so that she and others might no longer have to endure another day under its agonizing credence.

In making the choice to stand up to the monstrous ill of segregation, Rosa Parks joined heroes that have adorned legendary stories throughout the centuries when a common individual displays uncommon valor in the name of righteousness and against all odds.

Rosa Parks set off a chain of events that, over time, would slay that dragon of segregation. Her bravery would inspire other common individuals moved by the desire to promote equal rights to ban together to form an army committed to a mission. Their mission would force a society that had accepted an immoral practice to stop and reevaluate its priorities and values.

That day, Rosa Parks did start a revolution. That day, she inspired the Civil Rights movement that changed the world. That day she led a noble cause that she spent her entire life dedicated to seeing that we all have a seat of our choice at mankind's table. It all began with Rosa Parks making the choice to stand up for what she knew, in her heart, was right. America has reaffirmed that Rosa Parks was ''right'' in Montgomery, Alabama and ''right'' still today and in the future.

On October 25th, 2005, our great American hero, Rosa Parks, died at the age of 92 in her adopted home of Detroit, Michigan. While our country grieves for the loss of one of its most treasured patriots, we can rest assured that the stand Rosa Parks took nearly 50 years ago and the contributions she made thereafter, continues to shape and change the values of this growing country. We are reminded that we must evaluate our priorities and values each day if we are to protect the equal rights endowed to us by our Creator. Most of all, as common individuals, we are reminded that each of us has the uncommon valor to stand up for what is right no matter the consequences because, just like Rosa Parks, each of us has a hero within.

Mr. LEWIS of Georgia. Mr. Speaker, there are many today who may not understand today why December 1, 1955, will long be remembered throughout American history. That was the day a quiet, somewhat shy, 42-year old African American seamstress named Rosa Parks was ordered to get up and give her seat to a white passenger on a city bus in Montgomery, Alabama. For many years, countless times, all day, every day, all throughout the American South, African Americans had submitted to that humiliating demand. But that one December day, Rosa Parks simply refused to get up. It is true, she volunteered for the local NAACP chapter in Montgomery, but she had not planned a protest that day. She was just trying to get home. She was tired, and she had had enough.

Through that one simple act, Rosa Parks displayed nothing short of raw courage. It was dangerous—very dangerous—to defy the customs, traditions, and laws of racial discrimination and segregation in the South. The Brown v. Board of Education decision had been issued by the Supreme Court only 18 months before. In reaction, violence arid intimidation erupted all across the South. There was so much tension, so much hate. In August of 1955, a 14-year-old African American boy, named Emmett Till had been murdered and mutilated by two white men while he was visiting his uncle in Money, Mississippi.

I believe there is a force—call it God or the spirit of history—that tracks us down and selects us to participate in a cause much greater than ourselves. Rosa Parks followed her own compass that day, and she allowed herself to be used for good. She could have been killed. Instead she was arrested, booked, and taken to jail because she would not give up her seat on a public bus. When the African American community of Montgomery heard what had happened to the demure and beautiful woman they knew as Rosa Parks, the news spread like wildfire. And people began to say, ''If Rosa Parks can do it, so can I.''

By sitting down, Rosa Parks was standing up, and with her she carried the hopes, dreams, aspirations, and yearnings of hundreds and thousands of oppressed people. She inspired an entire generation to take a stand by sitting-in at lunch counters and restaurants, by standing-in at theaters, by integrating public transportation on the Freedom Rides, and by organizing voter registration campaigns in the deepest and most dangerous part of the South. It was also in response to Rosa Parks' protest that a new, young minister named Martin Luther King, Jr. was called upon to be the spokesperson and leader of the movement that would ultimately become the Montgomery Bus Boycott.

That one simple, elegant act ignited a powerful non-violent movement that changed America forever. So when we pay tribute to Rosa Parks, we are saluting more than the mother of the modern day civil rights movement. We are honoring one of the founders of the New America, perhaps ultimately a founder of the Beloved Community, a truly interracial democracy where we lay down the burden of race and class.

The story of Rosa Parks reminds us that we are all one people, one family—the American family, the human family. And she reminds us that the actions of one single person have power, power to inspire a generation to greatness, power to make presidents, governors and members of Congress do what is right, even if they had not intended to. Rosa Parks teaches us that no matter what the challenge, even in the face of death, sometimes each of us is called upon to stand up, speak up, and speak out against the injustice of our day and time. And if we do, maybe, just maybe it might change a nation. And if we are as lucky as Rosa Parks, maybe it might even change the world.

Mr. ROGERS of Alabama. Mr. Speaker, I rise today to help pay tribute to one of Alabama's great Civil Rights leaders, Rosa Parks.

Nearly 50 years ago, Rosa Parks started a quiet, but determined, protest against the status quo.

What began as a principled refusal to give up her seat, grew into a movement that has helped change the world.

All of us assembled here today are beneficiaries of her courage, regardless of our race. We're deeply saddened by her passing, but we're also humbled by her life and legacy. Our Nation is stronger because of her actions.

Mr. Speaker, yesterday I introduced a resolution recognizing the 50th Anniversary of the Montgomery Bus Boycott.

Over 60 members of this chamber are cosponsors of that resolution, including all of my colleagues from Alabama.

It is my hope that resolution will also help honor Rosa Parks, and help pay tribute to those who laid the foundations for the modern-day Civil Rights movement.

I thank Mr. CONYERS for leading this tribute today, and thank my colleagues for their attention to the life and legacy of Rosa Parks.

Mr. FILNER. Mr. Speaker and colleagues, I rise today to acknowledge the passing of a great American, the venerable Rosa Louise Parks.

On a cold afternoon in December 1955, Rosa Parks could not have known she would soon become a national symbol and civil rights icon. But in standing her ground and demanding her fair and equal treatment on that bus in Montgomery, Alabama, Rosa Parks became the first lady of civil rights and the mother of the freedom movement.

Her simple action and committed resolve that day empowered a people, ignited a movement and changed the course of American history.

The events that followed Ms. Parks' protest that day—her arrest, the Montgomery bus boycott, and the eventual integration of the bus system—set the stage for Dr. Martin Luther King and the Civil Rights Act.

As a young college student, I was inspired by the stories of Ms. Parks' courageous action. I traveled to the south as a "freedom ride" in support of the emerging civil rights movement.

Rosa Parks' courage, determination, and tenacity continue to be an inspiration to all those committed to non-violent protest and change nearly half a century later. She will be remembered as an everlasting symbol and advocate for justice and equality throughout America.

Thank you Rosa, America will forever be indebted to you.

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

□ 2215

30-SOMETHING WORKING GROUP

The SPEAKER pro tempore (Mr. MCCAUL of Texas). Under the Speaker's announced policy of January 4, 2005, the gentleman from Florida (Mr. MEEK) is recognized for half the time until midnight.

Mr. MEEK of Florida. Mr. Speaker, it is an honor to be here on the floor once again. I thank the minority leader, the gentlewoman from California (Ms. PELOSI), and the minority whip, the gentleman from Maryland (Mr. HOYER), and our Democratic Caucus leadership, the gentleman from New Jersey (Mr. MENENDEZ) and the gentleman from South Carolina (Mr. CLYBURN).

I was moved by my colleagues that came to the floor to honor the late great Rosa Parks, and also the gentleman from Michigan (Mr. CONYERS) who is a Member of this body for a very long time, and actually worked very closely with Mrs. Rosa Parks. I know she is smiling on the gentleman and this Congress tonight for recognizing her contributions. I thank the gentleman for standing up at a time it was not popular to stand up for Rosa Parks and allow her to be a part of your operation. And obviously she allowed you to be a part of her life. Thank you for keeping her memory alive.

Mr. Speaker, I entered my comments for the CONGRESSIONAL RECORD of condolences to not only her family, but recognizing Rosa Parks's contributions to our great country, and to the world. Many leaders are not revered until they have passed on, and I can tell you that many Members of this Congress, especially in the Congressional Black Caucus, let Rosa Parks know how much we appreciated her contributions. I have read many letters to the editor from around the country from people from all backgrounds commending the life and memory of Mrs. Rosa Parks.

Mr. Speaker, I would like to come under regular order in the 30-Something Working Group to come to this floor once again and talk about some of the issues that are working in our Federal Government and some of the issues that we need to continue to work on.

My State was hit recently by Hurricane Wilma, closely following damage wrought by hurricanes Katrina and Rita, and there is a lot of work we have to do. I want to commend those first responders trying to save lives and making sure that we prevent accidents and future accidents. I want to thank Florida Power & Light and light companies from throughout the country for coming down to south Florida to try to restore power to so many Floridians.

But I can tell you it was very disheartening that yesterday, and I just got back this afternoon, there were thousands of people waiting on ice and water. Whatever the issue is as it relates to the communication lines, we are going to have to work on those issues. I know that in south Florida we have the most populated area in the State. We have the west coast hit, but we never can tell what Mother Nature is going to do. The east coast ended up being hammered quite a bit. A number of individuals were left without electricity. Roofs were ripped off. Things like that happen in category 2 and category 3 hurricanes. Water lines were ruptured, but hats off to the local government for making sure that we have potable water in many parts of Miami-Dade County and parts of Broward and Palm Beach counties.

But what we have to do is go back to what we were talking about originally, a Hurricane Katrina commission to make sure that we are able to work the kinks out so we can provide Americans what they need in their time of need. Unfortunately in this particular instance, that did not happen. I want to thank the National Guard for doing everything they could do, but the coordination is still not where it should be.

I wanted to talk tonight about what just happened, what has happened in the past, and how we can correct it in the future. I think that is something very, very important, especially as Members of Congress. I am joined by the gentlewoman from Florida (Ms. WASSERMAN SCHULTZ). Both of us rode the storm out and both of us live in communities where the lights are out.

Both of us called directly to the director of FEMA to recommend to the White House that we be granted individual assistance for households. In Hurricane Katrina, that was not granted. Many Floridians in south Florida lost their homes. They did not meet the quote/unquote 800 threshold for damage to their homes, something that was a discretionary call. The entire Florida delegation asked, with the leadership of the gentlewoman from Florida (Ms. WASSERMAN SCHULTZ), for

the White House and FEMA to reconsider. It was denied both times.

This time we assumed nothing and worked very hard to make it happen. It was very obvious, and I am sure people in Washington, D.C. could watch the news and see that the need was there. We needed to meet it, but the Federal response is not what it should be at this particular time. I can tell you as I yield to my colleague, I was very, very disturbed by the fact that a person that I communicate with that I think is a very decent individual, and I still feel he is a decent individual, but when you come down to Florida, the Secretary of Homeland Security says, you just need to be patient. We know you just went through a storm, but be patient.

I can tell you before that, the State director, the Governor of Florida was saying, make sure you have what you need to have, water, ice, 24 hours after the event. Then when folks ran out, they waited in lines for hours. In some instances, water did not show up, ice was not there, and food was not there; and folks were promised it was going to be there and it did not happen.

There are a number of comments going back and forth between State, local, and Federal governments. This goes back to the importance of the independent Hurricane Katrina commission so we can have folks that can sit down and evaluate what happened in Hurricane Katrina, what happened in Rita and Wilma. What happened in other storms, so we can come out with best practices, not just for hurricanes but even if there is a terrorist attack.

This is a perfect example to show how the people who sent us here will not get what they need from the local, State, or Federal Government that is overwhelmed by the event that took place. That is why we have a FEMA, and I think that it is important that we work on these issues. I am glad to be here with my colleagues. We are quote/unquote evacuees. The airports just opened in south Florida, and I am glad to be here.

Mr. Speaker, I yield to the gentlewoman from Florida (Ms. WASSERMAN SCHULTZ).

Ms. WASSERMAN SCHULTZ. Mr. Speaker, it has been stressful, and that is the mildest word I can use, last several days. We both rode out the storm in our houses in south Florida.

I have to say, if I had not been impressed by looking at the aftermath of Andrew, and I live in Broward County and so Andrew did not devastate Broward County like it did Miami-Dade County, we got grazed, but if I did not appreciate the kind of power Mother Nature has after observing the aftermath of Andrew and Hurricane Katrina on TV, I can tell you, being hit by an category 3 storm is awe inspiring.

When you are cowering with your kids and husband and your family in your home and you are boarded up in your house, it feels like God is literally throwing bowling balls on the roof. It is an emotional, stressful situation. For those of us who live in structures that have been built under the south Florida building code since Hurricane Andrew and have a sturdy structure in which to live, where we were not worried about our homes caving in around us, and then yesterday when I had an opportunity to ride with FEMA on their preliminary damage assessment review and saw the mobile home parks in my district and across south Florida spanning the gentleman's district, and literally see that the walls caved in around the foundations of these homes and just furniture was left. Massive trees fell, falling completely over or snapping in half and falling on people's houses. We can urge people to leave their homes as much as possible, but human nature often motivates people to stay with their belongings and protect their home base.

I just could not believe what might have happened. The fact that we avoided a huge loss of life is just a miracle. It really is. I have to say, the insensitivity on the part of the Governor as well as the President, both spanning from Hurricane Katrina to Wilma is just shocking. Governor Bush literally said today in our newspaper that he did not understand, and I will quote him: ''We had a lot of people standing in line yesterday that we did not like to see. That is why we tell people to have 72 hours of food and water so you do not have to stand in line.'' That was Secretary Paulison. Then the Governor said he did not understand why people did not heed the warning and get 72 hours' worth of food and water in advance of the storm. That is an easy thing to do.

Well, I do not think Governor Bush was in south Florida for the several days, 6 or 7 days' progress that Wilma made across the continent and saw the lines in advance of the storm. And you know what, if you do not have money, if you cannot buy gas for your car or get to a store, it is going to be a little difficult to stock up on 72 hours' worth of food.

When I went on this preliminary damage assessment, I will be honest, I am quite certain that a lot of these people could not afford to buy 72 hours' worth of food and water. So the insensitivity between the Governor's comments and the President's comments after Hurricane Katrina. The President said something similar after Hurricane Katrina. He said in advance of the storm, we warned people and it is our responsibility to get people prepared; but if they did not listen, there is not too much we can do about it. I guess like brother like brother.

But what is the most disappointing, really, as someone who went through the storm myself and now have had literally thousands and thousands of constituents whose lives are affected who are sitting in the dark tonight as we speak who cannot hear our voices unless they are listening to C–SPAN Radio, honestly, it is just unbelievable that last week when we had our Florida delegation meeting, to listen to the supposedly organized and well-prepared preparations that FEMA and the State of Florida were putting in place to preposition supplies that people needed.

You would have thought that there would not be a kink in the works after the hurricane went through. Honestly, the reports that I am getting are so disturbing, price gouging of over $6 a gallon for gas in our districts. Where is the accountability? Where is the protection from the State government?

We have trucks that have been lost for 2 days that they still cannot find, that they bragged to us last week that they were pre-positioning ice and water and meals ready to eat in Jacksonville and Homestead, but then they lost the trucks because the only means of communication they had available to contact the trucks was cell phones. Maybe they did not notice, but cell phone towers are tall; and the tall things in south Florida when they got hit by a category 3 hurricane fell down or were damaged.

So that means communication went down. No water, no ice, no diesel fuel. Senior citizens older than 85 years old in Hallandale Beach stuck in their condominiums, the glass blown out of their places, no power, no food. The generators operating their power running out of diesel fuel. The mayor of Hallandale Beach had to call an emergency session of the city council and declare a state of emergency within her city so she could get ready to commandeer gas from a gas station to help those people.

This is the model State for natural disaster preparation. If we are the model, and we have already seen what the model is not, if we are the model, we have a lot of work to do.

□ 2230

Mr. MEEK of Florida. Mr. Speaker, I feel very strongly also there is a lot of work to be done. What I am disturbed about, I was at the emergency operation center last night in Miami-Dade County speaking with the county manager and several of the county commissioners. The mayor was on his way back from Homestead Air Force Base meeting with National Guard personnel and management, and the bottom line is that they did not get the supplies that they were supposed to get. The ice was not coming, Mr. Speaker. The water was not on the way, and it is not the Kendrick Meek report. It was on the Weather Channel. It was on CNN. It was on Fox. It was on MSNBC. It was on all the major news networks saying we are prepared because we are Floridians, and we are used to doing this. Well, I can tell the Members that we are never perfect.

And I am holding up just one picture here, Mr. Speaker, from the New York Times of the Orange Bowl. Everyone knows about the Orange Bowl throughout the country, but it is not known for what it was known for, for a number of championship games, a number

of professional football games. It is a place of chaos and a place of frustration right now. And I use the word ''chaos,'' and I do not use that loosely.

I can tell the Members I happened to be with the National Guard yesterday. I wanted them to take me to all of these distribution centers by a Blackhawk, and we had an opportunity to see them. There were lines around, literally if we were to go out the front door of the Capitol, we can go clear across the street to the Cannon Building and around, all the way around that building. People were waiting for 7 and 8 hours to get 1 bag of ice and 3 jugs of water.

I do not blame the local government officials. I do not even know if it was the truck driver that needed someone to sign a paper before they released the ice. What I do know is that Americans count on this government for them in their time of need. Local government can only go so far. State government can only go so far. The Federal Government, as far as we are concerned as it relates to the Federal Emergency Management Agency, this is what that Agency does 24–7. They plan for catastrophic events. And as far as I am concerned, as it relates to catastrophic, comparing Wilma to Katrina, it is very hard to compare it, but I can tell the Members that many of the Floridians that are being rationed for gas, we are not saying it is the government's problem for all of that. We are just saying that we need to manage our part of this thing. We need to make sure that if we tell someone that ice is going to be somewhere at a particular time, I can see a truck an hour late or 2 hours late, but 7 and 10 hours late?

This is not the Kendrick Meek report. This is in the papers throughout Florida and throughout this country and on several of the news outlets. And I have this here from the Sun-Sentinel, after the Governor made the comments about they should have been ready. And it is not about the Governor and the State of Florida. This is about responding to Americans in need, and we have a pattern.

In Rita we heard the same complaints from some members of the Texas delegation and some of the folks that came up here from Rita about what should have happened did not happen. We definitely heard those complaints in Katrina. So we know that we are having complaints, and we know that we have a problem, but we are not doing the things that we need to do to correct those problems. We are not doing it. And that is the problem. That is the main problem that we are not learning from recent events. We are talking about within the last 2 to 3 months. This is not like 1967. We do not have to go back that far. Just this year we should learn from it.

And the reason why I am alarmed by this, thank God we are in a hurricane season, but I do not know what these terrorists are thinking about. I really do not. I do not know if they are going to plan to hit a city in the Midwest or the east coast or the west coast. We definitely know that we are not able to respond in a way that we are supposed to respond throughout the country no matter where it is.

So it is important that we have this Independent Katrina Commission that many papers throughout this country has endorsed. It is important that 81 percent of Americans have said that they want an Independent Katrina Commission. It is named Independent Katrina Commission because so many issues happened during that event. And then we had Rita, and then we had Wilma, and no telling, we may have something else.

But what happens when we get a dirty bomb? What happens when we have to evacuate a whole U.S. city and we have to find not only housing, but shelter for folks? What happens when a local government sends out an SOS? Obviously they are sending out an SOS in south Florida. I do not want us to be too proud to beg, but if we need help, we need to say it. And if we are all collocated with FEMA, and everyone is talking to everyone, we cannot be concerned about this is my friend and I do not want to say anything about him, or this is my brother and I do not want to say anything about him. The bottom line is it is not personal, it is just business.

And I had constituents that were told to be at Hadley Park in the middle of my district. Not a truck of ice, water, anything. We had to argue with the emergency management people. We had to argue with the State. And finally it took an act of Congressmen getting involved for that to happen. What happened then? Well, I believe they ended up getting ice and food because there was no water to send over there.

So the bottom line is we do have people in the real world that cannot afford to buy a generator to keep their refrigerator and food fresh. We have people in our country, the working poor and some middle-class folks, that are working from paycheck to paycheck, that cannot afford to have ice reserved for 72 hours.

That is an interesting number because it keeps sliding. I heard we need to have enough to preserve ourselves for 24 hours. I heard this come out of the mouth of the Governor, the chief emergency management person, the FEMA people. And now we have problem. Now that number has slid to 72 hours. What is it going to be next, 150 hours because we cannot respond?

So I am very serious about this because it is our job. Even before Wilma, I am so glad that we were on this floor, and someone said, oh, it is just politics. And it is a perfect example. And, Mr. Speaker, I have said this time after time again. I have shared with the Members. We come to this floor. We say we need an Independent Katrina Commission to evaluate the local, State, and Federal response to these events, and folks said, oh, it is just politics. Guess what? Now it is us. Now it is Congresswoman WASSERMAN SCHULTZ. Now it is me. Now it is Congressman LINCOLN DIAZ-BALART, Congressman MARIO DIAZ-BALART, Congresswoman ROS-LEHTINEN, Congressman FOLEY, Congressman SHAW, Congressman HASTINGS of Florida. Now it is us. Now it is Senator MARTINEZ. Now it is Senator NELSON. Now it is Florida. Who is next?

And when are we going to be able to say, regardless of how it may look on the Federal Emergency Management Agency, the Department of Homeland Security, the White House, the Congress, individuals, we have to work this out? That is why people sent us up here. They did not send us up here to be friends and hug and tell each other, ''I have got your back if you have mine.'' People sent us up here for us to have their back. And unless we are willing to do that, then we might as well just stay in our districts and say, call me when you want me to do something. Somebody calls me from the back of the Chamber and says, this is the way you are supposed to vote. If they are one of those kind of folks and they come and put their card in because someone else told them how to vote, and they say do not talk about that because this is the message for the day, we need to talk about it. We need to critical of one another so we can be better. And, unfortunately, it is now our constituents.

But I feel half all right about this thing because we have been about the solution and trying to bring about over 190 Members of this House. Unfortunately, Mr. Speaker, on this side of the aisle, it is not politics. It is just business. And guess what? It is reality.

We are calling for an Independent Katrina Commission, along with 81 percent of the American people that are calling for it. What has to happen next? Do we need to have a terrorist attack? Do we need to have a horrific event somewhere to say maybe we need to review what we are doing because what we are doing we are not doing right? It is almost like taking a carton of milk out of the refrigerator and saying, oh, it is spoiled, let me put it back in, and maybe it will be fresh tomorrow. It is just not going to happen. And until we leader up and until we work in a bipartisan way, it is just not going to happen.

So, I mean, I do not know how to make it any more plain of what we need to do and what we have to do, because Americans are suffering, and now, as we stand here today, a supermajority of our constituents cannot even see us here on this floor representing them. And guess what? Other Americans that now are sitting at home saying, oh, that is just a shame, or Members sitting in their office, that is a shame what happened in their district, we are going to pray about it, we know prayer without works is dead. We know that, and we know that we have

to have action. And that is the reason why we have it in our hearts and in our minds to do the right thing. But guess what is standing in front of it? Politics; the politics of saying I have your back, you do not have to worry about it.

This majority over here in Congress is saying, do not worry, we are going to do a partisan commission. You do not have to worry about it. We are not going to be critical of you, White House. White House, do not be critical of us, and we will get through this thing. Let us just ride it out. But somehow, some way, there is a constant reminder of the disorganization of emergency management, and it starts from the Federal, and they will blame the State, or they will blame the local government, and the local government will blame the State, or the State will blame the Federal. We are not into the blame game. We are getting down to how we can get a system that will work for all Americans.

Ms. WASSERMAN SCHULTZ. Mr. Speaker, will the gentleman yield?

Mr. MEEK of Florida. I yield to the gentlewoman from Florida.

Ms. WASSERMAN SCHULTZ. Mr. Speaker, the gentleman is so right, and his comments have brought up so many different things that I want to say.

But let us go back to what we have been talking about on this floor lo these last few weeks. We have been talking about the three or four Cs that are the real issue in this administration and in this government. We have been talking about corruption. We have been talking about cronyism. We have been talking about competence. I think what has happened in our community in the last few days just points arrows in the direction of every one of those C words.

Let us talk about competence. The Governor can say, golly gee, our goal was to get up and running and be ready with all this water and ice and response and trucks and generators in 24 hours, and we will just have to work a little bit harder. Honestly, if they point to themselves as the model, if FEMA points to Florida as the model, and says that we are the most prepared State in terms of natural disasters, then they are owning up and saying, ''I am competent.'' We are competent. We are ready to do the job.

I think if we traveled through South Florida tonight and asked people on the street, whom the gentleman and I have talked with, and asked them if they think their government is competent, I think the answer would be a resounding no, because these are some of the things that our constituents are having to deal with tonight, that our families are having to deal with tonight. the reality of getting hit by a Category 3 storm and not having the government respond to their needs is that in Broward County there is no potable water. The entire county is under a boil water order, which means that when I had to give my 2-year-old a bath the other day, I could not pour water over her head because the water could give her pinkeye. That is what I was cautioned about. We have to make sure that our children do not rinse their toothbrushes with the water because it can make them sick.

We have a myriad of issues. We have water and ice and food needs. We have people in high-rises who have had windows blown out. We have trucks that have been lost. How could the trucks get lost? If they prepositioned them in strategic portions of the State so as to ensure that they could be moved out and sent to places that they know they are going to be needed, how is it that they could not find them and in some cases still have not been able to find them?

Today in Miami-Dade County, which we both represent, although now I am told that Miami-Dade County does have drinkable water, except for Miami Beach, which I represent about half of, these are the water and ice distribution centers, Mr. Speaker, that we were supposed to be set up and fully equipped with water and ice. So let us peruse the availability of the supplies today.

This is for the model State in terms of preparation and the prepositioning of hundreds of trucks to be able to be distributed as soon as the storm is over.

Mr. MEEK of Florida. And over 2,000 FEMA employees there prior to the storm.

Ms. WASSERMAN SCHULTZ. In advance of the storm, 2,000 FEMA employees who were supposed to be ready to be dispatched to get this stuff distributed. We had the Miami Beach distribution center supplied. Metro Zoo in South Dade, no water, partial ice. Homestead Sports Complex, which is near where the trucks were prepositioned, no supplies. None. I mean, in Homestead they did not have water or ice, and the trucks were right there to start with. The Orange Bowl was supplied, but we had massive chaos in terms of the thousands of people that showed up to try to get access to that.

We have Miami-Dade College North, which is in the north part of the county, no water, partial ice. Miami-Dade College Kendall, which is more towards south Dade, partially supplied, meaning they did not have enough water or ice for the people that showed up. And let us keep in mind that what they were distributing to people when they were able to get it were six bottles of water and a bag of ice. I mean, that is what people were able to take home while they are sitting in the dark with no ability to cool their food and keep it fresh.

□ 2245

A.D. Barns Park, no supplies. Tamiami Park, no supplies. The Mall at 163rd Street, in both your and my district, no supplies. And Landmark Property, no water, partial ice. This is the model State for natural disasters.

Let us talk about the IA, the granting of individual assistance or lack thereof. Why did the State of Florida, why did Governor Bush, not request automatic individual assistance for both the East Coast and the West Coast? He asked for that assistance immediately in advance of the storm for the West Coast, as if Wilma was going to hit a wall when she crossed over the West Coast and not cross over southeast Florida too.

I mean, it took literally until 7:30 last night with the gentleman talking to Secretary Paulison, me talking to Secretary Paulison, who, by the way lives in my district and is a constituent, and obviously knows the devastation, and he was in Washington, and much to his wife's dismay, he told me. But we even have the acting director of FEMA living in our area, and they still were not able to get individual assistance granted.

They literally went out on preliminary disaster assessments yesterday, as if you had to drive through a neighborhood to see the devastation. I mean, it was just so frustrating. This is what people are talking about when they say they do not feel their government is responsive to their needs, when they are frustrated beyond belief with the red tape.

I mean, it is so simple. It is very difficult to respond to natural disasters, there is no question about that. We lived through the chaos in the last few days. But, come on, if you are going to hold yourself up as a competent model and you are going to say that you are the example to which all others should be held, then you have to live up to that example.

Before I turn it back over to the gentleman, I just want to make sure we are not only talking about the one C, competence, we are talking about the cronyism too.

I was interested to come across an article today that talked about how Mr. Brown, ''Brownie,'' who was ejected because of his incompetence from FEMA, Secretary Chertoff, the Homeland Security Secretary, extended Michael Brown's contract for another 30 days. For what?

The gentleman is on the Committee on Homeland Security. We had this partisan, dependent committee asking the right questions, supposedly, or at least that is what it was set up to do. How are they letting this happen? That is why we need an independent commission. If we had an independent commission, this would not have happened because there would be some accountability.

Our constituents want answers. I want to go home and make sure that FPL has the ability as much as they can humanly do to get those lights turned on. They are telling our people they are not going to be able to get those lights turned on possibly until November 22 at the earliest.

The other thing really disturbing that I heard and read in the Governor

and the State and FEMA's comments today was that they did not anticipate the intensity of the storm and they made a mistake in their calculations. The director of the State EOC, Emergency Operations Center, said today in the paper that they made a mistake in their calculations and did not account for the size of our population in South Florida when calculating how much ice and water was going to be needed.

We have the biggest media market in the State. There are more than 6 million people, 7 million people that live in our three counties, if you count Palm Beach too?

Mr. MEEK of Florida. Mr. Speaker, reclaiming my time, 3.8 million in both of our counties.

Mr. Speaker, I am going to tell you, being a part of the solution is what we do. We are a part of the solution, Mr. Speaker, and I think it is important that even when it comes down to the individual assistance, I mean, you just had to turn on the television and see that there were over 800 homes damaged in Florida. That would automatically allow the people of the State of Florida to be able to call FEMA for individual assistance. But, no, we watched the sun rise and set twice in Florida.

Ms. WASSERMAN SCHULTZ. Mr. Speaker, if the gentleman will yield further, let us not even let people believe that now that individual assistance has been granted and that it is being supplied. They do not even have the registration sites set up now.

I was driving through the district with the FEMA folks yesterday and people were coming up with their houses crushed in saying, I have got to have some help here. I have a baby. I have a grandmother who needs medicine. When is FEMA coming?

The poor guy who I was riding with, he does not know what to tell people. He said, ''This is why we are doing this assessment, ma'am. I understand we are going to try to get help to you as soon as possible.''

Now we are 72 hours out. Every day the Governor says it is going to get one day better. It does not feel that way.

Mr. MEEK of Florida. Mr. Speaker, reclaiming my time, that is the only way we are going to get better. We were calling directly to the FEMA director about this individual assistance. You call the 800 number, and the folks of Texas and Louisiana and Mississippi and Alabama, I think they kind of know about that FEMA 1–800 number.

I am going to put it to you this way. We had to talk to the director. Obviously, I am going to tell you something, I am going to be the first one to tell you, when Michael Brown left, well, he did not leave, he is still on, and I want to talk about that, when Michael Brown was removed, it is almost humorous, but it is sad, when he was moved from the director to whatever job he has now, at the same pay rate, okay, you are rewarded for not doing your job under this whole culture of corruption and cronyism. Because I can tell you right now, folks know that if you were at the helm of the ship and you did not know what to do or how to do it and you did not have the credentials, that you were not only fired, but you were fired yesterday; not, hey, you know something, you are doing a horrible job, but we are going to pay you at the same rate the day before we knew that you were not capable of doing the job, and not only that, we are going to extend you, because under this whole thing of cronyism, this is what we do.

It will be okay if it was a private company somewhere that decided to do that for a member of that company, because it was in their prerogative. It is their money, they make their own money. But when you are using the taxpayer's money to commend cronyism and incompetence, I have a problem with that. I do not think I need to be a Democrat or Republican to have a problem with that. I just need to be an American taxpayer that has a big problem with that.

How does this happen? It happens because it bubbles up from the bottom to the top, or I am going to say from the top it bubbles down from the top to the bottom. If the President is doing it, it is okay for the department heads to do it; if the department heads can do it, assistant secretaries can do it; if assistant secretaries can do it, area regional coordinators can do if; if regional coordinators can do it, it can go all the way down to the person that is making the decision in FEMA to foot drag or not, because they are okay.

Because if you are going to preserve a Michael Brown in the Federal Emergency Management Agency, then guess who also is being preserved around here? I mean, I cannot even imagine for the folks not under the spotlight that are being preserved and rewarded under this culture of corruption and cronyism. And I do not use this corruption and cronyism lightly, because there is a big cloud over Washington, D.C. right now about outing CIA agents, and not a mumbling word from the Congress about it. Not a mumbling word.

I can tell you one thing: If there was a Democrat in the White House and the Republican Congress, as it is right now, we would have to hold Members of Congress back from the gates of the White House, under this whole thing of outing a clandestine agent working to find out more about weapons of mass destruction to harm this country.

So, I say to the Congresswoman, this goes a lot deeper than just the regular Potomac two-step that is going on in Washington. It has gone to a whole other level.

The reason why we were on him on individual assistance to get better, it is because we are a part of trying to make FEMA right. We are a part of trying to make our government work. When we work and when we call and when we plead with Members of Congress and we talk to the department heads and say, listen, grant individual assistance. We already know we are eligible. Just do it so folks will know we are responding. ''Well, we are doing assessments of the assessments, and I haven't heard back from the people that went out in the field.''

Let me tell you, Mr. Speaker, thank God for the National Guard. I talked to them. They said listen, anyone from FEMA, who needs to do anything about getting us more, we will fly you down, we will do whatever we have to do. You could go up in a helicopter in 5 minutes and counts 800 homes and it is over.

But, no, this Congresswoman here had to get in a car with a gentleman, and I commended those frontline workers when I first started this hour. I think the first responders should be commended. They are the individuals that do what they are supposed to do. I think the FEMA folks on the ground are trying to do the best they can. They were going out, trying to do whatever they have to do to make it happen. Let us be happy for them, police officers, National Guard.

But, you know something? It comes down to the management of making it work. If you go to a Burger King or McDonald's, I am not picking on them, a fast food establishment, and things are not moving the way it is supposed to be moving, I cannot be mad at the guy on fries. I have to be upset with the manager standing there with a tie on looking important. Either you are going to be a part of the solution or you are part of the problem. Apparently you have a management problem.

And that is what we have. Unfortunately, it is the response to catastrophic events or a possible terrorist attack. This is real stuff. So what we are seeing here on the Floor, just like well were fighting not only on behalf of the people of Louisiana, Texas, Mississippi, Alabama, but we are fighting on behalf of Americans about the fact that, guess what? We are not prepared. And all of the paperwork and documents we have that say, oh, we are ready. We have this plan here, and when it is time, we are going to implement this plan.

Guess what? Diddly-squat. Because people are not ready to do what they need to do. What is the bad part about it is we have people covering for one another. Now, the President is going down there tomorrow, and I am glad the President is going down. He is going to fly around and he will take a look at what happened and then he is going to go back to the Hurricane Center and he is going to have a discussion with State and local folk.

Okay. That is good. I am glad the President is going. He should have been down there today, but I am glad he is going.

But I am going to tell you this: I told my people back home, and I told the State folks, if you do not tell the President the truth, then you are buying in to cronyism. You cannot sit there and go through the whole this is the script,

and I do not even want to talk about scripts as it relates to press conferences with the President and the troops selected to speak at that press conference. But I am going to tell you this right now: The business of I have got your back and you have my back and we are elected or appointed and what have you, and you watch out for me, and if I end up getting removed from a location, I just want us to be okay so I can get a 90 day contract or can continue to go 6 months for doing a bad job. Those days are over.

And, guess what? As it relates to the 30-Something Working Group on this side of the aisle, we are going to call it the way it is. Bottom line: It is not personal, it is just business. That is the bottom line. We are not going to allow this to happen.

It is a shame, it is a real shame, that there is not an outrage, there is no outrage from this Congress, this Republican Congress, Republican Senate, the White House, the fact that, you know something, it is not working, we are going to get it right. The Secretary of Homeland Security went down and said you all be patient. What is the problem. What is going on here? What are you crying about? Why are you upset? Oh, you were waiting for a day-and-a-half for ice, or whatever the case may be, or were out there at 7 o'clock and we were supposed to be there at 12 and we did not show up until 7 o'clock?

I was at the 163rd Street location, got there at 10 o'clock. There is the ice trucks, pallets of them. Guess what? A few people there were frustrated because they left after waiting 10 or 15 hours for ice. And these are the victims of Wilma. These are not the folks coming in here saying, hey, listen, I want to suck off the government because I understand you all have milk. No. They came down there for help. We told them to come, and we were not there for them. And we had 2,000 FEMA people, let FEMA tell you, the Governor, oh, we have trucks, and trucks and trucks as far as the eye can see of ice and water. No ice and water. They lost trucks in Broward County. I do not know how trucks can get lost.

Thank God for the National Guard. They put helicopters in the air trying to find the trucks. This is serious business.

Let us just say it. If we have to evacuate Washington, D.C., what is going to happen with the people of the District of Columbia? What is going to happen to the people in Sioux City, Iowa, if they say you have to clear that town now? We are all going to be standing around here saying, oh, my goodness. What are we going to do?

Because you know something? We were not critical of our failures, and we have to be critical of our failures so we can have better days in the future.

□ 2300

It just does not get better. If you take it out of the refrigerator and it is sour, you put it back in and say maybe it will be fresh tomorrow. It just is not going to happen, and it does not make sense, doing the same thing expecting different results. It is beyond partisanship. It comes down to leadership.

I will say this to the majority: if you are not willing to lead, the American people will allow individuals that are willing to lead and are willing to call in, even if it is the same party in the White House, the party that is in control of the White House or in control of this Congress, and it has been proven. When there were issues with President Clinton or issues with President Carter, it was a democratic Congress that called them to the mat. Because we are Americans, and that is our role constitutionally in making sure that this country operates in a good way, because we are the representatives of the people of this country. A Senator can be appointed, but if you are a Member of the House, you have to be elected, and we are elected by the people to what? Lead and have oversight. And if you are not willing to do that, and I say this to the Majority side, I guarantee you, Democrats, Republicans, Independents, white, black, veteran, nonveteran, they want people to lead and they are going to get it. And I am going to tell you right now, I would much rather see some correction take place in the very near future so that lives are not lost and individuals are not told one thing and it is another, turn right, I meant left. We do not have time for that. We need accountability.

Ms. WASSERMAN SCHULTZ. Mr. Speaker, we absolutely need accountability. There are people's lives at stake here. We are not here to be partisan.

I remember a few weeks ago when Katrina hit and after Katrina hit, and you and I and the gentleman from Ohio had been on this floor day after day, week after week, and talking about what the government's response needed to be and should have been and what our process should have done, which is establish an independent Katrina commission so that we could get some of these things resolved. Because it is very nice that the President is going to come down and land his helicopter or fly Air Force One or whatever he is going to do because the airports have not been open so, hopefully, he is going to have a place to land. That is very nice. I remember the movie ''The Candidate,'' and Robert Redford's character is running against another guy for the U.S. Senate, and there is a big fire, and his opponent flies the helicopter down into the disaster area to survey the damage. And you know, the whole thing is a fiery mess and the guy flies in, surveys the damage, and flies out, looks important and impressive, and that is great. But what help did he provide to the people who were there? Did he grab a hose and start spraying?

I am glad that the President is coming because he is the symbol of the United States of America, and there is one person in this country who everyone looks to, but it is only helpful if, when he sits down at the hurricane center and goes through that briefing, it is only helpful if he learns something, if the Federal Government and the administration learn something and change it for the next time. Because we were on this floor weeks ago offering our advice and our suggestions and our opinion about the aftermath of Katrina and how disturbed we were, because we said, and I remember using these words: there but for the grace of God go I, and now we have. Now it has happened to us. So it is our responsibility.

Mr. Speaker, there are those on the Majority side of the aisle that will accuse us of doing this on a nightly basis to be political and to be partisan. No. It is the fact that particularly with natural disasters, natural or manmade disasters, you just know that at some point, especially where we live and in other parts of the country that are more prone to natural disasters, you just know it is going to happen to you at some point. I have talked to constituents, I have read constituents' comments in the paper, that it is all well and good that they come in and they do this review and this assessment, but it is only good if they learn something.

One of the things, when I was at the Broward Emergency Operations Center yesterday, Tony Carper, the director, was talking about how they are trying to find generators, both the big generators that can help run the power grid while they are trying to get the power lines up and running again, and the small ones that people are going to need to run their facilities, and I asked him, I said, why, if we knew this storm was coming for so many days in advance, why did we not get those in position ahead of time? He said, because we do not have enough flexibility in our homeland security funding, because we get a lot of money for terrorism, but they are not able to use that money to respond to natural disasters. Well, we are much more certain on a regular basis that we are going to get hit with natural disasters than we are, God forbid, going to get hit by a manmade disaster.

That is the kind of responsiveness that could have been fixed several storms ago. I mean, we have our eighth storm in 15 months. How is it that that was not fixed already? How is it that we still have people sitting in the dark? How is it that we were denied individual assistance after Katrina in Florida, when you had people looking through the roof at sky, both in Florida and in Louisiana, and then the very next time that we get hit by a storm, we have to fight to get individual assistance granted when all you have to do is walk out your front door or turn on the television and you can see 100 or 800 homes damaged, severely damaged. Do they not care? I mean, have they no shame? Have they no heart?

It feels like that. It feels like they are up on high in the White House and Capitol Hill and it is not me, it is them. They are 1,100 miles from here and: my roof is not caving in, so I am okay. And I have money, I have water, I have ice, my kids are not going to get pink eye when I give them a bath and run water over their heads. I just, I do not understand. I do not understand why we had to spend the last 72 hours pounding on people, pounding on this government to get our folks some help. It is just inexcusable. It is incompetence. It is corruption, it is a crisis. We are going to have a whole collection, a whole necklace full of seeds by the time we are done with this year. God forbid. I hope that somebody decides to read the book, ''Everything I Needed to Know I Learned in Kindergarten'' and start remembering that we need to care about each other and that we need to be responsive and put partisan politics aside. It is not about the next election; it is about taking care of each other.

Mr. MEEK of Florida. Congresswoman, the issue is the fact that if folks would say, well, why are the Democrats not doing something? They may well, I do not know, maybe they are saying what they should be doing and they are not doing. Guess what? I just want to remind the Members just in case, Mr. Speaker, someone bumped their head and has a little amnesia going on, the Republican-controlled Senate, Republican-controlled House, a majority, okay? A Republican-controlled White House. That is legislative and executive branch, all right? They are in control of this government.

The bottom line is in the minority, as it relates to the rules, they cannot agenda bills here on the Floor, they cannot call committee meetings. They cannot even get votes to take place here on this floor, and within the time that it is supposed to take place, especially when the majority is not on the prevailing side, because it is bad policy that they are passing. All we can do is make sure that not only the Members know exactly what they are doing, not only fight them in committee as it relates to amendments to try to make bills better and shame the majority into accepting those amendments so that the bill and the legislation could be better, or we can have better oversight over Federal agencies to make sure what? That the American people get their taxpayer dollars' worth of accountability out of those Federal agencies, and even sometimes out of individuals that are within the Federal Government.

So when that does not happen, we are at the point that we are now: a brick wall. A brick wall of just saying, listen, I am in the majority, and guess what? Live with it. It is not personal, it is just business. And believe it or not, it would be okay if things were properly managed in the Federal Government. It would be okay if we did not have White House folks outing, or rumors of well, the Vice President told his chief of staff who the agent was, the CIA agent was, and somehow it got out to a reporter, and then now her life is in jeopardy, and we have lost someone who had the opportunity to go to the other side where many of our intelligence officers could not go to find out where or how individuals possessed weapons of mass destruction to what? To protect our country, and someone thought because of politics, that they should out her. Okay? It would be okay, Congresswoman, but guess what? It is not.

We have one of the highest deficits in the history of the republic as we stand here in the 109th Congress. We have an emergency management agency/homeland security agency that cannot perform in the way that it is supposed to perform, let alone the public assistance that is supposed to go to local governments after these disasters to be able to replenish their dollars so that they can provide for who? The people that we represent and the Americans that are counting on us to respond in their time of need, let alone the fact that goodness, we cannot even get water and ice right and food. If we cannot get that right, then how can we count on, if we are under the gun of a terrorist attacks, and we do not know what area is safe, can we breath the air, can you drink the water, when is the next attack taking place, at least we have an opportunity with a natural disaster to say, we can see a storm coming, we can prepare for it as best we can, and say this is what we need to do and folks get in place. You get a terrorist attack, you do not get a warning. The terrorist did not call you up and say hey, guess what? We are going to carry out a terrorist attack in maybe another month so we want to make sure you guys are ready.

So unless we scrutinize our system that we have now, it will not be better and we will not be prepared. That is far beyond politics. And it should be far beyond cronyism. And you would say, as much as we talk about cronyism which is, in reality, we do not need to paint a picture there; just open your local paper. Just turn on the television. It is covered with corruption and cronyism. I mean I do not even need to waste time on that. I just need to say that for us to get better, either the majority is going to say, you know something, we are going to do what we are supposed to do, even if it embarrasses some of our friends in and outside of our party, because this is what we have to do. And that is not happening right now.

We have a committee right now, a partisan committee that has been created, more Republicans than Democrats, that is are supposed to be assigned to the committee. I am glad the democratic leader and other folks here on this side of the aisle have said, you know something? We are not going to participate in Operation I Have Your Back, You Have Mine. We are not going to participate in, you know something? We have lunch together and I am going to make sure that you are okay and you look good, because we are friends, and what time are we going to play golf? We are not going to participate in turning our backs on those victims of Katrina and storms after Katrina who are counting on some assessment, true assessment, an independent assessment of what took place so it would never happen again. The fact that water, ice, and food cannot be distributed in Florida right now or is spottily distributed in Florida right now, and yes, I am pretty sure things are getting better before they get worse, but I am going to tell you, if we cannot do that, then how in the world can we sit here with a straight face and say, well, the White House is doing a review of what went wrong with Katrina so that we can correct the future, when it is not even stated on their website of who is on this committee or what is going to happen with the findings, or where are we going to go from there? And in the House, we have a partisan committee that is calling folks up, that is supposed to put together a report by February, Congresswoman. So I guess we are supposed to take that and say, we have it right now. Oh, I am sorry, I go back to my example. My name is KENDRICK MEEK and I know we had some missteps and I have done possibly something wrong or something, but maybe I need to, I will tell you what, I am going to do a review of myself and I will be back and I will give you a report of where I went wrong. It is just not going to happen. And even on the other side of the building here, they are having some sort of evaluation of what took place. We need an independent Katrina commission.

Congresswoman, I just want to share this. USA Today said we need an independent commission. Let me put my little chart up here, right here. These major papers throughout the country, and these are just the major ones. I am not talking about the small paper that said it is the right thing to do. The News Observer in North Carolina; the Capital Times, Madison, Wisconsin; the Atlanta Constitutional Journal; the Courier Journal, Louisville, Kentucky; St. Petersburg Times in Florida; Salt Lake Tribune in Utah; Denver Post in Colorado; the San Antonio Express News, that is in Texas; Houston Chronicle, they have all said, and that is just to name a few, that we need an independent Katrina commission to evaluate what went wrong and how it went wrong so that we can be better.

□ 2315

They are not saying, well, we need to do it so we cam figure out who was wrong. No, we need to have an independent Katrina Commission so they can put together a report and so that we can correct our wrongs.

Unless we are willing to do that, because I guarantee you right now, it is not going to happen under normal circumstances.

I think we must, on behalf of Americans not only our constituents that are Americans too, continue to push and fight and get in the face of folks who are supposed to be doing the right thing and allowing an independent commission to come about so that we can have this kind of change that is needed in our country, so that we can have a better America and a safer America.

Ms. WASSERMAN SCHULTZ. Mr. Speaker, if I can close us out by saying that their priorities are wrong. It is not an independent Katrina Commission; it is Katrina, Wilma, Rita. We have got to do better.

Mr. MEEK of Florida. Mr. Speaker, I want to let you know that we did not try to pass the time. But we want to thank the Democratic leader and thank you for your indulgence here.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BISHOP of Georgia (at the request of Ms. PELOSI) for today on account of a death in the family.

Mr. MEEK of Florida (at the request of Ms. PELOSI) for today before 4:40 p.m.

Ms. WASSERMAN SCHULTZ (at the request of Ms. PELOSI) for today before 1:30 p.m.

Mr. FOLEY (at the request of Mr. BLUNT) for today and the balance of the week on account of assessing damage from Hurricane Wilma.

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. DEFAZIO) to revise and extend their remarks and include extraneous material:)

Mr. GEORGE MILLER of California, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Ms. CARSON, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Mr. EMANUEL, for 5 minutes, today.

Mr. RYAN of Ohio, for 5 minutes, today.

Ms. CORRINE BROWN of Florida, for 5 minutes, today.

Mr. DOGGETT, for 5 minutes, today.

Ms. WATERS, for 5 minutes, today.

(The following Members (at the request of Mr. GINGREY) to revise and extend their remarks and include extraneous material:)

Mr. HENSARLING, for 5 minutes, today.

Mr. GUTKNECHT, for 5 minutes, November 2.

Mr. HAYES, for 5 minutes, November 2.

Mrs. SCHMIDT, for 5 minutes, today.

Mr. MCHENRY, for 5 minutes, November 2.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 443. An act to improve the investigation of criminal antitrust offenses; to the Committee on the Judiciary.

ADJOURNMENT

Mr. MEEK of Florida. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 16 minutes p.m.) the House adjourned until tomorrow, Thursday, October 27, 2005, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

4763. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting a Memorandum of Justification for drawdown under sections 552(c)(2) of the Foreign Assistance Act to authorize Department of Defense commodities and services as part of the mission to support the deployment of AU forces to Darfur, Sudan; to the Committee on International Relations.

4764. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting pursuant to section 36(c) of the Arms Export Control Act, certification regarding the proposed license for the export of defense articles and services to the Government of Canada (Transmittal No. DDTC 031-05); to the Committee on International Relations.

4765. A letter from the White House Liaison, Department of Justice, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

4766. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting the Department's Annual Report for 2005 on the Implementation of the Federal Financial Assistance Management Improvement Act of 1999, pursuant to Public Law 106–107, section 5 (113 Stat. 1488); to the Committee on Government Reform.

4767. A letter from the Deputy General Counsel, Executive Office of the President, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

4768. A letter from the Deputy General Counsel, Executive Office of the President, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

4769. A letter from the Assistant General Counsel, Office of the Director of National Intelligence, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

4770. A letter from the Assistant General Counsel, Office of the Director of National Intelligence, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

4771. A letter from the Executive Secretary/Chief of Staff, U.S. Agency for Economic Development, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

4772. A letter from the Executive Secretary/Chief of Staff, U.S. Agency for International Development, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

4773. A letter from the Executive Secretary/Chief of Staff, U.S. Agency for International Development, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

4774. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmoshperic Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Pollock in Statistical Area 620 of the Gulf of Alaska [Docket No. 041126333-5040-02; I.D. 091505B] received October 19, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4775. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Pollock in Statistical Area 630 of the Gulf of Alaska [Docket No. 041126333-5040-02; I.D. 090605F] received September 19, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4776. A letter from the Office of Protected Resources, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Sea Turtle Conservation; Excemptions to Taking Prohibitions for Endangered Sea Trutles [Docket No. 050224044-5185-02; I.D. 092304A] received October 7, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4777. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Pelagic Shelf Rockfish in the West Yakutat District of the Gulf of Alaska [Docket No. 041126333-5040-02; I.D. 080305A] received August 23, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4778. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Magnuson-Stevens Fishery Conservation and Management Act Provisions; Fisheries of the Northeastern United States; Northeast Multispecies Fishery; Prohibition of the use of Regular B Days-at-Sea in the Georges Bank Cod Stock Area [Docket No. 040804229-4300-02; I.D. 071305B] received August 2, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4779. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the Western Aleutian Disrict of Bering Sea and Aleutian Islands Management Area [Docket No. 041126332-5039-02; I.D. 071805A] received August 2, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4780. A letter from the Depty Assistant Adminstrator for Regulatory Programs, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Magnuson-Stevens Fishery Conservation and Management Act Provisions; Fisheries of the Northeastern United States; Northeast Multispecies Fishery; Framework Adjustment 41 [Docket No. 050630174-5234-02; I.D. 062005B-X] (RIN: 0648-AT08) received September 19, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4781. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Various Transport

Category Airplanes Manufactured by McDonnell Douglas [Docket No. FAA-2005-20881; Directorate Identifier 2004-NM-253-AD; Amendment 39-14302; AD 2003-17-07 R1] (RIN: 2120-AA64) received October 6, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4782. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Second-in-Command Pilot Type Rating [Docket No. FAA-2004-19630; Amendment No. 61-108] (RIN: 2120-AI38) received September 23, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4783. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class D and Class E Airspace; Salina Municipal Airport, KS. [Docket No. FAA-2005-21873; Airspace Docket No. 05-ACE-27] received September 23, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4784. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A330-322, -341, and -342 Airplanes; and Airbus Model A340-200 and -300 Series Airplanes [Docket No. FAA-2005-22486; Directorate Identifier 2004-NM-219-AD; Amendment 39-14287; AD 2005-19-22] (RIN: 2120-AA64) received October 6, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4785. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A330-202, -223, -243, and -343 Airplanes; and Model A340-313 Airplanes [Docket No. FAA-2005-22484; Directorate Identifier 2003-NM-270-AD; Amendment 39-14286; AD 2005-19-21] (RIN: 2120-AA64) received October 6, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4786. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 767- 200, -300, and -300F Series Airplanes Powered by General Electric or Pratt & Whitney Engines [Docket No. FAA-2005-21355; Directorate Identifier 2005-NM-037-AD; Amendment 39-14288; AD 2005-19-23] (RIN: 2120-AA64) received October 6, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4787. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 727 Series Airplanes [Docket No. 2002-NM-66-AD; Amendment 39-14289; AD 2005-19-24] (RIN: 2120-AA64) received October 6, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4788. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A330-200 Series Airplanes [Docket No. FAA-2005-22483; Directorate Identifier 2004-NM-236-AD; Amendment 39-14292; AD 2005-19-27] (RIN: 2120-AA64) received October 6, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4789. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; BAE Systems (Operations) Limited Model ATP Airplanes and Model HS 748 Airplanes [Docket No FAA-2005-22482; Directorate Identifier 2003-NM-009-AD; Amendment 39-14291; AD 2005-19-26] (RIN: 2120-AA64) received October 6, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4790. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 737-100, -200, -200C, -300, -400, and -500 Series Airplanes [Docket No. FAA-2005-20657; Directorate Identifier 2004-NM-39-AD; Amendment 39-14290; AD 2005-19-25] (RIN: 2120-AA64) received October 6, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4791. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 707 Airplanes, and Boeing Model 720 and 720B Series Airplanes [Docket No. FAA-2005-20785; Directorate Identifier 2005-NM-002-AD; Amendment 39-14295; AD 2005-20-02] (RIN: 2120-AA64) received October 6, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4792. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 737-100, -200, -200C, -300, -400, and -500 Series Airplanes [Docket No. FAA-2005-18788; Directorate Identifier 2003-NM-203-AD; Amendment 39-14296; AD 2005-20-03] (RIN: 2120-AA64) received October 6, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4793. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 737-100, -200, -200C, -300, -400, and -500 Series Airplanes [Docket No. FAA-2005-20356; Directorate Identifier 2004-NM-115-AD; Amendment 39-14294; AD 2005-20-01] (RIN: 2120-AA64) received October 6, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4794. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Teledyne Continental Motors GTSIO-520 Series Reciprocating Engines [Docket No. FAA-2005-20850; Directorate Identifier 2005-NE-05-AD; Amendment 39-14297; AD 2005-20-04] (RIN: 2120-AA64) received October 6, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4795. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A330-200 and -300 Series Airplanes; and Model A340-200 and -300 Series Airplanes [Docket No. FAA-2005-22540; Directorate Identifier 2004-NM-137-AD; Amendment 39-14301; AD 2005-20-08] (RIN: 2120-AA64) received October 6, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4796. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A300 B2 and A300 B4 Series Airplanes; Model A300 B4-600, B4-600R and F4-600R Series Airplanes, and Model A300 C4-605R Variant F Airplanes (Collectively Called A300-600 Series Airplanes); and Model A310-200 and -300 Series Airplanes [Docket No. FAA-2005-20796; Directorate Identifier 2004-NM-160-AD; Amendment 39-14299; AD 2005-20-06] (RIN: 2120-AA64) received October 6, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4797. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 767-200 and 767-300 Series Airplanes [Docket No. FAA-2005-21170; Directorate Identifier 2002-NM-124-AD; Amendment 39-14298; AD 2005-20-05] (RIN: 2120-AA64) received October 6, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4798. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747-100, 747-100B, 747-100B SUD, 747-200B, 747-200C, 747-200F, 747-300, 747SR, and 747SP Series Airplanes [Docket No. FAA-2005-22413; Directorate Identifier 2005-NM-167-AD; Amendment 39-14271; AD 2005-19-06] (RIN: 2120-AA64) received October 6, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4799. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A340-200 and -300 Series Airplanes [Docket No. FAA-2005-22405; Directorate Identifier 2002-NM-243-AD; Amendment 39-14269; AD 2005-19-04] (RIN: 2120-AA64) received October 6, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4800. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Aerospatiale Model ATR42-500 Airplanes [Docket No. FAA-2005-22406; Directorate Identifier 2002-NM-242-AD; Amendment 39-14270; AD 2005-19-05] (RIN: 2120-AA64) received October 6, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4801. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; BAE Systems (Operations) Limited Model ATP Airplanes [Docket No. FAA-2005-22404; Directorate Identifier 2005-NM-018-AD; Amendment 39-14268; AD 2005-19-03] (RIN: 2120-AA64) received October 6, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4802. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A330-301, -321, -322, -341, and -342 Airplanes; and Model A340-200 and A340-300 Series Airplanes [Docket No. FAA-2005-22485; Directorate Identifier 2001-NM-337-AD; Amendment 39-14293; AD 2005-19-28] (RIN: 2120-AA64) received October 6, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4803. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A330-300 Series Airplanes [Docket No. FAA-2005-22539; Directorate Identifier 2004-NM-08-AD; Amendment 39-14300; AD 2005-20-07] (RIN: 2120-AA64) received October 6, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4804. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A330-243, -341, -342, and -343 Airplanes [Docket No. FAA-2005-22563; Directorate Identifier 2004-NM-177-AD; Amendment 39-14304; AD 2005-20-10] (RIN: 2120-AA64) received October 6, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4805. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; BAE Systems (Operations) Limited Model ATP Airplanes [Docket No. FAA-2005-22562; Directorate Identifier

2004-NM-60-AD; Amendment 39-14303; AD 2005-20-09] (RIN: 2120-AA64) received October 6, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4806. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—IFR Altitudes; Miscellaneous Amendments [Docket No. 30453; Amdt. No. 456] received September 23, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on 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. BONILLA: Committee of Conference. Conference report on H.R. 2744. A bill making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes. (Rept. 109–255). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. ENGLISH of Pennsylvania (for himself, Mr. HOLDEN, Ms. HART, and Mr. PLATTS):

H.R. 4144. A bill to eliminate the requirement that States collect Social Security numbers from applicants for recreational licenses; to the Committee on Ways and Means.

By Mr. JACKSON of Illinois (for himself, Mr. ROGERS of Alabama, Mr. CONYERS, Mr. WATT, Mr. SHIMKUS, Mr. CARDIN, Mr. LINCOLN DIAZ-BALART of Florida, Mr. LANTOS, Mr. SCHWARZ of Michigan, Ms. WATERS, Mr. HULSHOF, Ms. KILPATRICK of Michigan, Mr. PORTER, Mr. DAVIS of Illinois, Ms. LEE, Mr. BISHOP of Georgia, Mr. BUTTERFIELD, Ms. CARSON, Mrs. CHRISTENSEN, Mr. CLAY, Mr. CLEAVER, Mr. CLYBURN, Mr. CUMMINGS, Mr. DAVIS of Alabama, Mr. FATTAH, Mr. FORD, Mr. AL GREEN of Texas, Mr. HASTINGS of Florida, Ms. JACKSON-LEE of Texas, Mr. JEFFERSON, Ms. EDDIE BERNICE JOHNSON of Texas, Mrs. JONES of Ohio, Mr. LEWIS of Georgia, Ms. MCKINNEY, Mr. MEEK of Florida, Mr. MEEKS of New York, Ms. MILLENDER-MCDONALD, Ms. MOORE of Wisconsin, Ms. NORTON, Mr. OWENS, Mr. PAYNE, Mr. RANGEL, Mr. RUSH, Mr. SCOTT of Georgia, Mr. SCOTT of Virginia, Mr. THOMPSON of Mississippi, Mr. TOWNS, Ms. CORRINE BROWN of Florida, Ms. WATSON, Mr. WYNN, Mr. LYNCH, Mr. LEVIN, Mr. THOMPSON of California, Mrs. TAUSCHER, Mr. STARK, Mr. EVANS, Mr. ISRAEL, Mr. BOYD, Mr. HONDA, Mr. MCGOVERN, Mrs. MCCARTHY, Mr. NADLER, Mr. KUCINICH, Mr. BERMAN, Mrs. NAPOLITANO, Mr. HOYER, Mr. WAXMAN, Mrs. LOWEY, Ms. SCHAKOWSKY, Mr. MENENDEZ, Mr. DOYLE, Mr. EMANUEL, Mrs. DAVIS of California, Mr. DINGELL, Mr. RYAN of Ohio, Mr. KENNEDY of Rhode Island, Mrs. MALONEY, Mr. ACKERMAN, Ms. LINDA T. SÁNCHEZ of California, Mr. MCNULTY, Mr. VISCLOSKY, Mr. COSTELLO, Mr. GUTIERREZ, Mr. ROTHMAN, Mr. DELAHUNT, Mr. ABERCROMBIE, Ms. MCCOLLUM of Minnesota, Ms. DELAURO, Mr. ROSS, and Mr. MEEHAN):

H.R. 4145. A bill to direct the Architect of the Capitol to obtain a statue of Rosa Parks and to place the statue in the United States Capitol in National Statuary Hall; to the Committee on House Administration.

By Mr. BAKER (for himself and Ms. WASSERMAN SCHULTZ):

H.R. 4146. A bill to facilitate recovery from the effects of Hurricane Rita and Hurricane Wilma by providing greater flexibility for, and temporary waivers of certain requirements and fees imposed on, depository institutions, credit unions, and Federal regulatory agencies, and for other purposes; to the Committee on Financial Services.

By Ms. BORDALLO (for herself, Mr. MANZULLO, Ms. VELÁZQUEZ, Mr. ABERCROMBIE, Mr. BURTON of Indiana, Mrs. CHRISTENSEN, Mr. FALEOMAVAEGA, and Mr. FARR):

H.R. 4147. A bill to amend the Immigration and Nationality Act to increase the period of authorized stay under the Guam visa waiver program to be the same as the period of authorized stay under the United States visa waiver program; to the Committee on the Judiciary.

By Mr. CONYERS (for himself, Mr. EMANUEL, Mr. DEFAZIO, Mr. GRIJALVA, Mr. HINCHEY, Ms. KILPATRICK of Michigan, Mr. SERRANO, Mr. MCDERMOTT, Mrs. MALONEY, and Mr. SANDERS):

H.R. 4148. A bill to amend title 18, United States Code, to prohibit profiteering and fraud relating to relief or reconstruction efforts provided in response to a presidentially declared major disaster or emergency, and for other purposes; to the Committee on the Judiciary.

By Mr. FORTENBERRY (for himself and Ms. HERSETH):

H.R. 4149. A bill to require the prompt issuance by the Secretary of Agriculture of regulations to restore integrity to the payment limitation requirements applicable to commodity payments and benefits, to reduce waste, fraud, and abuse related to the receipt of commodity payments and benefits, and for other purposes; to the Committee on Agriculture.

By Mr. INSLEE (for himself, Mr. REICHERT, Mr. SMITH of Washington, Ms. DELAURO, Mr. DICKS, Mr. GORDON, Mr. HASTINGS of Washington, Miss MCMORRIS, Mr. FORD, Mr. VAN HOLLEN, Mr. LARSON of Connecticut, Mr. PETERSON of Minnesota, Mr. SANDERS, and Mr. LARSEN of Washington):

H.R. 4150. A bill to amend title XXI of the Social Security Act to permit qualifying States to use a portion of their allotments under the State children's health insurance program for any fiscal year for certain Medicaid expenditures; to the Committee on Energy and Commerce.

By Mr. LEWIS of Kentucky (for himself, Mr. ROGERS of Kentucky, Mr. CHANDLER, Mr. WHITFIELD, and Mr. DAVIS of Kentucky):

H.R. 4151. A bill to amend the Internal Revenue Code of 1986 to provide for the tax treatment of horses, and for other purposes; to the Committee on Ways and Means, 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. MCGOVERN (for himself, Mr. FRANK of Massachusetts, Mr. OLVER, Mr. MEEHAN, Mr. MARKEY, Mr. DELAHUNT, Mr. CAPUANO, Mr. NEAL of Massachusetts, Mr. TIERNEY, and Mr. LYNCH):

H.R. 4152. A bill to designate the facility of the United States Postal Service located at 320 High Street in Clinton, Massachusetts, as the ''Raymond J. Salmon Post Office''; to the Committee on Government Reform.

By Mr. STEARNS:

H.R. 4153. A bill to amend title XIX of the Social Security Act to permit Medicaid beneficiaries the choice of self-directed personal assistance services through a cash and counseling program under the Medicaid Program; to the Committee on Energy and Commerce.

By Mr. UDALL of New Mexico:

H.R. 4154. A bill to require the Consumer Product Safety Commission to issue safety standards for lead-containing dishware; to the Committee on Energy and Commerce.

By Mr. DAVIS of Florida (for himself, Mr. KING of New York, Ms. ROS-LEHTINEN, Mr. ACKERMAN, Mr. LANTOS, Mr. SMITH of New Jersey, Mr. BURTON of Indiana, Mr. BERMAN, Mr. ENGEL, Mr. WEXLER, Mr. DELAHUNT, Mr. BROWN of Ohio, Mrs. JO ANN DAVIS of Virginia, Mr. MEEKS of New York, Mr. TANCREDO, Mr. CROWLEY, Ms. WATSON, Ms. BERKLEY, Mr. CHANDLER, Mr. SHAYS, Mr. SAXTON, Mrs. TAUSCHER, Ms. SLAUGHTER, Ms. HARMAN, Mr. WELDON of Pennsylvania, Mr. ISRAEL, Mr. KIND, Mr. WAMP, Mrs. MALONEY, Mrs. MCCARTHY, Mr. HINCHEY, Mr. CRAMER, Ms. ESHOO, Mr. SKELTON, Mr. FOLEY, Mr. HASTINGS of Florida, Mr. NADLER, Mr. MARKEY, Mrs. LOWEY, Mr. BOYD, and Mr. MCNULTY):

H. Con. Res. 275. Concurrent resolution expressing the sense of Congress regarding the education curriculum in the Kingdom of Saudi Arabia; to the Committee on International Relations.

By Mr. KUHL of New York:

H. Con. Res. 276. Concurrent resolution requesting the President to return to the House of Representatives the enrollment of H.R. 3765 so that the Clerk of the House may reenroll the bill in accordance with the action of the two Houses; considered and agreed to.

By Mr. CLEAVER:

H. Con. Res. 277. Concurrent resolution designating the Negro Leagues Baseball Museum in Kansas City, Missouri, as America's National Negro Leagues Baseball Museum; to the Committee on Resources.

By Mr. MOORE of Kansas (for himself, Mr. BAIRD, Ms. MILLENDER-MCDONALD, Mr. BERMAN, Mrs. NAPOLITANO, Mr. BACA, Mr. HINCHEY, Mr. SCHIFF, Mr. HONDA, Mr. FILNER, Ms. MATSUI, Mr. DICKS, Mr. PAYNE, Mr. DAVIS of Tennessee, Ms. LEE, Mr. RADANOVICH, Mr. LANTOS, Mr. COSTA, and Mrs. DAVIS of California):

H. Con. Res. 278. Concurrent resolution expressing the sense of Congress that Congress should raise awareness about the importance of social worker and case worker safety; to the Committee on Education and the Workforce.

By Ms. ROS-LEHTINEN:

H. Con. Res. 279. Concurrent resolution expressing the sense of Congress with respect to the 2005 presidential and parliamentary elections in Egypt; to the Committee on International Relations.

By Mr. NEY:

H. Res. 511. A resolution honoring and thanking United States Capitol Police Assistant Chief of Police James Patrick Rohan on the occasion of his retirement; to the Committee on House Administration.

By Ms. KILPATRICK of Michigan (for herself, Mr. CONYERS, Mr. COOPER,

Mr. MCDERMOTT, Mr. CLEAVER, Mr. SERRANO, Ms. LEE, Mr. SHIMKUS, Mr. MURPHY, Mr. HOLT, Mrs. MALONEY, Ms. MCCOLLUM of Minnesota, Mr. CAPUANO, Mr. VAN HOLLEN, Ms. HARMAN, Ms. WATSON, Mr. GRIJALVA, Mr. MORAN of Virginia, Mr. SANDERS, Mr. HIGGINS, Ms. KAPTUR, Mr. KENNEDY of Rhode Island, Mr. SHERMAN, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. CROWLEY, Mr. HONDA, Mrs. JONES of Ohio, Mr. DAVIS of Alabama, Mr. PALLONE, Mr. BLUMENAUER, Mr. ROTHMAN, Ms. BERKLEY, Ms. WASSERMAN SCHULTZ, Ms. ROYBAL-ALLARD, Mr. CASE, Mr. DOGGETT, Mr. NADLER, Mr. SCOTT of Georgia, Mr. DINGELL, Mr. FARR, and Ms. CARSON):

H. Res. 512. A resolution honoring the life and accomplishments of Rosa Parks and expressing condolences on her passing; to the Committee on Government Reform.

By Mr. OXLEY:

H. Res. 513. A resolution electing a certain Member to a certain standing committee of the House of Representatives; considered and agreed to.

By Ms. MCCOLLUM of Minnesota (for herself, Mr. GILCHREST, Mrs. CHRISTENSEN, Mr. SNYDER, and Mr. SCHWARZ of Michigan):

H. Res. 514. A resolution supporting the observance of a Month of Global Health; to the Committee on International Relations.

By Mr. KUCINICH (for himself, Mr. MURTHA, Mr. GORDON, Mr. EMANUEL, Mr. GEORGE MILLER of California, Mr. WAXMAN, Mr. DELAHUNT, Mr. HOYER, Mr. HOLT, Mr. CLAY, Mr. OBERSTAR, Mr. ABERCROMBIE, Mr. ACKERMAN, Mr. ALLEN, Mr. ANDREWS, Mr. BACA, Mr. BAIRD, Ms. BALDWIN, Mr. BECERRA, Ms. BERKLEY, Mr. BERMAN, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. BERRY, Mr. BISHOP of New York, Mr. BLUMENAUER, Mr. BRADY of Pennsylvania, Ms. CORRINE BROWN of Florida, Mr. BROWN of Ohio, Mr. BUTTERFIELD, Mrs. CAPPS, Mr. CAPUANO, Mr. CARDOZA, Ms. CARSON, Mrs. CHRISTENSEN, Mr. CLEAVER, Mr. CLYBURN, Mr. CONYERS, Mr. CROWLEY, Mr. CUMMINGS, Mr. DAVIS of Illinois, Mr. DAVIS of Tennessee, Mr. DEFAZIO, Ms. DEGETTE, Ms. DELAURO, Mr. DICKS, Mr. DOGGETT, Mr. DOYLE, Mr. ENGEL, Mr. ETHERIDGE, Mr. EVANS, Mr. FARR, Mr. FATTAH, Mr. FILNER, Mr. FORD, Mr. GENE GREEN of Texas, Mr. GRIJALVA, Mr. GUTIERREZ, Mr. HASTINGS of Florida, Ms. HERSETH, Mr. HINCHEY, Mr. HINOJOSA, Mr. HONDA, Ms. HOOLEY, Mr. INSLEE, Mr. ISRAEL, Mr. JACKSON of Illinois, Ms. JACKSON-LEE of Texas, Mr. KANJORSKI, Ms. KAPTUR, Mr. KENNEDY of Rhode Island, Mr. KILDEE, Ms. KILPATRICK of Michigan, Mr. KIND, Mr. LANGEVIN, Mr. LARSEN of Washington, Mr. LARSON of Connecticut, Ms. LEE, Mr. LEVIN, Mr. LEWIS of Georgia, Mrs. LOWEY, Mrs. MALONEY, Mr. MARKEY, Ms. MATSUI, Mrs. MCCARTHY, Ms. MCCOLLUM of Minnesota, Mr. MCDERMOTT, Mr. MCGOVERN, Ms. MCKINNEY, Mr. MCNULTY, Mr. MEEHAN, Mr. MEEK of Florida, Mr. MEEKS of New York, Mr. MENENDEZ, Mr. MICHAUD, Ms. MILLENDER-MCDONALD, Mr. MOORE of Kansas, Ms. MOORE of Wisconsin, Mr. MORAN of Virginia, Mr. NADLER, Mrs. NAPOLITANO, Mr. NEAL of Massachusetts, Mr. OLVER, Mr. OWENS, Mr. PALLONE, Mr. PASCRELL, Mr. PASTOR, Mr. PAYNE, Mr. POMEROY, Mr. PRICE of North Carolina, Mr. RANGEL, Mr. ROTHMAN, Mr. RUPPERSBERGER, Mr. RUSH, Mr. RYAN of Ohio, Mr. SABO, Ms. LINDA T. SÁNCHEZ of California, Ms. LORETTA SANCHEZ of California, Mr. SANDERS, Mr. SERRANO, Ms. SCHAKOWSKY, Mr. SCHIFF, Ms. SCHWARTZ of Pennsylvania, Mr. SHERMAN, Ms. SLAUGHTER, Mr. SMITH of Washington, Ms. SOLIS, Mr. STARK, Mr. STRICKLAND, Mrs. TAUSCHER, Mr. TAYLOR of Mississippi, Mr. THOMPSON of Mississippi, Mr. THOMPSON of California, Mr. TIERNEY, Mr. TOWNS, Mrs. JONES of Ohio, Mr. UDALL of Colorado, Mr. UDALL of New Mexico, Mr. VAN HOLLEN, Ms. VELÁZQUEZ, Mr. VISCLOSKY, Ms. WASSERMAN SCHULTZ, Ms. WATERS, Ms. WATSON, Mr. WATT, Mr. WEXLER, Mr. WEINER, Ms. WOOLSEY, Mr. WU, and Mr. WYNN):

H. Res. 515. A resolution of inquiry requesting the President of the United States to provide to the House of Representatives certain documents in his possession relating to the anticipated effects of climate change on the coastal regions of the United States; to the Committee on Science.

By Mr. MELANCON:

H. Res. 516. A resolution providing for consideration of the bill (H.R.3763) to reinstate the application of the wage requirements of the Davis-Bacon Act to Federal contracts in areas affected by Hurricane Katrina; to the Committee on Rules.

By Mr. PASCRELL (for himself, Mrs. LOWEY, Mrs. MCCARTHY, Mr. PALLONE, Mr. SERRANO, and Mr. FERGUSON):

H. Res. 517. A resolution recognizing the life of Wellington Timothy Mara and his outstanding contributions to the New York Giants Football Club, the National Football League, and the United States; to the Committee on Government Reform.

By Mr. PUTNAM (for himself and Mr. THOMPSON of Mississippi):

H. Res. 518. A resolution honoring professional surveyors and recognizing their contributions to society; to the Committee on Government Reform.

MEMORIALS

Under clause 3 of rule XII, memorials were presented and referred as follows:

182. The SPEAKER presented a memorial of the General Assembly of the State of Colorado, relative to Senate Joint Resolution No. 05-015 concerning opposition to the ''Federal Lands Recreation Enhancement Act''; to the Committee on Agriculture.

183. Also, a memorial of the Senate of the State of Michigan, relative to Senate Resolution No. 33 memorializing the Congress of the United States to review the sale of violent video games to children; to the Committee on Energy and Commerce.

184. Also, a memorial of the General Assembly of the State of Colorado, relative to Senate Joint Memorial No. 05-007 memorializing the Congress of the United States to propose an amendment to the United States Constitution requiring that the total amount of all federal appropriations made by Congress for any fiscal year not exceed the total of all estimated federal revenue for that fiscal year; to the Committee on the Judiciary.

185. Also, a memorial of the General Assembly of the State of Colorado, relative to Senate Joint Memorial No. 05-004 memorializing the Congress of the United States to reauthorize the Federal Temporary Assistance to Needy Families Program; to the Committee on Ways and Means.

186. Also, a memorial of the General Assembly of the State of Colorado, relative to Senate Joint Memorial No. 05-006 memorializing the Congress of the United States to oppose the privatization of Social Security; to the Committee on Ways and Means.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 147: Mr. REGULA, Mr. CAMP, Mr. WELDON of Pennsylvania, and Mr. THOMPSON of Mississippi.

H.R. 269: Mr. CONAWAY.

H.R. 313: Mr. CLEAVER.

H.R. 314: Mr. CLEAVER and Mrs. MUSGRAVE.

H.R. 475: Ms. BALDWIN, Ms. ZOE LOFGREN of California, and Mrs. DAVIS of California.

H.R. 503: Mr. CLEAVER.

H.R. 558: Mr. BISHOP of New York.

H.R. 567: Mrs. NAPOLITANO.

H.R. 654: Ms. SCHAKOWSKY.

H.R. 688: Mr. BOOZMAN.

H.R. 772: Mr. BUTTERFIELD, Mr. WAMP, Mr. RUPPERSBERGER, and Mr. DINGELL.

H.R. 864: Mr. SIMMONS and Ms. MCCOLLUM of Minnesota.

H.R. 923: Mr. KUHL of New York, Mr. DEAL of Georgia, Mr. SHADEGG, Mr. GRIJALVA, Ms. SCHAKOWSKY, Mr. RUPPERSBERGER, Mr. HAYWORTH, and Mr. SCHIFF.

H.R. 987: Ms. MATSUI, Mr. ORTIZ, Mr. MCNULTY, Ms. JACKSON-LEE of Texas, Mr. SCOTT of Georgia, and Mr. HINOJOSA.

H.R. 1018: Mr. VAN HOLLEN, Mr. ACKERMAN, Mr. SERRANO, and Mr. MEEKS of New York.

H.R. 1124: Mr. LYNCH.

H.R. 1141: Mr. CROWLEY and Mr. TANCREDO.

H.R. 1246: Mr. BOEHNER.

H.R. 1259: Mr. COOPER, Mr. WELDON of Pennsylvania, Mr. MCCOTTER, Mr. CRAMER, and Mr. FORTUÑO.

H.R. 1322: Mr. ABERCROMBIE, Ms. KAPTUR, Mr. OBERSTAR, Mr. HINCHEY, Ms. JACKSON-LEE of Texas, Mr. SANDERS, Mr. STRICKLAND, Mrs. CHRISTENSEN, and Mr. ENGEL.

H.R. 1357: Mr. FEENEY.

H.R. 1498: Mr. ROTHMAN, Mr. OLVER, Ms. MCCOLLUM of Minnesota, and Mr. PITTS.

H.R. 1548: Mr. GRAVES, Mr. MENENDEZ, Ms. BALDWIN, Mr. NORWOOD, Mr. RAHALL, and Mr. ENGEL.

H.R. 1588: Mr. HINCHEY and Mr. CLEAVER.

H.R. 1595: Mr. ACKERMAN, Mr. BISHOP of New York, Mr. BUTTERFIELD, Mr. COSTA, Ms. JACKSON-LEE of Texas, and Mr. STUPAK.

H.R. 1671: Mr. MCHUGH.

H.R. 1704: Mr. BRADY of Pennsylvania and Mr. WATT.

H.R. 1714: Ms. LINDA T. SÁNCHEZ of California.

H.R. 1736: Mr. WILSON of South Carolina and Mr. HOEKSTRA.

H.R. 1741: Mr. MCHUGH.

H.R. 1849: Mr. CLEAVER.

H.R. 1951: Mr. RUPPERSBERGER, Mr. DAVIS of Tennessee, and Ms. JACKSON-LEE of Texas.

H.R. 1973: Ms. WATSON, Mr. SHIMKUS, Mr. LAHOOD, Mr. GUTIERREZ, Mr. COSTELLO, Mr. TOM DAVIS of Virginia, and Mr. WAMP.

H.R. 1994: Mr. CLAY, Mr. KUCINICH, Mr. LEWIS of Georgia, Mrs. CHRISTENSEN, and Ms. JACKSON-LEE of Texas.

H.R. 2121: Mr. MCKEON, Mr. NEY, Mr. HAYWORTH, Ms. VELÁZQUEZ, Mr. ISRAEL, Mr. FEENEY, Mr. LINDER, and Ms. PRYCE of Ohio.

H.R. 2211: Mr. BARRETT of South Carolina.

H.R. 2409: Mr. BERMAN.

H.R. 2682: Mr. JINDAL.

H.R. 2684: Mr. BOUCHER.

H.R. 2739: Mr. BROWN of Ohio.

H.R. 2803: Mr. NUSSLE and Mr. TIBERI.

H.R. 2933: Mr. MILLER of Florida.

H.R. 2939: Mr. ANDREWS.

H.R. 2943: Ms. ESHOO.

H.R. 2952: Mr. EDWARDS.

H.R. 2990: Mr. CASTLE.

H.R. 3050: Ms. LORETTA SANCHEZ of California.

H.R. 3098: Mr. HOSTETTLER, Mr. JONES of North Carolina, Mr. CAMP, Mr. HERGER, Mr. PICKERING, Mr. LEVIN, Mr. DEAL of Georgia, Ms. BEAN, Mr. OTTER, and Mr. BARROW.

H.R. 3127: Mr. MICHAUD, Mr. PETERSON of Minnesota, Mr. COSTA, Mr. HEFLEY, Mr. INGLIS of South Carolina, Mr. FARR, Mrs. MALONEY, Mr. SNYDER, Mr. MARKEY, Mr. MORAN of Virginia, and Mr. CLAY.

H.R. 3135: Mr. GENE GREEN of Texas and Mr. MURPHY.

H.R. 3137: Mr. REHBERG and Mr. WHITFIELD.

H.R. 3145: Mr. PLATTS, Mr. RUPPERSBERGER, and Ms. WOOLSEY.

H.R. 3151: Mr. ABERCROMBIE.

H.R. 3255: Mr. HOLDEN and Mr. STUPAK.

H.R. 3304: Mr. WILSON of South Carolina.

H.R. 3307: Mr. MCINTYRE.

H.R. 3334: Mr. NEAL of Massachusetts, Mr. JINDAL, Ms. VELÁZQUEZ, and Mr. WOLF.

H.R. 3337: Mr. SANDERS.

H.R. 3367: Mr. MCCOTTER and Mr. ENGLISH of Pennsylvania.

H.R. 3476: Mr. MCGOVERN.

H.R. 3479: Mr. RUPPERSBERGER.

H.R. 3547: Mr. PRICE of Georgia, Mr. MCDERMOTT, and Mr. WU.

H.R. 3612: Mr. CASTLE.

H.R. 3616: Mrs. MALONEY, Mr. HONDA, and Mr. MARSHALL.

H.R. 3630: Mr. CULBERSON and Mr. GERLACH.

H.R. 3639: Mr. HOLT.

H.R. 3684: Mr. PAUL.

H.R. 3813: Mr. GARY G. MILLER of California, Mr. RUPPERSBERGER, Ms. HART, and Mr. SOUDER.

H.R. 3817: Mr. DEFAZIO.

H.R. 3870: Mr. FEENEY and Mr. BARRETT of South Carolina.

H.R. 3883: Mr. OTTER, Mrs. CUBIN, Mr. SIMPSON, Mrs. CAPITO, Mr. BAKER, Mr. ROGERS of Kentucky, and Mr. BOREN.

H.R. 3900: Mr. CALVERT.

H.R. 3909: Mr. FOLEY.

H.R. 3923: Mr. MCHUGH.

H.R. 3924: Mr. MCHUGH.

H.R. 3948: Mr. BARROW, Mrs. CAPPS, and Mr. GRIJALVA.

H.R. 3969: Mr. BOUSTANY, Ms. BORDALLO, and Mr. MILLER of Florida.

H.R. 3974: Mr. ROSS.

H.R. 3984: Mr. TERRY.

H.R. 3997: Mr. KENNEDY of Minnesota, Ms. HARRIS, Mr. JONES of North Carolina, Mr. GILLMOR, and Mr. TIBERI.

H.R. 4008: Mr. MORAN of Virginia, Mr. SANDERS, and Mr. WAXMAN.

H.R. 4015: Mr. GRIJALVA.

H.R. 4032: Mr. SAM JOHNSON of Texas, Mr. MICA, and Mr. BURTON of Indiana.

H.R. 4044: Mr. CUELLAR.

H.R. 4045: Mr. MCHUGH.

H.R. 4047: Mr. HENSARLING.

H.R. 4073: Mr. NADLER, Mr. MCCAUL of Texas, Mr. SODREL, and Mr. BURGESS.

H.R. 4086: Mr. TAYLOR of Mississippi.

H.R. 4089: Mr. PAUL and Mrs. SCHMIDT.

H.R. 4090: Mr. BROWN of Ohio.

H.R. 4110: Mr. CUMMINGS, Mr. TIERNEY, Ms. EDDIE BERNICE JOHNSON of Texas, Ms. HOOLEY, Mr. SANDERS, Mr. REYES, Mr. RANGEL, and Ms. WOOLSEY.

H.R. 4121: Mr. FILNER.

H.R. 4133: Ms. WASSERMAN SCHULTZ and Ms. HARRIS.

H. Con. Res. 138: Mr. ENGEL.

H. Con. Res. 190: Mr. DEAL of Georgia.

H. Con. Res. 228: Ms. HERSETH, Mr. MOORE of Kansas, Mr. DAVIS of Illinois, Mr. FITZPATRICK of Pennsylvania, Mr. FARR, Mr. EMANUEL, Ms. HARMAN, Mr. DOGGETT, Mr. HIGGINS, Mr. STARK, Mr. ROTHMAN, Mr. MCCAUL of Texas, Mrs. CAPITO, Ms. NORTON, Mrs. TAUSCHER, Ms. MILLENDER-MCDONALD, Mr. INSLEE, Ms. CARSON, Mrs. LOWEY, and Mr. PASCRELL.

H. Con. Res. 268: Mr. STEARNS, Mr. KENNEDY of Minnesota, Ms. GINNY BROWN-WAITE of Florida, Mr. MCHUGH, Mr. LUCAS, Mr. FRANKS of Arizona, Mr. TIAHRT, Mr. FORTUÑO, Mr. SODREL, Mr. MANZULLO, Mr. WELDON of Florida, Mr. SHADEGG, Mr. KINGSTON, Mr. GINGREY, and Mr. RAHALL.

H. Con. Res. 273: Ms. CARSON, Mr. MURPHY, Mr. KING of New York, Mr. YOUNG of Alaska, Mr. CLAY, Mr. DAVIS of Florida, and Mr. CALVERT.

H. Res. 97: Mr. WAMP and Mr. JINDAL.

H. Res. 196: Mr. HONDA, Mr. MCDERMOTT, Mr. MORAN of Virginia, Ms. WATSON, Mr. SERRANO, and Mrs. MALONEY.

H. Res. 438: Mr. GARRETT of New Jersey and Mr. CHANDLER.

H. Res. 449: Mr. HOLT.

H. Res. 458: Ms. MCKINNEY.

H. Res. 466: Mr. VAN HOLLEN, Ms. WASSERMAN SCHULTZ, and Mr. KIND.

H. Res. 477: Mr. FRANK of Massachusetts, Mr. MCNULTY, Mr. CLEAVER, Mr. EVANS, and Mr. WAXMAN.

H. Res. 483: Mr. RANGEL, Mr. GRIJALVA, and Mr. MCNULTY.

PETITIONS, ETC.

Under clause 3 of rule XII, petitions and papers were laid on the clerk's desk and referred as follows:

75. The SPEAKER presented a petition of the Cook County Board of Commissioners, Illinois, relative to a resolution dated September 8, 2005 supporting the Community Reinvestment Act; to the Committee on Financial Services.

76. Also, a petition of the Board of Chosen Freeholders of the County of Atlantic, New Jersey, relative to Resolution No. 481, supporting House Bill H.R. 3052 (The Southern New Jersey Veterans Comprehensive Health Care Act); to the Committee on Veterans' Affairs.

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PROCEEDINGS AND DEBATES OF THE 109th CONGRESS, FIRST SESSION

Vol. 151 WASHINGTON, WEDNESDAY, OCTOBER 26, 2005 No. 138

Senate

The Senate met at 9:30 a.m. and was called to order by the President pro tempore (Mr. STEVENS).

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

O God our rock, exalted above all blessings and praise, the host of Heaven worships You. Today we praise You for the opportunity of serving our country in the Senate. Incline our hearts to do Your will and set a guard over our lips. Help us to see the path You desire us to take as You teach us to do Your will.

Lead our Senators. Revive them so that they will face each challenge with an inexhaustible faith. Direct their steps by Your word and let no evil dominate them. May their faith have feet and hands, a voice, and a heart, that they will seek to serve You by serving others.

Help each of us to strive for truth, justice, and peace. May the lofty ideals we profess shine in our faces and be seen in our lives.

We pray in Your wonderful Name. Amen.

PLEDGE OF ALLEGIANCE

The PRESIDENT pro tempore 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.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. FRIST. Mr. President, this morning we have set aside the first 30 minutes for a period of morning business. We will then proceed to consideration of the Labor-HHS appropriations bill. Senator SPECTER has commitments from several Senators this morning to come offer their amendments. In addition to those to be offered, we already have several pending from yesterday. We will be calling rollcall votes throughout the course of today to dispose of these amendments, and we will announce when Senators can expect those votes.

I remind my colleagues that a cloture motion was filed last night on the Labor-HHS appropriations bill. That cloture vote will occur on Thursday morning. Under rule XXII, Senators have until 1 o'clock today to file their first-degree amendments at the desk. We will finish this bill this week. It is up to the Senate to decide if we are going to be here late Thursday or Friday, but we will finish the bill. If Senators are reasonable in their requests for amendments and debate times, we may well be able to finish tomorrow; if not, we will continue on Friday to finish this final appropriations bill. Again, I congratulate all of our colleagues for sticking together and systematically going through each of the appropriations bills over the last several weeks.

Mr. REID. If I could direct a question to the distinguished majority leader, it is my understanding we are not going to recess at 1:45 for Negroponte. People can go or not, and we will still continue Senate business.

Mr. FRIST. That is correct. We will continue working today. Again, I want to restate the conversation that the distinguished Democratic leader and I had yesterday regarding these votes over the course of the day. We want people to come over on time so we can proceed in a disciplined, orderly way.

I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mrs. MURRAY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will be a period for the transaction of morning business for up to 30 minutes, with the first half of the time under the control of the Democratic leader and the second half of the time under the control of the majority leader.

The Senator from Washington is recognized.

MEDICARE PRESCRIPTION DRUG PROGRAM

Mrs. MURRAY. Mr. President, I am here this morning to talk about a dangerous flaw in the Medicare prescription drug program that is about to take effect. This flaw is a ticking time bomb for more than 6 million Americans, for our communities and our health care providers. That fuse is going to detonate on January 1.

We cannot allow low-income seniors and the disabled to lose their direct coverage. We cannot leave our doctors and hospitals and nursing homes unprepared for the biggest change in decades. And we should not be pushing hundreds of thousands of people who need care onto our local communities. We can't wait. We have to fix this problem today. That is why I will be offering an amendment later this morning.

I have been working with Senators ROCKEFELLER and BINGAMAN to address the immediate crisis. I thank them for their leadership. I have also introduced my own bill to protect our most vulnerable. It is the Medicare HEALS Act, S. 1822.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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I have been traveling around my State. I have been meeting with people in Seattle, Lakewood, Yakima, Aberdeen, and Olympia. I want my colleagues to know, everywhere I go, people are angry and confused. And they are very worried, with good reason.

One senior told me:

Everyone I have talked to is totally confused—my doctor, my pharmacist, even the Medicare number you are supposed to call.

Another one said:

If we can't understand this, this whole [Medicare] plan is going to fail.

Everywhere I went, people were confused. There were questions that I couldn't answer. When I turned to the doctors sitting next to me, they didn't know the answer. And neither did the pharmacists or the patient advocates. If Senators and doctors and experts do not understand this, how can we expect an 80-year-old person with serious medical problems to understand this complicated new program? We can't. So we need more time and more resources to make this prescription drug plan work.

One person I met with said:

Please give us more time. Give us the chance to understand this so we don't make a mistake when we sign up.

One panelist told me:

Taking away something from those that need it the most . . . is not the American way.

I couldn't agree more. That is why I am here this morning to talk about this, and that is why I will be offering an amendment shortly after we go to the bill.

I have many concerns with the Medicare prescription drug law. I voted against it in 2003 because I believed that seniors deserve better and that America can do better than that. I am concerned about the complexity, the coverage gap, whether needed drugs will be covered. I am concerned about retirees losing the good coverage they have today. And I am concerned about the late enrollment penalty that is going to punish seniors who need more time to pick the right plan. I am working with many other Senators to address all of those concerns. But today the most urgent problem is the way the new law treats our most vulnerable people, people with low incomes, the disabled, and those facing serious medical challenges like AIDS.

This law takes away the critical drug coverage these people have today and puts them into a new program that could charge them more money in exchange for less drug coverage. If they don't sign up for a plan, they are randomly assigned one. Either way, the prescriptions they need may not be covered. Because these Americans are living on the financial brink, an interruption of their drug coverage or a new copayment could keep them from getting the drugs they need to live on. The people who are being affected don't know what is going to happen. The doctors and pharmacists, they don't understand it either. This entire mess is going to burst into the open on January 1. We need to take action to prevent this catastrophe now because it is only a few months away.

To understand this problem, let's look at how our most vulnerable get their prescription drugs today and how that is about to change. Today, about 6.4 million Americans with low incomes get help from two programs: Medicare at the Federal level and Medicaid at the State level. These individuals are sometimes what we call dual eligibles because they are eligible for assistance from both Medicare and Medicaid. What Medicare does not cover, the States usually cover. For example, the Federal program did not cover prescription drugs. The State programs filled in that gap. The State coverage is often called wraparound coverage, and it is critical for our most vulnerable families. As a result, these individuals get the drugs they need, often without copayments or deductibles.

But there is a big problem coming January 1. The new drug program prohibits States from providing the extra help they do provide today. Instead, what it does is move these people into the Medicare program alone, which will require higher out-of-pocket payments and which will most likely cover fewer drugs. To me, it doesn't make sense to take away the good coverage that vulnerable families have today, force them into a program that might not meet their needs, charge them more money in the process, and then prohibit our States from helping out these most vulnerable people. It doesn't make sense, but that is exactly what this new drug program will do unless we fix it before January 1.

In fact, the new Medicare prescription drug program changes the coverage of our most vulnerable in five ways: It imposes higher costs—those are premiums, copays and deductibles; it covers fewer drugs; it blocks States from providing extra help as they do today; it provides no transition period to ensure that these low-income residents don't face these gaps in coverage; and it penalizes people who need more time to pick the right plan for them.

These are real people we are talking about. I want to introduce two of them. Earlier this month in Seattle, I met a woman named Kathryn Cole. She is 36 years old. She is disabled, and she is living on Social Security disability. She fills about 15 prescriptions each month, and her monthly income is $757. She told me:

Even if the copay were only $5, that adds up to $75 a month. I don't have the kind of extra money to squeeze out of my budget.

Kathryn asked me:

Which week am I supposed to not eat?

People like Kathryn are living on the financial edge. They cannot afford to pay more for their medication. They need our help. In Olympia, WA, I met a man named William Havens. He is 50 years old, living with HIV/AIDS. He takes 43 pills a day. William told me:

For the first time [in my life], I realize I'm going to have to make a choice between pills and food.

It is outrageous that this new law is going to make life so much harder for people like Kathryn and William. In addition to hurting people, the new drug program is going to hurt our health care system. It is going to have a costly impact on nursing homes, doctors, pharmacists, and hospitals. Many of these dual-eligible individuals live in nursing homes. Now nursing homes are going to have to navigate all these new plans out there.

In my State of Washington, there are at least 14 of these new plans. Some States have as many as 40 or more, all with different costs and different formularies. Nursing home managers are going to have to see which plan each resident has been assigned to and if their needed drugs are covered.

In Olympia, I met with a Dr. David Fairbrook. He is in private practice, and he is also the medical director of two skilled nursing facilities which care for 150 people. He was very concerned about his patients being randomly assigned to plans that don't meet their medical needs. He said patients may be denied drugs. They may be forced to change their medications, and they could face a time-consuming, stressful appeals process. He predicts there will be ''chaos for nursing staff regarding coordination of multiple suppliers. It further duplicates paperwork and documentation requirements.''

That is a tremendous new administrative burden for understaffed and underfunded nursing homes and care providers who care for people we know—our parents, grandparents, sisters, and brothers.

That is who is going to be affected by this new law if we don't take action.

Unless we act, the new program is going to make the work of our pharmacists across the country much harder. They are literally going to be on the front lines. They may well be forced to deny coverage to seniors. And by the way, each one of these pharmacists has to go in contract with each of these new drug plans in their States.

Now CMS is telling us that pharmacists will be able to look up and see what plan someone has been assigned to. But frankly, I have to say, given the error and the mistakes CMS has made so far, I don't have a lot of confidence that this is going to be a flawless situation in transition. Remember, the people who will be hurt have no financial cushion. They are living on fixed incomes and they don't have an extra $20 or $30 for copayments or premiums. If they are turned away at the pharmacy counter, they do not have the money to pay for those drugs now and get reimbursed later when all the paperwork is sorted out.

Doctors are going to be on the front line in this, too. Doctors are going to have to know which drugs are on the formulary. They may have to help patients appeal any denials, and they will

have to treat patients who have gone without their medicine.

One doctor told me, ''Doctors don't have the information they need on this yet. If patients pick the wrong plan and their medicine is not covered, it can have serious medical harm.''

Hospitals are also going to be affected. They are going to have to navigate all of these new plans. They are going to have to deal with patients who haven't been able to get their prescriptions. In fact, for many poor families, the only place to get these medicines will be the emergency room, and that is going to increase the cost of health care for every single one of us.

So as you can see, this new drug law is going to impose an expensive and very confusing administrative burden on our doctors, on our pharmacists, on our hospitals, and our nursing homes. In this country I think we can do a lot better than that.

The amendment I will be offering today says let's fix this problem before people realize they can't get the prescriptions they need. My amendment simply provides emergency funding to prevent this disaster.

First, it ensures that our most vulnerable don't lose their current drug coverage. It will provide $2 billion in emergency funding to make sure our low-income seniors do not lose their benefits or suffer a gap in coverage. That money will allow our States to help the low-income residents they have, people who currently get help from State drug assistance programs, and people being helped by AIDS drug assistance programs.

My amendment will protect our most vulnerable, including any beneficiary with income below 150 percent of the Federal poverty level and any beneficiary currently eligible for Medicaid through ''spend down'' requirements.

It is going to give our States the flexibility to protect the people who live in those States. States could provide coverage through Medicaid or as a separate drug assistance program. And importantly, my amendment provides accountability. States will be required to notify CMS of their plan for ensuring no lapse in benefits for low-income beneficiaries.

Secondly, my amendment ensures that everyone knows about the changes that are coming. It requires States to notify those currently eligible for Medicaid and Medicare assistance. I can't tell you how many people I talked to when I was in my State who said: I have not been notified that I need to make a change. No one has told me. And yet we are 2 months away from them being assigned a plan.

States would also notify pharmacists. They would notify community health centers, rural health clinics, hospitals, critical access hospitals, doctors, and other Medicaid-eligible providers that assistance is available.

Providers will be allowed to seek reimbursement for any uncompensated costs associated with providing medically necessary drugs to these people.

In summary, my amendment simply protects our most vulnerable and makes sure that everyone involved knows what is happening.

This new Medicare prescription drug plan that has been passed has a lot of problems, but the most urgent one is what is going to happen to our most vulnerable patients and the difficulty it will cause our health care providers such as hospitals, nursing homes, doctors, and pharmacists. Time is running out. As of January 1, millions of vulnerable Americans are going to be forced into a new system they haven't been told about, they don't understand, and it will not meet their needs. We can avoid this train wreck. Senators who are concerned about the health and well-being of their own constituents but who are concerned about the costs have other options. We can support efforts on the reconciliation to provide additional time to transition into this plan and we can make changes to the Medicare Modernization Act to let the States provide coverage they have available through Medicaid during this transition.

No matter what, this is a problem. Either we spend the money now to prevent this crisis, I warn my colleagues, or we are going to have to push back the deadline so we can make this transition smoothly. People's lives are hanging in the balance.

I urge my colleagues to stand up today for those who don't have a voice, and for the doctors, hospitals, pharmacists, and nursing homes, and give them the relief and protection my amendment provides.

I will be offering this amendment in the Chamber today and I urge my colleagues' support.

I thank the Chair. I yield the floor.

The PRESIDENT pro tempore. The Senator from Idaho is recognized.

BUDGET RECONCILIATION

Mr. CRAIG. Mr. President, I come this morning to speak about a need for fiscal responsibility. Over 200 years ago, George Washington warned that ''Government is not reason. It is not eloquence. It is force. Like fire, it can be a dangerous servant or a fearful master.'' Even when government functions properly as a servant, Washington observed, it is dangerous.

Mr. President, I rise today to talk about—and to urge a need for something to happen in this Senate and in this Congress—fiscal responsibility. While Congress has been talking about spending measure after spending measure over the past several weeks, Americans have been talking about Congress' loose spending of their tax dollars. What many lawmakers have referred to as the fiscal policy of the Government has come to mean nothing more than the Government's dangerous tendency toward fiscal recklessness.

Fiscal responsibility is premised on the simple concept that less is more. Less government spending means more freedom for individual Americans and increased levels of economic activity and rates of economic growth for the country. Several studies confirm this.

A Public Finance Review study indicated that: ''Higher total government expenditure, no matter how financed, is associated with a lower growth rate of real per capita gross state product.''

A study by the Journal of Monetary Economics found that: ''There is substantial crowding out of private spending by government spending. Permanent changes in government spending lead to a negative wealth effect.''

And an International Monetary Fund study showed that: ''Average growth for the preceding 5-year period was higher in countries with small governments both periods.''

The cumulative evidence in these studies suggests one important thing—government spending hampers the economic growth of our country. Even more than this, the growth of government spending is economically destructive.

Every dollar the government spends is one taken from an American, and is one less dollar in the productive, private sector economy.

Every dollar the government spends to fund agencies imposes large costs on the economy's productive sector, no matter how small the agency.

Every dollar the government spends on programs such as welfare and unemployment insurance encourages bad behavior by providing incentives for Americans to remain unemployed and choose leisure over work. Every dollar the government spends this way goes to making Americans passive supplicants rather than active citizens, particularly at a time when the number of those dependent on the government is growing and the number supporting it is shrinking.

We have been seeing those numbers talked about over the last good number of years—who is taxed and who is not, who is paying in to the Government versus who is not. We are now edging toward 50 percent of the American people not paying taxes, and yet we still hear this great debate in the Senate about, well, the tax cuts are only for the wealthy. The tax cuts are for people who pay taxes versus those who do not pay taxes. There is a very important reality check that has to occur out there.

When I am home visiting with folks at our town meetings and I say a family of four making $27,000 to $30,000 a year does not pay Federal taxes anymore, that is a fact. Yet somehow we get this rich versus poor debate in this Chamber. It is really those who pay taxes versus those who do not pay taxes and become the recipients of the largesse of Government.

Every dollar the Government spends to subsidize both health care and education distorts competitive processes in the marketplace and makes States increasingly more dependent, and their budgets become distorted because they are the ones that have had that historic Government responsibility. Every

dollar the Government spends to deliver services is one that should be in the private sector allowing the marketplace to choose its efficiency and its effectiveness.

There are some interesting figures. In 2005, Washington spent $2.470 trillion, raised $2.154 trillion, and ran a $317 billion budget deficit. This deficit is 2.5 percent of gross domestic product. Some will say that is the lowest ever; it doesn't mean anything. $317 billion is a lot of money.

Spending increased by 8 percent in 2005 and is up 33 percent overall since 2001.

In 2005, inflation-adjusted federal spending neared $22,000 per household, the highest level since World War II.

Federal spending has increased by 33 percent since 2001, from $1.863 trillion to $2.470 trillion. Defense and 9/11-related costs have only accounted for a smaller-than-expected portion of this:

From 2001 to 2003, spending expanded by $296 billion, 45 percent of which went to defense and 9/11-related costs, and 55 percent of which went to new Federal spending unrelated to defense and 9/11. This is an 11 percent jump in Federal spending, the fastest growth in a decade.

From 2001 to 2005, discretionary spending surged 48 percent, from $649 billion to $969 billion.

Current spending on entitlement consumes nearly 60 percent of all program spending, a record 10.8 percent of gross domestic product, and is projected to nearly double over the next decade.

Long-term trends project the cost of Social Security, Medicare, and Medicaid to jump from 8.4 percent of GDP in 2005 to 18.9 percent of GDP by 2050. Federal program spending is projected to reach 27.6 percent of GDP by 2050.

By 2050, our children and our children's children will be footing the bill for our current fiscal irresponsibility.

Nearly 200 hundred years ago, Thomas Jefferson said that ''although a republican government is slow to move, yet once in motion, its momentum becomes irresistible.'' There was a time not too long ago when Republicans stood up, made the case for smaller government, and made it happen. From 1998 to 2001, we did this by enjoying record budget surpluses.

The time for action is upon us once again.

The Federal Government's spending momentum, however, makes tax cuts, reductions in pork, and slashes in subsidies only first steps toward a real solution. The only long-term, fundamental, permanent reform that would effectively dispel the danger of current fiscal recklessness and restore fiscal responsibility is a balanced budget amendment to the Constitution like the one I reintroduced earlier this year.

Jefferson once said, ''with respect to future debt; would it not be wise and just for that nation to declare in the constitution they are forming that neither the legislature, nor the nation itself can validly contract more debt than they may pay?'' I think he's right and urge my colleagues to join me in supporting a balanced budget amendment to our Constitution to restore the past principles of fiscal responsibility envisioned by the Founding Fathers and to safeguard the future by providing a bill of economic rights for our children.

It is important we understand the impact that Federal spending has, and it is clearly time some of us come to the floor and challenge all of us to recognize what we are doing, where we are going, and the amount of money being spent. Now we recognize more than ever before, with the natural disasters hitting our country that are unprecedented in their impact on human lives, that we have a new responsibility to help those citizens who have lost everything gain a little back. Somehow we think we can go on doing that at our current level of spending, but it is time we get a little realistic about some belt tightening around here, even if it is at last year's rate of spending versus an increased level of spending for the next budget.

I think Americans want us to wake up, realize what we are doing, and the impact this kind of spending has both in the short term on our economy and in the long term on our economy both for us, our children, and our grandchildren.

I thank the Senator from Colorado for yielding.

The PRESIDING OFFICER (Mr. SUNUNU). The Senator from Colorado is recognized.

Mr. ALLARD. Mr. President, we are moving into an important part of our budget plan for the year. Ideally, for the Congress to operate, we need to reach an agreement between the House and the Senate. We did that this year. In the past years we have not been able to do it. It is called the budget. As a member of the Budget Committee, I was delighted to see that happen. We laid out spending parameters for all of the various agencies, and then we also laid out a plan as to how we were going to control spending. We are going to do more things to reduce the deficit.

The Budget Committee is going to be meeting this afternoon to put together the final steps of what we call reconciliation. We look at what we can do to reduce spending. It is called the Deficit Reduction Omnibus Reconciliation Act. The most important two words in that particular piece of legislation are ''deficit reduction.''

In the budget, we had laid out a plan to reduce the deficit by $34.7 billion. That is net now, and so we need to keep that process moving. This is going to move us into an important aspect of our debate next week where we are going to begin debating on the floor of the Senate the Deficit Reduction Act. It is important we work hard to reduce the deficit. Why is it important? Because we do not want to be passing on today's obligations to future generations and robbing their futures because of the spending.

If we look at what has been happening with deficit spending in recent years, it has been growing, and I think it concerns a lot of Members of the Senate. It is easy to express concerns, but it is difficult sometimes to get the votes we need in order to hold down deficit spending. So the Members of the Senate are going to have an opportunity to see how committed they are to reducing the deficit. This only applies to spending as was outlined in the budget resolution that we passed earlier this year.

There is another aspect to spending, emergency spending. I happen to believe we need to work harder to find offsets on emergency spending. We have ignored that aspect. Everybody wants to push for emergency spending because it gets them around the budget rules, and they do not have to worry about the spending in their programs that perhaps they could not get adopted as part of the appropriations or the budget or both.

We are going to be moving into a critical time next week. I think it is important that Members of the Senate remember we have a commitment to future generations. We may have to cast some tough votes next week to keep our plan going on reducing the deficit by $34.7 billion. I happen to think it may come out a little better than that. I guess I am an eternal optimist. But it is very important. It is a start. It is not as much as we should be doing, but it is a start. It addresses some mandatory spending programs, which seem to be the toughest for Members around here to address, and it addresses some discretionary spending.

If we look out into the future, the greatest obligations that are affecting our budget are Social Security, Medicare, and Medicaid. It is difficult to make decisions to reduce those programs. It is easier to go to discretionary spending, but that is not where we are seeing the real growth in spending. We are going to have to make more difficult decisions beyond next week.

Next week is going to be a test on just how determined we are and how committed we are to reducing deficit spending.

What the President has done in stimulating our economy with some tax reductions has proved fruitful. This year, we are seeing the results of those tax cuts with close to $100 million in revenue that was unanticipated at the first of the year, which obviously could have gone to deficit spending, but the emergency spending and what has happened with Hurricane Katrina and all the emergencies that have occurred in September has created a problem in being able to reduce the deficit as much as some of us had hoped.

Hopefully, we can hold this small amount of deficit spending that we are going to be bringing to the floor next week. It is important that we do. I urge

my colleagues in the Senate to join me and the other members of the Budget Committee when we report this bill out to hold it so at least we can reduce the deficit by $34.7 billion. It is important to the future of this country that we at least take this first step. It is something we need to work hard on if we expect a prosperous future for our children and grandchildren.

My children are now grown and have good salaries. My grandchildren are now going to school. I want to see them have the same opportunities to grow and save their money and not have to face high tax rates because we exceeded spending in our generation. It is a challenge. It is a challenge, though, that we must meet. It is a challenge that we cannot put off, and the sooner we address this challenge, the sooner we are going to reduce deficit spending.

Mr. President, I think my time is about ready to expire.

The PRESIDING OFFICER. The majority has 1½ minutes remaining in morning business.

Mr. ALLARD. I will use a little more of my time. This is really important. It is an important time. I commend the chairman of the Budget Committee for working hard to try and hold down our deficits. I know he was very frustrated when the budget resolution was before the Senate earlier this year. I know he had some real hope of holding down spending even more than what finally ended up in the budget bill. I have supported him in trying to hold down the deficit. We do that by holding down spending.

I know he seems somewhat frustrated now because he has not been able to do as much as he wanted to do to eliminate the deficit. I think it is important that we stand behind the Budget Committee members, that we stand behind the chairman of the Budget Committee in trying to reduce the deficit.

Spending should not be running on automatic pilot. To keep this economy growing and keep it strong, we are just going to have to make some tough decisions. So I urge my colleagues to join me in supporting our chairman next week in a first step towards reducing the deficit.

I yield the floor.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2006

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of H.R. 3010, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 3010) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2006, for other purposes.

Pending:

Sununu amendment No. 2214, to provide for the funding of the Low-Vision Rehabilitation Services Demonstration Project.

Sununu amendment No. 2215, to increase funding for community health centers.

Reed modified amendment No. 2194, to provide for appropriations for the Low-Income Home Energy Assistance Program.

Gregg amendment No. 2253, to increase appropriations for the Low-Income Home Energy Assistance Program by $1,276,000,000, with an across-the-board reduction.

Thune modified amendment No. 2193, to provide funding for telehealth programs.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, the distinguished Senator from Iowa and I have been conferring on our schedule this morning. We have a number of amendments lined up. The first amendment will be offered by Senator BYRD on title I, scheduled for 10 o'clock. We are pretty close to being on schedule. There may be some intervening business.

I want to take this opportunity to urge our colleagues to come to the floor and offer amendments. A cloture motion was filed yesterday with advance notice to all Members. It will be voted on tomorrow. Under the rule, Members have until 1 o'clock today to file amendments. At the moment, we have openings in the afternoon. So we urge our colleagues to come forward with their amendments.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I concur with my chairman in that regard. The only other observation I make, we are not encouraging a lot of amendments. We are just saying if you have amendments come over and do them this morning or this afternoon so we can finish up the bill, hopefully, by tomorrow. I know there are some important amendments—Senator BYRD certainly has one coming up on title I—that we need to address in this bill.

Again, I am hopeful, if people do have amendments, that they will come over. And, again, Members need to know amendments have to be filed by 1 p.m. today to be considered under the cloture motion.

Mr. President, I understand that the Senator from Rhode Island, Mr. REED, needs to make a modification to his amendment, and I know, also, the Senator from Washington, Mrs. MURRAY, wants to offer an amendment before we begin Senator BYRD's amendment. Senator BYRD has been kind enough to yield to them a few minutes so we can get that done before he proceeds on his amendment.

The PRESIDING OFFICER. The Senator from Rhode Island.

AMENDMENT NO. 2194, AS MODIFIED

Mr. REED. Mr. President, I ask unanimous consent to return to amendment No. 2194, as modified.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2194, AS FURTHER MODIFIED

Mr. REED. Mr. President, I send a modification of this amendment to the desk.

The PRESIDING OFFICER. The Senator has a right to modify his amendment.

The amendment, as modified, is as follows:

On page 158, after line 21 insert:

In addition to amounts appropriated under any other provision of this Act, for making payments under title XXVI of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 8621 et seq.), $2,920,000,000, which amount is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 95 (109th Congress), the concurrent resolution on the budget for fiscal year 2006.

Mr. REED. Mr. President, I ask unanimous consent that the Senator from New Jersey, Mr. CORZINE, and the Senator from Connecticut, Mr. LIEBERMAN, be added as cosponsors to my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Washington.

AMENDMENT NO. 2220

Mrs. MURRAY. Mr. President, I call up amendment No. 2220 and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the pending amendments are set aside. The clerk will report.

The legislative clerk read as follows:

The Senator from Washington [Mrs. MURRAY] proposes an amendment numbered 2220.

Mrs. MURRAY. 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 stop gap coverage for low-income Seniors and disabled individuals who may lose benefits or suffer a gap in coverage due to the implementation of the Medicare part D prescription drug benefit)

On page 153, between lines 17 and 18, insert the following:

In addition, for making payments to States for the provision of coverage for prescription drugs under State Medicaid plans (notwithstanding section 1935(d)(1) of the Social Security Act) or under separate drug assistance programs to individuals who have attained age 65 or are disabled, and whose income does not exceed 150 percent of the national poverty level or who are eligible for medical assistance under the State Medicaid plan under a ''medically needy'' or other ''spend down'' eligibility category, including such individuals who are eligible for benefits under titles XVIII and XIX of the Social Security Act, receiving assistance under a State drug assistance program, or receiving coverage under an AIDS Drug Assistance Program, to ensure that such individuals do not lose coverage for prescription drugs or suffer a gap in such coverage due to the implementation of the Medicare prescription drug benefit under part D of title XVIII of such Act, and for making payments to providers of items and services under the State Medicaid plan, including pharmacists, community health centers, rural health clinics, hospitals, critical access hospitals, and physicians, for reimbursement of uncompensated costs associated with the provision of medically necessary drugs for such individuals, $2,000,000,000: *Provided*, That a State

shall not receive such payments unless the State notifies the Centers for Medicare and Medicaid Services, not later than December 31, 2005, of the State's plan for the provision of such coverage: *Provided further*, That a State shall not receive such payments unless the State notifies such individuals and providers of the availability of such coverage: *Provided further*, That the entire amount is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 95 (109th Congress), the concurrent resolution on the budget for fiscal year 2006.

Mrs. MURRAY. Mr. President, I talked about this amendment earlier today. It provides stopgap coverage for low-income seniors and disabled individuals who may lose their benefits or suffer a gap in coverage due to the implementation of the Medicare Part D prescription drug benefit.

I ask unanimous consent that the amendment be set aside and we come back to the amendment to discuss it.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Rhode Island.

Mr. REED. Mr. President, I understand Senator BYRD will now offer his amendment. I ask unanimous consent that at the conclusion of his remarks that I be recognized for up to 10 minutes to speak on amendment No. 2194.

The PRESIDING OFFICER. Is there objection? The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, I have no objection if the Senator wishes to proceed at this time. Am I recognized?

The PRESIDING OFFICER. The Senator from West Virginia has been recognized.

Mr. BYRD. I yield to the Senator, as I may, without any objections, for 10 minutes, and I retain my right to the floor.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized for 10 minutes.

AMENDMENT NO. 2194, AS FURTHER MODIFIED

Mr. REED. Mr. President, my colleague Senator GREGG offered an amendment to increase funding for the Low-Income Home Energy Assistance Program, LIHEAP, by $1.276 billion yesterday. He will offset the spending by an across-the-board cut of almost 1 percent to all other programs funded by this bill—cuts to programs that protect the public health of our Nation, cuts to research to cure diseases, cuts to educational programs that help children reach their potential and build bright futures, and cuts to labor programs to help our workers remain competitive in the global economy. These cuts are very difficult and, indeed, I think should be avoided at all costs.

This is the wrong level of funding for the LIHEAP bill and, second, it is the wrong way to go about paying for these costs.

First, Senator GREGG based the amount of funding in his amendment on a letter Senator COLLINS and I wrote to the appropriators in September. We were pleased to be joined by 43 of our colleagues in requesting $1.276 billion in emergency spending for LIHEAP. Since that time, 51 of our colleagues have joined us to vote for an increase in spending to $5.1 billion, the full authorized amount. At this point, a majority of the Senate is on record supporting a much higher level of funding for the State grant program.

The second point about Senator GREGG's amendment is that the $1.276 billion level of funding requested in our letter is different from the money we have been discussing and voting on in the last several days. The $1.276 billion was for emergency funding that could be used by the President at his discretion. This would give the President the ability to target assistance to the States most in need of additional funding based on increases in energy prices and weather conditions.

Senator GREGG's amendment adds the additional funding into the State block grant program, not the emergency discretionary program. Ironically, because of the formula allocation of this program, the cold-weather States that Senator GREGG and all of us are attempting to help this winter may see only slight increases in funding.

I have been provided with different analyses of the LIHEAP formula and what States will gain and lose under the Gregg amendment. This, I must say, is a rather arcane formula which produces at least two interpretations. Based on data from the Department of Health and Human Services and a preliminary analysis by CRS, States, such as Minnesota, Washington, and Wisconsin, will see no increase in funding under Senator GREGG's amendment. Iowa will see an increase of under 3 percent. Oregon will see less than a 7.5-percent increase, and Maine less than 10 percent, hardly the targeting we need to ensure these States are prepared for the cold weather that is upon us and the high energy prices.

Under a second scenario, another analysis—and this is according to the Economic Opportunity Study also based on data from Health and Human Services—States, such as Maine, New Hampshire, Iowa, Minnesota, South Dakota, Alaska, Nebraska, Wyoming, and Montana, may receive only a slight increase under the Gregg amendment and less funding than they received last year when these States received both their block grant allocation and emergency funds. This will be less funding when energy bills are rising 50 percent, and the Gregg amendment is proposing $1 billion in increased spending.

The reason there are at least two different scenarios is because of the complex nature of this formula. The current LIHEAP formula favors funding to cold-weather States up to $1.97 billion in appropriations. For funds above that level, a new formula determines the allocation of funding. This new formula directs funding to warm-weather States in the South and Southwest. Therefore, cold weather States in New England, the Midwest, and the North will see fewer additional dollars despite the increase offered by Senator GREGG. Cold weather States that need a substantial increase in assistance now to address rising energy prices will not get the funding they need under the amendment of Senator GREGG.

The amendment Senator COLLINS and I offered adds $2.92 billion to the State LIHEAP block grant program. This funding, coupled with the money currently provided in the Labor-HHS appropriations bill, will provide a total of $5.1 billion for LIHEAP, the level authorized in the Energy Policy Act of 2005. This law was passed by this Congress and signed into law by the President just 3 months ago. The $5.1 billion level of funding acknowledges the program needs and would fully satisfy the demands caused by this winter and rising energy prices or at least go a substantial way to satisfy all the demands throughout the country. Our amendment adds the $2.92 billion to the block grant program which provides direct assistance to the States. Our funding level is sufficient to ensure both cold weather and warm weather States get the funding they need.

The other problem that the $1.276 billion level raises is, because of income data, because of cold weather, because of the number of Americans who qualify, we need every dollar we can get to help Americans this winter, particularly seniors. There are 32 million households eligible for LIHEAP assistance under the law, and yet we are serving only 5 million. So this is a situation where demand far exceeds needs even at robust funding levels, and at the $19.9 billion level, it is dramatically unsatisfactory. Seniors just received a $65 adjustment, but this is totally inadequate to deal with the soaring energy prices in all the cold States of this Nation. So I believe we have to do much more. In fact, the majority of the Senate believes that, in supporting a higher level of $5.1 billion total appropriation level for LIHEAP.

The other point I think is disturbing about the approach of the Senator is it would pay for this by cutting programs across the board, cutting very important programs that are necessary for all of us.

As the chairman, Senator SPECTER, pointed out, this is a barebones bill. It does not even have increases for inflation, and we are literally robbing Peter to pay Paul if, in fact, we support the approach of the Senator from New Hampshire. This support for across-the-board cuts will leave behind 37,000 needy students who could be served by title I and will reduce IDEA funding for special education by $98 million. It would drop the Federal share of excess special education costs from 18.6 percent in fiscal year 2005 to 17.8 percent in fiscal year 2006. It would mean a $63 million cut in the level for Head Start, $32 million below the level of last year, and here we have a program that would be serving, as a result, 4,400 fewer children.

We face a challenge this year, a particular challenge after Katrina, of ensuring that the second surge from that disaster, the surge of high energy prices and cold weather, does not leave families vulnerable. That is why I am so pleased that the majority of the Senate supports our approach of $5.1 total appropriation, and we hope, as the votes come, that we will reach the 60-vote margin we need to prevail. I hope we can, in fact, reach that margin.

I will join, again, Senator COLLINS in urging all our colleagues to support our amendment.

Mr. President, I also commend and thank Senator BYRD, first for his kindness in yielding to me and second because his title I amendment will increase funding. I thank the Senator for his valiant work in this regard and his concern for those who need that type of funding for their education and their future.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I send an amendment to the desk.

AMENDMENT NO. 2275

The PRESIDING OFFICER. Without objection, the pending amendments are set aside. The clerk will report,

The assistant legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD], for himself, Mr. LIEBERMAN, Mr. CORZINE, Mr. ROCKEFELLER, Mr. SCHUMER, Mr. KERRY, Mr. REED, Mr. REID, Mr. KENNEDY, Mr. BINGAMAN, Mr. DODD, Mr. KOHL, Mrs. MURRAY, Mr. LAUTENBERG, Ms. MIKULSKI, Mrs. CLINTON, and Mr. DAYTON, proposes an amendment numbered 2275.

Mr. BYRD. Mr. President, I ask unanimous consent that further reading of the amendment be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide additional funding for title I of the Elementary and Secondary Education Act of 1965)

At the end of title III (before the short title), add the following:

SEC. ___. ADDITIONAL TITLE I FUNDING.

In addition to amounts otherwise appropriated under this Act, there are appropriated, out of any money in the Treasury not otherwise appropriated, $5,000,000,000 for carrying out title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.), of which—

(1) $2,500,000,000 shall be for targeted grants under section 1125 of such Act; and

(2) $2,500,000,000 shall be for education finance incentive grants under section 1125A of such Act.

Mr. BYRD. Mr. President, I have offered an amendment on behalf of the Nation's disadvantaged students and the schools that are struggling to educate these disadvantaged students.

Hear me, I have offered an amendment on behalf of the Nation's disadvantaged students and the schools that are struggling to educate them. When Congress passed the No Child Left Behind Act 4 years ago—how short are our memories—it promised—get this—we promised to give schools the funding they would need to help every young person in this country to succeed in the classroom. I wish I had that when I was starting out in a two-room schoolhouse 80 years ago. That promise has not been kept. We have not even come close, and there is no better example of that broken promise than the title I program.

Title I is the most important Federal education program we have. Did you hear, Senators? Title I is the most important Federal education program we have. It helps the students who need help the most—who need help.

When Caesar was about to drown, Caesar said:

Help me, Cassius, or I sink!

Here is a program that is not well. It needs help or it will sink—help for the millions of children who are being left behind.

It is also the program that, under the No Child Left Behind Act, will hold schools accountable—yes, hold schools accountable for improving student performance. They should be held accountable. That is why when Congress wrote the No Child Left Behind Act it authorized specific funding levels for title I for every year through fiscal year 2007. But every year—now get this—every year when it is time to appropriate the money, we have come up short.

This chart here beside me tells the story. Focus your eyes on this chart. Here is the title to the chart, ''Falling Behind On 'No Child Left Behind.'''' How about that? ''Falling Behind On 'No Child Left Behind.'''' The numbers are in billions, billions of dollars. Take a good look at this chart, I say. This chart tells the story, a pretty sordid story. The first year of the law, fiscal year 2002—this bar right here—the No Child Left Behind Act authorized $13.5 billion. There it is, the first year: $13.5 billion authorized. How much did Congress appropriate? Congress appropriated just $10.3 billion. The blue shows $13.5 billion authorized. The red shows we fell short. We only appropriated $10.3 billion.

In fiscal year 2003, watch this gap. The gap grew wider. The blue line shows that Congress authorized $16 billion, the blue bar, but Congress appropriated just $11.7 billion. There was $16 billion authorized, $11.7 billion appropriated.

Each year, as one can see on this chart, Congress has fallen further and further behind, behind in its promise to America's most needy students.

The authorized amount for fiscal year 2006—that is where we are now—appropriating moneys for fiscal year 2006, the authorized amount is $22.75, way over here on the chart, $22.75 billion. But the amount in this bill is just $12.8. Look at it. That is $10 billion less than the law promised to these disadvantaged students and to the schools in which they study. What a shame, $10 billion less—$22.75 was authorized, $12.8 billion was appropriated.

What a gap, $10 billion. That is $10 for every minute since Jesus Christ was born—$10 billion. That is $10 for every minute since Jesus Christ was born. What a gap. What a gap, $10 billion. That is enough to provide the full range of title I services to more than 3 million needy students who are currently being left behind by our Nation's schools. And at the current funding level in the Senate bill, they will continue to be left behind.

We got a hard look at some of those disadvantaged students during Hurricanes Katrina and Rita. Those disasters cast a bright light on a part of America that many people would like to pretend does not exist—a part of America where the school buildings are crumbling, where there are not enough good teachers, and students are afraid for their own safety. These are real live people, live students who have a future, who have a horizon out there, who have a vision, and yet we are not keeping our promise to them. They are being left behind.

I took a piece of plastic clay
And idly fashioned it one day
And as my fingers pressed it still
It moved and yielded to my will.

I came again when days were past,
The bit of clay was hard at last.
The form I gave it, it still bore
And I could change that form no more.

I took a piece of living clay
And gently formed it day by day
And molded with my power and art
A young child's soft and yielding heart.

I came again when years were gone,
He was a man I looked upon.
He still that early impress wore
And I can change him never more.

Never more, never more.

That is what we are talking about, a piece of human clay, human clay.

We are leaving those children behind.

Those are exactly the kinds of students who are being left behind today and they are exactly the kinds of students who can be helped by title I.

America can do better. I say America can do better for these students. That is why I am offering this amendment to increase funding for title I. I wish I could increase this program by the entire $10 billion to fulfill this commitment, our commitment, the commitment we made when Congress passed the No Child Left Behind Act. However, I know I wouldn't get enough votes from the other side of the aisle, I have to say. They are all good people over on the other side. They are all patriotic people. They are good citizens and they are dedicated to the service of the people. But I realize I can be wrong sometimes. I think they are wrong. I don't think some of them will vote for this. We will see.

I am proposing instead that we get halfway there. We are just going halfway—$10 billion shortage—$10 billion shortage in our promise for the children, the disadvantaged children of this country, $10 billion short. I am going to ask for half of that, at least try to close half the gap, half of it.

I am proposing that we get half the way there, that we close the gap over 2

years: $5 billion now, $5 billion the following year. I am proposing we get halfway there, that we close the gap over 2 years by adding $5 billion.

That is enough to fully serve more than 1.5 million disadvantaged students who the administration would leave behind, and we would leave behind. These children will be taught by highly qualified teachers and receive the complete range of instructional services called for under the No Child Left Behind Act. States will benefit from this amendment—your State, Mr. President, your State, my State.

In my own State of West Virginia, schools would receive a total increase of just $800,000 for title I if the bill is passed as it is now. Under my amendment, those students in West Virginia would receive an additional $39 million above the bill. Tennessee would receive an additional $78 million.

Do you hear me? The people of Tennessee—are you listening? Are you listening? Tennessee would receive an additional $78 million.

Pennsylvania—are you listening? Pennsylvania is the State of which Benjamin Franklin was once president. Yes. Old Ben Franklin. Pennsylvania would receive an additional $185 million.

Louisiana would receive an additional $111 million; Mississippi, an additional $62 million.

I offered a similar amendment 2 years ago and those who opposed my amendment argued then that Congress is under no obligation to fund title I at the authorizing level because authorizations are only guidelines. Title I is not your average authorization program. Most educational authorizations don't put requirements on States and local school districts, but the title I program in the No Child Left Behind Act puts more requirements on our Nation's schools than any law in the past 35 years.

This law requires every State to develop a plan for helping all students reach a proficient or advanced level of achievement within 12 years. That is all students. That is all students, not just those in the affluent suburbs. No, not just those in the affluent suburbs, but poor students in Appalachia. That is where I come from, you see. When I was a boy I would have been included, ROBERT BYRD. And the gulf coast includes children with disabilities. Do you hear me? Hear, listen. That includes children with disabilities. And it includes students of all races. How about that? And ethnicity. How about that? All races, all ethnicities.

Schools must leave no child behind—not your child, not my great-grandchild. And if schools that receive title I funds fall short of this goal, they face serious consequences. Schools that fail to make adequate yearly progress in raising student performance for 2 consecutive years—listen to this—have to give students the option of transferring to another public school. Yes. That means the school has to redirect money it would have spent for instruction and use it—for what?—for transportation instead.

This past school year, almost 11,000 schools and districts in the country failed to make adequate yearly progress for at least 2 straight years.

Did you hear that? Almost 11,000—11,000—schools and districts in this country failed this past year to make adequate yearly progress for at least 2 straight years.

The penalties get more severe the longer the school fails to make adequate yearly progress. Ultimately, if a title I school falls short for 5 years in a row, it can be taken over—get this—the school can be taken over by the State, or the entire staff can be fired.

Help me, Cassius, or I sink.

These are serious penalties. The entire staff can be fired. There is the door. There is the door. The entire staff can be fired and replaced. That gets pretty tough. That hits close to home.

These are serious penalties, and I support them. I believe it is high time that we hold schools accountable for their performance and getting their act together. I believe it is high time we hold schools accountable for their performance. But—here is the conjunction ''but''—I also believe that if we in the Congress are going to demand that schools raise student achievement, we, I, you, Senators, all Senators, all Members of the other body, if we are going to demand that schools raise student achievement, we have a responsibility to provide those schools with the additional resources that they need to improve.

That is what we are talking about on this chart. We are falling short. We are falling behind in the No Child Left Behind Act. Unfortunately, as I say, we are not keeping our promise. In fact, for most school districts, Federal funds are moving in the opposite direction. In fiscal year 2004, more than half of the Nation's school districts received less title I funding than they did the year before. What a shame. How about that. Look at that.

Listen. Hear me. I will say that again.

In fiscal year 2004, more than half of the Nation's school districts received less title I funding than they did the year before. In fiscal 2005, two-thirds of school districts took a cut in title I funding.

If Congress passes the Senate bill as it stands now, most districts will receive less title I funding for the third year in a row. That is not what Congress promised. That is not what Congress intended when it passed the No Child Left Behind Act.

The funding level for title I in this bill is a betrayal of the law and it is unfair to all people in this country who are working so hard to implement the law. Parents and teachers want their schools to be held accountable. They want every child—not just this one or that one but every child—to succeed. They are holding up their end of the bargain. Are we? Are we holding up our end of the bargain? It is time for the Congress to do the same.

I voted for the No Child Left Behind Act. I support the reforms in that law. But schools need more funding if we are truly going to leave no child behind. What is more important than our children? What is more important than the education of our children?

I urge my fellow Senators to approve this amendment. We gave our word to the people, didn't we? Yes, we gave our word to the people when we passed the No Child Left Behind Act. Let us keep our word.

I yield the floor.

The PRESIDING OFFICER (Mr. VITTER). The Senator from Pennsylvania is recognized.

Mr. SPECTER. Mr. President, I have listened with great interest to the comments by the very distinguished Senator from West Virginia. It is always a treat to listen to Senator BYRD, hear a little Roman history, hear a tune from time to time, and hear the lengthy experience that Senator BYRD brings to this august body.

He was elected to the House of Representatives in 1952. Before that he had been a legislator for the State of West Virginia. He was elected to the Senate in 1958. We were reminiscing the other day about his having served with President Truman, only for a few days, because President Truman did not run in 1952. President Eisenhower did. And Senator BYRD always very carefully denominates the service ''with'' as opposed to ''under.'' That is exactly correct. I share his insistence on parity.

When they wrote the Constitution, Congress was article I, not the executive branch. It did not come in until article II, and the judiciary, not until article III. But the Supreme Court has sort of rewritten the Constitution more than once.

Now, if we were to rewrite the Constitution, they would be article I. I don't know where the Congress would be, they have taken away so much of our authority. We have lost our authority under the commerce clause.

The Supreme Court wrote an opinion in a case called United States v. Morrison involving the legislation on protecting women against violence; notwithstanding a mountain of evidence, a voluminous record, they said it was insufficient, and they disagreed with our ''method of reasoning.''

It surprised me, in preparation for the hearings from Chief Justice Roberts, to know that Congress had a defective method of reasoning. I didn't know that until I read that in the Supreme Court opinion. Somehow when you move from the columns of Congress, the Senate, lined up directly with the columns of the Supreme Court, you lose some reasoning capacity in the interim—which I doubt very much. Then when they interpreted the Americans with Disabilities Act, Justice Scalia said they were tasking the

Congress, getting us to do our homework, that we had not made a sufficient record.

So when I listen to Senator BYRD talk about the Constitution and about our duties, it is with great interest. I recollect a few years back when Senator BYRD chaired the Committee on Appropriations and I had the audacity to challenge his mark. It was not done by any Senator. I thought I had that standing. I looked at my Commission of Elections, and I had that standing. I got 3 votes out of 29: Senator D'Amato, Senator Kasten voted with me. Senator Kasten was not here at the 1992 elections, so it was a long time ago that Senator BYRD looked across the table in S–128, the appropriations room, and said: Someday you may be chairman, you may set the mark.

I am not too far away and have not gotten there yet to be chairman of the Committee on Appropriations.

We wrestle with these appropriations budgets. It is really a tough job. This subcommittee of the bill we have today for $145 billion has to fund education and health, which are our two major capital assets. If you do not have good health, you cannot do anything. If you cannot have a good education, you cannot move ahead in this world. Senator BYRD and I have both benefited from a good education. I didn't come from a school quite as small as his. I went to high school in a town of 5,000, Russell, KS, where Bob Dole had gone to high school. However, education is the key to the future and I know that, and I appreciate that.

We have struggled mightily to make the best allocation we can with the priorities ahead. As I listened to Senator BYRD talk about title I of No Child Left Behind, I would like to see the funding increased on No Child Left Behind. I would see our priorities on a budget of $2.6 trillion arranged differently if I set the priorities.

Maybe someday I will get to be chairman of the Committee on Appropriations and can set the priorities. But even as I say that, there is so little of that money in discretionary spending that so much of the authority of the Committee on Appropriations is taken away. We have to do the best we can. We labored mightily to craft the best priorities we could.

There will be a number of amendments. There was an amendment offered yesterday by the Senator from Massachusetts, Mr. KENNEDY, on Pell grants. I would like to have had more money for Pell grants. I said if Senator KENNEDY can show the priorities of what could be cut, I would be glad to consider that.

As I listened to Senator BYRD today, I would like to have $5 billion more and accept his amendment and see more money go to title I and No Child Left Behind, but the money simply is not there.

I have to disagree with my distinguished colleague when he says there has been a betrayal of the promise. I don't think the authorization constitutes a proposition. The authorization is always higher than the appropriation. In the dark ages of the past, my colleague—Senator HARKIN is returning to the Senate—the dark ages of the past when Senator HARKIN was chairman of this subcommittee, Democrats took control in that fateful time, the spring of 2001, and controlled the budget process 2001 and 2002 for about a 17-month period. I took a look at what the figures were at that time. I noted the authorization on title I for fiscal year 2002 was $13.5 billion, and the appropriation was $10.35 billion. I understood that because we crafted that bill together.

When I say the ''dark ages'' I say it only in jest. Senator HARKIN and I have worked coordinately. With all the bickering that exists in this Senate—and it is a lot—there is a deep trench here that crosses the aisle on many days in the Senate but not when TOM HARKIN and ARLEN SPECTER or BOB BYRD and THAD COCHRAN or TED STEVENS work on a bill. We cross the partisan line.

Senator HARKIN and the Democrat-controlled Congress could not fund it all the way up to the authorization. And in 2003, again, when Senator HARKIN was chairman of the subcommittee, the authorization was $16 billion and the appropriation was $11.689 billion.

I took a look at the funding for the 5 years of the Bush administration and compared it to funding in the 5 years of President Clinton's administration. As to title I, under the Bush administration, the budget request for fiscal year 2006 is $13.342 billion; President Clinton's last year at $8.357 billion. There was an increase during the Bush years of $4.985 billion.

With President Clinton, I compared from 1997 to 2001. In 1997, the budget request by the President was $7.165 billion, and President Clinton's last year it was $8.357 billion. So there was an increase during President Clinton's watch of $1.192 billion.

I cite those figures only to point out President Bush has not done too badly by comparison to President Clinton. They both struggled as well.

When we look at the total funding on education, President Bush's budget for 2006 is $56.219 billion, going back to 2001 as a base, $40.088 billion, the education budget request by President Clinton has increased $16.131 billion.

If you take a comparable period for President Clinton and use the fiscal year 2001 figures of $40.088 billion contrasted with fiscal year 1997, $25.829 billion, there was an increase of $14.259 billion.

Now, these figures are subject to differences of inflation. They are not exact. But it ought to be understood, or at least the point I seek to make is that it is not a political matter. When it comes to education there is recognition by both parties that it is a very high priority item.

On the comparison, I find fault with neither party. Both Presidents have tried to do what they could with a lot of conflicting problems. Certainly, when Senator HARKIN was the chairman of the subcommittee, he did his best. We worked together. When I had an idea, I would bring it to him and we would try to work it out. When he had an idea, he would bring it to me and I would try to work it out.

We have been talking about the avian flu issue, which we will talk about later. I was in my hideaway—that is a small Senate office for somebody watching on C–SPAN2, where you go to hide to try to get some work done, instead of your office where you are surrounded by many assistants who want answers to their specific problems which are the most pressing of the day.

The phone rang. It was Senator HARKIN trying to prepare an opening statement for the Harriet Miers confirmation hearings. We have other work to do besides this big appropriations bill. It was quiet until the phone rang. It was Senator HARKIN. Would I take a call from Senator HARKIN? Of course, I will take a call from Senator HARKIN, put him through.

We talked about avian flu and what we are going to do. He had some good ideas on avian flu, and we will discuss that in some detail a little later today.

Wherever he has an idea, and I am the chairman, I am all ears. If I can accommodate Senator HARKIN, I am going to do so. He was hard to get off the phone this morning. That happens from time to time. He was giving me a very heavy pitch. I tried to interrupt him at one point and said: TOM, I hate to say this, but I think you are right.

It didn't stop him, he kept going, kept going. About 30 seconds after I said that, he stopped, and said: Yes, you said I was right.

I said: That's right, TOM. Can we finish this conversation and continue it in the Senate when we have the issue before the Senate?

In conclusion—the two most popular words of any speech—while I would like to agree with Senator BYRD and I would like to see $5 billion more, we do not have the money under the allocation. If anybody has any ideas about how to rearrange the priorities, I am willing to listen.

It is customary for the allocation, the appropriation, to be under the authorization. That happens whether Democrat or Republican. You do not put on a villain's hat necessarily because you are in one party or the other. We will continue the struggle and continue to try to do our best on education.

I thank the distinguished Senator from West Virginia for his contributions.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, as always, it is a joy and interesting to listen to my friend and colleague, my chairman, talk about the past and what we have done together. He is

right, we have worked together closely. I followed his lead on a lot of things, such as when ARLEN SPECTER, back in the mid-1990s, wanted to do double funding for NIH. He took the lead on that. I did what I could to help. And we got the job done under his great leadership.

So we have worked together on a lot of different things. And where we have had differences, we have had differences, but we have always been, I think, upfront and open about those differences. While I love ARLEN SPECTER dearly, and respect him greatly, he is not my twin, he is not my clone, so we do have different ways of approaching things once in a while. And that is the way it ought to be around here. There should not be, as he said, this big gulf between us, but there ought to be an honest airing of differences of views on how we ought to approach things.

Take the Byrd amendment, for example. I stated earlier, when we first brought the bill to the floor, that Senator SPECTER had done a superb job, and he was always open with my staff and me in crafting and putting together this bill. I said when you are dealt a bad hand, you have to do the best you can. And Senator SPECTER did. So in terms of the bill itself and how it is crafted, I do not have problems.

What I have problems with is our allocation. That is where I have problems. Since I did not support the budget, I said at the time we laid the bill down the other day: Look, if people are going to come here with amendments that offset and jiggle things around in the bill, I will not support it because we worked very hard, Senator SPECTER worked very hard, to craft a bill that was fair in terms of what we had to deal with. So I would not support amendments which jiggle things around. But if someone has an amendment they want to offer which would not jiggle things around, but add money—which I understand takes 60 votes to waive the Budget Act—I am going to be for that because I don't agree with the Budget Act. I don't agree with what the budget calls for.

Mr. BYRD. I don't either.

Mr. HARKIN. So I will support the Byrd amendment because he is not trying to take money from one pot and move it to another; he is saying the budget was wrong. We ought to waive it and put the money in.

Now, with all due respect, again, to my friend from Pennsylvania, in going back over the history of this, I wish to point out that the Byrd amendment only closes 50 percent of the gap between the authorization level and what is in the Senate bill.

I have here a chart that shows the authorization and the appropriations levels going back to fiscal year 2002. Senator SPECTER made mention there was an interim period there when our party was in charge for about a year, so we were in charge of the budget and the appropriations at that time.

I point out that at that point our appropriations were a little over 70 percent, maybe about 75 percent of the authorization level. Today, we are less than 40 percent of the authorization level. So what Senator BYRD has said is the authorization level is going up, our appropriations are staying flat. We now have this huge gap. We are trying to close this gap. It is not 100 percent. It is about 50 percent of closing that gap, and that would tend to bring us back to about where we were 3 or 4 years ago, in terms of the difference between the authorization level and the appropriations level.

Now, there is one other thing that happened during this period of time. The Congress passed something called No Child Left Behind, a new mandate on the States, a new mandate that States had to do in education. Now, I am on the authorizing committee for education. At that time, Senator KENNEDY was our chairman. I can remember sitting at the White House, and I can remember sitting up here in meetings discussing No Child Left Behind, I say to my friend from West Virginia, and about what it was going to cost.

The White House, through their representatives, agreed on what level we would fund No Child Left Behind. Now, that was only authorization because it was an authorization bill. But we were told by the White House that they would meet these authorization levels. One of the reasons I voted for the bill, not that I was enamored with it, but I felt the White House had made a commitment they would fund No Child Left Behind at the levels we agreed to. We agreed with the White House: These levels? OK, yes, we agree at these levels.

Here they are. This level, right here, $22.75 billion for fiscal year 2006. That is what we agreed upon. Yet our appropriation for this year is $12.8 billion. That is why I said it is about—well, I said 40 percent. I made a mistake. It is a little over 50 percent. But in fiscal year 2002, we were at about 75 percent of funding, and that was at the beginning of No Child Left Behind.

So what Senator BYRD is trying to do is make us live up to what we had agreed to do, with both the White House and the States. I dare say, any Senator here who goes home and talks to their State government, talks to their school districts—go out and talk to your school districts and find out what they are saying about No Child Left Behind. They are saying: Wait a minute. You put all of these mandates on us. You said you were going to fund it. Now you are not, and now we are being penalized because we can't meet the goals of No Child Left Behind.

We have put them in kind of what they call a catch-22 situation: Darned if you do; darned if you don't. Either way, you lose.

So that is why I am supporting Senator BYRD's amendment. The budget needs to be waived. We need to meet our commitments on this.

Mr. DODD. Mr. President, will the Senator yield?

Mr. HARKIN. Mr. President, I will yield to the Senator from Connecticut.

Mr. DODD. Mr. President, I wish to ask a question of my colleague from Iowa, in support of the amendment being offered by the Senator from West Virginia. It was only a few years ago that I offered an amendment, during the authorizing bill, to fully fund title I. That amendment carried with over 70 votes to fully fund title I in this Chamber. It was only a matter of months ago. That was an authorization bill. It was not the appropriations bill. All of us are certainly adults, and we know the authorizing levels do not always meet with the appropriations. But we have gone on record supporting this.

I wish to underscore the point the Senator is making and the Senator from West Virginia made; and that is, I hear it. My State, in fact, has filed a lawsuit on the No Child Left Behind Act because of restrictions being required of them.

Now, again, similar to the Senator from Iowa and the Senator from West Virginia, I have great respect for this law because it is a civil rights bill, in my view. It says we should no longer tolerate social promotions of children. We ought to be insisting there ought to be accountability at every single level.

The essence of the bill Senator KENNEDY and others drafted, that we were a part of, I think is sound. I think history will prove it to be such. The great shortcoming is not the failure of the law. The law is sound. It is sensible. It makes sense. The failure is as the Senator from Iowa and the Senator from West Virginia pointed out; and that is, we have not lived up to the commitment we made.

Mr. HARKIN. That is right.

Mr. DODD. We turned around and voted overwhelmingly for that law. President Bush wanted it. The Department of Education wanted it. The Congress wanted it. We said: This is what we will do. Yet month after month, since enactment of that legislation, we have failed to meet that obligation. That is the great tragedy in all of this, not the No Child Left Behind law, but the failure of the Congress and the President to say to the people of our respective States: This is what you must do. And by the way, we will be here to see to it the funding is there to support those efforts. We have gone on record in this body, and we are now denying our own record if we turn down this amendment offered by Senator BYRD.

I wish to reinforce the point made by the Senator from Iowa.

Mr. HARKIN. Mr. President, I thank my colleague from Connecticut. He was also on the education committee and was involved in those discussions during No Child Left Behind. The Senator from Connecticut chaired the education subcommittee there, so he knows full well the commitments that were made at that time by the White

House and the Congress to fund it. Senator KENNEDY was absolutely right, we are not doing what we agreed to do in this regard.

Mr. President, prior to yielding the floor, might I ask, what is the pending business before the Senate?

The PRESIDING OFFICER (Mr. GRAHAM). The Byrd amendment is the pending amendment.

AMENDMENT NO. 2283

Mr. HARKIN. Mr. President, I ask unanimous consent that the Byrd amendment be temporarily set aside. I have an amendment I send to the desk and ask for its consideration.

The PRESIDING OFFICER. Without objection, the clerk will report.

The legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN], for himself, Mr. KENNEDY, Mr. REID, Mr. DURBIN, Mr. BAYH, and Mr. JOHNSON, proposes an amendment numbered 2283.

Mr. HARKIN. 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 make available funds for pandemic flu preparedness)

On page 222, at the appropriate place at the end of Title V, insert the following:

TITLE .

SECTION 101.

(a) From the money in the Treasury not otherwise obligated or appropriated, there are appropriated to the Centers for Disease Control and Prevention $7,975,000,000 for activities relating to a pandemic influenza epidemic during the fiscal year ending September 30, 2006, which shall be available until expended.

(b) Of the amount appropriated under subsection (a)—

(1) $3,680,000,000 shall be for stockpiling of antivirals and necessary medical supplies relating to pandemic influenza and public health infrastructure, of which not less than $600,000,000 shall be for grants to state and local public health agencies for emergency preparedness;

(2) $60,000,000 shall be for global surveillance relating to avian flu;

(3) $3,300,000 shall be to increase the national investment in domestic vaccine infrastructure including development and research;

(4) $750,000,000 shall be for improving hospital preparedness and surge capacity and health information technology systems and networks to improve detection of influenza outbreaks;

(5) $75,000,000 shall be for risk communication and outreach to providers, businesses, and to the American public;

(6) $100,000,000 shall be for research and CDC lab capacity related to pandemic influenza; and

(7) $10,000,000 for surveillance of migratory birds for the occurrence of influenza.

(c) This title shall take effect on the date of enactment of this Act.

AMENDMENT NO. 2275

Mr. HARKIN. Mr. President, I ask unanimous consent that we now return to the Byrd amendment and that it be the pending business of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. With that, I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, the distinguished Senator from Massachusetts, Mr. KENNEDY, wishes to speak for 5 minutes. If I may take 5 seconds.

I ask for the yeas and nays on the 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 Massachusetts.

Mr. KENNEDY. Mr. President, I thank our leaders on education: Senator BYRD on Title I, Senator DODD on the Head Start program, and Senator CLINTON on IDEA. As I did yesterday, I pay tribute to the chairman of the subcommittee, Senator SPECTER, because when education issues have been before the Senate, he has voted for increases in funding.

But the Senator from West Virginia will remember, during the budget consideration, this body asked for $5 billion more in education funding. The budget went to conference. We did not get $5 billion. We did not get $4 billion. We did not get $3 billion. We did not get $2 billion. We did not get $1 billion. We got zero.

Now we have the opportunity, with the amendment offered by the Senator from West Virginia, to do something for the neediest children in this country. Those are Title I children.

In the early 1960s, this Nation made a commitment and said: For the poorest of the poor children in this Nation, we are going to recognize a national responsibility. Those were Title I children. We have, over a long period of time, tried to focus on improving opportunities for the most disadvantaged students. But as my friends and colleagues on our Education Committee said, we heard the President of the United States say: We are going to do even more for those children with the No Child Left Behind Act. Instead what we have seen is a failure to meet that commitment.

One of the most important reasons for supporting the Senator from West Virginia, the Senator from Connecticut, and the Senator from New York on their amendments is that we find, when we provide this help and assistance, it works. You have positive results.

I refer you to what has happened in my own State of Massachusetts. Today, in my State of Massachusetts, we are No. 1 in the country for fourth graders and tied for first for eight graders on the Nation's Report Card because we did a real No Child Left Behind, the Education Reform Act, 8 years before the No Child Left Behind Act was signed into law. The reforms included smaller class sizes, better trained teachers, and supplementary services. Parents were involved in decisionmaking. This is what the Senator from West Virginia wants to do. He wants to make sure the whole country can catch up and make sure we keep the commitment we made when this President signed the No Child Left Behind Act and said we were going to have proficiency guaranteed to all the children in this country. The Senator from West Virginia says: Well, we are not going to leave the more than 3 million children behind who will be left behind without his particular amendment. I thank the Senator from West Virginia for offering the amendment. I hope the Senate will adopt it.

Finally, Mr. President, I am a strong supporter of and pay tribute to our leader on Head Start, the Senator from Connecticut, who used to be the chairman of our children's caucus. He has been the battler and fighter for the program. Every study shows that the money invested in children at the earliest age is the most productive and useful in education. Head Start children are less likely to repeat a grade, less likely to need special education services, and more likely to complete school. I also applaud the work of the Senator from New York on IDEA. We are far behind in meeting our responsibility to many of the children who have faced some of the most difficult challenges—those who have both physical and mental disabilities. The amendment offered by the Senator will go a long way to providing the resources needed to ensure that students with disabilities receive the resources they need to succeed. I applaud her efforts.

With these amendments on Title I, Head Start and IDEA, we have an opportunity to speak about the future. Education is about opportunity. It is about fairness. It is about competitiveness. And it is about national security. Hopefully, the Senate will go on record and support these three measures. Our children and our schools need our help. They need it now more than ever, and so does the Nation. I urge my colleagues to approve all three of these amendments.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I hope the Senate will vote quickly. But before it does, I thank the Senators who have just spoken, particularly the manager of the bill, Mr. SPECTER. He is an outstanding Senator. I have seen this Senate turn over more than 3 times, complete turnover of 100 Senators more than 3 times. I tell you, my friends, I have never seen a more eloquent, more dedicated Senator to his State, to his people, to the people of this country, to his work here, than Senator SPECTER. I admire him. Some day when he runs for reelection, I may make a little contribution to him. I will leave that for another time.

I also thank my colleagues. What splendid colleagues they are. Senator DODD, traveling in the wake of the Senator from Connecticut who signed the Constitution of the United States. What a man, Roger Sherman. And then

the Senator from Massachusetts, TED KENNEDY. What a great State that was and is. Read your history on the Revolutionary War, those times. Someone talked recently about the people of my generation who saw World War I, who lived through World War II and the Vietnam War, the other wars we have participated in, the Great Depression. My, these are great Senators. I can see their pictures out there on the medallions in the room just outside this Chamber. And the chairman and ranking member of this committee, my, what Senators they are. They are right, and they are right to oppose it in saying we don't have the money. I know they are right. But Congress could shift those priorities.

How about the big tax cuts for the wealthy? How about the war in Iraq? How much are we spending there in treasure, to say nothing of the blood that is being spilled? Yes, we could do better, but we are doing the best we can under the circumstances now. I don't fault the Senator from Pennsylvania. I admire him. If I were in his position, I would understand his responsibility.

My responsibility is to try. We can do better.

I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I raise a point of order under section 302(f) of the Congressional Budget Act that the amendment provides budget authority and outlays in excess of the subcommittee's 302(b) allocation for fiscal year 2006 and, therefore, is not in order.

Mr. BYRD. Mr. President, pursuant to section 904 of the Congressional Budget Act of 1974, for which I voted, I move to waive the applicable sections of that act for purposes of the pending amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be.

The yeas and nays were ordered.

Mr. SPECTER. Mr. President, it would be my preference to stack the votes, unless the Senator from West Virginia would like to have a vote now.

Mr. BYRD. Mr. President, I prefer to have the vote now.

Mr. SPECTER. All right. In deference to the Senator from West Virginia, we will accede to his request. It would be my hope—I talked to Senator HARKIN about this—that to the extent we can, while we have people here ready to offer amendments—we have just worked out a time agreement with Senator DODD, 45 minutes equally divided for his amendment—while we have Senators in the Chamber ready to proceed, we do so to the extent we can, unless there is a circumstance which requires a different outcome.

I understand Senator ALEXANDER may have a related issue. I have just been informed about that. May I suggest to the Chair that we hear from Senator ALEXANDER to see how it impacts on the vote before we move ahead with the vote?

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Tennessee is recognized.

Mr. ALEXANDER. Mr. President, it would be my purpose to introduce an amendment that would increase funding for title I to the level President Bush has recommended. I propose that we set aside the pending amendment so that I may introduce that amendment. Perhaps we could vote on those two amendments.

Mr. SPECTER. Mr. President, I ask the Senator from Tennessee if he would be agreeable to a time limit of, say, 30 minutes equally divided?

Mr. ALEXANDER. Certainly.

Mr. BYRD. Mr. President, I propose that we vote on this amendment. The Senator can still offer an amendment if he wishes to do so after this vote. Let's go. I ask for the vote. I object to any request to set this amendment aside.

The PRESIDING OFFICER. Objection is heard.

The Senator from Pennsylvania.

Mr. SPECTER. Under the regular order, we will then proceed to a vote, objection having been heard. We will entertain Senator ALEXANDER's amendment at the earliest time the managers can. May I remind my colleagues that this is going to be a 15-minute rollcall vote, with 5 additional minutes. We had an 18½-minute vote yesterday. Let's see if we can beat that record. I know we are going to proceed. I will talk to my colleagues, and we will work out the sequence.

Mr. DODD. Mr. President, I hope that will be the case. We have been trying to be responsive by being here to offer amendments when we have been asked to be here. It sort of throws off our schedule for the day. But I am happy to talk to my colleague.

Mr. ALEXANDER. 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. SPECTER. 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. SPECTER. Mr. President, I think we have worked out a procedure where there will not be either a side-by-side or second-degree amendment offered. The Senator from Tennessee would like an opportunity to speak for 10 minutes on it, and we will hear Senator ALEXANDER for 10 minutes and then proceed to a vote on the Byrd amendment. So I ask unanimous consent at this time that Senator ALEXANDER be recognized for 10 minutes, that we then proceed to a vote on the Byrd amendment, and then we proceed to take up the Dodd amendment and seek to proceed with the order we have established.

Mr. DODD. Reserving the right to object, Mr. President, may I also suggest the amendment offered by the Senator from New York be able to follow the Dodd amendment? Can we lock these in?

Mr. SPECTER. Let us hold off on this. There may be some amendment on the Republican side. I doubt there will be, but I don't want to have a series of amendments on both sides.

I think that would be agreeable, but I would not want to be bound to it at this moment.

Mr. HARKIN. Mr. President, I ask unanimous consent that following the vote on the Byrd amendment, Senator DODD be recognized to offer his amendment, after which point there would be a vote on the Dodd amendment, after which point if there is a Republican amendment that is to be brought up and disposed of; if there is not, the Senator from New York be recognized at that point to offer her amendment, followed by a vote.

Mr. SPECTER. Mr. President, reserving the right to object, and I do not intend to press this issue if we can't get agreement, but I would like to stack the Dodd amendment, say, behind the Clinton amendment so we can save time.

Let me restate the understanding. There will be 10 minutes for Senator ALEXANDER, and there will be a vote on the Byrd amendment. We will then proceed to a Dodd amendment. If there is no intervening Republican seeking recognition to offer an amendment, we will proceed to the Clinton amendment, and we will discuss at a later time the sequence of votes.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Reserving the right to object, and I have no intention to object, Mr. President, as I understand it, 10 minutes will be utilized by the Senator from Tennessee for remarks only.

Mr. SPECTER. Mr. President, that is correct. The Senator from Tennessee will speak in opposition to the Byrd amendment and in support of the budget point of order, but he will just make a statement. Nothing will be offered.

Mr. BYRD. I have no objection.

The PRESIDING OFFICER. Is there further objection? If not, the Senator from Tennessee is recognized for 10 minutes.

Mr. ALEXANDER. I thank the Chair. I thank the Senator from Pennsylvania. I thank the Senator from West Virginia for his courtesy of allowing me—and the Senator from Iowa and the Senator from Connecticut—allowing me 10 minutes to speak.

Mr. President, I am here in support of the budget point of order of the Senator from Pennsylvania to the Byrd amendment. Let me see if I can say in just a few minutes why I support that.

I would like to ask the Chair if he will let me know when I have 1 minute remaining.

The PRESIDING OFFICER. Absolutely.

Mr. ALEXANDER. Mr. President, the question is funding for the title I program, Federal funding for our public

schools across the country that helps disadvantaged children. It is a very important program. I heard the Senator from West Virginia describe the importance of it. I agree with him about the importance of the program, but to try to put things into perspective, let me make a few points.

First, the Senator from West Virginia, if I am not mistaken, is suggesting we spend $5 billion more, $2.5 billion a year on this important program. But he has not found some other place in the budget to reduce the spending. So this is $5 billion beyond the budget, and this comes at a time when all of the committees of the Senate have been working hard on deficit reduction. In the agriculture committee, in the education committee, in almost every committee, we are working at deficit reduction. Because we are at war, because we have had three terrible hurricanes, because we have new homeland security needs, and because entitlement spending—mandatory spending—is growing out of control, we are all trying to do a good job of living better within our means. So we are working to have a deficit reduction of $35 billion, and this would add another $5 billion in the opposite direction.

The second point I would like to make to put this into perspective is that, as important as this program is, the Federal Government is not the principal source of funding for K–12 education. We only spend 7 or 8 percent. States don't spend money for national defense by and large, and we don't spend much money for K–12. We spend 7 or 8 percent. The State and local governments have the major responsibility for our elementary and secondary schools.

The third thing I would like to mention to put things in perspective is that money isn't everything. The top five State spenders in terms of dollars, total dollars for kindergarten through the 12th grade, have the widest achievement gaps between White students and Minority students, Hispanic students and African-American students. For example, in Massachusetts, a State which spends about $9,500 per student, there is a 33-percent gap between White and Minority students. In Connecticut, which spends even more, more than $10,000 per student, there is also a significant gap between White and Minority students. So even the States that spend the most money do not get the best results. Money is not everything.

Another point to put this in perspective: we are spending more on education in our country today than at any time in history—more than we did when we had a surplus, more than we did when we were not at war, more than we did when we didn't have big hurricanes and a terrorist attack and homeland security concerns. And Federal increases for K–12, even though they are a smaller part of the pie, have gone up more rapidly than State increases over the last several years.

For example, in Tennessee, my home State, there is $50 million a year, $25 million of it new money, for teacher training, to help teachers become highly qualified.

Now, that is a lot of money. Those are Federal dollars. It would be enough money to give every teacher about an $858 pay increase a year. So the State could choose to use that money to help all of those teachers go to the community college or some other program to become better trained teachers, or the State could use those Federal dollars to give every Tennessee teacher an $800 pay raise based on some merit program. So there is a lot of new Federal money.

The other argument that I heard a great deal about was that we are not funding up to the level of authorization. Mr. President, that is a convenient political argument, but let us think about what we mean by that. I do not have the figures—I wish I did—of how much money we have authorized to be spent for all the programs of the federal government. But if we spent all the way up to that authorization, which thankfully we don't, there would not be enough printing presses in Washington, DC, to print that much money. We almost never spend up to the authorization for every defense program or for health or for HIV/AIDS or for any other part of the Federal budget. We have set an authorization level as sort of a top, a maximum, and then we appropriate every year what we can afford to spend based upon the needs that we see.

So the idea that we are not appropriating to the authorization level is not a valid basis upon which to cast this vote. Also, I think it is important to note that there is a lot of money already appropriated by the Federal Government that is unspent. The Department of Education has some figures on that. The most conservative estimate is that prior to this year, so not even counting money appropriated in this fiscal year, there is 1.7 billion Federal dollars that we have appropriated to State and local governments for schools that is waiting to be spent, which raises the question: Shouldn't we be cautious about how much more we spend?

Now, the budget that we are acting on would add $100 million to title I, bringing the number up to 12.8 billion Federal dollars, or a 47-percent increase since the last year of President Clinton. That is a big increase, and just to put this in perspective again, I have this chart. I think to be fair about it we would have to say President Bush, this President, and the Congress with which he has served in the last 2 years, have been good friends to title I.

During President Clinton's time in office, 8 years, the increase was $2.4 billion. President Clinton cared about education. I know that; I served with him when he was Governor. We worked together on those things with other Governors, too. And he felt it was important over his 8 years to increase title I by $2.4 billion. I salute him and those past Congresses for having done that. But if we are going to salute him and those past Congresses, I think we ought to pat ourselves on the back a little bit, and this President, because in this President's first 4 years he increased funding by $4 billion. And so did the Congress. So it is $4 billion for the first 4 years of Bush, $2.4 billion for the 8 years of Clinton.

Now, one may say, well, this was after No Child Left Behind was enacted; it should have gone up. And that is correct, it should have gone up. I was not here when that happened, but the Congress looked at that and said we made a new commitment. We need additional dollars for title I. We need additional funds for IDEA. We need additional funds for teacher training. We need additional funds for some of the things we have asked the States to do. So we have increased funding for title I over 4 years by 47 percent—over 5 years.

So including this budget, title I would be up to $12.8 billion, or 47 percent since the last year of President Clinton.

I am here today agreeing with the distinguished Senator from West Virginia that title I is an immensely important program. I am proud of the fact that the Congress and President Bush have over the last 4 years increased it by $4 billion. That builds on significant increases in title I that have been approved by Congress during the time of President Clinton and even before that. It may be that as time goes on and we see the need, and we are not in the middle of a war and we don't have three hurricanes of Titanic proportion and homeland security becomes less of a risk, we will have more money available. But in these times I believe the proper thing to do is to devote this amount of money to title I and support the budget point of order of the Senator from Pennsylvania.

I thank the Chair, and I thank the Senators for giving me this opportunity to speak before the vote.

Mr. KOHL. Mr. President, I rise today as a proud cosponsor of the Byrd amendment. This amendment would increase funding for title I by $5 billion. The No Child Left Behind Act authorized $22.7 billion in fiscal year 2006 for title I, which serves low-income, disadvantaged students and schools across the Nation. Unfortunately, this bill falls $9.9 billion short. This modest $5 billion increase is only half of the difference between the authorized amount in NCLB and the Senate bill level.

I strongly believe that one of the Federal Government's primary roles is to improve education for disadvantaged students. Without adequate funding, we will put States, school districts, teachers and ultimately, students, at an even greater disadvantage as many will be unable to meet the requirements in the new law and it will be the students who will suffer. I hope

my colleagues will support this important amendment.

The PRESIDING OFFICER. All time has expired. Under the unanimous consent agreement it is now appropriate to have a rollcall vote.

The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, one more reminder. This is a 20-minute vote.

I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the motion to waive the Budget Act with respect to amendment No. 2275. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. MCCONNELL. The following Senators were necessarily absent: the Senator from Florida (Mr. MARTINEZ) and the Senator from Virginia (Mr. WARNER).

Mr. DURBIN. I announce that the Senator from New Jersey (Mr. CORZINE), the Senator from Minnesota (Mr. DAYTON), and the Senator from Florida (Mr. NELSON) are necessarily absent.

The PRESIDING OFFICER (Ms. MURKOWSKI). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 44, nays 51, as follows:

[Rollcall Vote No. 269 Leg.]

YEAS—44

Akaka	Feinstein	Mikulski
Baucus	Harkin	Murray
Bayh	Inouye	Nelson (NE)
Biden	Jeffords	Obama
Bingaman	Johnson	Pryor
Boxer	Kennedy	Reed
Byrd	Kerry	Reid
Cantwell	Kohl	Rockefeller
Carper	Landrieu	Salazar
Clinton	Lautenberg	Sarbanes
Collins	Leahy	Schumer
Dodd	Levin	Snowe
Dorgan	Lieberman	Stabenow
Durbin	Lincoln	Wyden
Feingold	Lugar	

NAYS—51

Alexander	Crapo	Lott
Allard	DeMint	McCain
Allen	DeWine	McConnell
Bennett	Dole	Murkowski
Bond	Domenici	Roberts
Brownback	Ensign	Santorum
Bunning	Enzi	Sessions
Burns	Frist	Shelby
Burr	Graham	Smith
Chafee	Grassley	Specter
Chambliss	Gregg	Stevens
Coburn	Hagel	Sununu
Cochran	Hatch	Talent
Coleman	Hutchison	Thomas
Conrad	Inhofe	Thune
Cornyn	Isakson	Vitter
Craig	Kyl	Voinovich

NOT VOTING—5

Corzine	Martinez	Warner
Dayton	Nelson (FL)	

The PRESIDING OFFICER. On this vote, the yeas are 44, the nays are 51. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained. The amendment falls.

Mr. SPECTER. Madam President, I move to reconsider the vote and lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. We are now prepared to proceed with the Dodd amendment. I ask unanimous consent that we limit the time on this amendment to 45 minutes equally divided.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Iowa.

AMENDMENT NO. 2283, AS MODIFIED

Mr. HARKIN. Madam President, before we proceed to the Dodd amendment, I believe the pending amendment is my amendment. I have a modification at the desk. I ask for its consideration.

The PRESIDING OFFICER. The Senator has a right to modify the amendment. The amendment is so modified.

The amendment (No. 2283), as modified, is as follows:

(Purpose: To make available funds for pandemic flu preparedness)

On page 169, line 18, strike ''$183,589,000: *Provided*, That 120,000,000'' and replace with ''$8,158,589,000: *Provided*, That 8,095,000,000''

Mr. HARKIN. I further ask unanimous consent that no second-degree amendments be in order on the Dodd amendment prior to the vote.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Connecticut.

AMENDMENT NO. 2254

Mr. DODD. Madam President, I understand that we have a 45-minute time agreement on this amendment. Is that correct?

Mr. SPECTER. Madam President, that is correct.

Mr. DODD. Madam President, I call up amendment No. 2254 and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Connecticut [Mr. DODD], for himself, Mr. KENNEDY, Mrs. CLINTON, Mrs. MURRAY, Mr. KERRY, Mr. LAUTENBERG, Mr. CORZINE, Mr. DURBIN, Mr. LIEBERMAN, Ms. STABENOW and Mr. DAYTON proposes an amendment numbered 2254.

Mr. DODD. Madam President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To increase appropriations for Head Start programs)

On page 162, line 1, strike ''$9,000,832,000'' and insert ''$9,153,832,000''.

On page 162, line 7, strike ''$6,874,314,000'' and insert ''$7,027, 314,000''.

Mr. DODD. Madam President, the Head Start Program, which is what this amendment is about, is, of course, very familiar to all Members. The Head Start Program began some 40 years ago. Ed Zigler from the State of Connecticut, who hails from Yale University, was the father of the Head Start concept and idea. I think it goes without saying that with the reforms that have been instituted over the last number of years, Head Start has been a very successful program during the past 40 years.

There have been modifications to the program that I think have even strengthened it over the years. Literally thousands of American children, who would otherwise not get a good start in their educational process, have been benefitting as a result of Head Start.

Annually, there are some 900,000 children in the United States who are involved in some 18,000 programs across the country. That is serving about one in four of the eligible children under Head Start.

Over the years, there have been various amendments that have been offered to fully fund Head Start or to raise the amounts considerably to increase the number of eligible children who could receive a Head Start Program. That is not my amendment today.

I should have begun these remarks by thanking my colleague from Pennsylvania. He has been recognized already by the Senator from West Virginia and the Senator from Iowa for his support of these programs and ideas over the years. In fact, some 24 years ago, when he and I arrived as newly minted Senators in January of 1981, we formed together something called the Children's Caucus in the Senate. Senator SPECTER and I were the chair and co-chair of that caucus, to raise the level of awareness about issues affecting one in four Americans who are children. We had a variety of ad hoc hearings. We did not have any funding. We did not have the means to actually go out and solicit public support for our efforts to highlight some of these issues.

The very first ad hoc hearing Senator SPECTER and I ever held dealt with latchkey children, afterschool programs, childcare, the related issues for single parents or both parents working. We were trying to get those children to have a good start to provide some resources and support for them. We went on to hold a variety of different hearings over the number of years thereafter. He was a great advocate and a great supporter of those programs. He continues to be today.

Today I recognize that in fact the committee has had a modest increase in the Head Start Program of some $31.2 million. I am appreciative of that. My amendment merely raises that amount by $153 million to make sure we do not have a decline or loss in services for the 900,000 children being served. This amendment is designed to protect about 20,000 children who would fall out of the Head Start Program if we were not able to keep pace with the rising costs of administering these programs.

Also, I ask unanimous consent that Senators KENNEDY, CLINTON, DURBIN, KERRY, MURRAY, CORZINE, LAUTENBERG, LIEBERMAN, STABENOW, and DAYTON be listed as cosponsors of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DODD. Madam President, I said about $100 million. The idea is just, if we can, to get these levels of support and funding up because of the rising costs of running these programs.

Energy costs are going up on the average in Head Start Programs by 15 percent. Transportation costs are going up 16 percent. Health insurance in some places has gone up as high as 25 percent. Training for staff is up 4 percent. Facility maintenance is up 9 percent. Services for children with special needs, of course, continues to rise.

This amendment does not expand the program. It is not going to add 100,000 children to the Head Start Program. It is just designed to make sure that we do not see the program deteriorate, that we do not force children presently in the program to be dropped because we are unable to meet the predictable inflationary costs of about 2.7 percent in Head Start Programs across the country. That is the rationale for it. It is not an excessive amendment at all. It is a realistic effort to try to do what we can to see to it that these children are going to get the kind of start they deserve.

To make my case, I want to point out two studies. One was done a number of years ago. It was a survey done of kindergarten teachers throughout the United States. These were asked, How ready are children when they come to kindergarten? How ready are they to learn? Over 50 percent of kindergarten teachers in the United States, when surveyed and asked that question, responded that the majority of children were not ready to learn when they entered kindergarten.

There are a variety of reasons for that. We are not going to solve the problem overnight. But we do know now, after 40 years, that children who are in a Head Start Program clearly benefit and have a much higher degree of success than children in similar circumstances who do not participate in programs.

We know, for instance, that Head Start children are more likely to maintain grade level performance in elementary schools and on into secondary schools. We know that Head Start children stay out of the juvenile justice system to a far higher degree than children who are not in those programs. We know that children in the Head Start Program are less likely to become abusers of substances, either alcohol or drugs. We know these children, who are involved in Head Start Programs are less likely to become teen mothers.

In statistic after statistic, we find these children who get the benefit and advantages of a Head Start Program have a greater likelihood of success. It is not a guarantee of success. There are obviously children who do not make it. But we know after 40 years this program works pretty well.

Again, I am not suggesting today we expand the program. I have tried that in the past. All I am asking my colleagues today is to say for the coming fiscal year can we do what is possible to avoid some 20,000 children who are presently in the program from falling out of it?

The second study I want to point out has just come out in the last several days. I do not know if my colleagues have yet received these in their offices. My colleagues, Senator LAMAR ALEXANDER and JEFF BINGAMAN of New Mexico, went to the National Academy of Sciences a couple of months ago. If I can paraphrase their request, they said to the National Academy of Sciences: Would you mind telling us, over the next number of years, what are the 10 things we ought to better prepare to handle the math, the science, and the technology demands of our Nation?

I am not going to recite the full study here, which is entitled ''Rising Above the Gathering Storm.'' I will just list some of the authors. The chair is Norman Augustine, the retired chair of Lockheed Martin; Craig Barrett, chairman of the board of Intel Corporation; Rick Levin, the president of Yale University; the president of MIT, the president of DuPont company, the president of Rensselaer Polytechnic Institute—it is just an incredible list of distinguished Americans and academicians who worked over a period of time, I think 3 or 4 months, to come out with a series of recommendations.

I will not go through all of their report. You will get it and it is worth looking at. There were some very dramatic recommendations and ones we should take very seriously.

Their findings come in this smaller pamphlet entitled ''Rising Above the Gathering Storm.'' In the first paragraph, these distinguished Americans say:

> We are worried about the future prosperity of the United States. Although many people assume the United States will always be a world leader in science and technology, this may not continue to be the case inasmuch as great minds and ideas exist throughout the world. We fear the abruptness with which a lead in science and technology can be lost, and the difficulty of recovering a lead once lost if, indeed, it can be regained at all. This Nation must prepare with great urgency to preserve its strategic and economic security.

It continues, but I think that language directly bears on the amendment I am offering today. The No. 1 suggestion they make—I don't think they necessarily prioritize it, but the first suggestion is to train and put into the field 10,000 teachers a year in math and the sciences. The goal is that each one of these teachers might educate 1,000 students over a career, so that over time a million students in our country would benefit from a tremendous education in science and math and engineering.

If America is going to avoid exactly what these distinguished Americans have warned us against we must prepare teachers and children. Let me go back to the statistic I mentioned a moment ago, that if the kindergarten teachers of America are right, half of children entering kindergarten today are not ready to learn. It is one thing to have teachers, but what if you don't have the students who are ready to learn? If we know that Head Start kids are more likely to be prepared for school, stay in school, stay out of trouble, avoid substance abuse, don't become teen parents, then we ought to be doing what we can to keep those 900,000 kids in the program. We know full well that Head Start, after 40 years, does make a difference.

We can do a lot better. We can do so much better if we start making these modest investments. We know the modest investments in these programs pay huge dividends. Should we not try to stop some erosion in this program? That is all I am offering today, a modest 2.7-percent increase, a little more than $150 million to just keep the number of children in the program there for the coming fiscal year. Then, I hope, in the coming years when our fiscal condition is much stronger and better certainly than it is today, we can do more to see that these children have a chance to go on.

Someday I want to come back and offer an amendment again, as I did years ago, to make sure every eligible child can get in a good program like Head Start and Early Head Start. I wouldn't try that today. I know my colleagues cannot accept that. I understand the budget realities. But can we not find $153 million? We are spending $6 billion a month in Iraq. That doesn't include Afghanistan. My colleague from Tennessee and I and Senator ENZI and Senator KENNEDY recently worked on a package for 1 year to help out some 400,000 students who have lost their schools as a result of Katrina and Rita—mostly Katrina. It was a great idea. Let's put aside our differences. Let's make sure these kids can get going so they do not miss a year because the schools have been washed away or destroyed.

But there are not hurricanes and natural disasters all over our country, thank the Lord. But these children in Head Start, in many ways, live in a disastrous situation every day. They live in chaos, many of them. They live in families and neighborhoods where it is amazing that anyone can come out of them intact. Head Start has reached into these communities and provided a safe place, a harbor for children with talents and abilities. If you go to a Head Start Program you see the children are bright and they want to learn and they overcome obstacles, as their parents do every day, to give them a chance to get going. I don't want some kid in a Head Start Program to be dropped out this year who could have become that engineer or that scientist who becomes that CEO of Intel or who becomes the head of Lockheed Martin or becomes the president of RPI or Yale University. And they are there. These kids are not just in the private

schools. They are not just in the affluent neighborhoods. Talented Americans are in every neighborhood in America, and we ought to be able to do better for these children. We ought to be able to say: This year things are tough, we can't expand the program. But we are not going to lose any kids. We are not going to leave any child behind in a Head Start Program.

Listen to the warnings of this report. It can happen with abruptness, and once lost, very difficult to regain. So while we expand the pool of teachers, while we do everything we can to give kids a chance to learn, we have to make sure these kids are ready to learn. Head Start, for 40 years has done that.

It has made it possible for kids to become ready to learn. Not that they make it in every case, again, but we know without any question today that the difference between a child who is in an Early Head Start or Head Start Program and a child who is not is the likelihood the Head Start participant will avoid the obvious pitfalls that can happen so quickly in a young person's life. There is a greater likelihood they will go through it.

I am offering this amendment today, pleading with my colleagues, let's not lose 20,000 kids. We have not yet even begun to discuss this ''Rising Storm'' report. I like big ideas, and one of the reasons I am so fond of my colleague from Tennessee is because he likes big ideas. He wanted to come to the Senate to grapple with a big idea, and this is a big idea. I am sure he has not, nor am I, endorsing every dotted I or crossed t here. But it is a very big idea. Head Start is a big idea that Ed Zigler had 40 years ago, and today there are some 900,000 children in this country who benefit from it, less than 50% of those who are eligible. It is a big idea that needs to be protected. We need to be thinking about both parts of the equation—we need teachers and we need students. We can do a lot better, in my view, if we try to do both. We are not going to deal with this report this year. But it seems to me we know Head Start works and the success we have had with it, and knowing the costs that the nearly 19,000 programs across the country are facing—energy, transportation, health insurance, training for staff; all of these increases ranging from 15 percent to 25 percent in the next year. Just to try to keep these programs whole, to hold them harmless, is something I think is worth doing.

Therefore, I offer this amendment on behalf of myself and my colleagues with the hopes that there will be enough votes maybe to overcome the budget considerations. Again, I say to my colleague from Pennsylvania and my colleague from Iowa, you have a thankless job. I know it is not easy to have Members like myself coming over, making these cases to you. But my hope would be in some instances, particularly this one, that we would undertake the responsibility of trying to at least keep the program alive.

Barbara Tuchman wrote a wonderful book years ago. She is no longer with us. She wrote a number, but one of them is called ''The March of Folly,'' and it mostly dealt with strategic military questions, going throughout past history. Her point was that nations commit folly when they engage in behavior they know is unwise yet they pursue it anyway. This is a different kind of problem than a mistake you make when you didn't know it was a mistake until later. But the follies, according to Barbara Tuchman, were when you knew you were making a mistake and you went ahead and did it anyway.

In a sense, for us not to keep these programs whole is the ''March of Folly'' when it comes to America's future. We know, we know it as well as we know anything in this body, that the key to America's success has been based, throughout its 220-year history on an educated population. I have said this maybe 1,000 times; 201 years ago, Thomas Jefferson said:

> Any nation that ever expects to be ignorant and free
>
> Expects what never was and never possibly can be.

If that was true in the beginning of the 19th century, here we are in the beginning of the 21st century with all the explosions of advances around the globe. If we don't make these investments, if we don't do everything possible to educate our children, knowing that the failure to do so puts this Nation at risk on every level, is in fact the ''March of Folly.''

It could be a new chapter for Barbara Tuchman were she alive today and writing the sequel to her own book. To not support these efforts, I think, leads us on a path that these distinguished academicians and others have strongly identified in their report.

Again, read their words on the opening page, if you will, of ''Rising Above the Gathering Storm.''

> We are worried about the future prosperity of the United States. Although many people assume the United States will always be a world leader in science and technology, this may not continue to be the case. Inasmuch as great minds and ideas exist throughout the world, we fear the abruptness with which the lead in science and technology can be lost and the difficulty of recovering a lead once lost, if indeed it can be regained at all. This Nation must prepare with great urgency to preserve the strategic and economic security.

Those words are about as clear as they could be. Head Start is an integral part of that, in my view. There is a sense of urgency that ought to be about it.

My hope is again that my colleagues will see their way through to supporting this amendment.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Madam President, listening to the passionate presentation by the Senator from Connecticut, I agree with virtually everything he said but nothing more than when he said that Senator HARKIN and I have thankless tasks.

It is very hard to reply to what the Senator from Connecticut has had to say about the importance of Head Start without agreeing with him, and his reminiscences back to January following the 1980 election when 18 new Senators came to the Senate—16 Republicans and 2 Democrats. I was one of 16, and Senator DODD was one of 2. His class has maintained 50 percent representation. Our class is down to one-eighth, 12½ percent. Senator DODD and I formed the Children's Caucus. He wasn't a chairman anywhere because he was in the minority. He wanted to have a gavel—at least half a gavel. I chaired the Juvenile Justice Subcommittee. We talked and formed a caucus. I think we did very good work. I think some of the work we did has followed its way into Head Start and very important juvenile programs.

As Senator DODD has said, it is a thankless job to manage this bill, to make allocations of $145 billion among education, health care, and labor and work safety. We have done the very best we could in our allocations. It has been crafted, as I said, jointly by Senator HARKIN and myself.

Over the years, I have been and still am a steadfast supporter of Head Start. We have in this budget almost $7 billion for Head Start, a very substantial sum of money. Between fiscal year 1994 and fiscal year 2004, we have doubled Head Start.

Nothing would please me more than to be able to accede to the request by the Senator from Connecticut, which is, as he accurately stated, a moderate request. Yesterday, the Senator from Massachusetts, Senator KENNEDY, offered an amendment on Pell grants which I thought was a good amendment. We had Senator BYRD's amendment this morning for increased funding on education title I, which is a good amendment. It is difficult not to be able to support these amendments. But in my job, it is necessary to take the allocation which the budget resolution gives us and make the allocations as best we can.

If Senator DODD had some suggestion as to an offset—that is, where we could move some money from one account to another on the basis of priority—I would be glad to consider whatever he had to say. But I am constrained to stay within the limits which the budget resolution has provided. That requires, much as I dislike to, raising a budget point of order.

Much as I dislike doing so, I raise a point of order under 302(f) of the Congressional Budget Act that the amendment would put the authority and outlays in excess of the subcommittee's 302(b) allocation and, therefore, is out of order.

Mr. DODD. Madam President, much as I regret, I move to waive the appropriate sections of the Congressional

Budget Act, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DODD. Madam President, may I inquire how much time remains on this amendment?

The PRESIDING OFFICER. The sponsor's time has expired, and 17 minutes 20 seconds remains on the other side.

Mr. SPECTER. Madam President, I yield back my time.

Mr. DODD. Madam President, it is my understanding that the Senator from New York is going to offer an amendment.

Mr. SPECTER. Madam President, we are going to move to the amendment by the Senator from New York.

Mr. DODD. I thank the Senator. I thank the Chair.

Mr. SPECTER. Madam President, I ask unanimous consent that the pending amendment be set aside temporarily and the vote in relation to this amendment be determined by the majority leader after consultation with the Democratic leader and that we move ahead to the amendment to be offered by the Senator from New York, Mrs. CLINTON.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New York.

Mrs. CLINTON. Madam President, I appreciate the chairman's kindness in arranging this. As I understand, we have by unanimous consent set aside the pending amendment. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

AMENDMENT NO. 2292

Mrs. CLINTON. Madam President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant clerk read as follows:

The Senator from New York [Mrs. CLINTON], for herself, Mr. DODD, Mr. KENNEDY, Mr. JEFFORDS, Ms. STABENOW, Mr. DAYTON, Mr. LIEBERMAN, Mr. REID, Mr. LAUTENBERG, Mr. KOHL, Mr. CORZINE, and Ms. MIKULSKI, proposes an amendment numbered 2292.

Mrs. CLINTON. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide additional funding for part B of the Individuals with Disabilities Education Act)

At the end of title III (before the short title), add the following:

SEC. ____. In addition to amounts otherwise appropriated under this Act, there are appropriated, out of any money in the Treasury not otherwise appropriated, $3,958,901,143 for carrying out part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.).

Mrs. CLINTON. Madam President, I come to the Chamber today to offer an amendment to provide much-needed resources to help educate the most needy of our students in New York and across America.

At the outset, I would like to recognize some of my colleagues who have been extraordinary leaders on behalf of children with special needs, starting with my colleague from Connecticut who is still here on the floor, Senator DODD. He has been a longtime leader in the fight to increase Federal funding for special education. In that fight for years have also been Senators HARKIN, KENNEDY, JEFFORDS, HAGEL, and others who have come to this Chamber repeatedly championing the right of those with special needs and reminding us that the noble effort we undertook as a nation to require that children with disabilities and special needs be given the education they deserve, to have as a mandate that has been placed upon our local school districts. It is a noble and worthy undertaking to require that no child literally be left behind, but it is a burden that we should recognize that our local districts struggle with every school year.

I began working on special education issues as a very young lawyer literally just out of law school many years ago working for the Children's Defense Fund. I worked on a project where I walked door to door in communities, knocking on doors and asking people if they had school-age children. We had realized when looking at census data compared to school enrollment data that we were missing hundreds and thousands and on a national basis millions of children. They were not in our schools. What I found as I went from home to home was alarming: Children with disabilities back in 1973 and 1974 were not being sent to school. They were being kept at home because the schools were unable to care for them, to meet their needs. Many of them were thought to be uneducable.

I remember going into an apartment on the second floor of a wooden house in New Bedford, MA, to meet a lovely young girl of about 12 in a wheelchair, just as bright and smart and curious as you could imagine any child could be, who had never been to school. There were no accommodations in those days for children or adults in wheelchairs. She was at home day after day. I remember meeting another child who was blind, and her parents didn't want to send her over to the State school for blind children which was some distance away, so she was at home.

We recorded all of these children with their needs, and we presented a report by the Children's Defense Fund which was used by leaders in this body to argue for and eventually pass the 1975 Education for All Handicapped Children Act. That is today known as IDEA, Individuals with Disabilities Education Act.

This watershed act—no country had ever tried to open the doors of its education system to children with special needs—was an extraordinary accomplishment for our Nation. It promised every child the right to a free, appropriate public education. Senator JEFFORDS and Senator KENNEDY actually helped to author that bill, and Senators DODD, HARKIN, and others have been fighting to make sure it lives up to its promise ever since.

Today, Senator DODD and I are seeking to honor that original promise, the pledge to provide up to 40 percent of the per-pupil expenditure for students with disabilities. Today, the Federal Government provides less than 25 percent, which makes it very difficult for schools to provide a high-quality education to students with disabilities.

In short, after 30 years, the Federal Government still fails to live up to the promise we made in 1975 to every child, to that child's family, and to the school districts of America.

This amendment will provide close to $4 billion. That is the difference between the amount appropriated in the Senate bill and the amount promised in IDEA. For New York, that would mean $243 million extra.

Lack of funding for this mandated program, as important as it is, has serious implications for local communities. School districts do not have a choice about whether they comply. They are legally required to do so, and they should be. They have to provide the necessary services that ensure every child with special needs receives that free, appropriate public education.

Throughout New York, I have spoken with many educators, teachers, principals, and superintendents who work hard every single day to make IDEA a reality for the children in their care. But the other reality in today's difficult budget times is that it is increasingly difficult for our schools to meet the mandate of IDEA without cutting other educational services for all the other children in the school district. I am talking about essential services such as teachers' salaries, programs that enrich the curriculum, and after-school programs. Oftentimes the cost of special education is the driving force as to why school districts seek increases in property taxes.

I will give an example from my own home county. In Westchester County we just learned the Children's Rehabilitation Center, a wonderful program that serves children with disabilities such as cerebral palsy, spina bifida, Down's syndrome, is closing. That leaves parents scrambling to find other arrangements. The parents are understandably concerned about the impact of this closure on their children.

Our local newspaper, the Journal News, in a recent op-ed about the situation, said the following:

Hearts of compassionate people, of course, go out to the [parents]. But there are public-policy implications also at play here that many, if not most, taxpayers may not realize.

The paper went on:

The reality is this. All children have a right to an education, one that is in the home district or as close as possible. Public

education, and transportation to it, are paid for by a combination of local, state, and federal funding. When a desperately needed program like Children's Rehabilitation Center scales down, and even if accommodations are made for those affected, the impact is well beyond an individual family and employees—it affects the entire community and, quickly, local school districts. And, yes, that means higher property taxes.

A similar situation is occurring in Bethlehem, NY, where property owners are facing a 7.9-percent increase in their tax rate for the coming school year, in part, to pay for increased special education costs. Under the new rate, a homeowner whose property is assessed at $100,000 will be charged $203 more this year than last year.

According to a recent article in the Pittsburgh Post-Gazette, Pennsylvania is considering a proposal for additional funding for special education that would enable property taxes to be cut in half.

I know many of my colleagues on the other side of the aisle will come to the Senate and argue this amendment breaks the budget, raises the deficit, and could increase Federal expenditures. The truth is, quite simply, this amendment would lower taxes for New Yorkers and for all Americans who pay property taxes because it will relieve some of the pressure on local communities. The choice before the Senate today is not between this amendment and lower taxes for Americans. The choice, as it impacts many communities, is between this amendment and higher local property taxes. The total tax burden for American families will stay roughly the same. We will succeed only in shifting the responsibility for raising revenue to overburdened localities and homeowners, struggling to meet the mandates of No Child Left Behind and the 30-year-old mandate of IDEA.

This amendment is particularly critical today because the cost of special education has increased substantially in both absolute and relative terms. Today, 15.3 structures in New York public schools have special needs. The National Center for Education Statistics reports New York's demand for IDEA has consistently increased over the last decade and a half. Since 1991, the percentage of children between ages 3 and 21 served by IDEA has increased by over 43 percent. We have, at the same time, increased by 61 percent the number of children receiving these services. Nationwide, the upward trajectory has been even more dramatic. Our country has experienced a 73-percent increase in the number of students in IDEA between 1976 and 2002. According to CRS, the Congressional Research Service, the cost of ''regular'' education has increased 4 percent in constant dollars since 1985, while the cost of special education has increased 10 percent.

Part of the reason is because we have also witnessed dramatic increases in the rates of diagnoses of particular types of disabilities. Before 1985, for instance, only 4 to 6 of every 10,000 children were diagnosed with autism. Today, 1 in 1,000 is considered a conservative estimate. We should not be discouraged by this increasing need for services. Part of the reason more children are being identified is as a result of our paying more attention to children with disabilities. One of the programs we have turned to over the last several years, the Preschool Grants and Infants and Toddlers With Disabilities Program, helps identify children earlier, which in turn helps them get better educated and learn how to deal with their particular disability. It goes hand in hand. It is a good news and challenging news story. The good news is we are reaching out and finding out about what disabilities children suffer from. But the challenge is, how we are going to take care of their needs?

We still have a lot of work to do on student assessments. We know from State assessments there is a large gap between the performance of students receiving special education services and their nondisabled peers. Wide gaps also exist in the performance of students with disabilities who attend high-need school districts compared to school districts with greater resources. And a great percentage of minority students are identified as having disabilities. Once identified, a greater percentage are placed in more restrictive special education settings.

We must remain accountable for the promises we made these children. Under No Child Left Behind, we are testing these children. We are publishing the results. We are telling school districts, you cannot come to us and say you have to discard the scores of our children with Down's syndrome or cerebral palsy. We are saying, we expect you to educate all of your children. I am very supportive of that. However, in order to do that, we have to be fair to the school districts and give them the resources they need to fulfill this mandate.

We are in the year 2005. We cannot blame the economy. We cannot blame the war in Iraq. We cannot blame Katrina and Rita in failing to make good on our promise for special education funding. This has been going on for 30 years, through good times and challenging times. Now more than ever we need to invest in the education of children with special needs. I hope we will do just that. It is time we step up and put the Federal Government on record to fulfill its promise and provide the resources, help districts keep down property taxes, help them meet the needs of these children.

I hope if there is a budget point of order, which I fully expect there to be, that my colleagues will vote in favor of fulfilling the promise of IDEA and opposing the budget point of order.

I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Madam President, I concur with the Senator from New York about the tremendous importance of special education. That has been a priority of mine since becoming chairman of the subcommittee.

In the 1996 fiscal year, the Federal contribution was 7.3 percent. Since that time, through fiscal year 2005, we have raised it to 18.5 percent. We are still a good bit shy of approximating a 40-percent figure, but when we look at the funding for IDEA, there have been very marked increases as we have moved along, with an increase one year of $1.3 billion, another year $1.1 billion. We are now at a position where the total funding for IDEA has come up very dramatically but candidly is not as far as I would like to see it. We now stand in a range of funding of $10.7 billion.

The amendment offered by the Senator from New York increases funding by $3.959 billion, almost $4 billion. Like the amendment offered by Senator DODD for Head Start, I would like to see the money for IDEA. Last year, Senator DAYTON offered an amendment for $11 billion which—even that draws a smile from my colleague from Connecticut. Or the amendment offered by Senator BYRD for $5 billion, or the one yesterday for Head Start.

A few years ago, after managing this bill for some time, I made a determined effort to become chairman of the Subcommittee on Foreign Operations. It seems to me a good place to be so when these votes came up I would be free to cast a vote to exceed the budget limitations, since it takes 60 votes. That means if you take 44 Democrats and Senator JEFFORDS and 14 votes possible, you can be with the good guys and still not bust the budget. That luxury is not enjoyed by the manager, however. It is one of the footnotes in the manager's book, you cannot raise a point of order and vote against a point of order. It presents a very difficult voting record for reelection to vote against Head Start, against education funding, against Pell grants, and against special education.

I have stayed with this Subcommittee on Labor, Health, and Education because it is important. Senator HARKIN and I have led the way on funding for NIH. We have some very important funding for the Centers for Disease Control. But I think we have done a great deal with this budget, to the maximum extent possible. Each year it becomes much more difficult. The increase of $100 million for special education this year is insufficient. I wish there were more money that could be advanced. I am well aware that the education for special education, disabled, and handicapped puts people in the mainstream of American life and improves the quality of their life. It is important.

But when we have a budget resolution that is thought out—and I voted for the $5 billion Senator KENNEDY wanted to add to education which would have given money. It was a 51-

to-49 vote. I was importuned by the Republican cloakroom with great pressure to change my vote and make it 50 to 50 so that amendment would go down. I stayed with Senator KENNEDY's amendment. If we had had $5 billion more, we could have accommodated what Senator CLINTON wants and what Senator DODD wants and some of Senator BYRD's request, but we do not have the money.

My duties require me to raise a point of order, which I now do formally, but I will desist because I see Senator DODD on his feet for a short speech.

The PRESIDING OFFICER (Mr. THUNE). The Senator from Connecticut.

Mr. DODD. I will wait until you make the point of order.

Mr. SPECTER. Mr. President, I raise a point of order under section 302(f) of the Congressional Budget Act that the amendment provides budget authority and outlays in excess of the subcommittee's 302(b) allocation under fiscal year 2006 concurrent resolution and therefore is not in order.

The PRESIDING OFFICER. The Senator from New York.

Mrs. CLINTON. Mr. President, pursuant to section 904 of the Congressional Budget Act of 1974, I move to waive the applicable sections of that act for purposes of the pending amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I will, if I may, take a few minutes in support of the amendment by my colleague from New York. I am a cosponsor of this amendment. As she very graciously pointed out, over a number of years, a number of us have worked on this issue. But my colleague is much too humble. The fact that she has only been in this Chamber a little short of her first term belies her interest in this subject matter, which goes back years.

As she pointed out, she was a lawyer working with the Children's Defense Fund. I know our mutual friend, Marion Wright Edelman, has had this issue on the agenda for years and years and years. While the Senator from New York is a relatively new Member of this Chamber, she is not a newcomer to this issue. I am delighted she is taking the lead on this issue this year to highlight the importance of this issue.

She made all the important arguments. Again, I think the Senator from New York and I both agree, saying to our friend from Pennsylvania: We don't want you to go anywhere. We like the fact you are the chair. You won't mind if the Senator from New York and I might prefer that Senator HARKIN were the chairman of the committee and you were the ranking member of that committee. You will appreciate our desire to be in the majority, not in the minority, on these issues. But we appreciate immensely the deep commitment of the Senator from Pennsylvania on these issues, not just intellectually but passionately as well. And that is understood.

But, certainly, as you understand and we understand the situation you are in, you must understand, as well, the position we feel so strongly about; and that is, the people who rely and count on us to come up here and raise these issues to try to see if we can't do a bit better.

I know within the Budget Act the restraints are there. But we all know as well that we can make choices here in this Chamber. We can make choices about revenue raising, about different priorities within our overall budget. I don't want to leave anyone with the impression that it is impossible for us to do this. It is not impossible for us to do this. If the will of a majority here exists—or in this case a supermajority to overcome the Budget Act—we can do this.

It is a matter of choices we all get asked to make every single day. They are not easy choices—I understand that—from time to time, although I think the case for special education is so profoundly clear that it ought not be that difficult. We all appreciate the position the manager of the bill is in when he offers, as he must, a point of order because what we are suggesting does break the ceiling. But that should not be a restraint on anyone else who has the opportunity to make a choice about whether they think this issue has merit.

The Senator from New York has pointed out there has been a number of people over the years—Republicans and Democrats—who have supported increasing funds for special education. The Senator from New York rightly goes back and talks about a not too distant history—this is not ancient history—when millions of our fellow citizens, merely because they were confined to a wheelchair, because they had a physical disability, had a learning disability, were deprived the opportunity to receive an education in our country.

It was only 30 years ago we decided it was important we provide an opportunity for every child—every child—to reach his or her potential and that our educational system ought to be able to accommodate those children, and to see to it they have the opportunity to become as independent and as successful as their God-given talents would provide them. That has been a great success in our country.

Back not that many years ago, only 20 percent of children with disabilities ever got an education. Imagine that. It is not that long ago. The Senator from New York has pointed out how she met children, when she was doing her work early on, who were in wheelchairs, children who were blind.

My oldest sister Carolyn—whom many of my colleagues have met; I know my colleague from New York has met—was born legally blind. She just retired after 41 years of teaching. She holds two masters degrees in early childhood development. She ran and taught in Montessori schools, and taught, in the late 1950s, in the Whitby School in Greenwich, CT, with Nancy Rambusch, for those who follow Montessori and educational issues.

But for the financial situation of my family and my parents, who could go out and provide an opportunity for my sister Carolyn who was born in the 1930s, I would hate to think what might have happened to my sister under different economic circumstances. What I also regret, as well, is what those children over those 41 years would have lost from a remarkable human being who taught them.

Today, many of these children across our country who have a physical disability, a learning disability, can go out and achieve great success. I know, for instance, a great new airline in the country—JetBlue, I think it is called—the man who started that company lives in my State of Connecticut. He has nine children. He is dyslexic. Nelson Rockefeller, who presided over this Chamber as Vice President of the United States, who was a former Governor of the State of New York, which my colleague who has offered this amendment represents, was dyslexic. He had a difficult time reading a speech. Yet think of the achievements he reached. Again, economic circumstances gave him opportunities.

What we are saying today is we do not want to deprive these families, these individuals, of the opportunity to achieve their potential and to serve our country, not just themselves because we have all benefited as a result of the last 30 years of educational opportunities.

My colleague from New York makes a very good point. I have often said if you go back to any community, any county in the United States today and ask them: What could we possibly do to be of help to you?—now, there are unique circumstances. There may be a road or a bridge or a dam or some special project. But I promise you, I don't care whether you go from New Hampshire to Pennsylvania to South Dakota to New York, walk into a county or small town and ask, What are the things we can help out with, and you will hear about No Child Left Behind. That may come first. But I will tell you what is either first or second, unless there is some special need that exists in that community. It is special education, and particularly if you go to rural communities, small towns.

I know in my own State, if you go to meet with the first selectman or selectwoman and ask, What is the cost, you may find that you have one or two special needs children whose educational costs distort the local budget. And it can throw their budget all out of whack. What it does, unfortunately, as well, is it sort of singles out these families and children as if somehow they are culpable for creating financial difficulty to their community or their county.

We made a promise 30 years ago. We made a promise that we would pick up the cost of 40 percent of the special educational costs. We are now at about 18 percent. What the Senator from New York offers us would get us to a little more than 24 percent, for 1 year, by the way. This is not an amendment that provides the funding in the succeeding years. It would result, without any question, I can tell you, in rural communities in my State, in lowering property taxes, without any question whatsoever. I suspect that would be true in larger communities as well, but certainly in smaller communities, in rural areas in the country, if we could begin to meet our obligation.

We are not creating an obligation here. We are merely fulfilling one. We could actually make a huge difference in a tax that is very onerous to most people in the country—rising property taxes. That occurs because of, primarily, education costs, in most areas. It is the education budget that drives the property tax increases more than anything else.

So if you are interested in reducing some of the taxes on our people, particularly on one that affects middle-income and lower income people, who could really use the break, then you ought to be supporting the amendment offered by the Senator from New York; not to mention, of course, the advantage and the benefit that our country receives because we are providing an opportunity for children who can make such a difference in our society.

The other day I was talking with my colleague, Senator ISAKSON. I think Senator ISAKSON made this point. If he didn't then I stand corrected. But I believe it was Senator ISAKSON. We were talking about special education and the importance of these programs, and I was recalling that not that long ago I went to a program in Connecticut where there is an effort to integrate special needs children with mainstream children. Part of the day these children are also in special classes. Seeing special needs children interacting with their peers was a wonderful thing to see.

I wish all of my colleagues could have been with me that morning to see the children who are not special needs children and what an education they are getting sitting in a classroom with children who have learning disabilities or other special needs. You can see these children defend, understand, help, reach out, and recognize the talents of their fellow classmates—in a wheelchair or having a learning disability because of some mental retardation—and see how proud they are to be in a classroom with these kids, how proud they are of their accomplishments and what they can do, even under limited circumstances.

I cannot put a line item in the budget for you on that one. There is no way I can calculate the cost of what it means for a child to understand that a fellow classmate of theirs—in an elementary school, by the way—is learning and doing their best. What a better citizen, what a better person that child without those needs is because of that experience. It is an incredible thing to see, to watch children caring for each other. What better adults they are going to be when they are grown up in society, understanding that not everyone who is a part of this country—with all the great success we attribute to our own Nation—are without problems.

This amendment is designed to do what we can to see to it that we provide more help to these communities and to these families and these children whom we all agree and understand deserve our support. We don't want to go back, obviously, to the days when we excluded as many as 80 percent of the children in this country with disabilities from receiving an education. We are not doing that, but we have a choice now, in the next few hours.

We have a choice to make on Head Start. We have a choice to make on special education. It can be done. Don't go home to constituents and say it was impossible for us to do it. It is not impossible. It is possible. It is a question of whether you want to make the choice to make it possible. That is the difference. That is what we are asking here to do.

Again, I commend my colleague from New York and thank her immensely for offering this amendment. I look forward to someday getting some real success in all of this. But this is a major step forward, and I commend her for it.

The PRESIDING OFFICER. The Senator from New York.

Mrs. CLINTON. Mr. President, I thank my colleague, who has been such a great leader on this issue, for his eloquent, passionate explanation as to why this amendment is so important. I also thank the chairman for his very eloquent and moving statement and appreciate his leadership on this and so many other issues over the years.

AMENDMENT NO. 2313

Mr. President, I ask unanimous consent that the pending amendment be set aside to call up amendment No. 2313.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from New York [Mrs. CLINTON], for herself, and Mr. SCHUMER, proposes an amendment numbered 2313.

Mrs. CLINTON. 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 for payments to the New York State Uninsured Employers Fund for reimbursement of claims related to the terrorist attacks of September 11, 2001, and payments to the Centers for Disease Control and Prevention for treatment for emergency services personnel and rescue and recovery personnel)

At the appropriate place, insert the following:

SEC. ____.(a) Notwithstanding any other provision of law, $125,000,000 shall be available and shall remain available until expended to replace the funds appropriated but not expended under chapter 8 of division B of the Department of Defense and Emergency Supplemental Appropriations for Recovery from and Response to Terrorist Attacks on the United States Act, 2002 (Public Law 107–117), and of such amount, $50,000,000 shall be made available for payment to the New York State Uninsured Employers Fund for reimbursement of claims related to the terrorist attacks of September 11, 2001 and for reimbursement of claims related to the first response emergency services personnel who were injured, were disabled, or died due to such terrorist attacks, and $75,000,000 shall be made available to the Centers for Disease Control and Prevention upon enactment of this Act, and shall remain available until expended, for purposes related to the September 11, 2001 terrorist attacks. In expending such funds, the Director of the Centers for Disease Control and Prevention shall give first priority to the existing programs coordinated by the Mount Sinai Center for Occupational and Environmental Medicine, the Fire Department of New York City Bureau of Health Services and Counseling Services Unit, the New York City Police Foundation's Project COPE, Police Organization Providing Peer Assistance, and the New York City Department of Health and Mental Hygiene World Trade Center Health Registry that administer baseline and follow-up screening, clinical examinations, or long-term medical health monitoring, analysis, or treatment for emergency services personnel or rescue and recovery personnel, and shall give secondary priority to similar programs coordinated by other entities working with the State of New York and New York City.

On page 116, line 10, strike ''$3,326,000,000'' and insert ''$3,201,000,000'' in lieu thereof.

Mrs. CLINTON. Mr. President, I ask unanimous consent that the amendment be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. CLINTON. Thank you, Mr. President.

The PRESIDING OFFICER. The Senator from New Hampshire.

AMENDMENT NO. 2215, AS MODIFIED

Mr. SUNUNU. Mr. President, I have a technical modification to one of my amendments that has been pending. It is amendment No. 2215. I ask unanimous consent that the pending amendments be set aside, that amendment be called up, and I be allowed to submit the modification to the desk.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered. The amendment is so modified.

The amendment, as modified, is as follows:

(Purpose: To increase funding for community health centers)

At the appropriate place in title II, insert the following:

SEC. ____. Amounts appropriated in this title for community health center programs under section 330 of the Public Health Service Act (42 U.S.C. 254b) shall be increased by $198,560,000. Notwithstanding any other provision of this Act, amounts appropriated under this Act shall be reduced by 0.14 percent.

Mr. SUNUNU. I yield the floor.

Mr. SPECTER. Mr. President, in the absence of any Senator seeking recognition, 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. SPECTER. 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. SPECTER. Mr. President, we have a request from Senator DEMINT for 15 minutes of morning business. This would be a good time to accommodate that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. 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. DURBIN. 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. 2228

Mr. DURBIN. Mr. President, I ask unanimous consent to set aside the pending amendment and call up amendment No. 2228 already filed at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

The Senator from Illinois [Mr. DURBIN], for himself, Mr. LAUTENBERG, Mr. FEINGOLD, Mr. BINGAMAN, and Mr. KENNEDY, proposes an amendment numbered 2228.

Mr. DURBIN. 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 ensure the scientific integrity of Federally-funded scientific advisory committees and their findings)

At the appropriate place, insert the following:

SEC. ___. (a) None of the funds made available in this Act may be used to request that a candidate for appointment to a Federal scientific advisory committee disclose the political affiliation or voting history of the candidate or the position that the candidate holds with respect to political issues not directly related to and necessary for the work of the committee involved.

(b) None of the funds made available in this Act may be used to disseminate scientific information that is deliberately false or misleading.

Mr. DURBIN. I ask unanimous consent that Senators LAUTENBERG, FEINGOLD, BINGAMAN, and KENNEDY be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURBIN. Mr. President, all of us benefit from scientific information and advice provided by many Federal agencies. When we go to the Centers for Disease Control Web site to read about infectious disease threats or turn to the National Cancer Institute to learn about the latest in cancer treatment, we have confidence that we are being provided with honest, accurate, and objective information. We rely on scientists and medical experts serving the National Institutes of Health to make wise decisions based on real science, not politics, to ensure that our investments in medical research will improve the health of Americans for generations to come.

The amendment I offer seeks to ensure that the American people will continue to benefit from the best possible scientific advice and information from the Government's scientific advisers and from the Federal agencies themselves. First, the amendment prohibits the use of Federal funds to ask candidates for appointment to scientific advisory committees to disclose their voting history, their political affiliation, or their opinions on unrelated political topics. When the Federal Government seeks expert medical and technical advice, it should look for the very best experts. It should not limit itself to only those experts who voted for a particular political candidate or who agree with any President's policies or who support the death penalty. That is not how we, in our personal lives, would go about choosing a doctor. It should not be the way our Government seeks out expert scientific advice.

It appears this is exactly what has happened in a number of instances. In the year 2002, Dr. William Miller, professor of psychology and psychiatry at the University of New Mexico, was denied a position on the National Advisory Council on Drug Abuse after he admitted that he had not voted for the President. Dr. Miller was also asked for his views on abortion rights and the death penalty. This was for an appointment to the National Advisory Council on Drug Abuse.

In March 2004, the White House screened a nominee to the Arctic Research Commission, an advisory panel on issues that include Arctic drilling. According to the candidate, Dr. Sharon Smith, a professor of marine ecology at the University of Miami:

The first and only question was, ''do you support the President?''

Following incidents such as these, the National Academies of Science convened a committee to study how the Government should select its science advisers. Earlier this year it issued a report that said candidates for scientific advisory positions should find it inappropriate to be asked to provide nonrelevant information such as their voting record, political party affiliation, or their position on particular policies. The report goes on to compare these types of questions to asking candidates about their hair color or their height.

My amendment would prohibit the use of Federal funds to ask these inappropriate political questions of medical and scientific experts. My amendment also prohibits the use of funds to disseminate scientific information that is false or misleading. This ensures that Americans can continue to have full confidence and trust that scientific information provided by the Federal Government is honest, accurate, and objective.

There is reason to be concerned. In one notorious incident, the key findings section of a 2003 report on health care disparities was rewritten and edited to leave out conclusions about the seriousness and pervasiveness of racial and ethnic disparities in health care. In fact, the word ''disparity'' itself was edited out. The word appears 30 times in the original draft, only twice in the edited version.

Joseph Betancourt, a Harvard professor who served on two Institute of Medicine panels on inequity in health care, said:

I admire the Administration's ability to look at the positive, but it shouldn't come at the expense of the truth.

Eventually, the Department of Health and Human Services admitted it made a mistake and agreed to release the original, more honest version. This kind of incident should not happen again. My amendment prohibits the use of funds to disseminate scientific information that is deliberately false or misleading. This amendment makes sure that all of us can continue to have full faith and confidence in the scientific information that is being provided by our Federal Government.

I urge my colleagues to support scientific integrity in Federal agencies by voting for the amendment.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DEMINT. 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. DEMINT. I ask unanimous consent to speak for 15 minutes in morning business.

The PRESIDING OFFICER. That authority has already been granted.

Mr. DEMINT. If I may, I ask the Chair to notify me when I have 1 minute remaining.

The PRESIDING OFFICER. The Senator will be notified when he has a minute remaining.

FISCAL CONCERNS

Mr. DEMINT. Mr. President, yesterday I spoke on the floor about the need for fiscal responsibility and the need to pass a deficit reduction bill to get our fiscal house in order. These are serious times, difficult for our country and for many of our citizens. Americans are demanding bold and immediate action.

The Senator from Oklahoma, Dr. COBURN, made some important remarks on the floor last week. I want to associate myself with them. Senator

COBURN talked about a distant rumble, a rumble at the grassroots level, the sound of hard-working Americans who are getting increasingly angry with out-of-control Government spending, waste, fraud, and abuse.

This rumble is becoming a roar, and it is the sound of the growing frustration of the American people. It is a sense of increasing disgust about blatant overspending, our inability to make the tough budget choices the American people make every day, and our unwillingness to make priorities rather than spending our children and grandchildren's future.

I am very pleased the Senate Republicans are developing a deficit reduction package that will cut Government waste and reduce Federal spending. The fiscal discipline comes at a critical time. There are many wasteful practices of Government, and I will look at one of them today in Medicaid.

In New York, there was a dentist who overbilled Medicaid, claiming to perform as many as 991 procedures in a single day. It was also reported that school officials in New York have enrolled tens of thousands of low-income students in speech therapy without the required evaluation. This created more than $1 billion in questionable Medicaid payments for their districts. In fact, one Buffalo school sent over 4,000 students into speech therapy in a single day without talking to them or reviewing their records.

In Illinois, another dentist cheated Medicaid out of more than $200,000 in bogus payments. This man falsely claimed to treat abused children in the care of the State's child welfare agency for 7 years.

In California, a Medicaid fraud scheme involved more than 15 clinical laboratories that illegally billed over $20 million for tests that were never authorized by physicians.

In Florida, an ophthalmologist wrote prescriptions for a single drug worth over $2 million over a 2-year period.

The list goes on and on. We are talking about Medicaid fraud and abuse, not medical care for the poor. The Government Accountability Office reports that perhaps 10 percent of all Medicaid spending is questionable or fraudulent.

We must stop this waste. The Republican deficit reduction package will create some needed accountability to this program.

I have heard objections to these savings from those who believe that these savings will fall on the poor. This is absurd. We are trying to catch a thief, not hurt the poor. If we let billions and billions continue to be wasted, stolen, or embezzled, that will hurt the poor. This is a small amount compared to the overall budget. This plan, this total deficit reduction plan we are talking about, which includes the changes in Medicaid, will reduce mandatory spending by only $35 billion over 5 years, which is less than one-half of 1 percent of total spending this year.

These spending reductions represent only about one-third of the reductions Congress passed in 1993 and 1997. In 1993, Congress passed a reduction package that trimmed about $78 billion. That is 2.6 times greater than what we are talking about today. Unfortunately and curiously, many Democrats who supported this larger effort in 1993 are opposing our modest downpayment today.

In 1997, Congress passed a reduction package that trimmed about $89 billion. That is over three times greater than what we are talking about today. Unfortunately and curiously, many Democrats who supported this larger effort in 1997 are opposing our modest downpayment today.

This plan, this $35 billion reduction, is a small amount to ask in the context of our total budget, and it is only a downpayment on our future deficit. We need to do much more.

I cannot understand why some of my Democratic colleagues will not support this modest effort, given all the waste, fraud, and abuse we have in Government today. I find this opposition intriguing because many of these same Senators supported similar measures that were far more substantial. In fact, in 1993, they thought $78 billion in savings was not big enough. Here is a quote from Senator KERRY from Massachusetts:

> My own personal view is we have not cut enough where we could have and should have cut more.

And Senator DORGAN from North Dakota:

> I favored a more robust deficit reduction by cutting another $100 billion in wasteful or low-priority spending.

Senator BIDEN from Delaware:

> Specifically I want more spending cuts.

In 1997, when Congress cut $114 billion, my Democratic colleagues applauded it and some wanted more. Senator BYRD of West Virginia said:

> If the budget resolution included only the aforementioned spending reductions, I would likely be standing on the floor today declaring my unequivocal support for its passage.

Senator CONRAD from North Dakota:

> I rise to support the budget agreement. I believe it is a modest step—I want to emphasize ''modest''—in the right direction.

And Senator DURBIN from Illinois:

> This budget package cuts 115 billion over 5 years, without excessive new burdens on seniors . . . This budget cuts only $13 billion from Medicaid over 5 years . . . On balance . . . the spending package . . . [is] worthy of support.

I think it is important to note that 33 of my current Democratic colleagues were in the Senate at the time and supported the deficit reduction package. I am deeply troubled by the apparent flip-flopping around here. We hear a lot of talk from my Democratic friends about the need to keep our fiscal house in order, but then they offer amendment after amendment to increase spending.

Mr. President, I know this is difficult to read from where you sit, but these are the amendments to add to the budget this year by Democrats which totaled $460 billion.

During the debate on the budget resolution, they tried to increase spending by $192 billion—here on our Democratic ''spendometer.'' During debate on the emergency supplemental, they offered amendments to increase spending by another $10 billion. During the debate on the various appropriations bills, they tried to increase spending by another $253 billion. I think all of this shows us something, something the American people understand very well: Democrats are not for keeping our fiscal house in order. They are for higher spending and higher taxes. Rather than making modest reductions today, they prefer to spend, spend, spend. This new spending sets them up to tax, tax, tax. We need to wake up. We cannot keep spending and taxing, taxing and spending.

There is no problem too big for America to solve if we have the commitment and the strength to do it. The time for excuses and obstruction is over. I am here today to appeal to every Senator to support our deficit reduction package that will help cut the cost of Government so we have all of our strength to secure America's future.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Democratic leader.

Mr. REID. Mr. President, I came here to speak on another subject, but I have to comment on the statements made by my distinguished colleague.

The American people are smart enough to understand what is going on in this country. The House of Representatives and the Senate are controlled by Republicans. The White House is controlled by a Republican. All the agencies of Government are headed by individuals appointed by this President. For someone to come and lecture us on spending when both Houses of Congress are controlled by Republicans and the President is a Republican takes a lot of nerve.

Of course, we are all opposed to Medicaid fraud and abuse. Of course, there are programs that need to be implemented. But I say to my distinguished friend from South Carolina, the President has the tools to do that right now, without any new laws. The tools are there. Have his Justice Department do something about it. In fact, some time could be spent on that, for sure.

My friend spoke about some of the things going wrong in the State of New York. I would suggest that my friend look at this White House as to what is going wrong. The person who was in charge of procurement at the Office of Management and Budget was led away in handcuffs because of alleged corruption. When this President took office 5 years ago, the 10-year surplus was expected to be about $5 to $6 trillion. This has been squandered in 5 years; squandered. In 5 years of this President we have a debt now—not over 10 years but right now—of $8 trillion. So don't lecture us on a spendometer.

This Government is controlled by Republicans. What happened when we had

a Democrat in the White House? Some of the time we had a Democratic-controlled Senate, 2 years during President Clinton's administration we had Democratic control of the House of Representatives. What happened? In 1993 his Budget Deficit Reduction Act passed. How did it pass? Without a single vote by the Republicans in the House and without a single vote by the Republicans in the Senate. A tie had to be broken by Al Gore, Vice President of the United States. What happened after that, this country went on the most prolonged economic boom in the history of the country. In the last 3 years of the Clinton administration the debt was being paid down by some half a trillion dollars. We were spending less money than we were taking in.

So don't lecture us on how money is to be spent. This White House has squandered trillions of taxpayers' dollars.

I did not come up with the verbiage describing the budget that is now going to be reconciled in the next couple weeks. I didn't come up with the verbiage. The leading Protestant churches in America came up with the verbiage that the budget is immoral. And that was before Katrina hit us. If this budget was immoral then, it is really immoral now.

What are we going to do? What do the Republicans want to do? I say to the American public, they want to cut more. What do they want to cut it from? Not the elite of America, but the poorest of the poor, starting with Medicaid, programs for the poorest of the poor. The people suffering the most from Katrina are still suffering. I was with some of them in the House of Representatives yesterday. They came and met with us. One woman lost her job. She was a janitor. The school is gone. She has applied for Medicaid. They turned her down because we can't get our bill out of this Senate. In the House, they apparently want to cut student aid as part of reconciliation. And to top it off, Republicans in the House and Senate want to give more tax cuts to the rich. If they want to have a better looking program around here, wash out some of that.

So I want everyone to know that when someone comes to the floor and makes statements that are basically without foundation, we are going to respond to them. We don't have to stand and be lectured to about the White House, the House, and the Senate squandering the legacy of this last administration—namely, the Clinton administration—without our ability to respond. Don't give me a spendometer. Give me the ability to get the spending of this country in order. For 5 years, we have seen it go out of whack.

I want to say one other thing about the statement made by my friend from South Carolina. He talks about amendments offered by Democratic colleagues on different pieces of legislation. With rare exception, those all had offsets. So what that means to the American public is it wold not have cost the American public any more because it was offset by spending cuts in other places.

Again, I want everyone to understand, when statements are made that I think are without foundation, keeping in mind we have a Republican President, a Republican House of Representatives, and a Republican Senate, either this Senator or someone on this side will be available to answer those statements.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. COBURN. Mr. President, I will be calling up a series of amendments. Before I do that, I visited with the chairman of this subcommittee. I have four amendments to offer. I ask unanimous consent that we not exceed 45 minutes on them, equally divided between myself and those opposing this amendment. I think a couple of these amendments will probably be accepted. One of them will have some significant debate; the other one probably will not.

The PRESIDING OFFICER. Is there objection?

The Senator from Pennsylvania.

Mr. SPECTER. I thank the Senator from Oklahoma.

Mr. REID. Reserving the right to object, what was the request? Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

The Senator from Oklahoma.

AMENDMENT NO. 2231

Mr. COBURN. Mr. President, I call up amendment No. 2231.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside. The clerk will report.

The legislative clerk read as follows:

The Senator from Oklahoma [Mr. COBURN] proposes an amendment numbered 2231.

Mr. COBURN. 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 that any limitation, directive, or earmarking contained in either the House of Representatives or Senate report accompanying this bill be included in the conference report or joint statement accompanying the bill in order to be considered as having been approved by both Houses of Congress)

At the appropriate place, insert the following:

SEC. ____. Any limitation, directive, or earmarking contained in either the House of Representatives or Senate report accompanying H.R. 3010 shall also be included in the conference report or joint statement accompanying H.R. 3010 in order to be considered as having been approved by both Houses of Congress.

Mr. COBURN. Mr. President, this is an amendment that has been accepted on four appropriations bills thus far. When it was last voted on, it was accepted 55 to 39 by the Senate.

It simply is an amendment that says we ought to know what we are voting on. We call it the sunshine amendment. The procedure is oftentimes on conference reports that come back to the Senate, we know what we have in there, we know what is in the conference report, but we are not aware of what the House earmarks are in those appropriations conference reports.

This is simply an amendment that says those conference earmarks ought to be made available to Members of the Senate so they can, in fact, know what they are voting on in an appropriations conference report.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I think the idea offered by the Senator from Oklahoma, that all of the earmarks be specified in the conference report, is a very sound idea. The earmarks from this bill have traditionally and always have been properly identified.

I am very pleased to accept the amendment.

Mr. COBURN. I thank the Senator from Pennsylvania.

The PRESIDING OFFICER. Is there further debate?

If not, the question is on agreeing to the amendment No. 2231.

The amendment (No. 2231) was agreed to.

AMENDMENT NO. 2233

(Purpose: To prohibit the use of funds for HIV Vaccine Awareness Day activities)

Mr. COBURN. Mr. President, I call up amendment No. 2233.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside.

The clerk will report.

The bill clerk read as follows:

The Senator from Oklahoma [Mr. COBURN] proposes an amendment numbered 2233.

At the appropriate place, insert the following:

SEC. ____. Notwithstanding any other provision of this Act, none of the funds appropriated in this Act may be used for any activities associated with HIV Vaccine Awareness Day.

Mr. COBURN. Mr. President, all this amendment does is say that money spent for HIV vaccine research ought to be spent on HIV vaccine research. There has been $5.2 million spent in the last 4 years to create an HIV Vaccine Awareness Day. It is not used for recruitment of candidates. It is not used for recruitment for anything other than to celebrate the fact that we are working on an HIV vaccine.

I believe it is very important that dollars for research on HIV go to research on HIV and a vaccine, in particular. The hope is that sometime in the next 5 to 10 years, we will have a vaccine. We do not have a cure for HIV, no matter how hard we work, how many hundreds of millions of dollars we are putting into that. And for us to have spent $5.2 million over the last 4 years and another million dollars over the next year in promotional activity to make Americans aware that we are working on an HIV vaccine is an improper placement of the dollars being spent.

I believe the dollars will be better spent toward HIV vaccine efforts rather than an effort to make people aware of that fact.

I hope the Senator from Iowa and the Senator from Pennsylvania will accept this amendment.

The PRESIDING OFFICER. Is there further debate?

The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, the purpose of the advertisements, I have one in my hand, is to set the stage for recruiting people, as represented to me, to use the vaccine when it is developed. This ad, for example, pictures a man which says:

I'm fighting to stop a killer. HIV is a killer. I'm a witness. I have buried babies, I have buried old people and young people, people like me, people like you. HIV is serious. So my life's work is helping others learn about it and prevent it. Today, thousands of research, medical professionals, and volunteers are committed to discovering a vaccine that prevents HIV and stopping this epidemic. To them I say, I'm with you.

This ad tries to stimulate awareness of what is being done, an ultimate tool in finding people who will be volunteers.

NIH has run this ad. What I suggest to the Senator from Oklahoma is that we set the amendment aside and take a closer look at the purposes NIH has in mind in using it. Then we can revisit it and decide whether to accept it or whether to contest it and have a vote on it.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. COBURN. Mr. President, I will be happy to set the amendment aside, but I have to let you know we have looked at all the ads. There has never been recruitment of anybody for vaccine trials in any of the ads they have ever run. The American people ought to be asking, why would we be spending $1 million a year? Everybody in this country knows HIV is deadly. There is no lack of knowledge on that issue. To spend $1 million on HIV Vaccine Awareness Day is $1 million to help people with HIV through the ADAP program, $1 million to fund an extra research model or it is $1 million to fund three researchers on an HIV vaccine a year.

I believe we would be well advised to prioritize the money that is going there. I would be happy to set this amendment aside, as per the chairman's request.

I am adamant that I think that we are not spending the money properly.

The PRESIDING OFFICER (Mr. SUNUNU). The Senator from Pennsylvania.

Mr. SPECTER. I ask to set it aside and move on to the next amendment.

The PRESIDING OFFICER. Without objection, the pending amendments are set aside.

The Senator from Oklahoma.

AMENDMENT NO. 2230

Mr. COBURN. I call up amendment No. 2230.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Oklahoma [Mr. COBURN] proposes an amendment numbered 2230.

Mr. COBURN. 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 limit funding for conferences)

On page 222, between lines 5 and 6, insert the following:

SEC. 517. LIMITATION ON FUNDING FOR CONFERENCES.

(a) DEPARTMENT OF LABOR.—Of the funds made available for the Department of Labor under the heading ''Departmental Management, Salaries and Expenses'' in title I, not to exceed $2,000,000 shall be available for expenses related to conferences, including for conference programs, staff time, travel costs, and related expenses.

(b) DEPARTMENT OF HEALTH AND HUMAN SERVICES.—Of the funds made available for the Department of Health and Human Services under the heading ''Office of the Secretary, General Departmental Management'' in title II, not to exceed $25,000,000 shall be available for expenses related to conferences, including for conference programs, staff time, travel costs, and related expenses.

(c) DEPARTMENT OF EDUCATION.—Of the funds made available for the Department of Education under the heading ''Departmental Management, Program Administration'' in title III, not to exceed $2,000,000 shall be available for expenses related to conferences, including for conference programs, staff time, travel costs, and related expenses.

Mr. COBURN. This is a very straightforward amendment. Growth in conferences in the Federal Government has exploded in the last 6 years in this country. Over the past 5 years, the Department of HHS has spent $300 million on conferences.

The idea of conferences and using communication to put forward ideas, to promote health, to promote programs is a good idea, but the expanded growth of these programs through each of these departments, Labor and Health and Human Services, has grown exponentially at the same time that technology has grown even greater. There is a lack of utilization of those technologies in a time of budget duress, in a time of tremendous debt, in a time where last year we added $546 billion to our children's debt, and we are struggling with Katrina.

This amendment caps the conference costs for each of these departments so that the other moneys can be used in more productive ways. It forces creativity through conferences. It promotes videoconferencing. It saves millions of dollars in travel and hotel costs and still allows the flexibility of the Departments for conferences, but does it with the technology we have today, a smarter, more current, and more effective means of accomplishing communication with which each of these agencies is charged.

I will limit my comments to that and respond should the chairman and ranking member have questions.

The PRESIDING OFFICER. Is there further debate on the amendment?

The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, the Department of Health and Human Services opposes this amendment saying that they are important for their work and best practices. I note that a similar amendment was offered on the Transportation, Treasury, and HUD appropriations bill and that it was agreed upon by a voice vote.

Before taking a definitive position, I would like to conduct a further inquiry with HHS. In preparation for this bill being on the floor, we have an idea of the amendments which are going to be offered, and we have information provided by the administrative agency. I understand the logic of the position of the Senator from Oklahoma. I do not want to abandon the agency without giving them an opportunity to present in a fuller way their ideas. We will consult with them and come back to the Senator from Oklahoma.

Mr. COBURN. Will the Senator yield for a question?

Mr. SPECTER. I do.

Mr. COBURN. My only request is that the Senator would allow my staff to be there as they make this presentation. We have done significant research on their expenditures on these conferences, and we would love to have the opportunity, if the Senator so allowed it, for us to participate as they make their presentation.

Mr. SPECTER. I would think it mandatory that the Senator's staff be present.

Mr. COBURN. I thank the chairman.

Mr. SPECTER. Of course. The Senator and his staff are welcome to whatever information we have. We want the Senator to know what it is every step of the way. I believe in full disclosure. Let us find out what the facts are. It has always been a point of mine that if one comes to an agreement on the facts, they can almost always come to an agreement on policy that flows from the facts. We will set up a meeting jointly.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. COBURN. I ask that the pending amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2232

Mr. COBURN. I call up amendment No. 2232.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Oklahoma [Mr. COBURN] proposes an amendment numbered 2232.

Mr. COBURN. 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 increase funding for the AIDS drug assistance program)

On page 139, line 16, insert after the colon the following: ''*Provided further*, That in addition to amounts otherwise made available for State AIDS Drug Assistance Programs

authorized by such section 2616, the Secretary shall transfer $60,000,000 from the amount appropriated under this Act for the construction and renovation of the facilities of the Centers for Disease Control and Prevention to carry out such Drug Assistance Programs:''.

Mr. COBURN. Mr. President, this amendment does not save us any money but saves hundreds of lives. Some 5 years ago, we embarked on making major changes at the CDC through a construction program, through advancing the facilities there by increasing the capabilities of the CDC. At the end of this fiscal year, September 30, they had unspent moneys in excess of $240 million going toward this construction budget. This year, the President asked for $30 million to be in that construction budget. The House passed $30 million in the construction budget. I believe we have in this bill $225 million for additional construction moneys, making available almost $500 million for expenditure in the next 12 months.

This amendment is a simple amendment. It is backed by thousands of groups in the country, and it says while people are dying from HIV, they cannot get medicines under the ADAP program because we cannot fund it significantly. We have multiple States with people on waiting lists. We have multiple States that cap the available benefits. It is a death sentence to those people with HIV today. This moves $60 million from that account into the AIDS Drug Assistance Program, a vital program to keep people working, to keep people active, and to make the lifesaving drugs available to those people with an infection of HIV who have no other access to lifesaving drugs.

I believe priorities ought to be directed toward the emerging disease program at the CDC. As a matter of fact, that building is complete. It is in the works. We are working to finalize all of that. This $60 million, which still brings us down to $165 million plus the $240 million that is in the account, will put us at $400 million still for CDC to move forward, and we will do something that has never yet been done since ADAP started: We will have enough funding to make sure everybody with HIV in this country has the medicine they need to stay alive.

I know it is a controversial question for my fellow Senators from Georgia. The CDC happens to be there. This puts no risk to the CDC expansion in Colorado, as it is directed in the budget. It puts no risk to that whatsoever. I believe we ought to be thinking about people, not buildings.

We have moved on the emerging diseases portion of this. This will not slow down any of that construction. It will, however, maybe slow down the Japanese gardens and the tremendous waterfalls and all of the gardens that are going to be there.

One other thing, the CDC has just completed a $62 million visitors center. I am asking for $60 million for people who have HIV, who are never going to get to visit the visitors center. I do not know how we spent $62 million on a visitors center for the CDC, but I believe that priority is wrong when people are dying from HIV and do not have the available medicines.

I yield until a further time.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. INHOFE. Mr. President, would the Senator from Pennsylvania yield just for an announcement?

Mr. SPECTER. Mr. President, I do.

The PRESIDING OFFICER. Without objection, the Senator from Oklahoma is recognized.

Mr. INHOFE. I thank the Senator from Pennsylvania.

I have been trying for some time to get an amendment in, and it is at the desk. I am not going to ask that it be brought up right now, but I am going to announce that regardless of the procedure that is used, I am going to get a vote on it between now and the passage of this bill. It is a one-sentence amendment that says: Beginning with fiscal year 2007 and thereafter, all nondefense, nontrust fund discretionary spending shall not exceed the previous fiscal years without a two-thirds vote of the Members.

It is very simple and straightforward. I am not going to do it right now, but I will do it before final passage.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. We would be glad to accommodate the senior Senator from Oklahoma. We can handle that amendment.

Mr. INHOFE. I appreciate that. The reason I cannot stay, I chair the Environment and Public Works Committee. We have a very large hearing. I will be there for the rest of the afternoon.

Mr. SPECTER. Mr. President, we will find a time which is convenient to the senior Senator from Oklahoma.

On to the pending amendment, it is always difficult in the floor debate when we talk about facts to know what the facts are. My training is that we want to find out the facts, so we have a trial and present witnesses, the witnesses testify, and then we find out what the facts are.

I do know this about CDC because I visited the facility about 5 years ago and found it in shambles. I have seen a lot of Federal installations. I have never seen one as ramshackle as the Centers for Disease Control. We saw premier scientists with their desks in the corridors. We were advised that there were many toxic substances which were not properly secured. It was a mess. I then consulted with the Secretary of Health and Human Services—this goes back a few years, as I say—and no attention had been paid to it.

Senator HARKIN later made a similar visit, and that year, on an immediate basis, my recollection is we appropriated $175 million. Then we took a look at their plans for very extensive renovation when we had appropriated seriatim substantial sums of money.

When the Senator from Oklahoma says that monies have not been spent, it is represented to me that contractors will not contract with the Federal Government unless they know the money is in hand. Understandably, unless there is authorization and appropriation, nobody wants to do business with some Federal employee who makes representations without having the cash in hand. That is the advice which is coming to me.

The landscaping is said to be very modest, which would not include a Japanese garden. I would like to inquire more to find out about it. From what I have seen of the officials at the Centers for Disease Control, Dr. Julie Gerberding is an extraordinary public servant. I know that when I have wanted some information on the problems of pandemic flu, I had to find her in Bangkok, where she was making an international survey. I know when we had a deadly botulism in western Pennsylvania a couple of years ago, I called her up and she came on a weekend to Beaver County, Pennsylvania. I do not think it was just because the chairman of the appropriations subcommittee was calling; that is the kind of service they perform.

They wrestle with HIV, SARS, and hurricanes, and now they are wrestling with pandemic flu. Among the many people in the Federal Government whom I have dealt with—and there have been quite a few in the course of my time—I would rate Dr. Gerberding, who is the head of it, very highly.

Having mentioned Japanese gardens, I have just been handed a note from my staff that says it does have a Japanese garden. Well, I wish to inquire further. Maybe there could be a less expensive exotic garden than a Japanese garden.

I do, at my risk, commend the Senator from Oklahoma for his tenacity and for his sharpness in digging up wasteful spending. I do believe that on this one, he is on the wrong track, but the Senators from Georgia are present, and I know they want to be heard. I think the distinguished ranking member wants to be heard. So I will yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I join my chairman and support his views on this amendment. He correctly stated a lot of the history of how this has come about. Between the two of us, as we have alternated as chairmen of this subcommittee, it has been a strong bipartisan effort, not just between the two of us but on both sides of the aisle for a long time, to bring the Centers for Disease Control and Prevention in Atlanta's facilities up to the 21st century.

I remember having gone down in the 1990s. I had seen this movie ''Outbreak'' starring Dustin Hoffman. It supposedly had taken place at the Centers for Disease Control and Prevention in Atlanta. I was quite taken by all of the containment facilities and how

modern it was in this movie, and I wanted to go down and see all this. Imagine my surprise when I went down to the Centers for Disease Control and Prevention and I asked to see these wonderful facilities that were in this movie and I was told the movie producers had come down to film the movie there, saw the facilities, and said no one would ever believe these ramshackle buildings are our Centers for Disease Control, so they went out and built their own movie set to make the movie.

I went around and looked at their buildings, some predating World War II, in which the most virulent specimens of viruses and other things were being dealt with. There was a tremendous concern about safety. We perhaps didn't think about it in terms we are thinking about it now, but in terms of terrorist activity, about someone being able to abscond with some of those very lethal strains, plus the environment for scientists to be able to work down there.

After looking at this and consulting with one another, and others, and with probably three administrations, Republican and Democratic, it was decided we needed to bring these buildings up to the 21st century. We embarked on that and we are about through bringing them up. They are state of the art, as they should be.

We have always prided ourselves in America of being on the leading edge—not on the edge, being way out in front of everyone in our medical research, but also in terms of the Centers for Disease Control. I don't know that there is any institution in America dealing with health and safety that is called upon more around the globe to do something than the Centers for Disease Control and Prevention. Whether it was SARS a few years ago—think about it. We prevented SARS from coming to America. We did. The Centers for Disease Control and Prevention did. They are called upon all over the globe, whether it is for Ebola, swine flu, of course now the avian flu, a pandemic that may be confronting us shortly.

These buildings need to be finished. We have the plan. We have gone through. We have had our oversight hearings and we found they came through on time and under budget, so I think we ought to finish it.

I would say the AIDS Drug Assistance Program the Senator is talking about is a good program. I have no problems putting money into those programs if they are good programs. But to take it from the Centers for Disease Control for that is—talk about robbing Peter to pay Paul, you are invading one entity that goes to control and prevent diseases and illnesses in America and putting it into another one. It doesn't make much sense. I think we ought to finish our projects, be proud of the buildings that are built there, be proud of the Centers for Disease Control and Prevention and what they do for America and for the world.

I am opposed to this amendment. We ought to finish the job we started on. I don't know about Japanese gardens. I don't know that much about gardens and stuff such as that. But, you know, if I might make a minor observation, I remember traveling through the Soviet Union years ago and looking at all the government buildings built in Moscow and places such as that, East Germany. They were stark, sterile, concrete block buildings. Who would ever want to work there? They were ugly; depressing. Is that what we want to build here?

As I said, I don't know much about Japanese gardens, but this is the premier facility in the world regarding health and disease prevention.

I understand that the building in question where this garden is—in fact, I went down and saw it. It is designed to emphasize healthy living. The stairs are located on exterior walls to increase daylight and to encourage daily physical activity. We talked about that with Dr. Gerberding. The green space around the building includes a stream fed by water runoff collected from the building to make the area inviting for exercise. I remember seeing that. I didn't think it was a Japanese garden; I thought it was a green space. But it is to get people out, exercise, walk more. As far as I am concerned, the more green space and the more daylight and the more exercise people get there, the better off we are. That is what they are preaching, right? They are preaching to us to do more exercise to stay healthy. I guess they are going to start doing that more on their own at the Centers for Disease Control and Prevention.

I understand what the Senator from Oklahoma wants to do here. If he wants to increase money for the AIDS Drug Assistance Program, that is all well and good, but not at the expense of taking it away from the Centers for Disease Control and Prevention.

Mr. COBURN. Mr. President, I have to leave the floor to chair a subcommittee hearing. I want to spend 2 or 3 minutes.

No. 1, the head of the CDC, Dr. Gerberding, I know very well as the former head of the President's Commission on HIV/AIDS in this country.

No. 2, her submission to Congress for building funds this year was $30 million.

No. 3, the total budget for CDC is $4.5 billion. We are asking that we take $60 million in construction money and slow it down and save the lives of thousands of people in this country by making available drugs to them.

We need the facilities at CDC; I am not debating that. This is about saving lives and the priorities of putting that money in a place where it will save lives.

I yield the floor, and I thank the chairman and the Senator from Georgia for their collegiality in working on this amendment.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. CHAMBLISS. Mr. President, I rise in opposition to the amendment of my good friend from Oklahoma. He and I were elected to the House together and we fought many battles over there, not unlike what he has brought to the Senate, and I wound up voting with him a number of times. But in this case I must oppose him, mainly because I think he has the facts wrong.

I want to say to the chairman and ranking member, since my days on the House side when I had to go to the then-chairman of the Appropriations Committee over there, who has jurisdiction of CDC, after I would talk with him I would come over here and visit with Senators because this has been such an important project that we have embarked on. Both Senator SPECTER and Senator HARKIN have been very supportive of the work down at CDC, not just the construction program, which I want to talk a little bit about but also of the ongoing work down there.

Nobody, even my friend from Oklahoma, would disagree that the work being done at CDC is unparalleled anywhere else in the world. Were it not for the great support of Senator HARKIN and Senator SPECTER, I am not sure we would be in this position today. I can only emphasize how important that work is by telling the American people, as we talk about this issue and talk about CDC, that on September 11, after the terrorists struck New York City, there were two planes that were authorized to be in the air. One was Air Force One. The other was an airplane commissioned by the CDC to carry CDC medical workers to New York City. That is how important a priority it is in our country. That is why it is important that we make sure the employees at CDC have the availability of working in first-class facilities.

Most of the laboratory facilities at the Chamblee, GA location of CDC are in a state of extreme disrepair and require immediate repair or modernization. Perhaps the laboratories in the worst condition are 60-year-old wooden former temporary military barracks from the World War II era and previous to that, that are on the verge of collapse and could be repaired only at an expense greater than the value of the facilities. I want to show you a couple of examples of what it looks like at the CDC if we take money away from the CDC building program to put it towards the ADAP program, as this amendment calls for. These are some of the facilities that will go lacking and the construction project will be delayed for the buildings which will house these facilities.

Here is a main environmental health lab at Chamblee, in a World War II barrack. If you will notice, there appears to be a shield of some sort here. This shows the roof above this shield that extends all the way up to the roof. The reason it is there is because there is a leak in the roof. When the water comes through, it leaks into this funnel,

which is this shield, and you will see a pipe connected to that shield and it takes the water to the outside.

Here is a typical infectious disease lab at the Roybal Campus adjacent to Emory University. This shows not just the crowded conditions in which the most sophisticated scientists in the world operate, but it also shows you it is not adequate for the type of work that needs to be carried out to prevent every kind of infectious disease that exists in the world today. That is because the CDC is not called on by simply other States in America; it is called on by every country around the world when illness occurs.

This is a pretty typical facility. These are not facilities that have been replaced. These are facilities that exist today.

A quick personal anecdote. I will never forget the first time I went to the Chamblee campus a few years before we embarked on this building program. I walked into what then was a World War II barrack. It now has been replaced. There was a shower curtain, and it wasn't one of those $540 shower curtains. This had been purchased by the individual scientist working in that building. That shower curtain was put over a piece of equipment and it was about 5 feet, I guess, above the equipment itself. When I asked what that was for, they pointed to a hole in the roof and said, The roof leaks and there is nothing we can do about it. Here we have a piece of equipment worth about $1.5 million that sits right under there. It has to be there because of the design of the lab inside the building. That shower curtain was purchased by the individual scientist to make sure that not only the equipment was not damaged but, obviously, that the working papers on that scientist's desk were not destroyed by water coming in and leaking on it. But we have since torn that building down and we have replaced it.

Expensive and sensitive equipment has literally fallen through the floors at some of these facilities. In addition, most of the remainder of the CDC's laboratories are more than 40 years old and are incapable of handling the dangerous viruses encountered over the last 25 years, such as Ebola virus, hantavirus, and Dengue fever. This raises concerns that these facilities will be severely outmatched in the future by undiscovered biological threats, which we have most recently experienced with the threat of anthrax in the past years, and the disasters that occurred on September 11. The Asian bird flu or any other highly pathogenic avian influenza is currently an issue for agricultural health and animal disease experts, but should this virus mutate to allow for human-to-human transfer, the control and efforts to limit its spread will fall squarely under the purview of the very entity that this amendment would seek to cut, the CDC.

The three prongs critical to managing an animal-borne pandemic—DHS, CDC, and USDA—must all be equipped with the necessary resources to effectively address potential outbreaks in a timely and efficient manner. This amendment will jeopardize a critical element in this effort.

During the 1997 Hong Kong avian flu outbreak, CDC was forced to create emergency laboratory space by displacing researchers working on other diseases. With additional funding, CDC will be much better prepared to respond to such emergencies as a terrorist attack using smallpox virus, anthrax, a worldwide flu pandemic or a large-scale exposure to deadly toxic chemicals. A delayed or slow response from CDC may increase public panic or anxiety in an emergency situation and cost human lives.

One of today's most serious potential threats to our national security is bioterrorism. The CDC is an integral part of the homeland defense because of its ability to identify, classify, and recommend courses of action in dealing with biological and chemical threats. The CDC master plan will address the current and future needs for surge capacity for responding to large public health emergencies.

In addition to working in asbestos-laden facilities, many highly trained scientists perform their research in facilities that lack safety features, such as sprinkler systems and adequate electric and airflow systems. The poor conditions of the facilities have damaged the Agency's ability to recruit and retain the world-class scientists upon which CDC relies to serve the American public.

The multiyear master plan has received wide bipartisan support in the House and Senate. In the past, addressing these deficiencies has greatly benefited all Americans by enhancing CDC's ability to respond to emergencies as well as providing the desperately needed facilities required for the day-to-day public health and research activities.

The fiscal year 2006 funding will continue to substantially enhance the CDC's ability to build the new infectious disease laboratory, which will include greatly needed biosafety level 4 ''hot lab'' construction of a new environmental toxicology lab and greatly needed security updates.

Let me tell you about the master plan to which I referred a couple of times.

Back in 2001, probably at about the time Senator SPECTER said he went to CDC—and I am sure Senator HARKIN was there about that time—they observed the condition of the facilities at CDC, both at the Chamblee Campus, as well as the Roybal Campus. Those buildings were in total disrepair, and in bad need of replacement.

Again, the examples which I alluded to, the personal anecdote as well as what I have shown in pictures, still exist, particularly throughout the Chamblee Campus.

Under the leadership then of Dr. Jeffrey Koplan, and subsequently under Dr. Gerberding, the CDC developed a master building plan. What they did was unique to any governmental agency that I have ever engaged with since I have been in Congress for 11 years now; that is, they went out and had an architect draw a master plan for a specific set of buildings. It involves a number of buildings where we are going to consolidate laboratories as we tear down these World War II barracks. That master plan not only had the buildings drawn, but they also went further than this and had the plans and specifications themselves sent out for bid. And they now have a contract on each one of these buildings. That is the master plan.

Originally, we were scheduled to complete that $15 billion master plan over 10 years.

Senator ISAKSON, who was then a Member of the House, and myself, along with our entire delegation, in a bipartisan fashion, came to our leadership in the House and to the leadership in the Senate and said, rather than doing this over 10 years following September 11, we need to consolidate this to five years and let our scientists have the ability to do a better job in a first-class facility.

So we decided to go with a 5-year plan as opposed to a 10-year plan.

Each year, we have asked for $300 million to try to complete that plan. We have been successful for a number of years in getting $250 million.

I have to say that every year—the Senator from Oklahoma is right—the budget that comes over from the President is very low because they know we are going to plus-up that amount of money; we have done it every year because we need the facilities. Every year we have had $250 million, beginning with fiscal year 2002. In 2002, 2003, 2004, and 2005, we funded $250 million for CDC in Atlanta, to speed up this master plan. This year, because of the tight budget conditions that we are in, Senator SPECTER and Senator HARKIN allocated $200 million instead of $250 million for this master plan.

Let me respond very quickly to this Japanese garden issue. I will tell you what the Japanese garden is. In parts of Georgia, if you drill a hole in the ground when building, you sometimes hit granite rock. In this case, part of the area on the Roybal Campus where we are carrying out the master plan, there is rock under the surface. It was necessary to blast that rock out. When they blasted the rock out, instead of hauling that rock off, Dr. Gerberding said, Let's take that and develop an area for our employees to utilize during the day, to exercise, as Senator HARKIN referred to, and go out and eat lunch. I guess what we have out there is a gardedn of some sort that must have a Japanese ''tinge'' to it, and that is why it is referred to as ''the Japanese garden.'' It looked to me like a nice place where employees could go out in the open air and have lunch. I have seen them out there doing this.

I am going to let Senator ISAKSON address a couple of other specific items that have been suggested as being somewhat wasteful spending. They are hard-working, dedicated employees. If we are going to continue to recruit the very finest that the world has to offer, we ought to at least be able to spend a little bit of money and take advantage of the contours of the land to give them a nice place to go out and sit on their break and at lunchtime.

I sympathize with the Senator from Oklahoma when he says that we need to continue spending money on the AIDS Drug Assistance Program. We have responded to that in the Congress. We have maintained a level amount of spending for CDC in Atlanta, for the completion of our master plan over the last 5 years. The ADAP appropriations for 2001 was $589 million. In 2002, that rose to $639 million; then $714 million; then $748 million; and in the 2005 appropriations, it was $793 million. In 2006, we expect $797.5 million.

It is not like we haven't been increasing the funding for ADAP. We have, and we need to continue to do so, but not at the expense of providing the most premier medical scientists and researchers in the world with a facility within which to work.

I urge my colleagues to vote against this amendment.

Again, I say to Senator SPECTER and Senator HARKIN that under their leadership, we do have the most premier medical research facility in the world located in Atlanta, GA, today, and we need to continue to provide the funding for this master plan, which we will now complete in another couple of years. We should be able to continue to attract the very finest and best that the world has to offer. We also need to ensure that Americans are safe, when the avian flu presents a threat, that our scientists are able to respond, as they are doing today, and that they have the habitat within which to work, allowing them to do the very best job they can do to protect Americans and to protect the world from the health hazards that exist.

I yield the floor.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. ISAKSON. Mr. President, I associate myself entirely with the remarks of my colleague, the senior Senator from Georgia, Mr. CHAMBLISS.

I rise for two specific reasons. The first is to correct some statements that have been made to be factual that are not and, second, to take issue with the contention that the amendment before us places people before buildings.

Before I do either, however, I want to pay particular praise and attention to Senator HARKIN and Senator SPECTER. My first visit ever to the Senate was as a Member of Congress, shortly after my election, when I came to the offices of both these Senators, accompanied by Bernie Marcus, Oz Nelson, and other executives who led a private sector focus on what we are discussing and debating today; that is, the fact that the world's premier health care and disease prevention facility was crumbling and in shambles.

These corporate leaders came to these two Senators and came to us, along with Dr. Jeffrey Copeland, with a plan to remake and rebuild the CDC so that it could carry out the jobs of the 21st century in health care.

Ironically, that visit was a year and half before September 11, 2001. But fortunately, it was a year and half before that tragic day because all of the research that was done that helped us in the identification of the anthrax problem that we had was done right there in CDC, to deal with monkeypox, to deal with avian flu, to deal with the West Nile virus—all of these diseases we have, in part, been able to deal with, with the new facilities built in this 5-year building program.

I commend Senators HARKIN and SPECTER for their leadership and for their support.

I rise in opposition to this amendment based entirely on the facts which have been presented which are not correct. I will deal with the facts first.

The statement has been made on this floor that $200 million in construction money is sitting idle at the CDC. There is $200 million for construction at CDC, which is absolutely essential to complete Building 23 and start Building 24, in addition to the $171 million that is included in this appropriation.

As Senator SPECTER said early on, contractors don't contract until all compensation for construction can be made. We did the seed-planting money in the previous appropriations bills in this Congress. Now it is time build Building 23, which is the Infectious Disease Building.

It is incorrect to characterize money that is there today as being excess funds. It is part of the cash flow that we have appropriated over a 5-year plan to complete this project.

Second, and most importantly, the statement was made that CDC had spent $60 million of the money on a welcome center.

I happen to know where that came from. That came from a newspaper article in the Atlanta Journal Constitution, which was, on its face, absolutely incorrect. The $60 million building is the Global Communications Center, which was Building 19, which was the first thing we completed to allow the United States of America and the CDC to be able to meet a pandemic, a terrorist attack, and communicate simultaneously and seamlessly throughout the world to stop the death and destruction of Americans, as well the lives of human beings throughout the world. It was an absolutely incorrect statement made in the media. There is no welcome center, but there is a state-of-the-art communications center that allows us to instantly respond to the threats we know only too well—whether it be threats of human beings like those on September 11 who attacked us, or threats that lie await in poultry and birds in Asia that may materialize into an avian flu human-to-human transfer.

Both the statements of $200 million being on deposit or $60 million being spent on a welcome center are incorrect in the way they were presented. The money in this bill of $200 million for this 2006 budget is to provide $171 million to complete Building 23, which is the infectious disease laboratory, another $21 million for Building No. 24, which will be one of the last buildings to go into place—this is the planning and design money—and $7.5 million for maintenance of these facilities.

Last, the characterization that this amendment is about putting buildings before people's lives, with all due respect, there is a fact that should be shared today. All decry AIDS, and I commend the Senator from Oklahoma for wanting to put $60 million in AIDS drugs for those who cannot afford them, but to do so and claim that CDC spend this on a building when they could be spending it on AIDS patients is a travesty.

This year, the CDC, on its own, will deploy, of its money and that of other governments and other resources around the world, over $1 billion in its prevention efforts for acquired immunodeficiency syndrome, or AIDS. There is no organization in the world that is more on the leading edge of the prevention of AIDS and its treatment than the Centers for Disease Control. In fact, to take this $60 million away from the building laboratory that is designed for infectious disease study would do more harm to patients with AIDS than would help to move it to drug programs for patients with AIDS. It is an improper characterization and it is an improper prioritization of money that is appropriated.

As the Senator said in the beginning presentation of his amendment, this does not save a dime of expenditure. It just moves some money around. There are some places we ought to do it. The distinguished Senator from Oklahoma is right many times in his criticism and the characterizations he presents, but he is 100 percent dead wrong in terms of this amendment.

I respectfully submit the facts to the Senate, and I ask my colleagues to reject the Coburn amendment on the CDC and continue our commitment to the health care of the people around the world and the safety and security of American citizens by continuing to fund the world's premier health care, health prevention, and health resource facility, the Centers for Disease Control in Atlanta, GA.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I ask unanimous consent the pending Coburn amendment be set aside and we proceed with another amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The pending amendment is set aside.

The Senator from Minnesota.

AMENDMENT NO. 2244

Mr. DAYTON. Mr. President, I thank the distinguished chairman of the committee and the distinguished ranking member for ceding me this time. I call up amendment No. 2244.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. DAYTON] proposes an amendment numbered 2244.

Mr. DAYTON. Mr. President, 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 provide for the production and mailing of a corrected Medicare and You handbook)

On page 156, line 2, strike ''Funds.'' and insert ''Funds: *Provided further,* That the Secretary, by not later than January 1, 2006, shall produce and mail a corrected version of the annual notice required under section 1804(a) of the Social Security Act (42 U.S.C. 1395b–2(a)) to each beneficiary described in the second sentence of such section, together with an explanation of the error in the previous annual notice that was mailed to such beneficiaries.''.

Mr. DAYTON. Mr. President, recently the Centers for Medicare and Medicaid Services sent to 42 million Medicare beneficiaries this handbook, ''Medicare & You,'' to describe a myriad of plans providing prescription drug coverage. There are an enormous number of plans in Minnesota—over 40 plans. I have tried to go through the book myself. I have had my staff try to explain it to me. I think I am a reasonably intelligent American, but this is extremely complicated and it will be very challenging to many Medicare beneficiaries. That is going to be compounded by the fact that there is a very serious error in the tables that will apply to 17 million Americans whose incomes are low enough that they qualify for partial subsidy for their premiums.

The question in the column heading is ''If I qualify for extra help, will my full premium be covered?''

Under every single plan, the answer is listed as ''yes.'' That is incorrect. Only about 40 percent of the plan offerings—those with premiums below the regional average—will be covered. The other 60 percent will be only covered up to that amount, and anything above that the beneficiary has to pay, but that is incorrectly described here. Yet CMS refuses to correct the error by a subsequent mailing.

My amendment requires them to do so and would transfer such funds as necessary from their administrative accounts so it is offset. It is essential to all beneficiaries and the integrity of the plan.

AMENDMENT NO. 2245

I ask that amendment be set aside, and I call up amendment No. 2245.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. DAYTON] proposes an amendment numbered 2245.

Mr. DAYTON. 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 fully fund the Federal Government's share of the costs under part B of the Individuals with Disabilities Education Act)

At the end of title III (before the short title), insert the following:

SEC. ____. In addition to amounts otherwise appropriated under this Act, there is appropriated, out of any money in the Treasury not otherwise appropriated, an additional $12,375,000,000 for carrying out part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.), in order to fully fund the Federal Government's share of the costs under such part.

Mr. DAYTON. This amendment increases the Federal funding for IDEA, special education, to what was promised 28 years ago, 40 percent of the cost of State and local governments.

I can only speak for my State, but that money would be desperately needed and very well used. It would amount to about $250 million in additional Federal funding for K–12 education for my State to keep the promise that has been broken. It has cost about $12 billion above what has been committed so far.

I recognize the distinguished chairman and ranking member have made this a priority and have increased funding, and we have made some progress in the last few years. But we are still less than 20 percent—less than half—of the commitment for special education made almost three decades ago.

AMENDMENT NO. 2289

Finally, I ask that amendment be set aside, and I call up amendment No. 2289.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. DAYTON] proposes an amendment numbered 2289.

Mr. DAYTON. Mr. President, I ask unanimous consent the reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To increase funding for disabled voter access services under the Help America Vote Act of 2002)

On page 178, after line 25, insert the following:

SEC. _____. (a) In addition to amounts otherwise appropriated under this Act, there are appropriated, out of any money in the Treasury not otherwise appropriated, $15,121,000 for activities authorized by the Help America Vote Act of 2002, of which $10,000,000 shall be for payments to States to promote access for voters with disabilities, and of which $5,121,000 shall be for payments to States for protection and advocacy systems for voters with disabilities.

(b) Notwithstanding any other provision of this Act, amounts made available under this title for the administration and related expenses shall be reduced by $15,121,000 from other services.

Mr. DAYTON. This amendment provides additional funding to State governments and agencies involved with Americans with disabilities to allow them access to vote. The Help America Vote Act of 2003—landmark legislation, bipartisan legislation—unfortunately, has not been funded to the level necessary to help States and local governments comply with this requirement. This is a modest amount, $15 million, offset by the increase in the administrative costs, so it would result in a reduction for administration but would be money we committed that has not been forthcoming.

I yield the floor.

AMENDMENT NO. 2239

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I call up amendment No. 2239.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SANTORUM] proposes an amendment numbered 2239.

Mr. SANTORUM. 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 provide funding for the purchase of rapid oral HIV tests)

At the appropriate place, insert the following:

SEC. ____. The Secretary of Health and Human Services shall use amounts appropriated under title II for the purchase of not less than 1,000,000 rapid oral HIV tests.

Mr. SANTORUM. This is an amendment that is to instruct the Department of Health and Human Services to purchase of no less than 1 million rapid oral HIV tests.

As we all know, the problem of HIV and the spread of HIV continues to be a problem. Experts tell us that over half of all new HIV cases are as a result of someone who was unaware of their HIV status. The idea is having better testing out there, along with oral testing where it does not require any drawing of blood or needles—obviously, for a lot of folks that is a concern. This provides a safe effective way to be able to get these results in a timely fashion to give people the notice they need before they engage in an activity that might cause the further spread of the HIV virus.

I understand from my colleague from Pennsylvania, this is an amendment he is willing to accept. If there is no discussion, I urge agreement of the amendment.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, the amendment as outlined by my colleague from Pennsylvania provides for 1 million HIV oral rapid tests. The funds are provided for within the amounts already in the bill. These tests are essential. He correctly states my agreement and acquiescence. I join my colleague in urging agreement.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2239) was agreed to.

AMENDMENT NO. 2241

Ms. CANTWELL. I call up amendment No. 2241 and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SANTORUM] proposes an amendment numbered 2241.

Mr. SANTORUM. Mr. President, I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To establish a Congressional Commission on Expanding Social Service Delivery Options)

At the appropriate place, insert the following:

SEC. _____.(a) There is established a Congressional Commission on Expanding Social Service Delivery Options (referred to in this section as the ''Commission'').

(b)(1) The Commission shall be composed of 10 members, of whom—

(A) 3 shall be appointed by the Speaker of the House of Representatives;

(B) 3 shall be appointed by the majority leader of the Senate;

(C) 2 shall be appointed by the minority leader of the House of Representatives; and

(D) 2 shall be appointed by the minority leader of the Senate.

(2) Members of the Commission shall be appointed from among individuals with demonstrated expertise and experience in social service delivery, including, to the extent practicable, in the area of reform of such delivery.

(3) The appointments of the members of the Commission shall be made not later than 30 days after the date of enactment of this Act.

(4) Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(c) The Speaker of the House of Representatives shall designate 1 of the members appointed under subsection (b)(1)(A) as a co-Chairperson of the Commission. The majority leader of the Senate shall designate 1 of the members appointed under subsection (b)(1)(B) as a co-Chairperson of the Commission.

(d)(1) Not later than 60 days after the date of enactment of this Act, the Commission shall hold its first meeting.

(2) The Commission shall meet at the call of either co-Chairperson.

(3) A majority of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

(e)(1)(A) The Commission shall conduct a thorough and thoughtful study of all matters relating to increasing beneficiary-selected or beneficiary-directed options for social service delivery in Federal social service programs, including certificate, scholarship, voucher, or other forms of indirect delivery. The Commission shall review all relevant Federal social service programs in existence on the date of the beginning of the study, including the initiatives of the Corporation for National and Community Service. The Commission shall determine program areas, among the Federal programs, for which it is appropriate and feasible to implement full or partial beneficiary-selected or beneficiary-directed options for the delivery of the social services.

(B) In making determinations under subparagraph (A), the Commission shall seek to promote goals of—

(i) expanding consumer and beneficiary choice in Federal social service programs;

(ii) maximizing the use of governmental resources in the Federal programs; and

(iii) minimizing concerns relating to any precedent under the Constitution regarding the participation of faith-based providers in the Federal programs.

(2) The Commission shall develop recommendations on program areas, among the Federal social service programs, for which it is appropriate and feasible to implement full or partial beneficiary-selected or beneficiary-directed options for the delivery of the social services.

(3) Not later than 11 months after the date of enactment of this Act, the Commission shall submit a report to the Speaker and minority leader of the House of Representatives and the majority leader and minority leader of the Senate, which shall contain a detailed statement of the findings and conclusions of the Commission, together with its recommendations for such legislation and administrative actions as it considers appropriate.

(f)(1) The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers necessary to carry out this section.

(2) The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out this section. Upon request of either co-Chairperson of the Commission, the head of such department or agency shall furnish such information to the Commission.

(3) The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(g)(1) Each member of the Commission who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Commission. All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(2) The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(3)(A) The co-Chairpersons of the Commission, acting jointly, may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment of an executive director shall be subject to confirmation by the Commission.

(B) The co-Chairpersons of the Commission, acting jointly, may fix the compensation of the executive director and other personnel without regard to chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(4) Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(5) The co-Chairpersons of the Commission, acting jointly, may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

(h) The Commission shall terminate 90 days after the date on which the Commission submits its report under subsection (e).

(i)(1) There are authorized to be appropriated to the Commission for fiscal year 2006 such sums as may be necessary to carry out this section.

(2) Any sums appropriated under the authorization contained in this subsection shall remain available, without fiscal year limitation, until expended.

Mr. SANTORUM. Mr. President, this is a commission, a bipartisan bicameral commission, that will be set up as a result of this amendment that would undertake a comprehensive and thoughtful review of Federal social service programs and make recommendations that would be appropriate to provide beneficiaries more choice in how they receive their social services that are paid for from the Federal Government.

One of the things I hear as I work in communities that heavily rely on social services, a lot of places where they would like to get social services—community-based organizations, in some cases faith-based organizations—are not able. They either do not qualify for Federal funds or do not have the technical expertise to get Federal funds. The President has put forward a faith-based initiative. The Congress has passed charitable choice legislation. We have done a lot to try to get more providers in social services involved, and even in some areas provide more flexibility—such as vouchers for certain services that are out there so people can take that voucher and get the services from qualified places.

There is still a level of frustration out in the community. I think we need to do a more comprehensive job in

looking at how we address the issue of giving people choices as to how they get their social services. I think this is a way to bring some of the best minds that we have into the social service delivery area, folks from both the House and the Senate and the White House, appointees, to sit down and look to see, is there a better mousetrap than the current system of social service delivery? Is there a better way for us to restructure some of these programs to give more efficient and effective services at less cost and with more consumer buy-in and choice?

One of the reasons some of our social services plans do not work very well is people do not interface well with the delivery systems in place right now. This commission would be tasked to determine how we can, in fact, remove some of these barriers to folks who do not access the social services systems.

One of the big problems we have continually with a lot of our programs—whether it is health programs, housing programs, rehabilitation programs, or other programs—is we have large segments of the community that simply do not participate. They may be eligible for services, but they do not participate in the services. So we have to figure out: How do we better reach these people? How do we better make these services available in such a way that we can actually start reaching people in how they live their lives and in a way that meets their needs?

As far as the money for this commission, I have asked that it be such sums as may be determined by the committee. Hopefully, they will allocate such resources they have available to stand up this commission. But, to me, it is important we get better utilization. For my mind, just giving more money to the different Departments to figure out ways to advertise or to do things to bump up their enrollment in some of these programs has been tried in the past, and it basically does not work very well. I think we need to at least have some of our best minds look at this together, as to how we could redesign this system and get recommendations given to the Congress as to how we can do a better job providing services.

With that, Mr. President, I urge the adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, my colleague and I were just discussing the amendment. I believe it is acceptable.

I yield to my colleague.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, this is the first time I have seen this amendment. This is setting up a congressional commission on expanding social service delivery options. I have no problem with that.

But the way it is spelled out and everything, I would ask the Senator from Pennsylvania, the author of the amendment, has this been brought up before the authorizing committee? Has there been any hearing on this? Has there ever been a hearing on this, or has the authorizing committee acted on this at all? This is authorization on an appropriations bill.

The PRESIDING OFFICER. Without objection, the Senator from Pennsylvania is recognized.

Mr. SANTORUM. Thank you, Mr. President.

Mr. President, we have discussed it with the members of the Finance Committee which, as you know, I am a member of. To my knowledge, I am not aware of any objection on the part of the Finance Committee as to this particular provision. I will be offering a couple other amendments promptly which are under the jurisdiction of the Finance Committee which they do object to, which I will just offer and withdraw. But to my knowledge, they have not objected to this particular amendment.

Mr. HARKIN. Again, I thank the Senator. I personally do not have any problem with it, but this is something I think—I always have a little question when any Senator, on this side of the aisle or that side, anywhere, has a pretty thick amendment that involves commissions and how you select commissions and what they do.

I have not even had a chance to read this amendment. I don't even know what is in it.

Again, I ask my friend from Pennsylvania, has this amendment, in its present form, been submitted to either the Finance Committee or the HELP Committee? They probably share jurisdiction there. Have they looked at it to see if there are any objections to this?

The PRESIDING OFFICER. Without objection, the Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, to my knowledge, we filed the amendment. My staff has discussed it, I know, with the Finance Committee. I do not know about any other committees. This is not a bill I introduced and has gone to committee. This is something I have brought up on this bill.

So to answer your question, I think, as directly as I can, no, we have not filed this with the Finance Committee as a bill to have them review it as a bill in committee, if that is your question.

Mr. HARKIN. Mr. President, I wonder if the Senator from Pennsylvania—well, you have offered the amendment. That is fine. The amendment is at the desk. I wonder if we might put off voting on this amendment.

Mr. SANTORUM. I would be happy to.

Mr. HARKIN. I would like to have the chairman and ranking member of the Finance Committee, and perhaps the HELP Committee because it perhaps crosses both—to have them at least take a look at it. If it is fine, then I do not care.

Mr. SANTORUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa has the floor.

Mr. HARKIN. Mr. President, am I correct, has the Senator from Pennsylvania laid down the amendment? Is the amendment at the desk?

The PRESIDING OFFICER. The amendment is pending.

Mr. HARKIN. Mr. President, I ask unanimous consent that the amendment be temporarily laid aside.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. HARKIN. Mr. President, I say to my friend from Pennsylvania, if this can be given to the chairs and ranking members of those committees, to have them look at it, and if it is fine, then I have no objection. As I said, I have not had a chance to look at it, and it is not in my jurisdiction at all.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I perfectly understand what the concerns are of the Senator from Iowa and would be happy to work with him over the next several hours to get that amendment cleared.

AMENDMENT NO. 2237

Mr. President, I ask that amendment No. 2237 be called up and ask for its immediate consideration.

The PRESIDING OFFICER. The pending amendments have been set aside. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SANTORUM] proposes an amendment numbered 2237.

Mr. SANTORUM. 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 the RECORD of Tuesday, October 25, 2005, under ''Text of Amendments.'')

Mr. SANTORUM. Thank you, Mr. President. The next two amendments I am going to be talking about are amendments that I have offered and on which I want to have a discussion. They are in the subject area of this appropriations bill, but they are provisions that, as my colleague from Pennsylvania advised me, rightfully belong as amendments to a welfare bill.

But as Members of this Chamber know, we have not had the privilege in the Senate of having a welfare bill come across this floor, even though the welfare bill of 1996 expired a couple of years ago. We have passed extension after extension. As a result of that, the work requirements in the welfare reform bill of 1996—which have been so effective in transforming the lives of millions of Americans who were trapped in the welfare system—those work requirements in most States have gone away because the requirements only required that 50 percent of the caseload, at the time of the passage of the bill, had to be working.

Well, we reduced the caseload more than 50 percent, therefore the work requirements went away for the caseload

that is remaining. So many States have begun to sort of go back to the pre-1996 provision of welfare. It is easier for States to do that. Work programs cost money to the States. Other initiatives to try to help people get out of poverty, they cost money. So if you do not have to spend that money as a State, if you can just simply continue to pay out the money and not have to provide all these other services, it is a lot cheaper for States to do. In fact, that is what States did for years upon years upon years, as the welfare rolls grew.

There is still a time limit, so that is a good thing. That causes a lot of people, in spite of the lack of effort in many cases by States, to move themselves off of welfare because of the limits on the ability to get relief. But I believe we can do better. So I have many times come to the floor of the Senate and asked for consideration of the bill, asked for a specific number of amendments, and, candidly, we have had objections from both sides of the aisle. I think that is unfortunate.

So as a result, I have brought forward amendments to this bill on two programs that I think are vitally important in the next step on welfare. We did a great job in the welfare reform bill of 1996 in providing an economic path to recovery for millions of Americans, in providing incentives to work. We made work pay more than staying on welfare. In many cases prior to that, that was not the case.

We also did a lot in providing strict time limits and giving States very tough provisions to require work as a way of getting people out of poverty, instead of simply just allowing them to be maintained in poverty. It gave them a requirement that a certain percentage of the caseload had to be at work. That is all for the good. We saw the rate of poverty from 1996 to the year 2001—until we had, unfortunately, a recession in this country—we saw the rate of poverty go down, and go down dramatically.

One of the greatest indicators is poverty among African-American children. Poverty among African-American children, in the year 2001, was the lowest ever recorded—lowest ever recorded—and was a dramatic decline from one of the highest rates ever recorded, which was in the mid-1990s. So you can point directly to this act as a way of helping to alleviate poverty.

But I think what we have found since 1996, yes, we have had economic successes, but still there are people struggling at the margins of society. One of the reasons that is the case is, even though we now have moms who have gotten jobs—and it was predominantly moms who were on welfare—what they have not gotten is families brought back together. What we have not seen is an increase in the amount of family unification, moms and dads coming together and marrying and raising children in poor communities.

In fact, the rate of out-of-wedlock births has not changed substantially at all in most of these communities. The amount of fatherlessness in these communities continues to be of epidemic proportions. And we now have folks on the left and the right writing about this. This is no longer just a conservative cabal when we talk about family unification; families, mothers and fathers raising children. Now even those on the left have said there is no longer an argument. Children raised in healthy, stable, two-parent married families do better.

It should be a social policy to encourage those kinds of relationships for the benefit of children, for the benefit of mothers, for the benefit of fathers, for the benefit of neighborhoods, for the benefit of the country. Yet when it comes to that here in Washington, DC, when it comes to public policy that helps build those strong relationships, that helps nurture and foster those relationships of marriage and fathers taking responsibility for their children, the Government stands in absolute neutrality.

We do nothing to promote stable marriages. We do nothing, other than attach fathers' wages and get child support and establish paternity. We do nothing to help nurture and bring fathers back into the lives of their children and into productive and healthy relationships with the mother of their children.

What I have suggested, in both amendment No. 2237 and No. 2238, are two initiatives that are better placed and will be placed and will be debated in full on the welfare bill. One is a healthy marriage initiative. The second is a fatherhood initiative. Both would provide funding.

Let's review some of the statistics of the impact of marriage. This was done by the Brookings Institution. Those on the other side of the aisle will know that the Brookings Institution is not often cited on the Republican side of the aisle. It shows you that the debate is over. There is no debate anymore about the impact of marriage and the impact of having fathers involved in their children's lives. I talked about the effectiveness of five factors in reducing poverty rates. We hear a lot of talk on both sides of the aisle—unfortunately, more on the other side of the aisle—about reducing poverty. Hopefully, that will change soon.

In 1992, we did what was, in fact, the most effective thing in reducing poverty, this study found. The most effective thing was not to double cash welfare payments. Some on the other side of the aisle have suggested that all we need to do is pay people more from the Government. If we give them more, they will get out of poverty. Wrong. That doesn't work. In fact, the percentage reduction in poverty rates, if we doubled cash welfare, would only decrease the poverty rate by 8 percent.

What did work? Full-time work. Full-time work decreases the poverty rate by 42 percent. We have done that. We have required work, not full-time work, but we require 20 hours. The bill that is being proposed, that we have yet to bring to the floor, requires 24 hours. But we have required work, and it is working to take people out of poverty.

What is the next biggest factor in reducing poverty? Again, according to the Brookings Institution report, an increase in marriage. We did something to require work. Many States have more generous welfare benefits than what is prescribed by the Federal Government. In fact, I know there is some money out there for healthy marriages, but very few States and very little Federal money goes to do anything about helping to improve the health of marriage among the poor. It is vitally important that we recognize that there is a direct social-policy, social-service-community, child-mother-father benefit for encouraging healthy marriages. The Federal Government doesn't spend a penny. This Congress has not spent a penny on something we know could reduce poverty by 27 percent and, more importantly, provide more stability in the lives of children, reduce domestic violence, and improve the lives of millions in communities across America. We will not spend a penny this year. That is why I offered the amendment, because I want to spend more than a few pennies, because we know it has an impact.

What impact does it have? Let's look at the benefits of marriage for children: better school performance and less dropouts; fewer emotional and behavioral problems; less substance abuse; less abuse or neglect; less criminal activity; less early sexual activity and fewer out-of-wedlock births. I am not too sure I know anybody who doesn't think all of those things are good. The Federal Government doesn't spend a penny.

Think of all the things we spend money on in Washington. One of the things you hear most when you go back home is all the waste, fraud, all the money we throw at projects for which people have no rhyme or reason as to why we spend the money. Yet here is something that we know will help children, mothers, fathers, neighborhoods, will build on a stronger America, and we don't spend one red cent.

You might ask the question: Why is that, Senator? Why don't we spend any money on this? Let me tell you what some of my colleagues on the Finance Committee have said. The response was: Well, who are we to impose our values on other folks; who are we to suggest that marriage is something the Federal Government should be concerned with; that is a private matter.

Is this a private matter? Is less substance abuse a private matter? Is less abuse and neglect a private matter? Is less criminal activity a private matter? This isn't a private matter. We are talking about policies that have a direct impact on the health and safety of children. It is not a private matter. Supporting healthy marriages is a public good. If you think about all the

other things we spend money on, I can't imagine anything that would be a more valuable expenditure than to provide more stable families for children growing up in poor neighborhoods.

The second amendment is an offshoot of the first. That is to try to bring fathers who have children out of wedlock back and get them involved in their children's lives—not necessarily to marry, but to have them involved. I was at a conference within the last year where Jason DeParle, a writer from the New York Times, was giving a talk. He was talking about a book he had written, following three women in Milwaukee, WI, post welfare reform of 1996. He wrote about many things, about how welfare reform is working in some ways and not in others. One way he talked about where it wasn't working was with regard to fathers. There was a question from the crowd about who these dads are. We are not talking about the best neighborhoods in America when it comes to crime, wealth. We are talking about a lot of dads who, yes, were or even are incarcerated, were or still are dealing with addiction, dealing with unemployment, dealing with a whole host of other maladies that affect large segments of our population.

The question was: Do we want these dads involved in the lives of these children? I thought that was a bold question. Jason's answer was, in a word—I won't quote him, because I didn't write it down—well, they may not be the best role models of dads, but they are still their dads. These children, like all of us children, want to be loved by their dads. They need that love, as imperfect as it is. As a dad, I know how imperfect it can be. We all do. But it is still your dad.

These programs are not perfect. We are not bringing ''Father Knows Best'' Robert Young dads back into the home. We understand that. But these children still long for their dad. Do we have a Federal program that helps bring dads back into the home? Do we spend any Federal dollars to help reunite fathers with their children, in spite of all the benefits that we know about two parents? No, we don't. We will spend more money on daycare, billions more on daycare. We will spend more money on afterschool programs, Head Start Programs, early programs, late programs, noon programs. We will spend all sorts of money on Government programs. But will we spend a penny to help reunite a father with his children? No. Who are we to impose our values, is the line I hear.

Did anyone ever ask a kid whether he wants his dad back? What kind of value is that? We need to start thinking about how important it is for young children growing up in a hostile world in poor neighborhoods in America to have a shot to be with their dad and to start funding those groups who are out there—and there are hundreds across America who are working hard every day on a shoestring—to help dads be a dad.

I can't offer this amendment because it is authorizing on an appropriations bill. We aren't going to get a welfare bill, so kids across America are going to have to wait a little longer while Congress decides whether we want to take the time to help find their dad. Hopefully we can find the time sometime soon. The kids are waiting.

I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania.

AMENDMENT NO. 2291

Mr. SPECTER. Mr. President, I call up amendment No. 2291 and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside.

The clerk will report.

The legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SPECTER] proposes an amendment numbered 2291.

Mr. SPECTER. 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 restrict the use of funds to implement or enforce the interim final rule with respect to power mobility devices)

On page 178, after line 25, insert the following:

SEC. ____.(a) Notwithstanding any other provision of law, none of the funds made available under this Act may be used to implement or enforce the interim final rule published in the Federal Register by the Centers for Medicare & Medicaid Services on August 26, 2005 (70 Fed. Reg. 50940) or any corresponding similar regulation or ruling—

(1) prior to April 1, 2006; and

(2) on or after April 1, 2006, unless the Secretary of Health and Human Services publishes—

(A) by not later than January 1, 2006, a proposed rule with respect to motorized or powered wheelchairs, followed by a 45-day period to comment on the proposed rule; and

(B) by not later than February 14, 2006, a final rule with respect to motorized or powered wheelchairs, followed by a 45-day transition period for implementation of the final rule.

(b)(1) Notwithstanding any other provision of law, with respect to a covered item consisting of a motorized or power wheelchair furnished during 2006, the Secretary of Health and Human Services shall reduce the payment amount otherwise applicable under section 1834 of the Social Security Act (42 U.S.C. 1395m) for such item by 1.5 percent.

(2) The payment reduction provided under paragraph (1) for 2006—

(A) shall not apply to a covered item consisting of a motorized or power wheelchair that is furnished after 2006; and

(B) shall not be taken into account in calculating the payment amounts applicable for such a covered item furnished after 2006.

Mr. SPECTER. Mr. President, this is an amendment which would delay the implementation of the Medicare reimbursement for all power mobility vehicles for a period of 6 months. It has been cleared by Senator HARKIN. I ask for its adoption.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to amendment No. 2291.

The amendment (No. 2291) was agreed to.

AMENDMENT NO. 2260

Mr. SPECTER. Mr. President, I call up amendment No. 2260.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside.

The clerk will report.

The legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SPECTER] for Mr. CHAMBLISS, proposes an amendment numbered 2260.

Mr. SPECTER. 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 an alien to remain eligible for a diversity visa beyond the fiscal year in which the alien applied for the visa, and for other purposes)

At the appropriate place, insert the following:

SEC. ____.(a) This section may be cited as the ''Diversity Visa Fairness Act of 2005''.

(b)(1) Section 204(a)(1)(I)(ii) of the Immigration and Nationality Act (8 U.S.C. 1154(a)(1)(I)(ii)) is amended by striking subclause (II) and inserting the following:

''(II) An alien who qualifies, through random selection, for a visa under section 203(c) or adjustment of status under section 245(a) shall remain eligible to receive such visa or adjustment of status beyond the end of the specific fiscal year for which the alien was selected if the alien—

''(aa) properly applied for such visa or adjustment of status during the fiscal year for which the alien was selected; and

''(bb) was notified by the Secretary of State, through the publication of the Visa Bulletin, that the application was authorized.''.

(2)(A) Notwithstanding any other provision of law, a visa shall be available for an alien under section 203(c) of the Immigration and Nationality Act (8 U.S.C. 1153(c)) if—

(i) such alien was eligible for and properly applied for an adjustment of status under section 245 of such Act (8 U.S.C. 1255) during any of the fiscal years 1998 through 2005;

(ii) the application submitted by such alien was denied because personnel of the Department of Homeland Security or the Immigration and Naturalization Service failed to adjudicate such application during the fiscal year in which such application was filed;

(iii) such alien moves to reopen such adjustment of status applications pursuant to procedures or instructions provided by the Secretary of Homeland Security or the Secretary of State; and

(iv) such alien has continuously resided in the United States since the date of submitting such application.

(B) A visa made available under subparagraph (A) may not be counted toward the numerical maximum for the worldwide level of set out in section 201(e) of the Immigration and Nationality Act (8 U.S.C. 1151(e)).

(3) The amendment made by paragraph (1) shall take effect on October 1, 2005.

Mr. SPECTER. Mr. President, this has been cleared with Senator HARKIN. It relates to the Diversity Visa Fairness Act and strikes the language that allows aliens to only be eligible for immigrant visas during the fiscal year in which they apply and makes the applicants eligible for immigrant visas despite the end of the fiscal year.

The PRESIDING OFFICER. Is there further debate on the amendment?

The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, reserving the right to object, this deals with immigration. On that immigration committee, I am sure others have had an opportunity to see it. I wonder if the Senator could just let me have a few minutes to look at it prior to making that request.

Mr. SPECTER. Mr. President, I have been advised by staff that this has been signed off by the Senator from Massachusetts as well as others. But of course, if he would like a chance to review it—

Mr. KENNEDY. I am sure I will not object, but just the way it was described, I didn't understand it the way it had been explained to me. If the chairman would extend that opportunity, I would appreciate it.

AMENDMENT NO. 2268

Mr. SPECTER. Mr. President, I now call up amendment 2268.

The PRESIDING OFFICER. Without objection, the pending amendments are set aside. The clerk will report.

The legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SPECTER], for Mr. LEVIN, proposes an amendment numbered 2268.

Mr. SPECTER. 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 316 of the Immigration and Nationality Act, to reduce the residency requirement and limit the adjudication period for the naturalization of aliens with extraordinary ability so that such aliens may represent the United States at international events)

At the appropriate place, insert the following:

SEC. ____.(a) Section 316 of the Immigration and Nationality Act (8 U.S.C. 1427), is amended by adding at the end the following:

''(g)(1) The continuous residency requirement under subsection (a) may be reduced to 3 years for an applicant for naturalization if—

''(A) the applicant is the beneficiary of an approved petition for classification under section 204(a)(1)(E);

''(B) the applicant has been approved for adjustment of status under section 245(a); and

''(C) such reduction is necessary for the applicant to represent the United States at an international event.

''(2) The Secretary of Homeland Security shall adjudicate an application for naturalization under this section not later than 30 days after the submission of such application if the applicant—

''(A) requests such expedited adjudication in order to represent the United States at an international event; and

''(B) demonstrates that such expedited adjudication is related to such representation.

''(3) An applicant is ineligible for expedited adjudication under paragraph (2) if the Secretary of Homeland Security determines that such expedited adjudication poses a risk to national security. Such a determination by the Secretary shall not be subject to review.

''(4)(A) In addition to any other fee authorized by law, the Secretary of Homeland Security shall charge and collect a $1,000 premium processing fee from each applicant described in this subsection to offset the additional costs incurred to expedite the processing of applications under this subsection.

''(B) The fee collected under subparagraph (A) shall be deposited as offsetting collections in the Immigration Examinations Fee Account.''.

(b) The amendment made by subsection (a) is repealed on January 1, 2006.

Mr. SPECTER. Mr. President, this amendment is offered on behalf of Senator LEVIN and will allow aliens of extraordinary abilities who will represent the United States at an international event to complete the citizen requirement process in less time.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. SPECTER. I understand this has been cleared, too, with Senator HARKIN.

Mr. HARKIN. Well, I understand. I just hope the appropriate committee of jurisdiction has looked at it, too.

Mr. SPECTER. Mr. President, it has been represented that the appropriate Senators have signed off.

Mr. HARKIN. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2268) was agreed to.

AMENDMENT NO. 2260

Mr. SPECTER. Mr. President, I am advised further that as to 2260, where the Senator from Massachusetts had asked for some time to take a look at it, we have his assent at this time.

Mr. KENNEDY. No objection, Mr. President.

The PRESIDING OFFICER. Amendment 2260 is the pending amendment. Is there further debate on the pending amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2260) was agreed to.

Mr. SPECTER. Mr. President, I ask unanimous consent that at 4:05, there be 10 minutes equally divided with respect to the two pending LIHEAP amendments, provided further that following that time, the Senate proceed to vote in relation to the following amendments: Senator REID, 2194; Senator GREGG, 2253 as modified; Senator DODD, 2254; Senator CLINTON, 2292; Senator COBURN, 2232; provided further there be no second-degree amendments in order to the listed amendments prior to the votes, and prior to the vote it be in order for Senator SPECTER to modify the Gregg amendment on his behalf. And I further ask there be 2 minutes for debate equally divided between each of the votes listed after the first vote. Mr. President, I ask that after the first vote, the votes be 10 minutes instead of 15 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. SPECTER. Mr. President, so that there will be no doubt and all Senators will be on notice, we will start the vote at 4:15, and the first vote will be 15 minutes, with 5 minutes additional, limited to 20 minutes, and each vote thereafter will be 10 minutes with a 5-minute addition, limited to 15 minutes, and the request will be made that Senators remain in the Chamber to complete the votes on those five amendments.

I yield the floor.

The PRESIDING OFFICER (Mr. CHAFEE). The Senator from Iowa.

Mr. HARKIN. It is my intention now that I would speak for 15 minutes, at which time I ask unanimous consent that I be able to yield the floor and Senator KENNEDY be recognized for 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, earlier today, on behalf of myself, Senators KENNEDY, REID, DURBIN, OBAMA, BAYH, KOHL, MIKULSKI, CLINTON, JOHNSON, DAYTON, and BYRD, I laid down an amendment dealing with preparing this country for an avian flu pandemic. The amendment that we laid down today and that we will be voting on tomorrow will allow the United States to dramatically step up preparation for an avian flu pandemic.

Last month, I offered and the Senate approved an amendment to the Defense appropriations bill that provided $3.9 billion for preparation for such a pandemic. At that time, there was some discussion as to why we were putting it on the Defense bill; it should go on the Labor-Health and Human Services bill. At that time, we didn't even know if we would have this bill up.

Well, the bill is in the Chamber, and this amendment appropriately belongs on this legislative vehicle in our jurisdiction. So the amendment that was laid down that I offered earlier today is essentially a more robust version of that earlier amendment again based on more and better information we have obtained since that time.

There is a broad consensus in the scientific community as to the steps we need to take to get ready for a potential pandemic. Reflecting that scientific consensus, the amendment we have laid down will do four broad things.

First, as our first line of defense, it will dramatically step up international surveillance of avian flu outbreaks overseas.

Second, it will ramp up our vaccine production infrastructure here in the United States.

Third, it will give us the resources to build up stockpiles of vaccines that are currently believed to be effective against the flu as well as building up stockpiles of antiviral medications.

Fourth, it will strengthen our public health infrastructure at the Federal, State, and local level, which today is simply not equipped to cope with a major pandemic.

Some have suggested that we be patient, that we wait for the administration to put forward a plan to fight avian flu, but we have already waited

too long as a nation. We have been warned now for almost 8 years to get ready.

We had been warned about a lot of other things. We were warned for years that the levees in New Orleans would fail in the case of a major hurricane. Yet the Federal Government did not do anything. And the Federal Government has not come forward with any action plan now regarding the avian flu pandemic possibility. Even within the last year, as the threat of this pandemic becomes more urgent and immediate, there still is no plan.

So today, with the alarm bells ringing at full volume, we in Congress cannot in good conscience wait any longer. We need to act. If the administration offers a plan at a later date, that is fine. We will almost certainly include the basic elements encompassed here. We are all talking to the same people, whether it is the Centers for Disease Control and Prevention or NIH or the major drug companies. We know what we have to do. So if we take action now in this appropriations bill with the amendment we have offered, then we will have already passed an appropriation, we will not have lost any time, and we will be able to go forward as rapidly as possible.

There is no question the United States right now is woefully unprepared for a major outbreak of human-to-human transmitted avian flu. We have already had two disasters. We had 9/11, we had Katrina, we were unprepared for both despite clear warnings that we had.

Similarly, we have been warned in no uncertain terms about avian flu, but our preparations are inadequate. As many of my colleagues know, avian flu, or H5N1 as it is called in the scientific community, has passed from bird to bird. What started in a small area of Southeast Asia has now extended we know to as far away as Greece, Turkey, and Romania. Recently, one bird in Great Britain died and was examined and found to have H5N1. We know that the avian flu has been detected in Indonesia and in Japan and in the Philippines, in China, in Russia. It is only a matter of time before these migratory birds cross paths and the avian flu is now in Canada and the United States and South and Central America.

This is a virulent form of flu. One hundred percent of the birds, the chickens and the birds that have gotten this have died, 100 percent. Fifty percent of the humans who have come down with avian flu have died. Now, thus far we only know of one case, one certified case where the flu virus has gone from a human to a human. Only one case. But that has warned us that it is capable of doing so.

Now, it is not sustained, it is not widespread, but scientists tell us it is only a matter of time. And we do not know how much time we have. We know as we say it has killed 50 percent of the individuals it infected. A nightmare scenario, a kind of 21st century Black Death is not difficult to picture. Indeed, most experts say it is not a matter of if but when. So we have to ask some tough questions now: Where do our preparedness efforts stand? Can we do better?

First, look at global surveillance. The Centers for Disease Control is doing a great job working in concert with the World Health Organization and governments in affected regions to detect the disease and help stop its spread. This is our first line of defense—surveillance and quarantine in the area in which it occurs. The sooner we can identify it and quarantine it, the better off we will be. To put it in other terms, better to find H5N1 over there than home.

The good news is we have experience. The Centers for Disease Control and Prevention kept SARS from coming to the United States with this procedure. But we do not have adequate personnel, we do not have the resources in place in other countries to make sure that we detect as rapidly as possible an outbreak of avian flu. We can and we must do better to protect our people.

Second, the status of our capacity to produce vaccines in the United States, unfortunately, is all bad news. It is astonishing when we tell people we only have one plant in America capable of producing flu vaccines. And that plant uses an egg-based technology. Right now, in the event of a worldwide pandemic, the United States would have to rely on imported vaccines, vaccines that other countries might not be willing to send to us. After all, the first responsibility of any government is to protect its own people, and if this pandemic starts, every government is going to want to protect its own people first. So we are vulnerable. We are playing catchup ball. We need to help private industry develop more vaccine manufacturing capacity, and we need to do it in a way in which we can produce enough vaccine rapidly to deal with a major outbreak.

Some say it would take many years to produce a non-egg-based, cell-based production capacity. I don't accept that. This is a matter of incredible urgency. We have to do better, and we can do better. Our goal should be to have research and production capacity to isolate a virus, convert it to a vaccine, produce enough vaccine for nearly 300 million Americans, and do it within 6 to 9 months. Right now we are a long way from reaching that goal. This amendment we have offered will put the money forward to get that process moving rapidly to develop cell-based technology for the production—the rapid production—of vaccines in this country.

Third, as I mentioned, we need an aggressive program of purchasing and stockpiling vaccines and antivirals. Unfortunately, the United States is way behind. I am indebted to Senator KENNEDY for producing this chart. I want to show it here. The World Health Organization a few years ago suggested that countries stockpile at least 25 percent antivirals to cover their population. Look what some other countries did: Australia, 20 percent; Britain, 25 percent; France, 25 percent; Japan, 17 percent; the United States, 1 percent. We only have enough antivirals to cover 1 percent of our people. It is unconscionable. So we need to play catchup ball here also. We need to stockpile—and that is what this amendment will do—to provide the funds to begin to ramp up the production of these antivirals.

Roche is a drug company. I met with them. They publicly announced—they hold the patent; they produce most of it overseas—they are willing now to let other generic companies produce this under license to them.

We need to get the money out there right now to buy them from those companies so they can start producing the antivirals now. Not next year; now. That is what this amendment provides.

Fourth, and last, public health infrastructure. Right now our public health infrastructure is simply not capable of dealing with either a bird flu pandemic or even an act of bioterrorism. Even if we had an adequate stock of vaccines or antivirals, what good does it do if we don't have the public health infrastructure to identify, isolate, and deliver the antivirals and the vaccines?

Again, the President's budget this year cut $120 million from State public health agencies. This amendment does not just restore that. We need to do a lot more than that. We need to make major new investments. We need to hire more public health professionals—epidemiologists, physicians, lab technicians, and others.

We also need to dramatically increase the surge capacity of hospitals. As Dr. Rick Blum, the president of the American College of Emergency Room Physicians, recently said:

> We've pumped billions of dollars into preparedness since 9/11, but virtually none of that has gone to the one place where we know 80 percent of patients go first.

The emergency room—if we have an avian flu pandemic, that is where people will go. And most victims of avian flu might need ventilators to help them breathe. Right now there are only 105,000 ventilators in the entire United States, and three-quarters of them are in use on any given day.

We have our work cut out for us. We face enormous technical and logistical challenges, and there is no time to waste. The time for planning and planning and planning and planning is over. It is now time to act. This amendment would provide, as I said, nearly $8 billion for a comprehensive national effort to prepare our people for an avian flu pandemic. I know that sounds like a lot of money, but keep in mind, it is less than 2 months of our expenditures on the war in Iraq. When this avian flu pandemic—I don't say if; when. Scientists tell us it is not a question of if, it is a question of when. When it hits, we have to be ready to protect our people. That is what this amendment does.

Again, I hope as we move forward we can get this amendment adopted and get the money out there. It does not have to be spent now. It is at the Secretary's discretion, but at least it is there and they can move on it rapidly to do what we all know is necessary to protect our people in this country.

I have used my 15 minutes. I want to reserve 15 minutes for Senator KENNEDY.

Mr. SPECTER. Mr. President, if I may be recognized very briefly. I know the remainder of the time is reserved for Senator KENNEDY. We are 16 minutes away from 4:05 p.m.

Mr. HARKIN. I yield the floor.

Mr. SPECTER. Mr. President, I wish to make a comment or two. I commend the Senator from Iowa for his foresight on moving ahead on the pandemic issue. He and I have been discussing it for several days. I think it is difficult to proceed without knowing what the administration's plans are.

As the Senator from Iowa correctly notes, action has to be taken. When the administration decides on a plan and picks a figure, there is going to have to be congressional action, and we are nearing the end of this session. A supplemental or an emergency appropriations bill is always difficult to structure. So there are sound reasons to take a look at it now and make some judgment.

We have been in touch with the White House on a number of occasions to try to find out what the position is of the administration. So far they are unprepared to give us an answer. We are working to see if it is possible to structure an appropriation, subject to the Secretary's discretion, and how it will be in consultation and would be an emergency. There is no doubt there ought to be planning now for this emergency.

What the proper figure is I don't know. That is a figure that would be more within the scope of understanding, knowledge, and projection of the administration, and the experts at CDC and NIH.

I wanted to make those few comments. We are going to carry this over until tomorrow. I know the administration will be aware of what is happening on the floor today, and perhaps that will motivate them or enable them to come forward to help us grapple with this issue and find some realistic and practical solution at this time.

Mr. HARKIN. Mr. President, I appreciate my chairman's remarks. I yield the floor.

The PRESIDING OFFICER (Mr. COBURN). The Senator from Massachusetts.

Mr. KENNEDY. I ask if the Chair will be good enough to let me know when I have 3 minutes remaining.

The PRESIDING OFFICER. The Chair will so notify the Senator.

WAGE PROTECTIONS

Mr. KENNEDY. Mr. President a few moments ago, as I understand, the President of the United States reversed his course on the incredibly damaging decision to suspend wage protections for workers rebuilding the Gulf Coast after Hurricane Katrina, known as the Davis-Bacon provisions. These are the prevailing wage provisions, the age-old policy that the Government should not drive wages below the prevailing wage in a particular community.

The prevailing wage for construction is $8 in Mississippi, $9 in Alabama, and $10 in Louisiana. That would work out to $16,000, $18,000, $21,000 a year as the prevailing wage. That's not too much for workers who are trying to rebuild their homes and rebuild their lives.

I applaud the decision the President has made on that issue.

AMENDMENT NO. 2283, AS MODIFIED

Mr. KENNEDY. Mr. President, before speaking on the current Harkin amendment, which I strongly support for the reasons I will outline, I want the Senate to know that our HELP Committee, under the chairmanship of Senator ENZI, and the subcommittee, under the chairmanship of Senator BURR, has been working on this issue, but from a different angle.

Right now we need appropriations, which are included in the Harkin amendment. And we will also consider—hopefully favorably—the Burr-Enzi legislation, which deals with a range of issues involving patent, compensation, and liability issues that are all related to encouraging companies to enter the market.

These are different approaches, and each is enormously important in its own way. I thank the chairman of my committee, Senator ENZI, who always is tireless in his courtesies and his outreach to the members of the committee on his side as well as ours, and to Senator BURR for working with us. I am very hopeful that if we can schedule and pass that legislation, and get this appropriation included today, we will, I believe, have the best of all worlds.

Looking at this issue globally, there are various components. We have the resource aspect of it, we have the public health aspect of it, and then the aspect that is related to providing incentives for the private sector. Hopefully, we will deal with all of those before the end of the term.

I believe strongly, as Senator HARKIN pointed out, that we must take action now on this legislation, to ensure that we'll have sufficient resources to deal with the purchasing aspects and also the limited, but extremely important, public health provisions which are included in this legislation.

One provision provides for the global detection of this pandemic, as well as domestic detection, should it come to the United States. It also provides the resources to contain and respond to the danger by improving surge capacity, and developing an overall plan so we are able to effectively deal with this issue.

We have been on notice for years. This chart is going to be difficult to read for those viewing: ''The U.S. missed the warning signs of the flu pandemic.'' In 1992, the Institute of Medicine pointed out:

> Policymakers must realize and understand the potential magnitude of an influenza pandemic.

This is when we began to detect the dangerous indicators of this pandemic:

In 1997, there was an outbreak in Hong Kong.

In November 2000:

> Federal and State influenza plans do not address the key issues surrounding the purchase and distribution of vaccines and antivirals.

This comes from a GAO report which found that very few States have made the kind of downpayment that is required to protect individuals from this pandemic.

Again, in May 2002, according to the World Health:

> Authorities must understand the potential impact and threat of pandemic influenza.

Then in December of 2003, there was an outbreak in South Korea.

In January 2004, there was an outbreak in Vietnam.

The reason the World Health Organization and the European Union have been so concerned about this is because of the danger of this particular flu strain.

This chart indicates the death rate from this flu strain. In Cambodia, it has been 100 percent; in Thailand, 71 percent; in Vietnam, 44 percent; an overall average of 50 percent. We are talking about dozens of cases, not hundreds, not thousands, not millions. But if this strain mutates and easily spreads human-to-human, we are talking about potentially a great threat.

I know the Senator from Iowa, myself, Senator REID, our leader, Senator OBAMA, and Senator DURBIN are frustrated about this issue.

This is a General Accounting Office report that was published in October 2000, ''Influenza Pandemic. Plan needed for Federal and State response.''

The General Accounting Office reviewed what the needs were and suggested to Congress and the Administration that we respond. Five years later, we are finally getting some action on the floor of the Senate.

In this chart, we can see what has happened in other countries. In comparison, the U.S. stockpile of antiviral medicine is inadequate. Senator HARKIN pointed out what other nations have done. This is a sample: Australia has antiviral medicine for 20 percent of its population; Britain, 25 percent; France, 25 percent; Japan, 17 percent; and the United States, we only cover 1 percent of our population.

We are faced with whether we should take action or not take action.

This is a list of the various countries that have developed nationwide plans: Japan, October 1997; Canada, February 2004; Czech Republic, 2004; Hong Kong, 2005; Britain in March of 2005.

I point out the British plan, I am not going to include it in the RECORD, but

I will include it by reference. It is some 95 pages long. It sets the scene and provides the overall framework for the UK's response to an influenza pandemic. It is based on the current advice for national pandemic plans from the World Health Organization. The response is divided into phases, starting with work to be done before a potential pandemic emerges, followed by a step-by-step escalating response to the pandemic.

The plan goes on:

Advanced planning is essential to establish and rehearse contingency arrangements and identify and address gaps in our preparedness so we are in the best possible position to manage the emergency and to ameliorate its impact.

On page 5, it talks about the various aspects of the plans: communication, surveillance, information gathering, the public health response, measures to reduce the health impact, vaccination, health service response, civil contingency, workforce education and training, essential preparatory work. All of this outlined in the UK, in Great Britain.

Here is Canada's plan. It is 87 pages long. What does this plan address? This is what they have: Who is responsible for the pandemic planning? It lists those in charge. Why is this an important health issue? It outlines why it is a health issue. What preparations are being made? It outlines all of the preparations that are being made. What needs to happen in a comprehensive response? It outlines all of those. What will be involved in a recovery from a pandemic? It has an entire section, all outlined here.

Where is the United States? Where is our response? The USA is the big question mark, and that is what we find unacceptable. That is why the Harkin amendment is important to adopt. It has provisions dealing with antivirals and vaccines; it has the needed global interventions; and it has the detection needed here in the United States. It has the surge capacity and public health provisions that need to be expanded. Senator BURR indicated that hearings on public health provisions will take place after we pass this legislation, which is all well and good. But we need to act now.

Each country with a national plan includes important public health components. We would not be meeting our responsibilities unless we did likewise.

This proposal recognizes that we have a responsibility to move forward on this and provides the resources necessary to get started. This particular proposal works to fulfill the recommendations of the World Health Organization, with $3 billion for antivirals and $3 billion in vaccines. There is flexibility in these allocations and in the allocations for the public health provisions.

So I would hope very much that the Senate would accept this. It is a modest downpayment. As I mentioned, there are several aspects of the battle. One certainly is the stockpiling of the vaccines and antivirals. It is enormously important that the resources are there. A downpayment in terms of the public health is also very important. And we must provide incentives for industry to encourage vaccine development and production. That is following along with the Enzi-Burr proposal, and all of us owe a debt of gratitude to them.

The PRESIDING OFFICER. The Senator has 2 minutes 45 seconds remaining.

Mr. KENNEDY. I thank the Chair. We are all working together to have a bipartisan proposal that we will be able to act on.

If we have positive action on the Harkin amendment, and a positive result on the Enzi-Burr proposal, at the end of this session, the Senate will have made a very strong downpayment in preparing this Nation. We eagerly await the administration's proposal, but quite frankly, I do not think we can delay any longer.

Other countries have moved ahead. At this time, we have only stockpiled 1 percent of the total amount of antivirals that we will need. This is the issue. Now is the time for action. I am very hopeful that this amendment will be accepted.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I ask unanimous consent at this time that my amendment, which is the second amendment to be ordered, be called up and that the other amendments be set aside so I can modify my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2253, AS MODIFIED

Mr. GREGG. I send a modification to the desk.

The PRESIDING OFFICER. Is there objection to the modification?

Without objection, the amendment is so modified.

The amendment (No. 2253), as modified, is as follows:

(Purpose: To increase appropriations for the Low-Income Home Energy Assistance Program by $1,276,000,000, with an across-the-board reduction)

On page 158, strike lines 12 through 21 and insert the following:

bus Budget Reconciliation Act of 1981, $3,159,000,000.

For making payments under title XXVI of the Omnibus Budget Reconciliation Act of 1981, $300,000,000, to remain available until expended: *Provided*, That these funds are for the unanticipated home energy assistance needs of one or more States, as authorized by section 2604(e) of the Act: *Provided further*, That the entire amount is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 95 (109th Congress), the concurrent resolution on the budget for fiscal year 2006.

GENERAL PROVISION—REDUCTION AND RESCISSION

SEC. ____. (a) Amounts made available in this Act, not otherwise required by law, are reduced by 0.982 percent.

(b) The reduction described in subsection (a) shall not apply to amounts made available under this Act—

(1) for the account under the heading ''LOW-INCOME HOME ENERGY ASSISTANCE''; or

(2) for the account under the heading ''REFUGEE AND ENTRANT ASSISTANCE'' (with respect to amounts designated as emergency requirements).

SEC. ____. (a) There is rescinded an amount equal to 0.981 percent of the budget authority provided in any prior appropriation Act for fiscal year 2006, for any discretionary account described in this Act.

(b) Any rescission made by subsection (a) shall be applied proportionately—

(1) to each discretionary account described in subsection (a) to the extent that it relates to budget authority described in subsection (a), and to each item of budget authority described in subsection (a); and

(2) within each such account or item, to each program, project, and activity (as delineated in the appropriation Act or accompanying report for the relevant fiscal year covering such account or item).

(c) The rescission described in subsection (a) shall not apply to budget authority provided as described in subsection (a)—

(1) for the account under the heading ''LOW-INCOME HOME ENERGY ASSISTANCE''; or

(2) for the account under the heading ''REFUGEE AND ENTRANT ASSISTANCE (with respect to amounts designated as emergency requirements)''.

Mr. GREGG. I ask unanimous consent that we return to regular order.

The PRESIDING OFFICER. Who seeks recognition?

There is now 10 minutes of debate equally divided on the LIHEAP amendment. Who seeks time?

The Senator from Rhode Island.

Mr. REED. Mr. President, Senator COLLINS and I have proposed an amendment that would raise LIHEAP funding to a total of $5.1 billion. That is absolutely necessary as we approach the winter with rising fuel prices, rising natural gas prices. Our amendment will help all States. I want to make it very clear all of our funding goes into the State block grant program, so no State will be disadvantaged.

My colleague from New Hampshire has introduced a complementary amendment that does not provide, in my view, sufficient funding. At his level of funding, States such as Minnesota, Washington, and Wisconsin will receive no new money. I think that is unfortunate because those States and the citizens of those States deserve the kind of support that will be necessary this winter.

Fifty-three Senators have already joined us to support the increase in LIHEAP spending to the $5.1 billion total mark. I hope they will continue to support us. There is a second storm surge coming from Katrina, and that is rising energy prices that have overwhelmed vulnerable families throughout this country.

In addition, my colleague from New Hampshire is proposing to fund this with an across-the-board cut. That across-the-board cut will disappear in conference. As Chairman SPECTER has pointed out, this bill is bare bones. When the conferees arrive and look at the funding for Head Start and look at

funding for other critical programs, I do not think they are going to allow this supposed increase in LIHEAP funding. Also, we are paying for this LIHEAP increase by taking away valuable programs: 37,000 students in title I will be denied services because of these cuts. We are going to reduce IDEA spending. We are going to reduce Head Start spending. We are essentially robbing Peter to pay Paul, taking from some who need to give to others who need. That is not fair. It is not appropriate and it is unnecessary.

This is an emergency. Just as the storm damage in the gulf was an emergency, this is an emergency. I urge support of the Reed-Collins amendment and opposition to the Gregg amendment.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who seeks time?

The Senator from New Hampshire.

Mr. GREGG. First off, I would note that the amount that is in my amendment is the exact amount which the Senator from Rhode Island asked of the Appropriations Committee less than a month ago. It is the exact amount that the Senator from Maine asked of the Appropriations Committee less than a month ago. It is the exact amount that 41 other Senators sent a letter to the Appropriations Committee and asked for relative to LIHEAP costs, low-income energy costs.

Why was that amount chosen? It was not picked out of the air. It was chosen because that is the amount necessary in order to hold harmless the various low-income energy programs across this country, in order to cover the costs of the increase of fuel oil estimated in September, which was actually at a higher cost level than today. So this actually will represent more money than is necessary in order to keep these programs whole. It will actually represent additional money. It represents over a 48-percent increase in funding. That is a rather dramatic increase.

In addition, this amendment that I have proposed is paid for. Our job should be to set priorities in this Congress. We should say, what is the priority? Well, I happen to think one of the priorities is making sure that senior citizens, people who live on fixed incomes, low-income individuals who are trying to heat their homes in this very difficult winter, with prices being high and with the winter already upon us—at least in New Hampshire we had some significant snow yesterday—that they will have the ability to have a program which covers those costs. But we should pay for it.

What have I suggested? I have suggested a less than 1 percent cut across the board in all the other programs in this bill. That is the logical and appropriate way to pay for this increase in funding which is needed, an increase which is the exact amount of money that was asked for by the Senator from Rhode Island, the Senator from Maine, and other Senators who felt the need, as I do, for a commitment in this account.

So it is a reasonable step. My bill is a reasonable action. I would also note one other thing. The Senator from Rhode Island and the Senator from Maine have offered an amendment which because it is so over the top from a budget standpoint, so outside the budget structure which we have, is subject to a budget point of order. As Budget chairman, I am fairly familiar with these.

Those budget points of order are put in place to discipline ourselves, and of course it is to set priorities. My amendment is not subject to a budget point of order, an emergency point of order.

So let us remember that when we are voting on this, if my colleagues want to have a realistic chance of getting a significant increase in funding for the low-income energy program, they should vote for my amendment because it is only going to take 51 votes to pass it; whereas, the amendment from the other side will take 60 votes.

Remember that the number I have put into this amendment is the number which was actually requested by the sponsors of the first amendment, and therefore it is a reasonable number. It is not an arbitrary number. It is a number that makes sense.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who seeks recognition?

There is 2 minutes 49 seconds remaining.

The Senator from Iowa.

Mr. HARKIN. Mr. President, I thank the Senator from Rhode Island for yielding a couple of minutes.

Here they go again. Every year, Senators on that side of the aisle say they want to increase funding for LIHEAP and other things, but they want to take it out of other programs. These amendments are phony. These across-the-board cuts will never get passed into law.

My good friend from New Hampshire says: Well, it is just 1 percent or just 2 percent or whatever it might be. Let's take a look at what the Senator from New Hampshire's cuts really mean. He said it will not affect anybody. Well, it is a .98-percent cut. That does not sound like much, but in terms of No Child Left Behind, it means that 39,400 kids will not be served by title I. I guess they do not count. It means that we will cut special education by $105 million. It means that 9,300 Head Start kids will not get Head Start programs. That is why this amendment is phony. That is why we have to adopt the Reed amendment.

Again, the Senator from New Hampshire always said he wanted to increase funding for special education. Right now the Federal Government is paying 18.6 percent of the excess costs of special education. We are supposed to go to 40 percent. Under Senator GREGG's amendment, the share will drop to 17.8 percent. We will go in the wrong direction. So we will never reach the goal of full funding for special education if we adopt the amendment of the Senator from New Hampshire. So do not be fooled by these across-the-board cuts. It hurts people. It hurts poor kids. It hurts special education. And it hurts title I kids. We do not want to hurt them in order to give money for low-income elderly so they can buy heating oil and pay their gas bills this winter. That is unfair. It is unconscionable. The best way to go is to adopt the Reed amendment.

I thank the Senator for yielding.

Mr. REED. I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator has 38 seconds remaining.

Who seeks time? There is 1 minute 31 seconds remaining.

The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, it is in order to raise a point of order as to the Reed amendment. Since I have spoken in favor of it, I ask my colleague, Senator CRAPO, to raise the technical point of order.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. CRAPO. Mr. President, pursuant to section 402 of H. Con Res. 95 of the 109th Congress—

The PRESIDING OFFICER. The Senator will cease. A budget point of order has to be raised at the conclusion of debate. It cannot be raised at this time.

Mr. CRAPO. I will withhold.

The PRESIDING OFFICER. Who yields time?

Mr. GREGG. What is the time status?

The PRESIDING OFFICER. There is 1 minute 5 seconds left to the Senator from New Hampshire, 38 seconds left to the Senator from Rhode Island.

Mr. GREGG. Mr. President, I will respond briefly—because I only have a minute, I will have to do it briefly—to the point of the Senator from Iowa. What is happening is that we are suggesting that we should put approximately a $3 billion hole in the budget to pay for heating costs. Who is going to pay for that? Who is going to pay for it if we do not set the priorities here and offset the costs? I will tell you who is going to pay for it—our children are, because we have to go out and borrow that $3 billion. So what we are essentially saying is we are going to take $3 billion from our children to pay for heating costs this winter for seniors and other people who are on fixed incomes. We should be responsible for that here this year, not be passing it on to the next generation to pay that cost through a debt, financing it through debt.

Clearly, offsetting this spending makes sense, and my amendment does exactly that. It offsets it in a reasonable way, less than a 1-percent across-the-board cut, less than 1 percent in order to fund a very important program, increase funding for a very important program to assist seniors and other folks who are on fixed incomes and low incomes.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. REED. Mr. President, quickly, Senator COLLINS and Senator GREGG and I are trying to put more money in the State block grant program. Mr. President, $1 billion will not provide assistance in many States that need it now, Wisconsin and other States that are going to see a very difficult winter. Only by supporting our amendment will we reach all the States, all the people who need it. These cuts, as Senator HARKIN suggested, are illusory; they will not be made. Frankly, I don't think it is appropriate, when we are trying to help poor people in the wintertime to heat their homes, we think about offsets; we think about that when we are providing tax cuts for very wealthy Americans.

I urge passage of Reed-Collins and the rejection of the Gregg amendment.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. CRAPO. Mr. President, pursuant to section 402 of H. Con. Res. 95 of the 109th Congress, I make a point of order against the emergency designation contained in the amendment.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. I move to waive the applicable section of that act for the purposes of the pending amendment.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

The Senator from Pennsylvania.

Mr. SPECTER. I remind all our colleagues, under the unanimous consent agreement, we are now going to proceed to have five rollcall votes. The first will be 15 minutes and 5, the other four will be 10 and 5. Pursuant to our arrangements, the time limits will be enforced.

The PRESIDING OFFICER. The question is on agreeing to the motion. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. MCCONNELL. The following Senators were necessarily absent: the Senator from Alaska (Ms. MURKOWSKI) and the Senator from Alabama (Mr. SESSIONS).

Further, if present and voting, the Senator from Alaska (Ms. MURKOWSKI) would have voted ''yea.''

Mr. DURBIN. I announce that the Senator from New Jersey (Mr. CORZINE) is necessarily absent.

The yeas and nays resulted—yeas 54, nays 43, as follows:

The result was announced—yeas 54, nays 43, as follows:

[Rollcall Vote No. 270 Leg.]

YEAS—54

Akaka	Byrd	Conrad
Baucus	Cantwell	Dayton
Bayh	Chafee	DeWine
Biden	Clinton	Dodd
Bingaman	Coleman	Dorgan
Boxer	Collins	Durbin
Feingold	Levin	Salazar
Feinstein	Lieberman	Santorum
Harkin	Lincoln	Sarbanes
Inouye	Lugar	Schumer
Jeffords	Mikulski	Smith
Johnson	Murray	Snowe
Kennedy	Nelson (FL)	Specter
Kerry	Obama	Stabenow
Kohl	Pryor	Sununu
Landrieu	Reed	Talent
Lautenberg	Reid	Voinovich
Leahy	Rockefeller	Wyden

NAYS—43

Alexander	Crapo	Kyl
Allard	DeMint	Lott
Allen	Dole	Martinez
Bennett	Domenici	McCain
Bond	Ensign	McConnell
Brownback	Enzi	Nelson (NE)
Bunning	Frist	Roberts
Burns	Graham	Shelby
Burr	Grassley	Stevens
Carper	Gregg	Thomas
Chambliss	Hagel	Thune
Coburn	Hatch	Vitter
Cochran	Hutchison	Warner
Cornyn	Inhofe	
Craig	Isakson	

NOT VOTING—3

Corzine	Murkowski	Sessions

The PRESIDING OFFICER. On this vote, the yeas are 54, the nays are 43. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained, and the emergency designation is removed.

Mr. SPECTER. 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.

AMENDMENT NO. 2194, AS FURTHER MODIFIED

Mr. SPECTER. Mr. President, I raise a point of order under section 302(f) of the Congressional Budget Act that the amendment provides budget authority outlays in excess of the subcommittee's 302(b) allocation for fiscal year 2006, and it is not in order.

The PRESIDING OFFICER. The point of order is sustained. The amendment falls.

Mr. SPECTER. Mr. President, we were 3 minutes over on that vote. We will try to hold this next vote in line with 15 minutes, as the unanimous consent agreement provided a 10-minute vote with an additional 5 minutes.

AMENDMENT NO. 2253

We are now proceeding to vote on Gregg amendment No. 2253.

The PRESIDING OFFICER. There is now 2 minutes of debate equally divided on the Gregg amendment.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I simply note that this amendment increases the funding for the low-income assistance program by $1.27 billion, which is the number 41 Senators asked for the amount of increase. That means the program will effectively have been increased by about 48 percent. It will allow for the program to be held harmless, and, in fact, it will probably put extra money into the program beyond holding it harmless.

In addition, this is paid for, so we are setting priorities. We are not passing this additional spending on to our children through debt, which means it is not subject to a point of order.

In addition, it is the responsible way to approach this. As a practical matter, if you expect to increase the funding for low-income assistance programs, this will be your best vote to do it because this will only take 51 votes; the other votes took 60.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. Mr. President, the Gregg amendment would appropriate $1.2 billion into the State block grant program for LIHEAP. That would mean, because of the arcane nature of the formula, States such as Minnesota, Washington, and Wisconsin will see no increase, Iowa will have under a 3-percent increase, and Oregon has less than a 7.5-percent increase.

In sum, the States that need this help right away, the cold-weather States, will see little help from the amendment.

Moreover, his amendment is funded by cutting valuable programs—Head Start, education for disabled Americans, a host of programs—that cannot be made up.

As our chairman and ranking member said, this amendment probably will be disregarded in conference because they will not fund but be taking away what very little exists already—title I, Head Start, and a host of other programs.

I urge my colleagues to reject this amendment. We will try again for a real LIHEAP amendment.

Mr. GREGG. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second. The yeas and nays were ordered.

The PRESIDING OFFICER. The legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from New Jersey (Mr. CORZINE) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 46, nays 53, as follows:

[Rollcall Vote No. 271 Leg.]

YEAS—46

Alexander	DeWine	McCain
Allard	Dole	McConnell
Allen	Domenici	Murkowski
Bennett	Ensign	Roberts
Bond	Enzi	Santorum
Brownback	Frist	Sessions
Bunning	Graham	Shelby
Burns	Grassley	Smith
Burr	Gregg	Stevens
Chambliss	Hagel	Sununu
Coburn	Hatch	Thomas
Cochran	Hutchison	Thune
Cornyn	Isakson	Voinovich
Craig	Kyl	Warner
Crapo	Lugar	
DeMint	Martinez	

NAYS—53

Akaka	Byrd	Collins
Baucus	Cantwell	Conrad
Bayh	Carper	Dayton
Biden	Chafee	Dodd
Bingaman	Clinton	Dorgan
Boxer	Coleman	Durbin

Feingold
Feinstein
Harkin
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Lott
Mikulski
Murray
Nelson (FL)
Nelson (NE)
Obama
Pryor
Reed
Reid
Rockefeller
Salazar
Sarbanes
Schumer
Snowe
Specter
Stabenow
Talent
Vitter
Wyden

NOT VOTING—1

Corzine

The amendment (No. 2253), as modified, was rejected.

AMENDMENT NO. 2254

The PRESIDING OFFICER. There will now be, by previous consent, 2 minutes of debate equally divided on the Dodd amendment.

The Senator from Connecticut.

Mr. DODD. Mr. President, we discussed this amendment sometime ago. In the past, I have offered amendments to fully fund Head Start. This amendment does not do that. This amendment adds $153 million specifically to deal with the inflation that will affect the cost of the 19,000 Head Start Programs across the country.

There are 900,000 children in Head Start. If this amendment is not adopted, the estimates are that 20,000 to 25,000 children will be dropped from the Head Start Program across our country.

We all know that a Head Start child is more likely to finish school, less likely to end up in the juvenile justice system, less likely to be a substance abuser, less likely to become a teenage parent. We know it is not perfect, but after 40 years, Head Start works. This is not to expand the program, but let us not lose the children today who are part of that program.

I urge the adoption of this amendment.

The PRESIDING OFFICER. Who seeks recognition?

The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, the Head Start Program is very valuable. It has received priority attention from our subcommittee. We more than doubled Head Start between fiscal year 1994 and fiscal year 2004. Regrettably, there are no funds to stretch further.

If the Senator from Connecticut had an offset, wanted to discuss priorities, I would have been glad to do that. But we have to stay within the budget. Therefore, with great reluctance, I have raised the point of order.

Mr. President, it should be noted that the last vote was less than 13 minutes. I would ask all of my colleagues to stay in the Chamber. We now have another 10-minute vote, with a 5-minute extension.

I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the motion to waive the Budget Act. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from New Jersey (Mr. CORZINE) is necessarily absent.

The yeas and nays resulted—yeas 47, nays 52, as follows:

[Rollcall Vote No. 272 Leg.]

YEAS—47

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Byrd
Cantwell
Carper
Chafee
Clinton
Collins
Dayton
DeWine
Dodd
Dorgan
Durbin
Feingold
Feinstein
Harkin
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lincoln
Lugar
Mikulski
Murray
Nelson (FL)
Obama
Pryor
Reed
Reid
Rockefeller
Salazar
Sarbanes
Schumer
Snowe
Stabenow
Wyden

NAYS—52

Alexander
Allard
Allen
Bennett
Bond
Brownback
Bunning
Burns
Burr
Chambliss
Coburn
Cochran
Coleman
Conrad
Cornyn
Craig
Crapo
DeMint
Dole
Domenici
Ensign
Enzi
Frist
Graham
Grassley
Gregg
Hagel
Hatch
Hutchison
Inhofe
Isakson
Kyl
Lott
Martinez
McCain
McConnell
Murkowski
Nelson (NE)
Roberts
Santorum
Sessions
Shelby
Smith
Specter
Stevens
Sununu
Talent
Thomas
Thune
Vitter
Voinovich
Warner

NOT VOTING—1

Corzine

The PRESIDING OFFICER. On this vote, the yeas are 47, the nays are 52.

Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained and the amendment falls.

The Senator from Michigan.

ROSA PARKS FEDERAL BUILDING

Ms. STABENOW. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 260, S. 1285, a bill to designate the Federal building located at 333 Mt. Elliott Street in Detroit, MI, as the ''Rosa Parks Federal Building.'' Rosa Parks passed away this past Monday at the age of 92, one of the giants in American history. It is very fitting that we pass this bill naming this building. I ask that the bill be read three times, passed, and the motion to reconsider be laid on the table without intervening action or debate.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, reserving the right to object, I never thought I would see the day that I would stand to object to such a meritorious proposal as my distinguished colleague has offered.

Mrs. Parks has been dead but 3 or 4 days. For 3 years, I have been trying to get the new courthouse annex here in Washington, DC named for Judge William B. Bryant. Judge Bryant is an African American. He is 94 years old. Let me tell you about this distinguished individual. Born in Alabama——

Mr. SPECTER. Mr. President, regular order. I hate to interrupt my colleague from Virginia, but we have a unanimous consent request to proceed with——

Mr. WARNER. I reserved the right to object, and I ask the respect of the manager to allow me to state my case.

I thank the distinguished Senator.

He graduated from Howard University in 1936, classmate of Thurgood Marshall and Appellate Judge Spotswood Robinson. He graduated from Howard Law School first in his class and then, with no real opportunities for African-American attorneys in the District of Columbia, served as chief research assistant to Ralph Bunche, who later won the Nobel Prize. From 1943 to 1947, he was in the Army and rose to the rank of lieutenant colonel during World War II. He was a criminal defense attorney, Assistant U.S. Attorney, the first African American ever to be an Assistant U.S. Attorney in the Nation's Capital. I was privileged to be in the U.S. Attorney's Office during some of his tenure there and worked with him. He was a teacher to me and many others. He was appointed to the U.S. District Court in 1965. In 1977, he was appointed the first African American to be chief judge of the U.S. District Court.

Now at the age of 94, Judge Bryant is serving as a Senior Judge on the United States District Court for the District of Columbia. This man, like Rosa Parks, suffered from discriminatory practices and persevered, therefore breaking new ground for African-Americans to come. When he first began trying cases as an Assistant U.S. Attorney in 1951 the Bar Association of D.C. did not allow African-American members. William Bryant, while trying cases in District Court was unable to access the law library at the Courthouse like his white colleagues. Despite the obstacles, William Bryant succeeded.

Over the years this man has been a fixture at that courthouse, first trying cases, and for the past 40 years, hearing them as a judge. The D.C. Bar and his colleagues have unanimously endorsed the legislation I offer today as a tribute to this man's truly extraordinary life, legendary career, and service to this nation's judicial system.

However, there are rules in the Environment and Public Works Committee which do not permit courthouses to be named for living or sitting judges. But it is interesting, before the current Chairman of the Committee took over, the rule was waived in certain cases. I am aware of more than 20 instances when this discretion was used to name Courthouses for living and sitting judges. As a matter of fact, I know of some instances where Members of this Chamber have gotten around the rule by attaching naming resolutions to bills in other committees of the Senate. We can all agree that Rosa Parks is deserving of the recognition to have a building named after her. Today I ask

this body the simple question, why is she more deserving today than she was last week?

Mr. REID. Mr. President, if the Senator will yield, I have been informed by the chairman of the committee, he has no objection to this. Senator STABENOW would agree to your amendment, that your judge be included in the resolution.

Mr. WARNER. I thank my distinguished colleague. I send to the desk an amendment and ask if it would be included in the unanimous consent request.

Ms. STABENOW. Yes, Mr. President. I ask unanimous consent to modify my request to include the Warner amendment.

The PRESIDING OFFICER. Is there objection?

Mr. INHOFE. Mr. President, reserving the right to object, let me state the position we have on the committee. I have chaired this committee for 3 years. As the distinguished Senator from Virginia knows—he used to chair the same committee, as did the minority leader—we have a rule that we don't name courthouses after anyone who is living. I am going to object to this. However, if you want to have a vote on this, I will record myself as opposing it because I am not going to break the record. I think it is a good rule to keep. That is my position.

The PRESIDING OFFICER. Is there objection?

The Senator from Missouri.

Mr. BOND. Reserving the right to object, Mr. President, the Rosa Parks naming and the Bryant naming are very important measures. I would support both of them. But I believe as long as we have this rule in the committee, unless the committee will change the rule, I would be happy to join with my colleague from Virginia in suggesting a change in the rule to permit——

Mr. WARNER. If I could ask my distinguished colleague, were you not faced with the same dilemma several years ago and managed to get a courthouse named for a sitting judge in your State by action of the Appropriations Committee?

Mr. BOND. What was the judge's name?

Mr. WARNER. I have talked to the Administraive Office of the Courts, and I will get that answer to the Senator.

Mr. BOND. I must renew my objection. I look forward to a discussion with the distinguished Senator from Virginia.

The PRESIDING OFFICER. Is there objection to the unanimous consent request?

Mr. INHOFE. I object.

The PRESIDING OFFICER. Objection is heard.

Ms. STABENOW. Mr. President, I renew my request to pass the Rosa Parks Building designation. I renew my request to pass that. Rosa Parks is one of the great civil rights leaders of our time, a great heroine who has now passed away at the age of 92. She deserves this recognition. I very much hoped that we could have a unanimous vote in support of honoring this very important woman.

The PRESIDING OFFICER. Is there objection to the unanimous consent request.

Mr. INHOFE. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. INHOFE. Mr. President, there is an easy way out of this. Let's don't make it complicated. Let's go ahead. He will have an amendment to this bill, have a vote on that. I will record myself as voting no. It will pass. I am sure it will pass. Everybody agrees, as far as Judge Bryant and Rosa Parks are concerned, that we want this to happen today. But I will object to that in terms of UCing it. I want to have a vote, and I will be recorded no. That solves the problem.

The PRESIDING OFFICER. The minority leader.

Mr. REID. If we had a voice vote, the distinguished chairman of the committee could still be recorded as voting no; is that correct?

The PRESIDING OFFICER. That is correct.

Mr. WARNER. If I understand, has the Senator amended her request to accept my amendment?

Ms. STABENOW. Yes, I did do that. There was an objection to that. So I renewed my unanimous consent request for the Rosa Parks Federal Building.

Mr. WARNER. I have to object if the Warner amendment is not included in the unanimous consent agreement.

Ms. STABENOW. I will be happy to include a revised unanimous consent for Senator WARNER.

Mr. REID. She has included yours.

Mr. WARNER. Fine. I thank the Senator.

Mr. DOMENICI. Reserving the right to object, I will not object, but I want to say, this debate has everybody on this floor thinking about what is going on with reference to other things being held up by this Senate on holds that we don't even know the name of the person holding them. This is not this issue, but there are many of them. I have the Deputy Secretary of Interior for 7 months waiting to be confirmed, and there is some hold somewhere. I think we ought to all begin to understand that that has to stop. Today reminds me that I am going to be looking at it, and perhaps I will stop every bill until we get some of these that are being held up for no reason to be released. I hope this one succeeds.

Mr. SPECTER. Parliamentary inquiry.

The PRESIDING OFFICER. Is there objection to the request?

Mr. SPECTER. Mr. President, are we considering the appropriations bill for Labor-Health and Human Services-Education?

The PRESIDING OFFICER. The Senator is correct. We are. We have a unanimous consent request.

Mr. SPECTER. Are we under a unanimous consent agreement binding this Senate to proceed with five consecutive votes?

The PRESIDING OFFICER. We are.

Mr. SPECTER. I was prepared to listen for a while. But this has gone on, and we are having more collateral issues. I press my request for regular order.

The PRESIDING OFFICER. Is there objection to the request for regular order?

Mr. REID. There is a unanimous consent request pending before the Senate at this time.

Mr. INHOFE. I have already objected to the unanimous consent request.

The PRESIDING OFFICER. There is objection to the unanimous consent request.

Mr. SPECTER. Parliamentary inquiry: Does a call for regular order require unanimous consent? Regular order means the order has been decided to proceed. I insist on the regular order.

The PRESIDING OFFICER. The Senator is correct.

There are now 2 minutes of debate equally divided on the Clinton amendment No. 2292.

Mr. SPECTER. Mr. President, regular order.

The PRESIDING OFFICER. Who yields time on the Clinton amendment? The minority leader.

Mr. REID. 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. 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. Mr. President, I ask unanimous consent that Calendar No. 260, the Rosa Parks Federal Building, be read three times, passed, the motion to reconsider be laid on the table, with the amendment to it affixing the William B. Bryant Annex to that. It is my understanding that this will be done by voice vote. Those who don't like it can tell the Chair that, and it will be a no vote. I ask unanimous consent that this matter be called now.

The PRESIDING OFFICER. Is there objection?

Mr. REID. I ask for a voice vote, Mr. President.

Mr. INHOFE. Mr. President, what I would like to do is urge the adoption of the Warner amendment to the underlying bill.

Mr. REID. That is what I tried to do. That is what I did do.

Mr. INHOFE. All right. Let's do it by voice vote.

The PRESIDING OFFICER. The question is on passage of the bill, as amended.

The amendment (No. 2330) was agreed to, as follows:

(Purpose: To designate the annex to the E. Barrett Prettyman Federal Building and United States Courthouse located at 333 Constitution Avenue Northwest in the District

of Columbia as the ''William B. Bryant Annex'')

At the appropriate place, insert the following:

SEC. . (a) The annex, located on the 200 block of 3rd Street Northwest in the District of Columbia, to the E. Barrett Prettyman Federal Building and United States Courthouse located at Constitution Avenue Northwest in the District of Columbia shall be known and designated as the ''William B. Bryant Annex''.

(b) Any reference in a law, map, regulation, document, paper, or other record of the United States to the annex referred to in section 1 shall be deemed to be a reference to the ''William B. Bryant Annex''.

The bill (S. 1285), as amended, was read the third time and passed, as follows:

S. 1285

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

SECTION 1. DESIGNATION OF ROSA PARKS FEDERAL BUILDING.

The Federal building located at 333 Mt. Elliott Street in Detroit, Michigan, shall be known and designated as the ''Rosa Parks Federal Building''.

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the Federal building referred to in section 1 shall be deemed to be a reference to the ''Rosa Parks Federal Building''.

SEC. 3. DESIGNATION OF WILLIAM B. BRYANT ANNEX.

The annex, located on the 200 block of 3rd Street Northwest in the District of Columbia, to the E. Barrett Prettyman Federal Building and United States Courthouse located at Constitution Avenue Northwest in the District of Columbia shall be known and designated as the ''William B. Bryant Annex''.

SEC. 4. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the annex referred to in section 3 shall be deemed to be a reference to the ''William B. Bryant Annex''.

Mr. LEVIN. Mr. President, I move to reconsider the vote.

Mrs. BOXER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LEAHY. Mr. President, Rosa Parks and Judge William B. Bryant are two venerable figures in our Nation's movement toward equality for all Americans. I am proud that the Senate has taken the opportunity today to recognize and celebrate these two extraordinary individuals. I commend Senator STABENOW for introducing this bill to name a Federal building in Michigan after Rosa Parks, a cherished civil rights leader. I also commend the efforts of Senator WARNER, who has worked with me for the past 3 years to name the new annex to the E. Barrett Prettyman United States Courthouse in Washington, DC, the ''William B. Bryant Annex.''

Judge Bryant's service to the United States District Court for the District of Columbia is truly historic. He continues to perform duties as a senior Federal judge at the age of 93. He began his legal career with the belief that lawyers could make a difference in eliminating the widespread racial segregation in the United States. He became a criminal defense lawyer in 1948, taking on many pro bono cases and was soon recognized by the U.S. Attorney's office for his skills as a defense attorney. The U.S. Attorney's office hired him in 1951 and he became the first African American to practice in Federal court here in the District. Judge Bryant was nominated by President Johnson to the Federal bench in 1965 and became the first African American Chief Judge for the United States District Court in DC.

Naming the new annex to the E. Barrett Prettyman Courthouse after Judge Bryant is a fitting tribute to this distinguished jurist. Much like Judge Prettyman, Judge Bryant has had an illustrious career in public service and on the bench. I thank my colleagues for honoring Judge Bryant's service.

AMENDMENT NO. 2292

The PRESIDING OFFICER. Who seeks time on the Clinton amendment?

The Senator from New York is recognized.

Mrs. CLINTON. Mr. President, this next vote is to add $4 billion to the IDEA account. This amendment moves us closer to that mandate imposed upon school districts in 1975, a worthy and noble undertaking to ensure that every child be given an appropriate public school education. This amendment moves us closer to fulfilling what Congress said it would do: provide 40 percent of the funding for special education. This will help school districts lower property taxes. It is the kind of commitment we owe to children and their parents and to relieve the burdens of taxpayers.

Thank you, Mr. President.

Mr. CARPER. Mr. President, the Senate is not in order.

The PRESIDING OFFICER. The Senator is correct. The Senate is not in order.

The Senator from New York may continue.

Mrs. CLINTON. So, Mr. President, now that the Senate is in order, let me just request that we pass this amendment to add money to IDEA, which is something we all hear about everywhere we travel in our States to provide necessary tax relief to property tax owners and provide the resources that are needed for the special needs of special education students.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KOHL. Mr. President, I rise today in strong support of the Clinton amendment. This amendment would fully fund IDEA for this year by adding $4 billion, the difference between the amount appropriated in the Senate bill and this year's authorization level. As a proud co-sponsor, I am hopeful the Senate will act today to set IDEA on a path toward full funding.

Despite substantial increases in IDEA funding over the past several years, the Federal Government has not lived up to its commitment to pay for 40 percent of the costs of special education. This is one of the top concerns of educators in Wisconsin. As a result of this funding shortfall, local school districts continue to devote a large part of their budgets toward special education, which makes it more difficult for them to adequately fund other vital education programs. This problem has only gotten worse as financially strapped States and local governments are cutting funding for education in order to balance their budgets. This amendment would provide much needed relief. My home State of Wisconsin would benefit from an additional $70 million in special education funds. I urge my colleagues to support this amendment, subsequently making good on our commitment to special education students and their teachers.

The PRESIDING OFFICER. Who yields time? The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I concur with what the Senator from New York has said about the importance of special education, and I only wish our allocation were larger so we could provide for more money for special education. Special education has received priority attention by the subcommittee. In 1996, it was less than $3 billion; now it is more than $11 billion. We have to live within the budget as enacted by the Congress, and that means, regrettably, the point of order has been filed that it exceeds the budget limit, and I must therefore oppose the amendment and ask my colleagues to sustain the point of order.

I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the motion to waive the Budget Act. Yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from New Jersey (Mr. CORZINE) is necessarily absent.

The yeas and nays resulted—yeas 46, nays 53, as follows:

[Rollcall Vote No. 273 Leg.]

YEAS—46

Akaka	Feinstein	Murray
Baucus	Harkin	Nelson (FL)
Bayh	Inouye	Nelson (NE)
Biden	Jeffords	Obama
Bingaman	Johnson	Pryor
Boxer	Kennedy	Reed
Byrd	Kerry	Reid
Cantwell	Kohl	Rockefeller
Carper	Landrieu	Salazar
Chafee	Lautenberg	Sarbanes
Clinton	Leahy	Schumer
Collins	Levin	Snowe
Dayton	Lieberman	Stabenow
Dodd	Lincoln	Wyden
Durbin	Lugar	
Feingold	Mikulski	

NAYS—53

Alexander	Bunning	Coleman
Allard	Burns	Conrad
Allen	Burr	Cornyn
Bennett	Chambliss	Craig
Bond	Coburn	Crapo
Brownback	Cochran	DeMint

DeWine
Dole
Domenici
Dorgan
Ensign
Enzi
Frist
Graham
Grassley
Gregg
Hagel
Hatch
Hutchison
Inhofe
Isakson
Kyl
Lott
Martinez
McCain
McConnell
Murkowski
Roberts
Santorum
Sessions
Shelby
Smith
Specter
Stevens
Sununu
Talent
Thomas
Thune
Vitter
Voinovich
Warner

NOT VOTING—1

Corzine

The PRESIDING OFFICER. On this vote, the yeas are 46, the nays are 53. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained, and the amendment falls.

Mr. SPECTER. I move to reconsider the vote.

Mr. HARKIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2232

The PRESIDING OFFICER. There will be 2 minutes equally divided before a vote on the Coburn amendment No. 2232.

The Senator from Oklahoma.

Mr. COBURN. Mr. President, I have an amendment that will transfer $60 million to save the lives of people who are infected with HIV. There is no question where I get this money. It is a good goal. Enhancing the CDC, the buildings, the development of that, is all good. We have been on a fast track to do that in 5 years. That ought to continue.

What I am saying with this amendment is, since this amount is eight times what the President requested, we ought to put saving lives right now in this country at this time ahead of speeding up buildings. If my colleagues agree with that, then they ought to be supporting this amendment. If they do not, do not support it.

I reserve the remainder of my time.

Mr. BYRD. Mr. President, I will vote against the Coburn amendment that would have increased funding for the State AIDS Drug Assistance Program by cutting needed funding for the Centers for Disease Control and Prevention, CDC.

I have long supported, and will continue to support, increased funding for the State AIDS Drug Assistance Program to assist those suffering from HIV/AIDS in West Virginia and across the Nation. However, I could not support the Coburn amendment that would have reduced funding to upgrade and modernize the public health facilities at the Centers for Disease Control and Prevention in Atlanta, GA.

The current facilities at the CDC are in a state of extreme disrepair. This is unacceptable at a moment when we face a possible avian flu pandemic which could threaten millions of American lives. The CDC serves on the frontlines of our Nation's defense and preparations for such a flu outbreak.

Mr. KENNEDY. Mr. President, I rise in opposition to the amendment from Senator COBURN. For five years now, this President and this Republican Congress have prioritized tax cuts for the rich at the expense of urgent national priorities. It has left us with so many unmet needs.

The amendment offered by Senator COBURN asks us to choose between two vitally important national priorities—protecting our national security or providing increased assistance to people living with HIV and AIDS. We shouldn't have to do that, and a responsible Congress wouldn't force our hand.

An epidemic of HIV and AIDS continues to ravage communities—especially communities of color—across the country. Approximately 1 million individuals live with the disease and they struggle every day to make ends meet and to afford the medical care, medicines, and other supports they need to live healthy and productive lives.

The Federal AIDS Drug Assistance Program gives needy individuals the help they need. It is a vital part of our safety net for people living with HIV and AIDS, and it deserves more Federal support.

I look forward to working with Senator COBURN soon on the reauthorization of the ADAP program as well as reauthorization of the other vital programs in the Ryan White CARE Act. We need to expand our commitment to the whole of the CARE Act programs so we can improve lives of people living with HIV and AIDS.

But this amendment isn't the right approach. It is irresponsible and dangerous. It proposes to increase funding for the ADAP program by cutting our investment in the Centers for Disease Control—the frontline Federal agency in the battle against bioterrorist threats and avian flu that threaten the health and safety of all Americans. In the past they fought and protected us from the SARS virus and their expertise is often called upon to protect others across the world from Ebola and other deadly viruses.

Senator HARKIN has outlined the need for modern facilities for the CDC. They cannot fight 21st century threats in 20th century buildings.

It is wrong to cut $60 million from CDC construction appropriations at this time when so many public health threats are converging on us and I urge all my colleagues to vote against the Coburn amendment.

The PRESIDING OFFICER. Who yields time in opposition?

The Senator from Iowa.

Mr. SPECTER. Time is yielded to the Senator from Georgia.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. CHAMBLISS. Mr. President, I rise in opposition to this amendment. While I agree with the need to continue to fight AIDS, the program to which this money is transferred——

The PRESIDING OFFICER. Who yields time in opposition?

Mr. SPECTER. The Senator from Georgia has the time.

Mr. HARKIN. Mr. President, I yield to the Senator from Georgia.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. CHAMBLISS. Mr. President, the fund to which Senator COBURN seeks to transfer this money is already funded in this bill to the tune of almost $800 million. It is not as if we are ignoring the very noble issue he is seeking to improve, but the fact is that we embarked on a multiyear plan at the CDC to improve the quality of the buildings where our most sophisticated and important researchers and scientists work on critical issues. It is imperative that we continue with this plan.

I yield to my friend from Georgia for the remainder of the time.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. ISAKSON. Mr. President, with all due respect, this is not a choice of putting buildings ahead of people or people ahead of buildings. This is a choice of maintaining the commitment to save the lives of our children and grandchildren in the future against pandemics and terrorist threats in the future.

The Senator from Oklahoma, well intended, is wrong. I urge a ''no'' vote on the Senator's amendment.

Mr. COBURN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 25 seconds remaining.

Mr. COBURN. Mr. President, if you have HIV today and you don't have health insurance and you are standing in line to get HIV retrovirus therapy and heart therapy and they tell you they don't have enough money, you are out of luck. In this country, where we have invested so much in this disease, to put anybody out of luck—we have invested a lot of money in the ADAP program, but it is not enough, and people are dying every year in this country because we are not doing it. It is time we should do it.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HARKIN. Parliamentary inquiry: How much time remains?

The PRESIDING OFFICER. Five seconds.

Mr. HARKIN. I ask for 5 seconds.

To my colleague, we will be calling up amendment No. 2259 later on to add $74 million to the ADAP program, but we will not take it out of CDC. That is the amendment we ought to vote for.

The PRESIDING OFFICER (Mr. COBURN). The question is on agreeing to amendment No. 2232.

Mr. SPECTER. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from New Jersey (Mr. CORZINE) is necessarily absent.

The result was announced—yeas 14, nays 85, as follows:

[Rollcall Vote No. 274 Leg.]

YEAS—14

Burr	DeWine	McCain
Chafee	Ensign	Smith
Coburn	Feingold	Stabenow
Cornyn	Grassley	Wyden
Dayton	Lugar	

NAYS—85

Akaka	Dorgan	Mikulski
Alexander	Durbin	Murkowski
Allard	Enzi	Murray
Allen	Feinstein	Nelson (FL)
Baucus	Frist	Nelson (NE)
Bayh	Graham	Obama
Bennett	Gregg	Pryor
Biden	Hagel	Reed
Bingaman	Harkin	Reid
Bond	Hatch	Roberts
Boxer	Hutchison	Rockefeller
Brownback	Inhofe	Salazar
Bunning	Inouye	Santorum
Burns	Isakson	Sarbanes
Byrd	Jeffords	Schumer
Cantwell	Johnson	Sessions
Carper	Kennedy	Shelby
Chambliss	Kerry	Snowe
Clinton	Kohl	Specter
Cochran	Kyl	Stevens
Coleman	Landrieu	Sununu
Collins	Lautenberg	Talent
Conrad	Leahy	Thomas
Craig	Levin	Thune
Crapo	Lieberman	Vitter
DeMint	Lincoln	Voinovich
Dodd	Lott	Warner
Dole	Martinez	
Domenici	McConnell	

NOT VOTING—1

Corzine

The amendment (No. 2232) was rejected.

Mr. HARKIN. Mr. President, I move to reconsider the vote.

Mr. DURBIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Who seeks time?

The Senator from Washington.

Mrs. MURRAY. Mr. President, earlier today I was on the floor and offered amendment No. 2220 that was set aside. We were supposed to have a vote on that this evening. It was not in the queue. I ask unanimous consent that the vote on amendment No. 2220 occur before the cloture vote tomorrow morning.

The PRESIDING OFFICER. Is there objection to the unanimous consent request?

Mr. LOTT. I object on behalf of the chairman.

The PRESIDING OFFICER. The objection is heard.

What is the will of the Senate?

The Senator from Illinois.

AMENDMENT NO. 2287

Mr. DURBIN. Mr. President, on behalf of Senator BOXER, I call up amendment 2287, which I will then set aside.

The PRESIDING OFFICER. Without objection, the pending amendments are set aside.

The clerk will report.

The legislative clerk read as follows:

The Senator from Illinois [Mr. DURBIN], for Mrs. BOXER, for herself and Mr. ENSIGN, proposes an amendment numbered 2287.

Mr. DURBIN. 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 increase appropriations for after-school programs through 21st century community learning centers)

At the appropriate place, insert the following:

SEC. ___. 21ST CENTURY COMMUNITY LEARNING CENTERS.

(a) FUNDING INCREASE.—In addition to amounts otherwise appropriated under this Act, there is appropriated $51,900,000 for 21st century community learning centers under part B of title IV of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7171 et seq.).

(b) OFFSET FROM TITLE I DEPARTMENTAL MANAGEMENT.—The amounts appropriated under title I under the heading ''DEPARTMENTAL MANAGEMENT'' for salaries and expenses shall be reduced by $51,900,000.

Mr. DURBIN. I ask unanimous consent that the amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New Mexico.

AMENDMENT NO. 2259

Mr. BINGAMAN. Mr. President, I call up amendment No. 2259 for Senator SMITH and myself.

The PRESIDING OFFICER. Without objection, the Clerk will report.

The legislative clerk read as follows:

The Senator froom New Mexico (Mr. BINGAMAN), for Mr. SMITH and himself, proposes an amendment numbered 2259.

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 provide funding for the AIDS Drug Assistance Program within the Health Resources and Services Administration)

At the appropriate place in title II, insert the following:

SEC. ____. In addition to amounts provided in this title for the AIDS Drug Assistance Program within the Health Resources and Services Administration, there shall be appropriated an additional $74,000,000 for such program.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2218

Mr. BINGAMAN. Mr. President, I now call up amendment No. 2218.

The PRESIDING OFFICER. Without objection, the clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN] proposes an amendment numbered 2218.

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 increase funding for advanced placement programs)

At the end of title III (before the short title), insert the following:

SEC. ____. In addition to amounts otherwise appropriated under this Act, there is appropriated, out of any money in the Treasury not otherwise appropriated, an additional $18,500,000 to carry out part G of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6531 et seq.).

Mr. BINGAMAN. Mr. President, this is an amendment I am offering with Senator HUTCHISON and also with cosponsors KENNEDY, CLINTON, DODD, MURRAY, and SALAZAR. I ask unanimous consent that all those Senators be listed as cosponsors on amendment No. 2218.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. Mr. President, let me briefly describe the amendment. It increases funding for the advanced placement programs to the level the President requested in his budget, submitted to the Congress earlier this year.

Mr. BINGAMAN. I ask that amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

According to a recent report issued by the National Academy of Sciences, NAS, the scientific and technical building blocks of this Nation's economic strength are eroding at a time when many other Nations are gathering strength. In no uncertain terms, the NAS Committee on Prospering in the Global Economy of the 21st Century expressed ''fear'' that our ability to lead in science and technology can be lost abruptly, and that once lost, it may be very difficult to regain, if at all.

The NAS report issued a number of recommendations to strengthen the economic security of this country. Among the highest priorities, the NAS urged that we increase America's talent pool by vastly improving K–12 mathematics and science education. My amendment seeks to do that by increasing funding available for advanced placement programs.

According to the NAS report, the vast majority of students in this country will never take an advanced math or science course while in high school. Evidence shows, however, that the intensity and rigor of a student's high school coursework is directly related to the student's success in college and beyond. Students who take a solid college prep curriculum are less likely to need remedial classes, and are more likely to earn a college degree.

In fact, evidence shows that the intensity and quality of a high school curriculum is the greatest measure of completion of a bachelor's degree. Importantly, studies also show that not only do college-bound students benefit from rigorous courses, but that all students benefit from more rigorous coursework.

Accordingly, it is critical that all of our young people have access to rigorous coursework in secondary school in order to meet the demands of post secondary education and a competitive workforce.

NAS urges us to expand the pipeline—increase the number of students

taking advanced science and math courses, such as AP–IB. Accordingly, we must create additional opportunities and incentives for middle-school and high-school students to pursue advanced work in math and science. NAS recommends quadrupling the number of students in AP or IB math or science courses to 4.5 million by 2010.

Moreover, I believe we all know that the quality of the teaching force is paramount to improving student achievement. A great teacher can not only help a student develop critical, analytical, and problem-solving skills, or mastery of a particular subject, but can motivate a student to pursue a career in the field.

Unfortunately, this country is facing a shortage of highly qualified math and science teachers.

According to the NAS report, the vast majority of high school students in this country are being taught science and math by teachers without certification or a degree in the subject being taught. In fact, a U.S. high school student has a 70 percent chance of being taught English by a teacher with a degree in English while the same student has about a 40 percent chance of being taught chemistry by a teacher with a degree in chemistry.

The NAS report recommended that we strengthen the skills of 250,000 teachers through training and educational programs. One of the critical steps in reaching that goal is through increased training for instructors in the Advanced Placement or International Baccalaureate—AP–IB—Programs. NAS recommended that we train an additional 150,000 AP–IB and pre AP–IB instructors to teach advanced courses in math and science.

The FY 06 Labor-HHS-Education Appropriations bill presents a critical opportunity to begin implementing some of the recommendations. We must invest in the economic security of this great country.

This amendment seeks to increase funding for advanced placement programs in the underlying bill by $18.5 million, to a total of $51.5 million. This level of funding, which is the same as the level requested by the administration, would help train additional AP–IB teachers, and help more low-income students take AP–IB courses.

NAS recommends we invest in excess of $400 million to achieve these goals. Therefore, this amendment only resents a down payment, however, toward meeting the committee's recommendation, but would demonstrate our commitment to our children and grandchildren that we do not take their prosperity and security for granted.

The NAS advises us to prepare with great urgency to preserve this Nation's strategic and economic security. By investing in AP, we can provide the foundation for students to be internationally competitive. This amendment is a step in that direction, and I urge my colleagues to support this amendment.

Mr. BINGAMAN. I ask that the amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2219

Mr. BINGAMAN. Mr. President, I call up amendment No. 2219.

The PRESIDING OFFICER. Without objection, the clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN] proposes an amendment numbered 2219.

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 increase funding for school dropout prevention)

At the end of title III (before the short title), insert the following:

SEC. ____. (a) In addition to amounts otherwise appropriated under this Act, there is appropriated, out of any money in the Treasury not otherwise appropriated, an additional $4,900,000 to carry out part H of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6551 et seq.).

(b) Notwithstanding any other provision of this Act, the amounts made available for administrative expenses and salaries for the Department of Education under this Act shall be reduced by $4,900,000.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that Senators REID, KENNEDY, CLINTON, DODD, and SALAZAR be added as cosponsors of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. This is an amendment to maintain current funding for the school dropout prevention program that is authorized under No Child Left Behind. The underlying bill would completely eliminate funding for dropout prevention, which I think would be a terrible mistake. This amendment is essential in order that that not occur. Nationally, only two-thirds of our 9th graders will graduate from high school with a diploma after completing the 12th grade. And, only about 50 percent of our Nation's African American, Hispanic, and Native American students will graduate with a high school diploma alongside their classmates.

Sadly, a recent report by Educational Testing Services, ETS, makes it clear that the dropout crisis is actually getting worse; the high school completion rate has been steadily declining in 43 States. Even more alarming, the report concludes that students are dropping out at a younger age, meaning dropouts are even less educated now than in previous years.

Yet, while dropout rates continue to rise, the Federal Government's response has unfortunately diminished. According to a recent GAO report, the Department of Education has done very little to help States increase graduation rates, and in fact, has failed to disseminate information about effective dropout prevention strategies.

GAO found that the Department of Education had failed to rigorously evaluate the effectiveness of various State and local interventions designed to increase high school graduation rates. As a result, schools and districts may not be using the most effective approaches to help their students stay in school and graduate.

In addition, Congress has significantly cut funding for the school dropout prevention program in recent years. The underlying bill, however, completely eliminates funding for dropout prevention, ostensibly because local school districts can use part of their Title I funds for dropout prevention.

It is clear, however, that an allowable use of Title I funds is insufficient to stem the tide, as dropout rates continue to rise. The ETS report concludes that our failure to provide adequate resources for school dropout prevention is ''social dynamite.''

The response of the Federal Government to this crisis is wholly inadequate, and in fact, is moving in the wrong direction. Dropout rates continue to climb, and the economic consequences are devastating for our younger and less educated population of dropouts. The reality is that in 2002, a high school dropout earned less than $23,000 per year, not enough for a family to be self-sufficient and pay for the basic necessities of life, such as food, housing, and health care.

Moreover, I believe this dropout crisis places our economic security in peril. How will this country continue to compete in a global economy when only two-thirds of our high school students graduate high school. An educated workforce is the foundation for our future economic strength.

I am offering this amendment to the FY 06 Labor-HHS-Education Appropriations bill to add $4.9 million to maintain funding for dropout prevention, representing the current funding level. This amount is offset by amounts made available to the Department of Education for administrative expenses and salaries.

I believe this offset is reasonable, given that in the past few years alone, the Department of Education has spent millions of dollars on public relations contracts and grants to promote certain Department policies and priorities, some of which violated Federal law. I believe, however, reducing the dropout rate is a higher priority than promoting the Department's own agenda. I urge my colleagues to support this amendment.

Again, I ask to have that amendment laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2262

Mr. BINGAMAN. Mr. President, I call up amendment No. 2262.

The PRESIDING OFFICER. Without objection, the clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN] proposes an amendment numbered 2262.

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 increase funding for education programs serving Hispanic students)

At the end of title III (before the short title), insert the following:

SEC. ___. INCREASED FUNDING FOR EDUCATION PROGRAMS SERVING HISPANIC STUDENTS.

(a) MIGRANT EDUCATION.—In addition to amounts otherwise appropriated under this Act, there are appropriated, out of any money in the Treasury not otherwise appropriated, an additional $9,600,000 for the education of migratory children under part C of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6391 et seq.).

(b) ENGLISH LANGUAGE ACQUISITION.—In addition to amounts otherwise appropriated under this Act, there are appropriated, out of any money in the Treasury not otherwise appropriated, an additional $10,300,000 for English language acquisition programs under part A of title III of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6811 et seq.).

(c) HEP/CAMP.—In addition to amounts otherwise appropriated under this Act, there are appropriated, out of any money in the Treasury not otherwise appropriated, an additional $5,700,000 for the High School Equivalency Program and the College Assistance Migrant Program under section 418A of the Higher Education Act of 1965 (20 U.S.C. 1070d-2).

(d) SCHOOL DROPOUT PREVENTION.—In addition to amounts otherwise appropriated under this Act, there are appropriated, out of any money in the Treasury not otherwise appropriated, an additional $5,000,000 for school dropout prevention programs under part H of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6551 et seq.).

(e) ESL/CIVICS PROGRAMS.—In addition to amounts otherwise appropriated under this Act, there are appropriated, out of any money in the Treasury not otherwise appropriated, an additional $6,500,000 for English as a second language programs and civics education programs under the Adult Education Act (20 U.S.C. 9201 et seq.).

(f) PARENT ASSISTANCE AND LOCAL FAMILY INFORMATION CENTERS.—In addition to amounts otherwise appropriated under this Act, there are appropriated, out of any money in the Treasury not otherwise appropriated, an additional $13,000,000 for the Parent Assistance and Local Family Information Centers under subpart 16 of part D of title V of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7273 et seq.).

(g) HISPANIC-SERVING INSTITUTIONS.—In addition to amounts otherwise appropriated under this Act, there are appropriated, out of any money in the Treasury not otherwise appropriated, $9,900,000 for Hispanic-serving institutions under title V of the Higher Education Act of 1965 (20 U.S.C. 1101 et seq.).

Mr. BINGAMAN. Mr. President, I ask unanimous consent that Senator SALAZAR be added as a cosponsor of this amendment, No. 2262.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. Mr. President, let me speak for just a very few minutes on this amendment. Then I see there are other Senators seeking recognition. I will not delay them long.

This is a very important amendment on which I will request we actually have a rollcall vote tomorrow. It is an amendment to invest an additional $60 million in eight different programs, in a combination of eight different programs. They are very important to the Hispanic community in this country. The eight programs are migrant education, English language acquisition programs, the High School Equivalency Program, the College Assistance Migrant Program, Dropout Prevention, English as a Second Language Programs, local family information centers, and the Hispanic-Serving Institutions Program.

The amendment is strongly supported by the Hispanic Education Coalition, which is an ad hoc coalition of national organizations dedicated to improving educational opportunities for more than 40 million Hispanics living in the United States, including groups such as the National Council of La Raza, HACU, and MALDEF. The National PTA is also a very strong supporter of the amendment.

The Title I Migrant Education Program was established to provide a compensatory education program designed to deal with the difficulties encountered by children of migrant workers as a consequence of their mobility. Some of these children attend three or four schools in a single school year.

They have a great need for coordination of educational services among the States and local districts where they live, often for short periods of time. The MEP builds the support structures for migrant students so that they can achieve high levels of success both in and outside of school.

The U.S. Department of Education reports that more than 750,000 students were identified as eligible for the program in fiscal year 2001. Additional funds are necessary to ensure that these children are able to meet the challenges mandated by the No Child Left Behind Act. This amendment will provide an additional $9.6 million in needed funding.

This amendment would also increase funding to States and local school districts in order to ensure that as many of the 5.5 million children with limited English skills as possible learn English, develop high levels of academic attainment, and meet the same challenging State academic standards as all children.

Title III is a formula grant program that distributes funding to all 50 States based on the number of limited English proficient, LEP, and recent immigrant students. The funds are used for developing effective language acquisition programs; training for bilingual/ESL teachers and regular teachers and educational personnel; parent involvement; and providing services for recently arrived immigrant students. This amendment requests an additional $10.3 million for Language Acquisition Grants, which restores the program's funding to its fiscal year 2003 level.

This amendment would provide modest increases for the High School Equivalency Program, HEP, and the College Assistance Migrant Program, CAMP. The HEP helps migrant students who have dropped out of high school earn a GED. The CAMP assists migrant students in their first year of college with both counseling and stipends. These programs provide farmworker migrant students with education opportunities and support that will help them to become productive members of society.

Migrant students are among the most disadvantaged youth in this Nation. Current estimates place the dropout rate for migrant youth at between 50 and 60 percent. Before CAMP, there was no record of a child of migrant farm workers ever having attended college. Both programs have been very successful in helping migrant students become productive members of society.

According to the Department of Education, in 2003–2004, almost 10,000 students were served by HEP CAMP, and 63 percent of the HEP participants received a GED, and 84 percent of CAMP students completed their first year of college in good standing. This amendment provides an additional $5.7 million for these programs.

The Dropout Prevention program helps States and school districts to implement research-based, sustainable, and coordinated school dropout prevention and re-entry programs in order to raise student achievement. At a time when schools are focused on narrowing achievement gaps between differing subgroups of students, it seems that Congress would want to retain Dropout Prevention, a program specifically aimed at providing schools with the tools to help students achieve a high school degree.

Support for Dropout Prevention is even more significant when considering that the primary source of Federal funding for public schools, authorized through the No Child Left Behind Act, NCLB, focuses mainly on elementary schools. More than 90 percent of Title I funds—the principal NCLB program—are directed to elementary schools. Such an emphasis on elementary education is necessary and appropriate, but equally important is continuing an investment of resources throughout the education continuum in order to meet the needs of middle level and high school students.

The Dropout Prevention program is the only Federal program actively working to reduce the Nation's dropout rates, and, as recent headlines tell us, it is a problem that is far more severe than previous data indicated.

A report by the Urban Institute finds that only 68 percent of all students in the public high school class of 2001 graduated. Furthermore, it states that only 50 percent of all black students and 53 percent of Hispanic students graduate. Nearly half of all black and Hispanic students do not graduate from high school. This is a problem that has reached enormous proportions. The Dropout Prevention program was

eliminated in this legislation. This amendment restores $5 million to this program.

The Local Family Information Centers program was authorized under the No Child Left Behind Act to provide parents of Title I students, including English language learners, with information about their children's schools so that they can help their children to meet the high standards we have set under NCLB.

The Local Family Information Centers also help parents to hold their local and State school officials accountable and become more involved in their children's education. This amendment would increase funding for these centers by $13 million.

The need for increased funding for English as a Second Language, ESL, is evident by the growing demand for services and the lack of resources to meet that need.

Enrollment in Adult ESL has increased 105 percent over the past 10 years, yet there is a lack of programs and funding to ensure that all who desire to learn English have access to appropriate services.

Currently, community-based organizations must piece programs together with volunteer labor and facilities. The need for more targeted services is overwhelming. Demand for English-language instruction far outweighs supply, waiting lists for classes typically range from several months to years, and many States do not have the capacity to meet the demand.

The current $70 million in funding is insufficient to meet the enormous demand for ESL services. As the labor market continues to require English-proficient labor, investing in ESL programs will strengthen the labor pool and return a more versatile productive workforce. This amendment provides an additional $6.5 million for ESL programs.

Currently, 35 percent of Hispanics are under the age of 18. The Educational Testing Service has projected the U.S. higher education system will grow by 3.5 million additional students by 2015 and that nearly 40 percent of these new students will be Hispanic. HSIs serve the largest concentrations of the Nation' s youngest and largest ethnic population.

The impending emergence of more than 100 new HSIs, mostly in California, Texas, Florida, New Mexico and Illinois, in the next few years and the rapid growth of the Hispanic college-age population underscore the urgency for immediate, major, and sustained increases in Title V funding.

At a time when the current labor force is reaching retirement age in substantial numbers, Hispanics already represent one of every three new workers joining the U.S. labor force, according to the U.S. Bureau of Labor Statistics. By 2025, the Bureau projects that one of two new workers joining the U.S. labor force will be Hispanic. This amendment would provide an additional $9.9 million in assistance to these great institutions.

We must do everything possible to provide every child with the best education we can. This amendment would provide small, but much-needed increases to programs that can make a difference in the lives of millions of children. I urge my fellow Senators to support these greatly needed programs by providing them with the proper resources. I will seek some additional time tomorrow before we actually have a vote on this amendment in order to further explain to my colleagues the reasons this amendment needs to be adopted.

I yield the floor.

The PRESIDING OFFICER. The Senator from Florida.

Mr. MARTINEZ. Mr. President, I ask unanimous consent to speak as in morning business for 5 minutes regarding the hurricane in Florida.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator is recognized.

HURRICANE WILMA DAMAGE

Mr. MARTINEZ. Mr. President, I rise today to address an issue that unfortunately has become all too familiar to us, particularly us Floridians, which is the devastating ravages of yet another storm that has hit our coastal zone and particularly the State of Florida.

I have just returned from the State of Florida, from south Florida, having traveled there today, with Senator NELSON. I also traveled around with Members of the Congress, with ILEANA ROS-LEHTINEN, Congressman LINCOLN DIAZ-BALART, Congressman MARIO DIAZ-BALART, and Congressman CLAY SHAW.

We went first to Miami, Dade County, where we visited the emergency operations center. There we were able to get a briefing and an update from people on the ground about the situation there. Unfortunately, there, and then again in Broward County and Fort Lauderdale where we further visited, the situation seems to be somewhat the same.

There is widespread damage to people's homes and places of business, but the most important and most pervasive problem seems to be the very severe loss of electrical power.

In addition to the electrical power, there is a combination in some of the places which also has to do with problems of potable water.

As I stand here, there are still 2.8 million people in Florida without electricity. Nearly 6 million people were without power Tuesday morning. We are making some progress, thanks in part to the contributions of other States that have responded to this emergency. More than 5,000 people from neighboring States are actively working to restore power in the lower peninsula.

Damage in Florida not only began in the area of Naples and Marco Island on the west coast, but then it traveled across the rural area of our State, across the Everglades and slammed in an angling way, covering the Florida Keys before it ever reached the mainland, and then Miami, Dade County, Broward County, Palm Beach County, exiting out in the area of Palm Beach.

Regarding those 2.8 million people without power, I am hopeful that figure will be dropping substantially in the next several days. That will be good news if it happens. In the meantime, there is an area of great concern.

We are being told by the power companies it will be at least a week, maybe 10 days, maybe 2 weeks before a substantial number of these customers will be restored to power. In fact, the date of November 22 is now being given as to when all customers will be back on line. That is almost a month from now. No power, for many Floridians, means there is no way to prepare meals, no hot water in which to bathe or wash clothes or dishes, no traffic lights, no way to pump gas, no access to cash machines so people might access resources necessary to restock and obtain water and food supplies.

Banks are closed. The schools in many ways would be ready to reopen in a matter of a couple of days, but they cannot open until there is power. Hospitals are working on generators; however, there is concern that these generators will begin to start running low on fuel and there is also the ''boil water'' order given to the people of south Florida, in counties that are, frankly, having problems with water pressure issues.

There are substantial relief efforts in progress. There have been a few glitches along the way. Yesterday, there were long lines of exasperated people, which is understandable in the first 48 hours following a category 3 hurricane that hit with well over 100-mile-an-hour winds in some of the most populated areas of the State of Florida.

I commend our Governor, Jeb Bush, for his preparation before the storm ever reached our shores and for the good cooperation that local government has been given throughout the State. Even though we have all heard reports of long lines at these distribution points and that we have run out of supplies too soon, the system is working and will be working even better in the coming hours. Improvements have been made over the last 24 hours, and we believe more improvements will be made in a very short period of time.

I also commend our Florida National Guard. The Florida National Guard, time and again, has answered the call as we have faced storm after storm in the State of Florida. Right now we have over 4,000 members of the Guard who have been activated, helping to distribute food and material and assisting local law enforcement and patrolling areas, assisting local law enforcement. More troops are being called up, I understand.

There are curfews in effect throughout south Florida, and it is a big task to enforce these curfews. Floridians are

following the instructions and local government officials were pleased to report to us how well Floridians were responding to the call for curfew. We hope this will continue because the curfews will need to be in effect for ongoing days, and we hope the same level of cooperation will be seen.

FEMA is on the ground in Florida. In addition to helping to provide for immediate needs, the administrators have approved individual assistance for 10 Florida counties covering an estimated 6.5 million people in the State of Florida. That was welcome news to the people in Miami, Dade and Broward Counties, that I visited today.

As far as the overall picture, the extent of the damage, and the economic impact, it is hard to get an accurate dollar figure just yet because the estimates are still coming in. Just to give my colleagues an idea, the preliminary figures, according to the Florida Insurance Council, puts the cost of Hurricane Wilma to somewhere close to $10 billion.

If that figure holds, it makes Wilma the most damaging storm to hit the State this year and perhaps Florida's most damaging hurricane in over a decade.

I also want to underscore that Florida is a State that went into this particular storm with a lot on its shoulders already. Before Wilma, over 10 percent of Florida's homes were damaged from four previous hurricanes last year. Even today, we still had over 20,000 Floridians living in some sort of transitional housing. Most of that is a backlog of structural repair. Now that number is going to dramatically escalate.

Before Wilma was even a squall, Florida's agricultural damages from the last year stood at $665 million. Whole sectors of our agricultural industry are devastated. Frankly, it will take years to replant and reestablish some of the crops. It is highly likely that this hurricane is going to make yet another agricultural season a total loss for Floridians.

I also want to mention S. 939, the Disaster Recovery Act. This bill, which has been introduced by myself and several others, is pending before this body. It seeks to expedite Federal assistance and assist communities in debris removal. This is straightforward legislation. Without it, people in communities can be kept waiting for months for any assistance. In the case of debris removal, it is an issue of public safety that has gone unaddressed for far too long. With the help of my good friends from Maine and Mississippi, this bill is now moving forward, and I will ask my colleagues to lend their support. This is critical legislation, and it will make a difference to millions of Floridians and others affected by the recent storms. This bill is currently hotlined, and I am hopeful that first thing tomorrow morning we will be able to move this bill along.

Beyond that, I know there is still an appropriate time and place for a larger Federal role in this disaster. I ask my colleagues to keep in mind that Florida has been hit by eight hurricanes and two tropical storms in the last 14 months. Going into this storm, we have had a lot of damage from Wilma, and it has only been compounded by existing problems and new ones have been created.

So let me conclude on a brighter note and express appreciation for those of my colleagues who have indicated their concern for Florida. It is times like these that makes me proud to be a Floridian. We are resilient people. What we saw today was folks pulling together. We will repair the damage and we will move on. The communities of Florida are pulling together, helping one another and reaching out to one another in a spirit of cooperation and neighborliness, which I think is commendable.

I think we need to continue to pull together because these are difficult days. We are not going to get over this in a matter of 24 hours or 48 hours. It is going to take some time.

In the first 48 hours after a category 3 hurricane, it is understandable that people's nerves are fraying and impatience is setting in.

However, we are ready for this, and I know we will pull together and get through it in the best way possible.

I believe it is most important to point out that in spite of all of this, the Orlando International Airport has reopened for business. The cruise ships are coming in and out of Miami Harbor. The fact is that the attractions—all in central Florida—were completely unaffected by any of this and are open for business. Florida, in fact, is open for business. The convention facilities are working. Florida will be back to normal in short order. I do hope that people recognize Florida is still a wonderful place to visit.

I thank my colleagues for all of the expressions of support, and I look forward to working with them as we try to seek an appropriate Federal response to Florida's problem.

Thank you, Mr. President. I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I ask unanimous consent that the pending amendments be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2322

Mr. HARKIN. 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 Iowa [Mr. HARKIN] proposes an amendment numbered 2322.

Mr. HARKIN. 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 prohibit payments for administrative expenses under the Medicaid program if more than 15 percent of applications for medical assistance, eligibility redeterminations, and change reports are processed by individuals who are not State employees meeting certain personnel standards)

At the appropriate place in title II, insert the following:

SEC. ____. (a) IN GENERAL.—None of the funds made available in this Act may used for Federal matching payments under section 1903(a)(7) of the Social Security Act (42 U.S.C. 1396b(a)(7)) for reimbursement of amounts expended for the proper and efficient administration of a State Medicaid plan under title XIX of such Act to a State agency if more than—

(1) 15 percent of the applications for medical assistance under the State Medicaid plan in any fiscal year quarter are received or initially processed;

(2) 15 percent of eligibility redeterminations for such medical assistance are initially processed; or

(3) 15 percent of change reports are received and initially processed,

by individuals who are not State employees meeting the personnel standards required under section 1902(a)(4)(A) of the Social Security Act (42 U.S.C. 1396a(a)(4)(A)).

(b) EXCLUSION OF APPLICATIONS RECEIVED AND PROCESSED ON AN OUTSTATION BASIS.—The percentages described in subsection (a) shall be determined without regard to applications received and processed by the Health Resources Services Administration.

Mr. HARKIN. Mr. President, I ask unanimous consent that the amendment now be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from Texas.

AMENDMENT NO. 2277

Mr. CORNYN. Mr. President, I call up amendment No. 2277.

The PRESIDING OFFICER. Without objection, the pending amendments are set aside and the clerk will report.

The legislative clerk read as follows:

The Senator from Texas [Mr. CORNYN] proposes an amendment numbered 2277.

Mr. CORNYN. 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 increase the amount of appropriated funds available for Community-Based Job Training Grants)

On page 112, strike lines 17 and 18 and insert the following:

Workforce Investment Act of 1998; $2,867,806,000 plus reimbursements, of which $1,871,518,000 is available for obli-

On page 113, strike lines 8 through 13 and insert the following:

$1,148,264,000 shall be for activities described in section 132(a)(2)(B) of such Act: *Provided further*, That $125,000,000 shall be available for Community-Based Job Training Grants, and not more than an additional $125,000,000 may be used by the Secretary of Labor for such grants from funds reserved under section 132(a)(2)(A) of the Workforce Investment Act of 1998, to carry out such grants under sec-

On page 132, line 9, strike ''$320,250,000'' and insert ''$240,250,000, of which $13,248,000 is for such management or operation of activities

conducted by or through the Bureau of International Labor Affairs, and''

Mr. CORNYN. Mr. President, this amendment supports the administration's request for second-year funding for the Community-Based Job Training Grant Initiative.

Although that is a mouthful, this goes to one of the most basic needs of our country, and particularly our growing economy.

For those who are concerned about offshoring and outsourcing of jobs to other countries, for those who are concerned about American citizens who have not yet attained a living wage in their jobs, this is the answer to all of those challenges, and more.

The primary purpose of the grants that are included in this program is to strengthen the role of community and technical colleges and train workers for the skills required to succeed in high-growth, high-demand industries.

The amendment covers publicly funded institutions of higher education that grant associate degrees. Community-based job training grants are awarded to community and technical colleges that demonstrate they are engaged in a strategic partnership with business and industry. In other words, this is not just the teaching of academic subjects but, rather, working with industry to determine what sort of job skills they need for the good jobs they can provide, if they can find a sufficient number of trained employees to do them.

Applicants for these grants are required to identify workforce challenges and their ability to implement workforce solutions for locally identified high-growth, high-demand occupations.

This amendment will help increase the capacity of community colleges to provide innovative job training strategies in local demand industries. They will be able to develop training criteria with local industry, hire qualified faculty, arrange on-the-job experiences with industry, and use up-to-date equipment.

Community colleges are one of the best kept educational secrets in this country. They are adaptable, flexible, affordable, and accessible by all segments of the community.

This amendment will help community colleges train 100,000 new and experienced workers in demand industries and then increase the retention and earnings of trained workers.

The Labor Department is committed to making all curricula and training techniques developed through the grants available to community colleges nationwide so these grants help more than just the direct recipient of the grant.

This amendment will help millions more workers access education and training for exciting career opportunities and a brighter future. The first grant competition for $125 million was appropriated in fiscal year 2005 and was issued in May. Nearly 400 community colleges submitted proposals and 70 community colleges in 40 States were awarded grants on October 19.

I am particularly proud that 7 of the community colleges in Texas were awarded grants through the first $125 million competition.

I have long been an advocate of these kind of workforce partnerships and initiatives formed with community colleges and local business communities because I have actually seen them succeed.

While in the Senate, I have had the opportunity to visit a number of these initiatives across the State of Texas, in Austin, in Houston, Pasadena, Laredo, Beaumont, Sherman, El Paso, Lubbock, and Victoria.

I remember in particular a young Hispanic woman, a single mom who had been a prison guard in Amarillo, TX who, as a result of a program that she trained in in an Amarillo community college, was able to increase her earnings and brighten her future, as well as get out of her somewhat dangerous job as a prison guard to begin working on the production line for the V–22 tilt rotor being made at Bell Helicopter in Amarillo, TX.

This is only one example of how we can provide the resources to individuals so they can improve their future, improve their skills, and satisfy the needs of employers who search, often in vain, for qualified workers to take these good and very well paying jobs.

I know, in consultation with the distinguished floor manager of this bill, that this contains an offset that causes some concerns. What I would like to do is continue our discussions with Senator SPECTER, the Senator from Pennsylvania, the distinguished manager of this bill, as we proceed through this process to try to find some way to maximize the funds available to this particular program in the conference and hopefully restore some of the money that would otherwise be cut. I realize the subcommittee is working within allocation caps and we don't want to cause any unnecessary concern. But this is an initiative that I feel so strongly about, and I think the more our colleagues learn about this, the more our colleagues will be supportive of this restoration of these funds for this important initiative.

With that, I ask unanimous consent that the amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CORNYN. Mr. President, I look forward to working with the distinguished Senator from Pennsylvania and the distinguished Senator from Iowa as we try to work in the conference to try to accommodate and indeed try to maximize the funds for this important initiative.

I yield the floor.

AMENDMENT NO. 2278

Mr. SPECTER. Mr. President, there is now a series of five amendments which have been accepted on both sides. I now ask unanimous consent that the Senate turn to a series of five amendments which have been accepted on both sides.

I start with an amendment on behalf of Senator FRIST, No. 2278, and I ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the clerk will report.

The legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SPECTER], for Mr. FRIST, proposes an amendment numbered 2278.

Mr. SPECTER. 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 increase funding for suicide prevention activities)

On page 116, line 9, strike ''$132,825,000, together with'' and insert ''$119,825,000: *Provided,* That amounts provided for in this Act for suicide prevention activities under the Garrett Lee Smith Memorial Act (Public law 108-355) shall be increased by $13,000,000: *Provided further,*'' That''.

Mr. SPECTER. Mr. President, this amendment provides an additional $13 million for suicide prevention activities.

I urge adoption of the amendment. This is an offset, so we stay within our limits.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 2278) was agreed to.

AMENDMENT NO. 2315

Mr. SPECTER. Mr. President, I now call up the Durbin amendment on point of entry, and yield to the Senator from Illinois.

The PRESIDING OFFICER. Without objection, the pending amendments are set aside.

Mr. DURBIN. 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 Illinois [Mr. DURBIN] proposes an amendment numbered 2315.

Mr. DURBIN. 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 designate a port of entry)

On page 22, after line 8, insert the following:

SEC. 517. Notwithstanding any other provision of law, not later than 60 days after the date of enactment of this Act, MidAmerica St. Louis Airport in Mascoutah, Illinois, shall be designated as a port of entry.

Mr. DURBIN. Mr. President, this is a technical amendment which designates Mid-American St. Louis Airport in Mascoutah, IL as a point of entry. It has been cleared on both sides, and with Senator GREGG.

I urge adoption of the amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 2315) was agreed to.

Mr. DURBIN. Mr. President, I move to reconsider the vote.

Mr. HARKIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2228

Mr. SPECTER. Mr. President, I now call up a second Durbin amendment on scientific integrity and yield to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, it is my understanding that this amendment is pending. If that is the case, I urge adoption of amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 2228) was agreed to, as follows:

(Purpose: To ensure the scientific integrity of Federally-funded scientific advisory committees and their findings)

At the appropriate place, insert the following:

SEC. ____. (a) None of the funds made available in this Act may be used to request that a candidate for appointment to a Federal scientific advisory committee disclose the political affiliation or voting history of the candidate or the position that the candidate holds with respect to political issues not directly related to and necessary for the work of the committee involved.

(b) None of the funds made available in this Act may be used to disseminate scientific information that is deliberately false or misleading.

Mr. DURBIN. Mr. President, I move to reconsider the vote.

Mr. SPECTER. 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.

AMENDMENT NO. 2246

Mr. HARKIN. Mr. President, I now call up an amendment by the Senator from Massachusetts, Senator KENNEDY, on women's employment data. I ask unanimous consent that the pending amendments be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN], for Mr. KENNEDY, for himself, Mr. HARKIN, and Mr. LAUTENBERG, proposes an amendment numbered 2246.

Mr. HARKIN. 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 ensure that the Current Employment Survey maintains the content of the survey issued prior to August 2005 with respect to the collection of data for the women worker series)

On page 131, line 18, insert before the period the following: '': *Provided*, That the Current Employment Survey shall maintain the content of the survey issued prior to August 2005 with respect to the collection of data for the women worker series''.

AMENDMENT NO. 2246, AS MODIFIED

Mr. HARKIN. Mr. President, I ask unanimous consent on behalf of Senator KENNEDY to send a modification to the amendment to the desk. It changes the date, it looks like, from August to June.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The amendment (No. 2246), as modified, is as follows:

On page 131, line 18, insert before the period the following: '': *Provided*, That the Current Employment Survey shall maintain the content of the survey issued prior to June 2005 with respect to the collection of data for the women worker series''.

Mr. KENNEDY. Mr. President, in June 2005, the Department of Labor's Bureau of Labor Statistics eliminated the most reliable source of employment data on women workers by removing the Women Worker Series from its Current Employment Statistics survey. This move—opposed by a bipartisan coalition of Senators—blocks collection of key data about the status and progress of women in the workplace. I offer an amendment today to reverse that decision.

Comprehensive and accurate information on gender employment is vital to ending long-standing economic discrimination against women in our society. The facts are painfully clear. Women today earn 76 cents for every dollar earned by men. They work disproportionately in lower-paying occupations, and have far lower lifetime earnings than men. Congress, researchers, and policymakers across the country need the data collected by the Women Worker Series to understand the true dimensions of gender inequality in the workforce, and guide us in our effort to eliminate it.

The Women Worker Series has the best available data on women in the workforce. It's been part of a broad-based survey of nearly 400,000 business establishments that examines the most accurate data available—employers' own records. The data are the most reliable way to assess monthly changes in employment, and they contain valuable insights on women's employment and unemployment in the business cycle.

The information collected in the survey is indispensable to policymakers and researchers. During the comment period conducted by the Department of Labor, the comments received were more than 9-to-1 against discontinuing the series. Every business group that commented on the proposed elimination of the data, including the Women's Chamber of Commerce and Business and Professional Women, supported continuing the collection of the data. Janet Norwood, Commissioner of the Bureau of Labor Statistics in both the Carter and Reagan administrations, criticized the recent decision to discontinue this collection.

Many of the comments cited studies that used the data to uncover important conclusions about the position of women in the workforce. A study by the Federal Reserve Bank of New York, for example, used the data to find that men and women have historically been affected differently by recessions, with jobs often shifting from women to men during these periods. This study would have been impossible without the Women Worker Series.

The department claims that it has eliminated the series in order to reduce the burden on employers responding in the survey. But continuing to collect this information would not be unduly burdensome. The gender series is only one question in a larger survey that the department continues to conduct. According to BLS estimates, the entire survey takes only seven minutes to fill out, so the burden imposed by a single question is virtually nonexistent. Indeed, most employers are required to track the gender of their employees for other purposes, so the requested information is almost always readily available.

The decision to eliminate the Women Worker Series is an insult to working women across the country, and can only strengthen the discrimination they face in the workplace. At a time when women's employment may be changing in fundamental ways, we should be expanding—not reducing—our ability to understand the evolving role of women in the Nation's labor force. I urge my colleagues to accept this amendment and avoid taking an unfair step backward on this very important issue for working women across America.

I ask, unanimous consent that letters in support of the amendment be printed in the RECORD.

There being no objection, the material was ordered to be printed in the Record, as follows:

U.S. SENATE
Washington, DC, February 9, 2005.

KATHLEEN P. UTGOFF,
Commissioner, U.S. Bureau of Labor Statistics, Washington, DC.

DEAR COMMISSIONER UTGOFF: We are writing to express our concern about the Bureau's plans to discontinue the gender series in the Current Employment Statistics (CES) program, We strongly urge you to continue to collect these data.

Comprehensive and accurate gender employment information is vital to end the longstanding economic discrimination against women in our society. Women today earn 76 cents for every dollar earned by men. They work disproportionately in lower-paying occupations, and have far lower lifetime earnings than men. Congress, researchers, and policymakers across the country need the CBS data to understand gender inequality in the workforce, and guide us in our efforts to eliminate it.

The recent recession marked the start of the only period of sustained job loss for women in the last forty years. At a time when women's employment may be changing in fundamental ways, we should be expanding—not limiting—our ability to understand the evolving role of women in the nation's labor-force.

The CES data are the best available data on employment trends, and are indispensable

to policymakers and researchers on the issue, The Current Population Survey is not an adequate substitute, Economists widely agree that the Bureau's Payroll Survey provides a far more accurate view of general employment trends than the Population Survey. As you yourself testified to the Congressional Joint Economic Committee in 2003, ''the payroll survey provides more reliable information on the current trend in wage and salary employment'' than the household survey, because the payroll survey has a larger sample and is linked to the total employment count based on records of the unemployment insurance tax.

You have indicated that eliminating the gender series is necessary so that the Bureau can reduce the burden of the survey on employers. But that benefit is miniscule compared to the significant loss caused by the elimination of the data series. The gender series is only a small portion of a survey that, by your own estimate, takes only seven minutes to fill out. Companies with 100 or more employees already have to submit EEO–1 forms detailing the gender breakdown of their workforce. In smaller companies, it is little burden to see the number of male and female employees.

In light of the special importance of the gender series, we urge you to continue to collect and provide these needed data.

Sincerely,

EDWARD M. KENNEDY,
RICHARD J. DURBIN,
TOM HARKIN,
CHRISTOPHER J. DODD,
JEFF BINGAMAN,
HILLARY RODHAM CLINTON,
MARY LANDRIEU,
JOHN F. KERRY,
MARIA CANTWELL,
EVAN BAYH,
OLYMPIA J. SNOWE,
SUSAN COLLINS,
LISA MURKOWSKI,
BARBARA A. MIKULSKI,
PATTY MURRAY,
DEBBIE STABENOW,
HERB KOHL,
DIANNE FEINSTEIN,
PAUL S. SARBANES,
PATRICK J. LEAHY,
BILL NELSON,
RON WYDEN,
JOSEPH I. LIEBERMAN,
JON S. CORZINE,
BARACK OBAMA,
TIM JOHNSON,
DANIEL K. AKAKA,
FRANK LAUTENBERG,
MARK DAYTON,
KEN SALAZAR.

OCTOBER 18, 2005.

Hon. FRANK LAUTENBERG
U.S. Senate,
Washington, DC

DEAR SENATOR LAUTENBERG: We are writing to inform you that the Bureau of Labor Statistics (BLS) announced on August 5, 2005 that it would no longer collect the data on women workers in the Current Employment Statistics Survey (CES). These critical data are not collected by any other survey and without it researchers cannot obtain a complete and accurate picture of women's employment. We the 137 undersigned organizations ask that Congress require BLS to continue collecting these data in the Appropriations bill for the Departments of Labor, Health and Human Services and Education for FY2006 that is currently being finalized.

The CES survey is a monthly nationwide survey of payroll records that covers more than 300,000 businesses and provides important industry data. The ''Women Worker Series'' consists of one question in the CES survey: ''Enter the number of employees from Column 1 who are women.'' This one question, however, provides the only accurate picture of whether (and in which industries) women are gaining or losing jobs in response to economic restructuring, changes in the business cycle, variation in labor supply and other factors. Because men and women generally work in different parts of the labor market, data that specifically track how women workers are faring compared to men is essential. Combined data may mask important differences in the experience of women and men workers.

The reasons that BLS has given for terminating the collection of these data do not hold up under scrutiny:

There Is No Substitute for the CES Survey: BLS has claimed that ending the Women Workers Series does no harm, because the Current Population Survey (''CPS'') collects extensive data on women's employment status and is thereby an adequate substitute. This is simply not true. The CPS data are collected from households and individuals, whereas the CES is collected from businesses, and thus, according to a former BLS Commissioner, ''provides more reliable information on the current trend of wage and salary employment.''

There is a High Response Rate for the CES Survey and It Is Not Burdensome for Businesses: BLS claimed that discontinuing the data collection from the single question about women workers would reduce the burden on employers. As evidence of this problem, they misleadingly stated that there was a low response rate to this inquiry. In fact, the response rate to this query is 86%—the second highest of any question on the CES Survey. Further, the only organizations representing businesses that submitted comments to BLS about the discontinuation of this data collection all supported continuing the data collection. Not only are businesses able to respond to these queries easily, but the record shows that they want the data collection to continue.

Researchers Use This Important Data: In announcing the discontinuation of this data collection, BLS stated that it was not widely used. This is not accurate either. Just this past month, the Center for Economic and Policy Research issued a report, ''Gender Bias in the Current Economic Recovery? Declining Employment Rates for Women in the 21st Century,'' based on the Women Worker Series in the CES. Further, many of the thousands of comments submitted to BLS in support of this data collection came from researchers at such organizations as the New York Federal Reserve Bank and the Consortium of Social Science Associations (including sociologists, political scientists, and others).

Perhaps the greatest evidence for the importance of this data is the outcry that arose after BLS announced it was going to stop collecting it. News services around the country ran the story. A bipartisan group of U.S. Representatives and Senators opposed the decision. Researchers and women's employment advocates pressed BLS to continue collecting the data.

In fact, during the original comment period, five thousand comments were submitted—running at least 9 to 1 in support of continuing the data collection. The only comments submitted by employers were in support of the continued collection of the Women Workers Series.

Despite the overwhelming case in support of continuing the Women Workers Series, and the underwhelming case for dropping it, BLS announced that it would terminate the data collection anyway.

Congress can, and should, require BLS to continue collecting the Women Workers Series.

Please support a provision in the Labor-HHS-Education Appropriations bill for FY 2006 to require BLS to continue collecting the Women Workers Series on the CES Survey. This information is critical to understanding the employment status of women in America. Please feel free to contact Heidi Hartmann of the Institute for Women's Policy Research (202/785–5100) or Sharon Levin of Women's Prerogative (202/296–3818) for further information.

Sincerely,

Alliance for Retired Americans, Alliance for the Status of Missouri Women, American Association of University Women, American Association of University Women, Ballwin-Chesterfield Chapter, American Association of University Women, Ferguson-Florisant Branch, American Educational Research Association, American Federation of Government Employees, AFL–CIO, American Federation of Government Employees (AFGE), Local 12, American Medical Women's Association, and Americans for Democratic Action.

Asian & Pacific Islander American Health Forum, Association of American Geographers, Business and Professional Women/USA, Business and Professional Women/Kentucky, Business and Professional Women/Kirksville, Business and Professional Women/Maryland, Business and Professional Women/Missouri, Business and Professional Women/St. Louis Metro, Business and Professional Women/St. Petersberg/Pinellas, Business and Professional Women/Suburban Maryland, and Business and Professional Women/USA.

BVM Network for Women's Issues, California National Organization for Women, California Partnership to End Domestic Violence, Catalyst Connection, Center for Independent Living of South Florida, Center for the Education of Women, University of Michigan, Center for Women Policy Studies, Chicago Women in Trades, Cincinnati National Organization for Women, and Coalition for Equal Pay.

Coalition of Labor Union Women, Common Cause, Communication Workers of America, Consortium of Social Science Associations, Dads and Daughters, Department for Professional Employees, AFL–CIO, Democratic Women's Club of Upper Pinellas, Discrimination Research Center, and Displaced Homemakers Network of New Jersey, Inc.

Family Tree, Inc., Federally Employed Women, Feminist Majority, Florida Consumer Action Network, Gender Watchers, General Federation of Women's Clubs, Georgia Rural Urban Summit, Georgia Women Work, and Girls Incorporated.

Honorable Linda Tan-Whelan, Tan-Whelan & Associates, Inc., Illinois Alliance for Retired Americans, Institute for Women's Policy Research, Institute for Research on Women and Gender, Jewish Women's Coalition, Laborers' International Union of North America, Lebanon (MO) Business and Professional Women, and Legal Momentum.

Maine Center for Economic Policy, Maine National Organization for Women, Maine People's Alliance, Maine Women's Lobby, Maryland National Organization for Women, Michigan Conference of the National Organization for Women, Michigan Women Work, Middle Way House, Inc., Minnesota National Organization for Women, Missouri Women's Coalition, Missouri Women's Network, Montgomery County Commission for Women, and MOTHERS (Mothers Ought to Have Equal Rights).

Mothers and More, Mt. Pleasant National Organization for Women, NA'AMATUSA, National Alliance for Partnerships in Equity, National Association of Social Workers, Maine Chapter, National Association of Women Business Owners, National Coalition

Against Domestic Violence, National Committee on Pay Equity, National Council of Jewish Women, and National Council for Research on Women.

National Council of Women's Organizations, National Organization for Women, National Partnership for Women and Families, National Women's Conference, National Women's Law Center, National Women's Political Caucus, NCA Union Retirees, Negotiating Women, Inc., New Choices/New Options, New Hampshire National Organization for Women, and New York State National Organization for Women.

Ohio National Organization for Women, Older Women's League, Oregon Consumer League, Oregon Tradeswomen, Inc., PHASE, University of Arizona, Philadelphia Coalition of Labor Union Women, Project IRENE, Sargent Shriver National Center on Poverty Law, Scholar Bound, South Carolina Coalition Against Domestic Violence and Sexual Assault, South Dakota Advocacy Network for Women, South Dakota Family Economic Self-Sufficiency Project, and St. Louis Coalition of Labor Union Women.

Teachers as Leaders and Learners Program at The College of New Jersey, Tennessee Healthcare Campaign, The Business Women's Network of Howard County, Tradewomen, Inc., Tradewomen Now and Tomorrow, The Media Project, The Washington Lawyers' Committee for Civil Rights & Urban Affairs, The Women's Center at Carnegie Mellon University, The Women's Office, Sisters of Charity, BVM, and The Women's Union.

United Food and Commercial Workers International Union (UFCW), United University Professions, U.S. Action, U.S. Women's Chamber of Commerce, Wider Opportunities for Women, Women of Reform Judaism, Women Work! The National Network for Women's Employment, Women's Center of Fayetteville, Women's Center of Greater Lansing, and Women's City Club of New York.

Women's Committee of 100, Women's Edge Coalition, Women Employed, Women For: Orange County, Women in Media and News, Women's Prerogative, Women's Research and Education Institute, Women's Resource Center, Women's Resource Center of Alamance County, North Carolina, Women's Resource Center of Central Oregon, World of Women SI Inc., Zonta Club of Pasadena, and 9 to 5, National Association of Working Women.

UNITED STATES SENATE,
Washington, DC, April 12, 2005.

Secretary ELAINE CHAO,
Department of Labor,
Washington, DC.

DEAR SECRETARY CHAO: I'm writing to express my surprise and concern at your ongoing plans to eliminate the women worker series in the Current Employment Statistics program.

Full and accurate gender employment information is a vital part of ending the longstanding economic discrimination against women in our society. As you know, women today earn 76 cents for every dollar earned by men. They work disproportionately in lower-paying occupations, and have far lower lifetime earnings than men. By eliminating the CES data, the Department will make it more difficult for Congress, researchers, and policymakers to understand the true nature of gender inequality in the workforce, and harm our efforts to eliminate it.

I understand that the Department has received nearly 5,000 comments about these proposed changes, and 90 percent of them urged you to continue collecting the data on women workers. The CES data are obviously the best sources of information on employment trends, and are indispensable to any analysis of job discrimination against women.

The Current Population Survey is not an adequate substitute, since it provides a far less accurate view of general employment trends than the payroll survey. The benefit of reducing the burden of the CES survey on employers is miniscule compared to the significant damage caused by eliminating the data series.

In light of the importance of the series and the broad support for its continuation, I urge you to continue to collect and provide these essential data.

With respect and admiration,

Sincerely,

EDWARD M. KENNEDY.

FEBRUARY 16, 2005.

MS. AMY A. HOBBY,
Bureau of Labor Statistics,
Washington, DC.

DEAR MS. HOBBY: On behalf of the 505,000 women business Women Impacting Public Policy (WIPP), in accordance with the advisory authority granted us in Public Law 100–553, and on behalf of Chair Marilyn Carlson Nelson and the other members of the National Women's Business Council, I am writing you today to comment upon proposed changes to the Bureau of Labor Statistics' Current Employment Statistics survey—in particular the proposal that the information from this survey no longer be made available by gender of worker.

As you may know, the mission of the National Women's Business Council is to provide advice and counsel to the President and his Administration and to the U.S. Congress on issues of importance to women business owners and their enterprises. In this capacity, we conduct research on issues of importance to the women's community, communicate those findings widely, connect the women's business community to one another and to federal policy makers, and—in so doing—create positive change for an estimated 15.6 million women who are engaged in the sole or shared ownership of approximately 10.6 million businesses in the United States.

Research has shown that among the greatest challenges faced by women in business—in addition to access to capital, training and technical assistance, markets and networks—is being taken seriously as contributors to our economy. One of the most significant ways in which women have achieved visibility, and thus recognition, for their economic contributions has been through the collection and dissemination of statistics monitoring their participation in the workforce, and their progression from non-supervisory to managerial positions, and from there to self-employment and business ownership. The gender-disaggregated information currently available through the BLS' Current Employment Statistics is a vital thread in the fabric of federal government data on the economic contributions of women. Regular, detailed information by industry and location is critical to understanding women's employment patterns as well as their progress (or lack thereof) over time.

The National Women's Business Council strongly opposes the proposed elimination of the collection of gender-based information from the CES. The elimination of gender as an item in the survey would not save a significant amount of money nor significantly reduce respondent burden, but—on the other hand—it would seriously impede analysis and monitoring of women's progress in the workforce and their contributions to our economy.

We are supportive of proposed efforts to pursue optical character recognition (OCR) and Web-based technologies to enhance survey response rates, increase efficiency, and save time and money.

We agree that such technologies have advanced to such a point that they can be reasonably incorporated into the survey methodology.

The Council welcomes the opportunity to provide the Bureau of Labor Standards our thoughts and comments on these important issues. We look forward to reading the comments of other organizations and interested parties, and you can be assured that the Council will closely monitor this most important issue. Knowledge fuels action, and one cannot responsibly react to and manage that which is not measured. The BLS has played an important role in women's economic development through the information published from the CES, CPS and other surveys. Again, it is vitally important that gender-disaggregated information continue to be made available to federal policy makers, to advisory bodies like the National Women's Business Council, and to the women's business community at large.

Sincerely,

JULIE R. WEEKS,
Executive Director,
Women Impacting Public Policy.

FEDERAL RESERVE BANK OF NEW YORK,
New York, NY, February 22, 2005.

U.S. Bureau of Labor Statistics,
Division of Current Employment Statistics,
Washington, DC.

TO THE BUREAU OF LABOR STATISTICS: This letter is in response to the request for public comment on the proposed discontinuation of the Women Workers Series (WWS) from the Current Employment Series. Economists in the Research and Statistics Group at the Federal Reserve Bank of New York recently learned of the existence of the WWS and are currently engaged in research using it to study the gender differences that underlie the unusual recent cyclical pattern of employment.

The attached is a synopsis of preliminary findings that suggest that time series patterns of employment for men and women are different, vary among recessions, and show no evidence of recent convergence. The approach follows recent work by Erica Groshen and Simon Potter (published in the August 2003 edition of the Federal Reserve Bank of New York's Current Issues in Economics and Finance) that finds it likely that the recent recession had a stronger cyclical component than previous recessions.

Gender disparities are of particular interest at the moment because the labor force participation rate for women during the past recession has fallen more than usual and as yet shows no sign of recovery. These results have interesting policy implications if they allow us insight into whether the decline in participation indicates enhanced cyclicality or a secular drop in women's labor force participation.

Our previous understanding of sectoral reallocations and heterogeneity is based largely on analysis of industry-level CES aggregate data. Household-based data series have too much sampling error to allow analysis by industry much beyond the 1-digit level and are not seasonally adjusted. The technique used here relies on seasonally adjusted data with more disaggregation than is available from the Current Population Survey (CPS)—particularly on a timely basis (that is, before the CPS microdata are released). It also requires a long time series, since recessions are rare events. CPS data are sparse before the 1980s.

The lack of prior use of the WWS may reflect the lack of visibility of the series on the BLS website and in news releases. Indeed, Groshen and Potter learned of its existence only this fall, when they discovered it in the Haver Analytics DLX database. Despite their many years of research in labor

economics, neither had encountered it before.

In light of our experience and intriguing recent findings, we do not support elimination of the WWS. Rather than discontinue an informative series with such a long history, we suggest that the BLS consider highlighting its existence among the community of data users and issuing a periodic release. Use might rise substantially. Such an effort would be the best way to judge the advisability of taking the drastic step of eliminating the WWS at a time when it may be particularly useful for understanding current macroeconomic phenomena.

Thank you for your consideration on this important issue.

Sincerely,

JOSEPH S. TRACY,
Executive Vice President and Director of Research.

Mr. SPECTER. Mr. President, this amendment would require the Bureau of Labor Statistics to continue collecting data on women workers in the current employment statistic survey.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2246), as modified, was agreed to.

Mr. HARKIN. 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.

AMENDMENT NO. 2244

Mr. SPECTER. Mr. President, I call up amendment No. 2244.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SPECTER], for Mr. DAYTON, proposes an amendment numbered 2244.

Mr. SPECTER. 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 for the production and mailing of a corrected Medicare and You handbook)

On page 156, line 2, strike ''Funds.'' and insert ''Funds: *Provided further,* That the Secretary, by not later than January 1, 2006, shall produce and mail a corrected version of the annual notice required under section 1804(a) of the Social Security Act (42 U.S.C. 1395b–2(a)) to each beneficiary described in the second sentence of such section, together with an explanation of the error in the previous annual notice that was mailed to such beneficiaries.''.

AMENDMENT NO. 2244

Mr. SPECTER. Mr. President, I ask unanimous consent that the pending amendment be set aside and we call up amendment 2244.

The PRESIDING OFFICER. The amendment is currently pending.

Mr. SPECTER. Mr. President, this amendment requires the Secretary to issue a new ''Medicare & You'' handbook. There are many errors in the handbook. The book should be reissued and mailed out again. This has been cleared on both sides.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2244) was agreed to.

Mr. HARKIN. 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.

Mr. SPECTER. With respect to tomorrow's schedule, we will have a cloture vote anticipated to be at 10 o'clock tomorrow morning.

The PRESIDING OFFICER. The majority leader is recognized.

UNANIMOUS-CONSENT AGREEMENT—S.1042

Mr. FRIST. Mr. President, I ask consent that at a time determined by the majority leader, with concurrence of the Democratic leader, the Senate will resume consideration of S. 1042, the Defense authorization bill, and it be considered under the following limitations: All of the pending amendments be withdrawn and the bill be considered as follows: the only first-degree amendments in order be up to 12 amendments to be offered by each of the two leaders or their designees; provided further that the amendments be within the jurisdiction of the Committee on Armed Services or relevant to the underlying bill; further, that these amendments be subject to second degrees which are to be relevant to the amendment to which they are offered; provided further that first-degree amendments be limited to 1 hour of debate equally divided in the usual form, with any second degrees limited to 30 minutes of debate equally divided; provided further that the only other amendments in order other than the above-listed amendments be those managers' amendments which have been cleared by both managers of the bill.

I further ask that there be 2 hours of general debate on the bill divided between the two managers. Finally, I ask consent that at the expiration of that time and the disposition of the above amendments, the bill be read the third time and the Senate proceed to a vote on passage of the bill as amended, if amended, with no intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FRIST. Mr. President, I am pleased we were finally able to reach a consent agreement on this very important bill that we have attempted to address more fully twice in the past, the Defense authorization bill. This will allow the Senate to return to the bill and complete it in a timely manner, in an orderly manner, with the amendments that are relevant to the issue at hand; that is,the issue of providing for our armed services. We will look for an appropriate window of time to resume the bill. I believe, under the guidance of the experienced chairman and ranking member, we should be able to complete that bill within 2 or possibly 3 days.

I thank everyone for working so hard to bring us to this point, for their patience and cooperation, and allowing us to go forward with this agreement, and I look forward to completion of that Defense authorization bill.

The PRESIDING OFFICER. The minority leader.

Mr. REID. Mr. President, this is not the time for protracted debate on why we are here, why we are not here. We are here. One of the most important bills this Congress must decide every year is this Defense authorization bill.

The majority leader and the two managers of the bill, Senator WARNER and Senator LEVIN, know—because I have sent them every letter I have sent to my distinguished colleague, the Senator from Tennessee—I strongly support the Senate consideration of the Defense authorization bill since it was unanimously passed by the Committee on Armed Services last May. We have a lot to do around here. I suggest there is nothing more important than taking care of the U.S. military. This is not the way to handle the bill, I recognize that, but it is the only way left we can handle this bill.

I hope the two managers can help work through these amendments. I know they are ready to accept scores of amendments once we get to this bill. I hope the 12 on each side are amendments that will be good for the Senate, good for this institution, and, of course, very good for the armed services of our country. If that is the case, it will be good for our country.

As I have said, this is not a time for pointing fingers. I am glad we are here even though that is not how I wanted to get here.

Mr. WARNER. Mr. President, I wish to thank our distinguished two leaders. On behalf of Senator LEVIN and myself, we assure our two leaders we will deal with this expeditiously, with the cooperation of the Senate. I am certain we can have an armed services bill this year. This is a nation at war. We have no alternative.

I yield the floor.

AMENDMENTS NOS. 2248, 2250, AND 2249, EN BLOC

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Ms. LANDRIEU. Mr. President, we have several amendments to consider this evening. I will be very brief.

I ask unanimous consent to call up three amendments, to talk about them in 5 minutes, and then to set a vote whenever it is within the purview of the managers: amendment Nos. 2248, 2250, and 2249.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana [Ms. LANDRIEU] proposes amendments en bloc numbered 2248, 2250, and 2249.

Ms. LANDRIEU. I ask unanimous consent to dispense with the reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 2248

(Purpose: To increase appropriations for the Federal TRIO programs for students affected by Hurricanes Katrina or Rita)

At the end of title III (before the short title), add the following:

SEC. ___. FEDERAL TRIO PROGRAMS FOR HURRICANE AFFECTED STUDENTS.

(a) ADDITIONAL AMOUNTS FOR FEDERAL TRIO PROGRAMS.—In addition to amounts otherwise appropriated under this Act, there are appropriated, out of any money in the Treasury not otherwise appropriated, $5,000,000 to carry out the Federal TRIO programs under chapter 1 of subpart 2 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070a–11 et seq.) for students affected by Hurricanes Katrina or Rita in their respective institution of higher education.

(b) OFFSET FROM DEPARTMENTAL MANAGEMENT FUNDS.—Notwithstanding any other provision of this Act, amounts made available under this Act for the administration and related expenses for the departmental management for the Department of Labor, the Department of Health and Human Services, and the Department of Education, shall be reduced, on a pro rata basis, by $5,000,000.

AMENDMENT NO. 2250

(Purpose: To provide funding to carry out the Mosquito Abatement for Safety and Health Act)

At the end of title II (before the short title), add the following:

SEC. ___. MOSQUITO ABATEMENT FOR SAFETY AND HEALTH ACT.

From amounts appropriated under this Act for the Centers for Disease Control and Prevention for infectious diseases-West Nile Virus, there shall be transferred $5,000,000 to carry out section 317S of the Public Health Service Act (relating to mosquito abatement for safety and health) with preference given to areas at greater risk of the West Nile Virus because of the effects of Hurricanes Katrina and Rita.

AMENDMENT NO. 2249

(Purpose: To require that any additional community health center funding be directed, in part, to centers in areas affected by Hurricane Katrina or Hurricane Rita)

At the end of title II (before the short title), add the following:

SEC. ___. FUNDING FOR COMMUNITY HEALTH CENTERS IN HURRICANE KATRINA OR HURRICANE RITA AFFECTED AREAS.

Notwithstanding any other provision of law, if the amount appropriated under this Act for community health centers is more than the amount appropriated for such centers for fiscal year 2005, then—

(1) 5 percent of such excess amount shall be directed to establishing or expanding community health centers in areas affected by Hurricane Katrina or Hurricane Rita; and

(2) 5 percent of such excess amount shall be directed to community health centers serving patients affected by Hurricane Katrina or Hurricane Rita.

Ms. LANDRIEU. Mr. President, first of all, all three of these amendments are small in number but important in scope. Each seeks to take money that is already appropriated in the underlying bill and direct and target it, if you will, to the gulf coast area for some extraordinary needs. We have been struggling to find a way to provide for the unprecedented natural disaster that has occurred in the Rita-Katrina areas of Texas, Louisiana, Mississippi, and Alabama.

There are many important programs in this bill that seek to send important aid around the Nation. There are three programs I have chosen to bring to the attention of the Senate tonight in very small amounts that could provide great help to the people of our region.

One is the TRIO Program, which has been extremely successful in helping first-generation college students to pursue a degree. Of course, we know 80 percent of all jobs in the future will require some college. This TRIO Program is federally funded but locally led and has been extremely effective, with great support from Republicans and Democrats, the House and the Senate.

The purpose of my amendment is to target $5 million of the money in here toward Katrina-related areas—Katrina-Rita—to make sure our universities and the thousands of students who have been displaced can have a little extra funding to help them at this time.

The second amendment has to do with community health centers that are going to see, because of the good work of the ranking member and the chairman, an increase of $105 million in a competitive grant—additional money for community health centers. One of these amendments takes just 10 percent of the increase of $105 million and directs it to Katrina-Rita areas, as we have to stand up a new health care system for the region. It would be given out by the Department. Again, it is another way to not add money but to just direct and target money that we are already spending—not taking it away from anyone but targeting some of the increase to our region.

Finally, the third amendment would do the same thing for mosquito abatement. We are hopeful we will not get the avian flu that seems headed our way. For those in Louisiana, Mississippi, and Alabama, we worry about the disease that can be spread—West Nile—by mosquitos. Our health officials say the mosquito populations, because of the extraordinary flooding, have increased by 800 percent. Since October 18, there have been 81 cases and 6 fatalities. Again, my amendment takes money that is already designated and sends $5 million of the $40 million to the Katrina-Rita areas.

I ask my colleagues to look favorably on these three amendments. Again, they are small amounts of money, but they could go a long way. They do not add money to the deficit. They do not take money away from anyone else because we are taking a portion of the increase. That portion is based on our population in the region.

It is quite reasonable. I hope the managers will accept them. If not, we can have a vote sometime tomorrow.

I yield the floor.

AMENDMENT NO. 2265, AS MODIFIED

The PRESIDING OFFICER. The Senator from Maine is recognized.

Ms. COLLINS. Mr. President, I ask unanimous consent that the pending amendments be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. COLLINS. I call up amendment 2265, and I send a modification to the desk.

The PRESIDING OFFICER. The amendment will be so modified.

The clerk will report.

The legislative clerk read as follows:

The Senator from Maine [Ms. COLLINS] and Mr. FEINGOLD, propose an amendment numbered 2265, as modified.

Ms. COLLINS. I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment, as modified, is as follows:

(Purpose: To fund grants for innovative programs to address dental workforce needs)

At the appropriate place in title II, insert the following:

SEC. ___. From amounts appropriated to the Health Resources and Services Administration, $5,000,000 shall be available to fund grants for innovative programs to address dental workforce needs under section 340G of the Public Health Service Act (42 U.S.C. 246g).

Ms. COLLINS. Mr. President, 3 years ago, the Senate enacted and the President signed into law the Dental Health Improvement Act as part of the health care safety net amendments of 2002. This was legislation authored by the Senator from Wisconsin, Mr. FEINGOLD, and myself which authorized grants to States to help them develop innovative dental workforce development programs tailored to their specific needs.

I rise today to offer an amendment with my colleague from Wisconsin to provide $5 million for this important program next year to help States improve access to oral health care by strengthening the dental workforce in our Nation's rural and underserved communities.

While oral health in America has improved dramatically over the last 50 years, these improvements have not occurred evenly across all sectors of our population. Particularly, our low-income families have been left out. An estimated 25 million Americans live in areas lacking in adequate dental services. Astoundingly, as many as 11 percent of our Nation's rural population has never been to a dentist.

The situation is exacerbated by the fact that our dental workforce is growing older. More than 20 percent of dentists nationwide will retire in the next decade. The number of dental graduates by 2015 will not be enough to replace these retirees. As a consequence, many States, particularly rural States like mine, are facing a serious shortage of dentists. In Maine, there is one general practice dentist for every 2,300 people in the Portland area. But the numbers drop off dramatically in other parts of our State. In Aroostook County, for example, which is where I am from, there is only 1 dentist for every 5,500 people. And of the 23 practicing dentists in Aroostook County, only 6 are taking on new patients. Moreover, at a time when tooth decay is the most prevalent childhood disease in America, Maine has fewer than 10 specialists in pediatric dentistry, and virtually all of them are located in the southern part of the State.

The Collins-Feingold Dental Health Improvement Act authorized a new State grant program administered by the Health Resources and Services Administration that is designed to improve access to oral health services in rural or underserved areas.

Now, States could use these grants for a variety of programs. For example, they might use the grant for loan forgiveness or repayment programs for dentists practicing in underserved areas. They could also use the grant funds to establish or expand community- or school-based dental clinics or to set up mobile or portable dental facilities.

To assist in their recruitment and retention efforts, States could use the funds for placement and support of dental students, residents, and advanced dentistry trainees. Or they could use the grants for continuing education, for distance-based education, and practice support through teledentistry.

Our amendment is supported by the American Dental Association, the American Dental Education Association, the American Dental Hygienists Association, and other members of the Dental Access Coalition. It is also fully offset.

There is clearly a need to make our oral health care services more accessible in our Nation's rural and underserved communities.

Again, I end my remarks with what I think is a troubling and astonishing statistic; and that is, that 11 percent of rural Americans have never been to the dentist. This is a serious public health challenge, and this modest investment could make a real difference.

I urge all of my colleagues to join Senator FEINGOLD and me in supporting this amendment.

I thank the subcommittee chairman and ranking member for working so closely with us to identify an appropriate offset.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DEMINT). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mrs. MURRAY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. MURRAY. Mr. President, I ask unanimous consent that the pending amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2285

Mrs. MURRAY. Mr. President, I ask unanimous consent that amendment No. 2285 be called up and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Washington [Mrs. MURRAY] proposes an amendment numbered 2285.

Mrs. MURRAY. 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 insert provisions related to an investigation by the Inspector General)

At the end of title II (before the short title), insert the following:

SEC. ____. (a) There are appropriated $3,000,000 to the Office of Inspector General to conduct a investigation of the management of the Food and Drug Administration to pursue examples of mismanagement and promote economy and efficiency in the Department.

(b) The investigation under subsection (a) shall not include any investigation of a former Commissioner of Food and Drugs, but shall include investigation of the actions by the Food and Drug Administration with respect to the over-the-counter application for the drug Plan B.

(c) Not later than 60 days after the date of enactment of this Act, the Inspector General shall complete the investigation under this section and submit a report to the Subcommittee on Labor, Health and Human Services, Education and Related Agencies of the Committee on Appropriations of the Senate on the findings of such investigation.

(d) Notwithstanding any other provision of this title, amounts made available under this Act for the Office of the Secretary shall be reduced by $3,000,000 and transferred to the Office of Inspector General to conduct the investigation under this section.

Mrs. MURRAY. Mr. President, I rise this evening to offer an amendment that really need not be offered. In fact, each time I come to the floor of the Senate to talk about Plan B and the FDA, I hope it will be the last time. I continue to hope that the FDA or Health and Human Services will do the right thing and finally put science and safety and efficacy over politics. Unfortunately, over the course of the past several years, as you can see by the timeline shown behind me, I, along with millions of Americans, have been disappointed time and time again.

I have always supported a strong and independent Food and Drug Administration. It is the only way in which the FDA can truly operate effectively and with the confidence of American consumers and health care providers. Americans have to have faith that when they walk into their local grocery store or their local pharmacy, the products they purchase are safe, effective, and that their approval has been based on sound science.

They have to be assured that those decisions were not based on political pressure or pandering to interest groups. That is why the application process for Plan B emergency contraceptives has been so troubling to me and many others.

Back in December of 2003, almost 2 years ago, the FDA's own scientific advisory board overwhelmingly recommended approval of Plan B's over-the-counter application by a vote of 23 to 4. But the FDA has not adhered to its own guidelines for drug approval and continues to this day, after all of these actions, to drag its feet.

In fact, Alastair Wood, who is a member of the advisory panel, said:

What's disturbing is that the science was overwhelming here, and the FDA is supposed to make decisions based on science.

It is obvious to me and to many of my colleagues—and to millions of American women and men—that something other than science is going on at the FDA. It is far past time to get to the bottom of it. That is why tonight I am offering this amendment which will shift $3 million from the Office of the Secretary to the Office of the Inspector General at the Department of Health and Human Services. This funding will help the inspector general's office to investigate potential mismanagement at the FDA. This investigation will be separate from ongoing investigations of the former Commissioner, Lester Crawford, and it will include, but not be limited to, over-the-counter application for Plan B.

Let me be clear: The men and women of the FDA work very hard. They adhere to the principles of science. They do a job that all Americans can be proud of. But their hard work is being undermined and it is overshadowed by the Agency's own leadership. If the leadership at the FDA and HHS don't take steps to restore the confidence of American consumers in the FDA's ability to promote safe and effective treatments, then Congress has a duty to step in. The health and well-being of the American people should not blow with the political winds. Caring for the people we represent is an American issue, and part of that goal is reassuring that Americans have access to safe, effective medicines in a timely fashion.

Time and time again, I, along with my colleague, Senator CLINTON of New York, and others, have asked for a decision on Plan B. We have not dictated that we want a yes. We have not dictated that we want a no. We have simply said: We want a decision. This continued foot dragging—day after day, month after month, year after year—is unusual, unwarranted, and unprofessional. This continued delay goes against everything the FDA's own advisory panel found nearly 2 years ago: that Plan B is safe and it is effective and should be available over the counter. There is no credible scientific reason to continue to deny increased access to this safe health care option, but there is even less reason to deny an answer.

This is not the last word on this issue. The problem with politics subverting the FDA's adherence to science and its integrity is so profound and so urgent, I intend to use every tool available to me as a Senator to make sure that this discussion about our priorities and our future is not lost.

I ask my colleagues to do what we tell the FDA to do, which is to make decisions based on science and safety and efficacy true, and we don't turn the gold standard we have at the FDA into a mockery. It would be a disservice to every citizen, every American who walks into a drugstore and counts on the fact that when they buy a drug over the counter or a prescription, they know it is safe and effective.

This is an urgent matter. That is why I am on the floor to offer my amendment, which will simply shift money from the Office of the Secretary to the Office of the Inspector General, so we can get to the bottom of it.

I urge my colleagues to support the amendment. I yield the floor.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. THUNE. Mr. President, is there an amendment pending?

The PRESIDING OFFICER. Yes, there is.

Mr. THUNE. I ask unanimous consent that the pending amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2193, AS MODIFIED

Mr. THUNE. Mr. President, I call for the regular order on my amendment No. 2193 and would like to speak in support of that.

I rise today, along with my colleagues, Senators CONRAD, CRAPO, BROWNBACK, TALENT, CHAFEE, and BURNS, in support of an amendment that is pending at the desk that would provide funding to the Office for Advancement of Telehealth, located under the Health Resources and Services Administration.

Telehealth is not only an important component of health care in rural States like South Dakota; it is important to patients and health care providers throughout the United States.

Telehealth is an innovation that promises greater access and higher quality health care with reduced costs. Telehealth uses telecommunications and information technologies to provide health care services at a distance. These communications and information technologies provide people access to quality health care in underserved areas.

Three years ago, Congress enacted a bill called the Health Care Safety Net Amendments Act of 2002. This legislation was approved unanimously in the Senate and passed the House with only five dissenting votes. Section 211 of the bill provided the authority for Congress to fund at least $60 million for certain telehealth activities.

Sadly, 3 years have passed and Congress has yet to appropriate a dime for these important provisions. My amendment provides $10 million for the telehealth activities authorized by the 2002 Health Care Safety Net Amendments. This is one-sixth of the authorized amount and less than one percent—one-seventh of one percent—of the budget for HRSA.

Specifically, my amendment would appropriate $2.5 million for the development of 10 telehealth resource centers. These centers, two of which are required to be located in a State with less than 1.5 million people, would help assist the telehealth community in breaking down barriers to the adoption of telehealth.

My amendment also provides $5 million for network grants and grants for telehomecare pilot projects. In order to be efficient and effective, telemedicine must have strong telecommunication networks.

In addition to these grants, my amendment provides $2.5 million for grants to State health licensing boards to develop and implement cooperative policies that reduce statutory and regulatory barriers to telehealth.

S. 1418, the Wired for Health Care Quality Act, introduced by Senator ENZI on July 18, specifically reauthorizes Section 330L(b) of the Public Health Service Act, which allows the Secretary of Health and Human Services to make grants to State professional licensing boards to reduce statutory and regulatory barriers to telemedicine. My amendment simply appropriates funds for this authorization.

Last year, the Office for the Advancement of Telehealth within HRSA was funded at only $3.9 million. OAT was only able to make 14 competitive grant awards. The budget for this lead agency for telehealth has been cut by ⅓ over the past 5 years.

Congress spoke when it passed with broad bipartisan support the Health Care Safety Net Amendments Act of 2002. It is time to put our money where our mouth is and start to put some real resources in this area.

Last year, we provided absolutely no funds for the telehealth safety net provisions. Surely we can find a way to provide $10 million in the entire budget for one of the most promising opportunities to help control the rising cost of health care.

My amendment does not break the budget caps. It merely reallocates $10 million for telehealth services from the billions in administrative costs in this budget. On July 8, 2005 a letter was sent to Chairman SPECTER and Ranking Member HARKIN on behalf of over 200 individuals and telehealth organizations across the country, supporting an increase in funding for telehealth.

My amendment answers their call for funding and wider adoption of telehealth.

Telehealth has the promise of delivering quality, efficient health care to individuals in remote, isolated or even devastated areas. Telehealth applications have been proven effective in extending medicine's reach to underserved areas across the Nation.

The $10 million provided by my amendment, while modest, will have an impact on almost every health activity in this giant bill.

Additionally, my amendment is fully offset by reducing the departmental management accounts of the Department of Labor, the Department of Health and Human Services, and the Department of Education pro rata by .0065 percent. The Congressional Budget Office has declared this amendment as budget neutral.

This is a very small investment in the future of our Nation's health care system. I urge my colleagues to support the amendment.

Of all the things we will debate in this particular bill about how to lower health care costs, how to make quality health care more available to more people, the promise of telehealth can do more to meet that critical objection than almost anything else. This is taking state-of-the-art technology and thinking, state-of-the-art information systems and applying them in a way that can meet health care needs across the country, not just in rural areas, but also in urban ones. It is high time we took advantage of this incredible asset and put it to work for health care needs of Americans.

Mr. President, I ask unanimous consent to print in the RECORD a letter from the American Hospital Association in support of my amendment. Some examples of the organizations that support my amendment are the following: Home Care Technology Association of America; Center for Telemedicine Law; Federation of State Medical Boards, Consumer Health Access Through Technology Coalition; American Telemedicine Association; National Rural Health Association; Northland Healthcare Alliance; University of Missouri Health Care; Northcentral Montana Healthcare Alliance; Avera McKennan Telehealth Network; Avera St. Luke's; Rapid City Regional Hospital Home Care Department; Horizon Health Care, Inc.; Sioux Valley Telehealth; Sioux Valley Visiting Nurses; South Dakota Board of Nursing.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMERICAN HOSPITAL ASSOCIATION,
October 25, 2005.

Hon. JOHN THUNE,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR THUNE: The American Hospital Association, on behalf of our 4,800 member hospitals, health systems and other health care organizations, and our 33,000 individual members, is pleased to support your amendment to the fiscal year (FY) 2006 Labor, Health and Human Services, and Education appropriations bill adding $10 million for telehealth activities authorized by the Health Care Safety Net Amendments of 2002. We applaud your effort to fund these activities, which can play a vital role in increasing access to health care services for underserved rural and urban populations.

Congress overwhelmingly passed the Health Care Safety Net Amendments, and in doing so authorized more than $80 million in grants to help providers overcome technical, legal, regulatory, and service delivery barriers to implementing telehealth programs. Several urban and rural hospitals would be among those who would benefit from these grant programs, which, unfortunately, have never received funding.

Your amendment will provide a vital downpayment toward the resources needed to implement telehealth programs. These programs have the potential to expand access to health care services, improve training of health care providers, and expand the quality of available health information. As a result, hospitals will be better able to overcome many of the barriers to telehealth technology adoption and work to further improve the safety net for underserved populations, as envisioned by the Health Care Safety Net Amendments.

We look forward to working with you and your colleagues to ensure passage of this important amendment.

Sincerely,

RICK POLLACK,
Executive Vice President.

AMENDMENT NO. 2193, AS FURTHER MODIFIED

Mr. THUNE. Mr. President, I send a modification to my amendment to the desk and ask for its consideration.

The PRESIDING OFFICER. Without objection, the amendment is further modified.

The amendment, as further modified, is as follows:

At the end of title II (before the short title), add the following:

SEC. ___. TELEHEALTH.

(a) APPROPRIATION.—Of the amounts appropriated to the Health Resources and Services Administration, $10,000,000 shall be to carry out programs and activities under the Health Care Safety Net Amendments of 2002 (Public Law 107–251) and the amendments made by such Act, and for other telehealth programs under section 330I of the Public Health Service Act (42 U.S.C. 254c–14), of which—

(1) $2,500,000 shall be for not less than 10 telehealth resource centers that provide assistance with respect to technical, legal, and regulatory service delivery or other related barriers to the deployment of telehealth technologies, of which not less than 2 centers shall be located in a rural State with a population of less than 1,500,000 individuals;

(2) $5,000,000 shall be for network grants and demonstration or pilot projects for telehomecare; and

(3) $2,500,000 shall be for grants to carry out programs under which health licensing boards or various States cooperate to develop and implement policies that will reduce statutory and regulatory barriers to telehealth.

(b) OFFSET.—On page 137, line 9 strike $480,751,000 and insert $470,751,000.

Mr. THUNE. I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

AMENDMENT NO. 2300

Mr. ENSIGN. Mr. President, I ask unanimous consent that the pending amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ENSIGN. I call up amendment No. 2300.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. ENSIGN], for himself, Mr. WARNER, and Mr. ALLEN, proposes an amendment numbered 2300.

Mr. ENSIGN. 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 prohibit funding for the support, development, or distribution of the Department of Education's e-Language Learning System (ELLS))

At the end of title III (before the short title), insert the following:

SEC. ___. PROHIBITION REGARDING THE E-LANGUAGE LEARNING SYSTEM.

Notwithstanding any other provision of this Act, none of the funds made available under this Act shall be used to support, develop, or distribute the Department of Education's e-Language Learning System (ELLS).

Mr. ENSIGN. Mr. President, I yield the floor.

AMENDMENT NO. 2213

Mr. OBAMA. Mr. President, I rise today to express my disappointment in the failure of this body to approve an amendment offered yesterday by Senator KENNEDY to increase the financial support provided to students though the Pell Grant program.

Pell Grants represent by far the largest source Federal grant aid for postsecondary education and provide necessary financial support for many students. My support of this amendment echoes the first piece of legislation I introduced in the Senate and a promise I made during my Senate campaign. That promise, and that legislation, was the Higher Education Opportunity through Pell Grant Expansion Act of 2005, S.697—the HOPE Act. My statement today expresses my continuing efforts on behalf of students who need our support to continue their education.

Many students know that realizing their dreams depends on a college diploma, and, for many, the chance to earn that diploma is dependent on the Pell Grant program. As students dream of that diploma, they also worry about how to pay for it. The statistics confirm their worries. College tuition is rising almost 1 percent a year, and over the last 25 years, it's gone up more than fivefold. Because of these rising prices, over 200,000 students were priced out of college altogether just last year.

Today, need-based Pell Grants are used by 5.3 million undergraduate students, and 85 percent of these grants go to families earning less than $40,000. Over too long of a period, the amount of these awards has not kept up with the spiraling price of tuition or even with the rate of inflation. As a result, the current $4,050 Pell Grant maximum is insufficient.

This amendment would have raised that amount to $4,250, and represented one step toward making college more affordable for those students who have worked hard to keep alive their hope of earning a college diploma. Even in this time of shared sacrifice, I believe we must continue to support those hopes and the students who deserve a chance to turn them into reality. This remains a priority for me. Despite yesterday's vote, I will continue to work to increase support for our students though the Pell Grant Program.

LIHEAP

Mr. NELSON of Nebraska. Mr. President, due to skyrocketing home energy prices, millions of low-income households are facing an imminent heating emergency this winter. The Department of Energy projects the average family to incur heating costs of $1,099 or more this winter; an increase of 30–48 percent over last year's heating bills.

This is a concern, as volatile and record-high energy costs will inevitably lead to an increase in the number of missed mortgage payments and foreclosures.

LIHEAP is a very positive, effective partnership between the Federal Government, State governments and the private sector.

Leveraging private dollars to supplement Federal dollars, LIHEAP has proven that successful relationships can exist between the government, businesses, gas and electric utilities and community-based social service organizations.

While States, local governments and the private sector have demonstrated their capacity to develop programs to address some energy assistance needs, collectively these programs cannot meet the demand for LIHEAP assistance. The need for energy assistance continues. However, we must ensure that we are addressing this assistance in a fiscally responsible way.

That is why, along with Senator CARPER, I have filed an amendment to provide an offset for funding for LIHEAP.

Specifically, my amendment increases the amount in the LIHEAP program by $1.6 billion.

Because of the severe budget deficits this country is facing today, I feel like wherever practical, we need to consider offsets.

That is why my amendment offsets this increase by using 3 changes in tax policy that have passed the Senate on numerous occasions—most recently as part of the Highway bill this past May. Unfortunately, these offsets were stripped in conference, which is why they are once again available for our use here to pay for additional funding for LIHEAP.

I am very hopeful my amendment will clear all necessary procedural hurdles to be considered on the Labor HHS appropriations bill. I will continue to encourage my colleagues to support a responsible offset for LIHEAP funding now and in the future. This is a critical program, but we are also facing a critical time with our budget and increased deficit spending—both are serious issues that require serious solutions.

AMENDMENT NO. 2212

Mr. OBAMA. Mr. President, I would like to speak on an amendment to H.R. 3010 that I was proud to introduce with the support of Senator DURBIN. This amendment increases funding for a program in the Department of Education that has proven success in improving student behavior and school climate in thousands of schools across the country: Positive Behavioral Interventions and Support.

A problem I hear about from teachers all the time is that disruptive students slow down the rest of the class, and can turn our schools into places unworthy of our most precious resource—our children. To help teachers in doing their important work of educating our children, I propose that we expand an

innovative program, already being used in states such as Illinois, that teaches students about positive behavior and expects the adults in our schools to set the same high standards for behavior as they do for achievement.

This system is called Positive Behavioral Interventions and Supports. PBIS is designed to deal with discipline problems in a research-based, experimentally-verified way, based on one simple premise: stop problem behavior before it starts. The problem might be a general lack of discipline, increasing school violence, or a loss of instructional time because of behavioral issues. PBIS has shown that schools benefit from unified and efficient interventions that specifically teach, model, and reward good behavior, while providing consequences for problem behavior.

Kids are smart. When a school has clear and effective expectations, agreed to by the adults in the school, they respond positively. When the expectations are disputed and ineffective, kids exploit the situation.

PBIS shows positive results. At one school in Illinois, when PBIS was implemented, suspensions decreased 85 percent, there was more time for teaching, and student test scores increased. It makes sense: with fewer disruptions, students can stay on task more, and so learn more. Successes such as these have been replicated in thousands of schools across the country.

Today, I am proposing that we expand our support for this technical assistance program in the Office of Special Education Programs at the Department of Education. PBIS has proven itself, and has already been adopted by many schools. Let's give all our children the benefit of high expectations and supports for good behavior. Let's give all our schools the opportunity to adopt this system. Let's support our kids by supporting PBIS.

I urge my colleagues to support this amendment.

Mr. FRIST. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. FRIST. I ask unanimous consent there now be a period of morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO CONGRESSMAN EDWARD R. ROYBAL

Mr. REID. Mr. President, it was a great privilege for me to serve in the House of Representatives. I loved my job in the House for a lot of reasons, one of which is I got to know a man by the name of Ed Roybal real well. Congressman Ed Roybal died Monday. I will sure miss him. My thoughts and my prayers are with his wonderful family.

For those of us who knew him, it is a time to reflect and really be sad. I remember Congressman Roybal as a very quiet man, with an unwavering commitment to justice and compassion. He was not much for giving speeches, but he was much for getting work done. He worked tirelessly over the past four decades on behalf of the poor, the elderly, those who are disenfranchised.

To get a glimpse of the kind of man he was, here he is, a senior Member of the House of Representatives, chairman of the Aging Committee, and one of the leaders on the Appropriations Committee. My dear wife became extremely ill, and she spent more than a month at UCLA Medical Center. I had just been elected to the Senate. I would fly from here to L.A. Ed Roybal would meet me at the airport and drive me to the hospital. That is the kind of guy he was.

He was always there for the people of California, just like he was there for his friend from Nevada. For the people of California and this country, he fought to increase educational, political, and economic opportunities.

As an advocate for Hispanics, he had no peer. He was a pioneer and a relentless leader. When he was young, Ed Roybal created an organization called Community Service Organization. This group began a crusade against discrimination in housing, employment, and education and also conducted voter registration and get-out-the-vote drives within the Latino community.

It is my understanding that he was the first Hispanic elected to the Los Angeles City Council—if not, he was one of the first. He was elected to Congress in 1963, the first Hispanic from California to serve since 1879. When he came to Washington, Ed Roybal was one of the few people fighting for the progress of Latinos. There was no Congressional Hispanic Caucus when he arrived, so he created one. It was founded by Ed Roybal. Later in 1976, he helped create the National Association of Latino Elected and Appointed Officials.

Getting more Hispanics involved in the political process was a passion of his, and he was a mentor of many Latinos. As part of this effort, he cofounded the Congressional Hispanic Caucus Institute. To this day, this organization is bringing a new generation of talented Latinos into the political system and supporting them as they follow in Ed's footsteps.

I served on his Aging Committee. His fingerprints are all over the last major immigration bill we had here. I went to Ed Roybal to find out how I should vote. I had great confidence in his integrity.

I wish we could all have known Ed as I felt I knew him. Everyone in Government should have known Ed Roybal. He, to me, was a shining example of what Government is all about: selfless, compassionate, committed to equality. He lent his voice and his life to making the American dream a reality for everyone.

On a more personal level, he loved to come to Las Vegas. He loved Las Vegas. I talked with his daughter, Lucille, yesterday and reminded her of that. She said: Yes, but he always left his credit cards at home. He only took enough money so he could have a good time. He would be there for me. He did Hispanic conferences for me. He did Aging Committee hearings. He was always there for me.

I know how proud he was of his daughter, Congresswoman Lucille Roybal-Allard. She has taken up his cause, so his legacy lives on in her work. But the burden does not fall only on her; it falls on us all.

When he died, opportunity lost one of its greatest champions. It is up to all of us to pick up on his absence and continue opening doors and building an America that works for everyone.

Mrs. FEINSTEIN. Mr. President, I rise to pay tribute to a great American, former Congressman Edward Roybal, who passed away on October 24, 2005, at the age of 89.

My heartfelt sympathy goes out to his family, especially to his daughter, my friend and colleague, Congresswoman LUCILLE ROYBAL-ALLARD.

As his friends and family gather to pay tribute and celebrate Ed's remarkable life, I ask all of my colleagues to join with me in paying tribute to the memory of this outstanding public servant.

Ed Roybal devoted over 50 years of his life to public service, 30 of those years as a Member of the House of Representatives from 1962 to 1992. During that time, Ed was a steadfast advocate on behalf of those without a voice.

His long and distinguished career in public service began in 1942. Having returned to Los Angeles, upon completion of military service, he became a director of health education for the Los Angeles County Tuberculosis and Health Association.

In 1949, he established the Community Service Organization to advocate for the rights of minorities in the areas of housing, employment, and education. That same year, he was elected to the Los Angeles City Council where he served until 1962.

When Ed was first elected to the House of Representatives in 1962, he was the first Hispanic from California to serve in Congress since the 1879 election of Romualdo Pacheco.

During his three decades of service in the House, Ed worked tirelessly to protect the rights of minorities, the elderly, and the physically challenged.

Together with Senator Ralph Yarborough of Texas, he championed the 1968 Bilingual Education Act to assist the Nation's schools in meeting the educational needs of children who come from non-English speaking homes. Later, he worked to establish a Cabinet Committee on Opportunities for Spanish- speaking people.

Ed Roybal was a national leader for the Latino Community. In 1976, he became one of the founding members of

the Congressional Hispanic Caucus and served as its first chairman.

Ed also played an important role in the passing of legislation to outlaw age discrimination, and he worked for numerous benefits and opportunities for those with handicaps.

Ed also continued to champion healthcare issues throughout his career in Congress. He led efforts to fund America's first AIDS research and treatment programs and was instrumental in renewing legislation to provide medical service to people with Alzheimer's disease. In recognition of his leadership on health care issues, the county of Los Angeles opened the Edward R. Roybal Clinic in East Los Angeles in 1976.

Over the course of his life, Ed cofounded several other organizations to increase civic participation of Hispanics, including the National Association of Latino Elected Officials and the Mexican American Political Association.

Ed Roybal was a true leader and pioneer for the City of Los Angeles, the State of California, and for the national Latino community. I feel very lucky to have known him. I know my colleagues join me in extending to his family our deepest sympathy and condolences. He will be greatly missed.

Mrs. BOXER. Mr. President, California and the Nation have lost a unique leader with the passing of former Congressman Ed Roybal.

In 1922, Ed Roybal moved to Los Angeles from New Mexico with his parents. He graduated from Roosevelt High School and attended UCLA before going off to fight in World War II. When he returned from the war, he returned to Los Angeles and joined the County's Department of Health Education in its County Tuberculosis and Health Association.

In 1947, Ed Roybal decided to run for a seat on the Los Angeles City Council in a district that was remarkably diverse and included Boyle Heights, Bunker Hill, Civic Center, Chinatown, Little Tokyo, and the Central Avenue District. Though he lost this race, he returned in 1949, winning in the same district. In part, his victory was based on a well organized effort to register Latino voters in the district. With this victory, he became the first Latino to serve on the Los Angeles City Council since 1881. He would serve on the council until 1962, when he was elected to the U.S. Congress.

When he took his seat in the House of Representatives in Washington, DC, Ed Roybal remembered his constituents and his roots. He worked tirelessly to ensure that Latinos were represented and that their interests were not diluted by redistricting changes. He often stood alone in these efforts.

Ed Roybal was also a tireless advocate for the elderly, and the working poor. He served as chairman of both the Select Committee on Aging and the Subcommittee on Health and Long Term Care, guiding legislation on health care, Social Security, housing and human services. He also helped to establish important programs in southern California, including scholarship programs at local colleges and universities.

In 1992, Ed Roybal was fourth in seniority in the House of Representatives and known as a legislator's legislator, crafting and passing landmark legislation. It was then that he opted for retirement, with his daughter, LUCILLE ROYBAL-ALLARD, running for and winning his seat. A generation of Latino leaders have followed in Ed Roybal's steps, including his daughter. It is very fitting that Congresswoman ROYBAL-ALLARD's office can be found in the Edward R. Roybal Federal Building in downtown Los Angeles. I ask my colleagues to join me in sending my deepest condolences to Congresswoman ROYBAL-ALLARD and her family on their personal loss.

California and its leadership have undergone remarkable changes since Ed Roybal first ran and won a seat on the Los Angeles City Council in 1949 and was later elected to Congress in 1962. Following his leadership and example, Latinos are represented in the Congress, in the state legislature and lead our most populous cities. And people across our Nation who depend on Social Security, who need medical care and who work for fair and representative elections can be grateful today for Ed Roybal's vital service to our Nation.

IN MEMORY OF ROSA L. PARKS

Mr. SANTORUM. Mr. President, I rise today in recognition of the passing of a great American, Mrs. Rosa L. Parks. Mrs. Parks was a woman of dignity, spirit and conviction, and throughout her life, she demonstrated immense courage in her quest to achieve equality for all Americans.

On December 1, 1955, Mrs. Parks made a decision that altered the course of American history. When asked by the driver of a Montgomery, AL, bus to give up her seat to a white man, Mrs. Parks refused. She was, she later stated, ''tired of giving in.'' By refusing to give in any longer, Mrs. Parks took a stance that required uncommon levels of courage and principle. With this single act, Mrs. Parks effectively kicked-off the modern civil rights movement and changed America forever.

In response to Mrs. Parks' refusal to leave her seat and her subsequent arrest, the African-American community in Montgomery, led by the Reverend Dr. Martin Luther King, Jr., organized the Montgomery Bus Boycott. For 381 days, members of the African-American community stood in solidarity with Mrs. Parks, refusing to utilize the bus system until the law legalizing segregation in public buses was lifted. Ultimately, Mrs. Parks took her case to the U.S. Supreme Court, where laws permitting segregated bus service were deemed unconstitutional. Because of Mrs. Parks, no African-American would ever be forced to move to the back of the bus again.

In addition to the Supreme Court decision, Mrs. Parks' actions, and the boycott that followed her arrest, injected a tremendous amount of energy into the Civil Rights Movement. Her actions helped make Americans all over the country aware of the extensive injustices African Americans were forced to endure. A catalyst for similar protests throughout our Nation, Rosa Parks and the Montgomery bus boycott served as a model for the non-violent protests that were central to the civil rights movement and contributed heavily to its ultimate success.

Mrs. Parks' commitment to equality for all Americans did not begin, or end, on the bus that day in 1955. After marrying Mr. Raymond Parks, who was also active in civil rights causes, she became a member of the Voters' League. In December 1943, Mrs. Parks became a secretary for the Montgomery branch of the National Association for the Advancement of Colored People. Later in life, Mrs. Parks founded the Rosa and Raymond Parks Institute for Self Development. Created in honor of her husband, this institute informs younger Americans of their history, running ''Pathway to Freedom'' bus tours that travel to important civil rights and Underground Railroad sites across the country.

Mr. President, our Nation has lost a great daughter and an American icon with the passing of Mrs. Rosa Parks. My deepest sympathies go out to her family, friends, and all who were fortunate enough to know and love this wonderful woman. While America will surely miss her, the legacy of Rosa Parks, who changed the face of our Nation and inspired generations of activism, will live on for years to come.

Mrs. BOXER. Mr. President, I rise to pay tribute to the inspired life of an American icon, Rosa Parks, who died on Monday, October 24, 2005 in Detroit, MI, at the age of 92.

Rosa Parks is often called the ''Mother of the Civil Rights Movement'' because of her courage in refusing to give up her seat in the black section of a Montgomery, AL, bus to a white man. Her refusal to tolerate racial prejudice paved the way for the civil rights gains that followed.

On December 1, 1955, Parks was a tired seamstress on her way home from work, sitting at the front of the section reserved for black bus riders. When the bus started to fill up, Parks refused to give up her seat after the bus driver demanded she move despite the fact that three fellow black people moved from their seats.

Parks was arrested and fined $14.00 for disorderly conduct and violating a city ordinance. Parks' family was harassed after the bus incident and she was fired from her job as a seamstress.

To protest Parks' arrest and bus segregation, the African American community formed the Montgomery Improvement Association, headed by the

young minister of the Dexter Avenue Baptist Church, Dr. Martin Luther King, Jr. The group organized a successful 381-day boycott of the bus system during which time African Americans in Montgomery walked, took taxicabs and formed carpools. The boycott took quite a toll on the finances of the bus system and provided a model for successful nonviolent resistance against racism in the U.S.

The boycott ended on November 13, 1956, after the U.S. Supreme Court upheld a lower court ruling that Montgomery's segregated bus system was unconstitutional. However, it wasn't until the 1964 Civil Rights Act that all public places in the U.S. were desegregated.

Of her refusal to move, Parks said, ''I only knew that, as I was being arrested, that it was the very last time that I would ever ride in humiliation of this kind.''

Rosa Parks was born Rosa Louise McCauley in Tuskegee, AL, on February 4, 1913, to James McCauley, a carpenter, and Leona Edwards McCauley, a teacher. In 1932, at the age of 20, she married Raymond Parks, a barber, and they remained married until his death in 1977. She attended Alabama State College, worked as a seamstress and housekeeper, and was active in the National Association for the Advancement of Colored People, NAACP, and the Montgomery Voters League to register and empower black voters. In 1943 she was elected Secretary of the Montgomery Chapter of the NAACP.

In 1957 she and her husband moved to Detroit, MI, where they remained active in the NAACP and the Southern Christian, Leadership Conference, SCLC. In 1965, she went to work for Congressman John Conyers, Jr., a civil rights leader, managing his Detroit office.

In 1987, in honor of her husband, she founded the Rosa and Raymond Parks Institute for Self-Development in order to motivate youth to reach their full potential through the philosophy of ''Quiet Strength.''

Parks remained active into her 80s, speaking to civil rights groups and accepting awards, including the Martin Luther King, Jr. Nonviolent Peace Prize, the Presidential Medal of Freedom and the Congressional Gold Medal.

I had the honor and privilege of meeting this incredible woman in the 1990s. She was dignified, brave and an inspiration to me and generations of Americans who care about equality, freedom and human dignity. Parks said it best in the following statement: ''To this day I believe we are here on the planet Earth to live, grow up and do what we can to make this world a better place for all people to enjoy freedom.''

Rosa Parks showed us that one person can change history and make a difference by taking a principled stand against injustice. Her legacy also teaches us that we must fight against continued inequality in America and around the world. We must never give up.

Mr. COLEMAN. Mr. President, the passing of Rosa Parks is an important occasion for us to remember her life and understand in a deeper way how history changes America. While we grieve the loss for her family, every American should be grateful that someone like her lived among us.

As we look at the challenges and injustices of the world around us, we often ask the question: how can we change the world? I think we often look in the wrong place for change. We look to big government, big business, big entertainment or big publishing to bring about change. But when we look at history, almost every big change started small.

The arrival of a few dozen Pilgrims on the North American continent was not newsworthy in 1620. I doubt that the battles of Lexington and Concord made the London Times in April of 1775. The arrival of Dred Scott at Ft. Snelling in the free territory of Minnesota was not a big local event. But all three were part of something historically big that changed the world and our lives dramatically.

The Pilgrims created a fabulously idealistic vision of a new form of society which attempted to rise above corruption and create a ''shining city on a hill.'' The farmers and townspeople of eastern Massachusetts challenged the world's great superpower from behind stone walls and groves of oak trees. Dred Scott would stand before the United States Supreme Court, just down the hall from where we stand today and assert that because he had lived in free territory he was not property, but a person entitled under God—with unalienable rights. Though he lost his case, he galvanized the Northern states to fight a civil war for a Union based on freedom.

On December 1, 1955 Rosa Parks ''sat down'' for her principles in Montgomery, AL. She was arrested, tried, convicted, and assessed a fine of $14 and $3 in court costs. Her actions precipitated the Montgomery bus boycott that lasted more than a year. That event brought young Dr. Martin Luther King, Jr. to national prominence. As someone has said, if it were not for Rosa Parks, we might never have heard of Dr. King.

She stood as an example then and she does today. Perhaps we are too quick to see an injustice and run to the Courthouse or the Statehouse or the TV station. The wisdom of our Founders was that a single person armed with the truth is a majority.

Legislation we passed in the Congress has been crucial: the Civil Rights Act, the Voting Rights Act, and a series of more measures right into our own decade. Obviously, vigorous enforcement of those statutes is essential. But if citizens push their own responsibility for social justice off on government, we will not have the change we seek.

We need to speak up for equality when we hear a racially oriented joke. We need to challenge the status quo and bring up the subtle forms of racism that stereotype or demean or set low expectations for people. We need to open our mouths to challenge the phobias, misconceptions and prejudices that block the progress of people based on race, gender, age, creed or disability.

The Rosa Parks history reminds me of President Lincoln's reported remark when he met Harriet Beecher Stowe, author of Uncle Tom's Cabin: ''So this is the little woman who started this big war.''

In America, there are no ''ordinary people.'' Every one of us has the power to bend history in the little circle of people around us, and we never know when one act of principle will commence a movement of historical significance.

On the steps of the Alabama State Capitol building, not far from Rosa Parks' bus stop, Dr. King gave a speech in 1965. It summed up what Rosa Parks was all about, and what we each one of us ''ordinary Americans'' should be about. He said:

> Let us therefore continue our triumphal march to the realization of the American dream . . . for all of us today, the battle is in our hands. The road ahead is not altogether a smooth one. There are no broad highways that lead us easily and inevitably to quick solutions. We are still in for a season of suffering How long? Not long. Because no lie can live forever . . . our God is marching on.

Mr. SALAZAR. Mr. President, I rise to honor the life of Rosa Parks, a true American hero.

I was proud to be a cosponsor of S. Res. 287, introduced by my colleagues, Senator LEVIN and Senator STABENOW and passed unanimously last night, which pays tribute to Mrs. Parks' accomplishments and expresses the Senate's condolences on the occasion of her passing.

When I heard of Mrs. Parks' death late Monday night, I was reminded that each of us has the ability to change the course of this country, to shape our shared destiny, and to bring us closer to being the Nation we aspire to be. Rosa Parks' role in our America in progress can not be overstated.

Her single act of defiance drew international attention. More importantly, her action set in motion the modern civil rights movement and eventually led to the passage of the Civil Rights Act of 1964 and the Voting Rights Act of 1965.

Almost 50 years ago, in Montgomery, AL, Mrs. Parks directly confronted Jim Crow, when she refused to give up her seat to a white passenger riding on the city's bus.

At the time, Mrs. Parks was working as a seamstress for the Montgomery Fair Department Store. And she had been working to help build a better America long before her famous act of courage on that bus.

She had been actively involved in the local chapter of the National Association for the Advancement of Colored People, NAACP, serving as an officer.

She had assisted the NAACP in voter registration drives and attended organizing trainings at the Higlander Folk Center, an educational center for workers' rights and racial equality in Tennessee.

Years later, when recalling her actions and her subsequent arrest, Mrs. Park had this to say:

> At the time I was arrested I had no idea it would turn into this. It was just a day like any other day. The only thing that made it significant was that the masses of the people joined in.

However, that one day catapulted her to a leadership role in the civil rights movement and began the great 381 day Montgomery boycott of the bus system by African Americans and others dedicated to equal rights.

A young 26-year old Baptist minister, Reverend Martin Luther King Jr., organized the boycott.

Throughout her life, Rosa Parks remained a committed civil rights activist.

In the 1980s she worked in the anti-apartheid movement, and opened a career counseling center for black youth in Detroit with her husband.

She served the United States as an aide to U.S. Congressman JOHN CONYERS, a great civil rights leader in his own right, for many years.

In the last years of her life, Mrs. Parks was recognized for her role in our country's history.

She received the Presidential Medal of Freedom, awarded to civilians making an outstanding contribution to American life in 1996. In addition, President Clinton presented Mrs. Parks with the Congressional Gold Medal, the Nation's highest civilian honor, in 1999.

Despite the international attention and acclaim she received and the many lectures and addresses she gave as a public figure, Mrs. Parks has been described as quiet and reserved by her friends, co-workers and those who knew her best.

When she spoke, she spoke with a purpose.

She was indeed the mother of the civil rights movement, and her passing marks the end of an era that changed the landscape of America.

Today, I honor the courage and wisdom of Mrs. Parks.

I thank her for inspiring countless generations to dream of an America, and a world, that respects and includes all of its citizens.

SAFETEA–LU

Mr. SARBANES. Mr. President, on August 10 of this year the President signed into law the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users, known as SAFETEA–LU. This new multi-year reauthorization of our Nation's surface transportation programs represents a carefully balanced package intended to address the needs of our roadways and transit systems. The Chairman of the Transportation-Treasury-HUD Appropriations Subcommittee, in his role as Chairman of the Transportation and Infrastructure Subcommittee on the Environment and Public Works Committee, was instrumental in striking that balance. As the Chairman has recognized, the Transportation-Treasury-HUD Appropriations bill for fiscal year 2006 was reported by the Appropriations Committee prior to passage of SAFETEA–LU, and therefore does not fully reflect the agreements reached in that piece of legislation. To take one specific example, it does not fund the Federal transit program at the level authorized by SAFETEA–LU for fiscal year 2006, falling $400 million short. The funding levels in SAFETEA–LU were the product of a great deal of negotiation, and I greatly appreciate the contributions my colleague from Alabama and my colleague from Missouri made to that discussion. I hope that in this, the first year of SAFETEA–LU's authorization, the agreements reached in SAFETEA–LU will be honored for all modes of transportation.

Mr. SHELBY. Mr. President, I agree with what my colleague from Maryland has said. SAFETEA is the culmination of many years of work by the committees of jurisdiction, who held dozens of hearings with transportation stakeholders to share ideas on how to respond to our nation's transportation needs. I believe that SAFETEA made some very important improvements to our previous transportation law and struck a good balance between the various modes, and I hope to see those changes reflected in this appropriations legislation when it emerges from the conference committee.

Mr. BOND. Mr. President, I agree with my colleagues that SAFETEA–LU is a carefully crafted approach to meeting our surface transportation needs, and will have a historic impact on transportation programs in my State of Missouri and across the country. I will make every effort to see that the final conference report on this legislation will honor the agreements reached in SAFETEA–LU between the various modes of transportation.

LOCAL LAW ENFORCEMENT ENHANCEMENT ACT OF 2005

Mr. SMITH. Mr. President, I rise today to speak about the need for hate crimes legislation. Each Congress, Senator KENNEDY and I introduce hate crimes legislation that would add new categories to current hate crimes law, sending a signal that violence of any kind is unacceptable in our society. Likewise, each Congress I have come to the floor to highlight a separate hate crime that has occurred in our country.

On February, 25, 2005, Thomas Stockwell was on the campus of North Carolina at Chapel Hill, when six men attacked him. Before chasing Stockwell down the street and beating him up, the men were heard yelling sexually derogatory slurs at him. According to reports, the motivation for the attack was Stockwell's sexual orientation.

I believe that our Government's first duty is to defend its citizens, in all circumstances, from threats to them at home. The Local Law Enforcement Enhancement Act is a major step forward in achieving that goal. I believe that by passing this legislation and changing current law, we can change hearts and minds as well.

ELECTIONS IN HAITI

Mr. LEAHY. Mr. President, I rise to express my strong concern regarding the political and economic situation in Haiti and the effect this will have on the upcoming elections in that country. The events of the last few months in Haiti have been dispiriting for those who have long sought stability and progress in that country. Due to the precarious political and security situation in Haiti, the question must be raised; can free and fair elections be carried out in Haiti on schedule? Or should they be postponed until we can guarantee a more favorable environment for legitimate elect to take place?

Nearly a year and a half has passed since President Aristide was removed from power and since then the country has continued to spiral downward into worsening poverty and political violence. The interim government of Prime Minister Gerard Latortue has failed to deliver stability and economic progress and for the fourth time this year, has postponed the date of the elections. Presently, elections are planned for December 15 and there is widespread concern that, if held, these elections will be anything but open, inclusive or fair.

Currently, the political and social climate in Haiti is not conducive for credible elections to take place. The Haitian people are largely ignorant about the electoral system and detached from the process. Out of a total of 4.5 million eligible voters approximately 870,000 people have actually registered, with supporters of the Lavalas Party—a large portion of the electorate—threatening to boycott. According to reports, voter registration stations have been placed in less than 500 locations in contrast with the 5,000 stations available under the Aristide administration.

Citizens are disenchanted over the lack of jobs, miserable government services, and rampant violence. As the poorest country in the Western Hemisphere, four out of five Haitians live on less than $2 a day and nearly half of the children in the country are malnourished. In the last year, there have been almost 800 killings and criminal and political kidnappings by urban armed gangs have reached historic levels. Only recently, after a shaky start, the

United Nations Stabilization Mission, MINUSTAH, has been making modest progress in preventing even greater levels of violence. But the security situation in Haiti remains volatile.

Equally as troubling is our own government's seeming indifference to the deteriorating situation in Haiti. Several weeks ago, Secretary of State Rice flew into Port-au-Prince for a 5 hour visit that amounted to little more than a photo op. The situation there is fragile and demands immediate action and will require a long-term international commitment.

Haiti's capacity to hold credible elections needs to be given serious consideration by the interim government, Bush administration and United Nations. While the Haitian constitution grants a new administration to be sworn in to office by February 7, 2006, the stakes are too great to push forward an election simply to adhere to an arbitrary date. If the consensus is that political and social conditions could be improved in the next 3 to 6 months, and there are serious problems that threaten the legitimacy of this election, we owe it to the people of Haiti to take the time necessary to work to address these problems so that the election is as fair as possible.

The next few weeks present a seminal period for the Haitian people and the future of Haiti. Enormous logistical, political, and security obstacles need to be overcome if Haiti is to have elections with any semblance of credibility. There are very few options left for a country that is already teetering on the brink of state failure and cannot afford to lose much more. We must keep the best interests of the Haitian people in mind and do everything in our power to create the conditions necessary for Haiti to take the next step in transitioning toward democratic stability.

HONORING AMERICA'S VETERANS

Ms. STABENOW. Mr. President, I rise today in recognition of Veterans Day to pay tribute to the men and women that have served our country as members of the U.S. Armed Forces.

I join my colleagues and those across Michigan and our country in reflecting upon the meaning of this day and the service of our fellow Americans.

I often have the pleasure of meeting with Michigan's proud community of veterans. I have also been privileged to welcome home members of our armed services and the Michigan National Guard and reserves serving in Operation Iraqi Freedom and Operation Enduring Freedom. These men and women are a credit to our great State, their communities, and their families.

America's men and women in the military give their time, and in many cases life and limb, to serve our country. Today's soldiers, sailors, airmen, and marines are tomorrow's veterans and we owe them our gratitude for their service.

One of the most fitting ways we can honor the service and sacrifice of America's veterans is to ensure that we honor the commitments we have made to them and their families. I am proud to be working with my colleagues from both political parties and with veterans' organizations from across the country, including the American Legion and VFW, in leading the fight to pass legislation guaranteeing that health care services for our veterans are funded. This law would eliminate the year-to-year uncertainty about funding for veterans health care by making this funding mandatory in the annual budget. As we reflect on this Veterans Day, I urge my colleagues to keep our promise to our Nation's veterans by supporting this important amendment.

I stand today in honor of all the men and women from Michigan and across our country who have given their lives while serving in Iraq and Afghanistan. We are all grateful for their sacrifice and offer our condolences to their families. On this Veterans Day, I join my colleagues and the wonderful men and women that have served our country in the Armed Forces—veterans young and old—in paying tribute to them and their service.

ANTITRUST CRIMINAL INVESTIGATIVE IMPROVEMENTS ACT

Mr. DEWINE. Mr. President, I am very pleased that the Senate yesterday passed the Antitrust Criminal Investigative Improvements Act of 2005, which represents a significant addition to the Antitrust Division's arsenal for prosecuting criminal violations of the antitrust laws.

In criminal antitrust investigations, it is critical that prosecutors gain access to evidence on the inner workings of the alleged conspiracy. To meet their burden of proof, prosecutors must marshal strong evidence of the participants in the conspiracy, the nature of their participation, and the terms of the illegal agreement. This type of evidence is very difficult to gain without penetrating the inner workings of a conspiracy in action. Currently, the Antitrust Division often has no option but to rely on the cooperation of members of a conspiracy, who are frequently reluctant to come forward to assist the Division in uncovering illegal activities in which they, themselves, have taken part. Without the ability to obtain wiretaps, the Antitrust Division unnecessarily faces a much heavier burden in detecting and preventing these conspiracies.

There is no principled reason for excluding criminal antitrust violations from the list of over 150 predicate offenses for obtaining a wiretap. Offenses, such as wire fraud, mail fraud, and bank fraud are predicate offenses, but up to now, criminal antitrust offenses have not been on the list, despite the fact that their penalties are similar. Criminal antitrust offenses are basically white-collar fraud offenses, and often do much more harm to consumers than other types of fraud offenses. Given the gravity of these crimes, it is time that antitrust violations are added as a predicate offense.

Of course, antitrust prosecutors still will need to meet the ordinary requirements for obtaining wiretap authority to receive court permission to utilize this tool, but it is important that they have that ability. Accordingly, I am very pleased that we have passed this legislation, and hope that the House will act soon to move it, as well.

THANKING THOSE WHO HAVE HELPED SUPPORT THE DINOSAUR DISCOVERY SITE AT JOHNSON FARM

Mr. HATCH. Mr. President, I rise to pay tribute to all the men and women in Washington County, UT whose hard work and diligence have made and are making the Dinosaur Discovery Site at Johnson Farm such a success. These dedicated volunteers are helping to protect and display an asset of great value not only to Utah but to the Nation.

The history of this discovery is fascinating. A few years ago, retired optometrist Dr. Sheldon Johnson was preparing his farm site for development and as he turned over the earth, he discovered tracks of early residents of Washington County—very early residents, in fact. Dinosaur tracks dating back to the Jurassic period of history were uncovered. They are being preserved and are bringing economic and historic benefit to St. George, Washington County, UT, and the Nation. To date, visitors from 68 nations and all 50 States have visited the site.

I want to recognize and thank Dr. Sheldon and LaVerna Johnson who discovered the tracks and then donated the land to preserve this heritage. The Johnsons have made it all possible. Linda Sappington, Washington County volunteer coordinator, aided by volunteer supervisors Kae Crabtree and Carole Chadwick began in February 2000 to bring together individuals who cared about the tracks and who were willing to give of themselves to help preserve the find.

I also want to recognize and thank Mayor Dan McArthur, the city of St. George, Washington County, and the Utah State legislature for their efforts to enhance, preserve, and share this heritage area with the community now and for generations to come.

In addition to the Johnsons, I recognize, Suzanne Allen; Dr. Andrew Barnum; Herb Basso; Dr. David Borris; Alan Crooks; Lyle Drake; Kenneth Hinton; Sharon Isom; unfortunately, now deceased; LaRee Jones; Dr. James Kirkland; Dr. Martin Lockley; Dan Matheson; Layton Ott, also deceased, Kathy Smith; Darcy Stewart; Marshall Topham; Gary Watts; John Willie. They are all members of the Dinosaur

AH'torium, a 501 (c) 3 foundation responsible for funding the project. Advisory members include James Hansen, Dr. Jerry Harris, Gary Sanders, with Cliff Green and Robert Milder, resident artist.

Finally, today, I specifically want to recognize and thank the many volunteers who have made and are making the Dinosaur Discovery Site at Johnson Farm possible. Many of these wonderful individuals have been contributing their time and energy for more than 5 years. A tremendous thank you to the Dinosaur Discovery Site at Johnson Farm volunteers. I commend each of them.

2000 volunteers include: Chad Anderson; T.R. Thompson; Andrew Milner; Donnette Hatch; June Barton; Kae Crabtree; Nina Schwarze; Karen Rammell; Lee Rammell; Doug Bergen; Richard Gardner; Ryan Babcock; Dick Groves; Robert Pritchitt; Klein Adams; Rafael Acosta; Ryan Oburn; Hal Arrowood; Jason Skeen; Clyde Terry; Vilma Terry; Bev Middleton; Chris Walker; Steve Smith; Helen Salvatore; Cindy Greco; Scott Broen; Jereen Hyde; Stevan Duke; Barbara Duke; Stacie Wilson; Constance Sherwood; Jacob Hendriks; and Brett Bronson.

Mr. President, 2001 volunteers: Jim Burns; Lillian Zielke; Barbara Hatch; Peggy Wardle; Carol Duley; Gary Watts; Josephine Kellijan; Ember Rodgers; Kirk Rehfield; Bill Reynolds; Theresa Walker; Cassandra Lee; Lynnie Rolfe; Joel Campbell; Ryan Losee; Chris Gibson; Kyle Fraley; John Shaw; Steve Anderson; Drew Gubler; Shelton Heath; Paula Ryan; Bernie Yeager; Jill Conner; Candace Crane; Nichole Burton; Austin Carter; Dusty Ott; Kirk Richfield; Nate Leifson; Ron Kittelsrud; Maren Christensen; Ben Joe Markland; Emily Weidauer; Holly Hult; Carol Killian; Scott Woodworth; Brian Barrett; Warren Hoskings; Kevin Wiederhold; Autumn Cluff.

Mr. President, 2002 volunteers: Rudy Johnson; Clay Hopkins; Elizabeth Nipperus; Jeff Lingwall; Debbie Woodard; Joyce Proctor; Britton Puki; Joe Borden; Melvin Done; Melanie Hackmann; Kathryn VanRoosendaal; Doug Griffiths; Charlotte Rice; Angie Hendrickson; Chad Tipton; Laurie Barnholt; Aaron Heaton; Kathy Hancock; Carson Blickenstaff; Glen Steenbuck; Bev Rhodes; Brigham Mellor; Kami Cox; Kathy Cox; Russ Childs; Delbert Vern Chadwick; Beverly Kirk; Matthew Wilkinson; Monte Johnson; Darrell Wade; Terri Wade; Sheena Gawer; Barbara Smith; Ken Parkes; Darienne McNamara; Kat Duttadway; Kylea Christensen; Jacob Cox; Jason Rabbitt; Don Triptow; Bill Yensen; Arlene Yensen; Les Townsend; Barbara Townsend; Al Abrams; John Donnell; JoAnn Abrams; Arlea Howell; David Kitselmer; Steve Chilow; Cathy Freeman; Duane Freeman; Steven Bart.

Mr. President, 2003 volunteers: Janece Tolber; George D'Apuzzo; Carl Berg, Laurie Berg; Myron Hatch; David Slauf; Taylor Birthisel; Linda Baldazzi; Bob Baldazzi; Sally Stephenson; Steve Stephenson; Roger Head; Bonnie Head; Pat Elliott; Jacqueline Dubois; Jerry Schwantz; Shirley Surfas; Pat Vanderwark; Keith Vanderwark; Joan Triptow; Jay Guymon; Kilby Andersen; Kelly Bringhurst; Marc Raines; Lisa Raines; Molly Swift; Chester Pierce; Dennis Broad; George Mulle; Rena Jensen; Roger Taylor; Maynie Begeman; Tobert Begeman; Bal Humble; Paul Wiener; Frances Wiener; Anne Bredon; Gail Taylor; Mike Llewellyn; Curtis Halliday; Dale Peck; Arlea Howell; Shannon Ducrest; Anne Basham; Brooke Ranter; Melissa Thomson; Michelle Bower; Jana Hightower; Brian Schlegel; Danny Diamond; Dallas Jones; Andrew Neff; Lindsay Connelley-Brown.

Mr. President, 2004 volunteers: Carla Ritter; Sheila Hughes; Don Hughes; Tracey O'Kelly; Jerry Harris; Jessica Williams.

Mr. President, 2005 volunteers: Paula Welker; Connie Welker; Kameron Evans; Dick Vos; Rogerta Champlin; Wally Champlin; Richard Berger; Justin Moosman; Christine Blum; Lamont Reynolds; Judy D'Apuzzo; Louise Snyder; Arleen Stillman; Lorene Reynolds; Freddie Arrighi.

To these dedicated volunteers and to all of those who will continue to volunteer, I say thank you.

ADDITIONAL STATEMENTS

HONORING THE STUDEBAKER NATIONAL MUSEUM

• Mr. BAYH. Mr. President, I rise today to pay tribute to a community landmark in northern Indiana. The Studebaker National Museum is home to more than 114 years of automobile history, including four presidential carriages and several vehicles from the original Studebaker collection.

The Studebaker name has been a significant part of the South Bend community since 1852 when the Studebaker brothers founded their blacksmith business. For more than a century, the Studebaker Corporation helped form the economic and social fabric of the area, employing tens of thousands of Hoosiers and providing classic affordable cars to thousands more.

In 1966, the Studebaker Corporation donated its collection of rare and antique vehicles, beginning the automobile collection at the Studebaker National Museum. The collection has continued to grow since then, demonstrating both Studebaker's famous craftsmanship and innovative design, as well as the evolution of the automobile industry. The collection now tells the story of America's Industrial Age, bringing the era to life for Hoosiers and Americans from across the country.

In addition to the educational and historical services it provides, the Studebaker National Museum is a committed leader in the development and growth of South Bend's vibrant economy and the revitalization of the Historic West Washington District.

Soon, the Museum will be relocating into the Historic West Washington District. On the occasion of this move, I commend the Studebaker National Museum on their impressive service to the community thus far and wish them well in their new location.•

DETROIT-WINDSOR TUNNEL'S 75TH ANNIVERSARY

• Mr. LEVIN. Mr. President, November 3 marks the 75th anniversary of the Detroit-Windsor Tunnel. Since it first opened to vehicle traffic in 1930, the Detroit-Windsor Tunnel has made a tremendous contribution not only to my home State of Michigan, but to our Nation as a whole. On the occasion of this historic milestone, I know my colleagues join me in recognition of the Detroit-Windsor Tunnel, the hard-working men and women who keep it operating, the thousands of Americans and Canadians who pass through it each day, and the critical role it plays in our economic relationship with Canada.

The Detroit-Windsor Tunnel serves as much more than a conduit for travel, it is a critical socioeconomic link between the United States and Canada. The idea for a tunnel to connect the cities of Detroit and Windsor was first conceived in the 1870s. After a number of failed attempts, Windsor Mayor Edward Blake Winter proposed a new tunnel project in 1919. Mayor Winter believed a tunnel would foster greater unity between the two countries and would serve as a memorial to the soldiers who were killed in World War I. After 11 years of planning and construction, this vision finally became a reality on November 1, 1930. On that day, President Herbert Hoover pressed a golden button in the U.S. Capitol officially opening the mile-long tunnel and forever changing and strengthening the relationship between the United States and Canada.

Today, the Detroit-Windsor Tunnel remains the only underwater international tunnel open to vehicular traffic in the world. Its construction in the late 1920s was unparalleled by any other tunnel in the world and took only 26 months to complete, nearly a year ahead of schedule. Amazingly, the tunnel allows four full lanes of traffic to cross the U.S.-Canadian border at a depth of 75 feet below the surface of the water.

However, it is not simply the marvel of the tunnel's engineering that we celebrate on its 75th anniversary. We must also recognize its continuing contributions to trade and travel between the United States and Canada. Approximately 29,000 vehicles pass through the tunnel each day, making the Detroit-Windsor Tunnel one of the 15 most heavily traveled border crossings in the United States.

Everyday, untold numbers of workers, manufacturers, and suppliers on both sides of the border depend on the Detroit Windsor Tunnel to get to jobs and transport products. Thousands of families also use the tunnel. This movement of people and goods has an immeasurable impact on the economic health of Detroit and Windsor alike. In addition, the cross-border transit reinforces U.S.-Canadian relations.

It is with great pride that I honor the 75 years of valuable contributions made by the Detroit-Windsor Tunnel. I would like to extend my sincerest wishes of thanks and good luck to the people of Detroit and Windsor and the people who keep the tunnel operating as they work to make its future as productive and beneficial as its past.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 3:54 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House disagreed to the amendment of the Senate to the bill (H.R. 2419) entitled ''An Act making appropriations for energy and water development for the fiscal year ending September 30, 2006, and for other purposes'', and agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints the following Members as the managers of the conference on the part of the House: Mr. HOBSON, Mr. FRELINGHUYSEN, Mr. LATHAM, Mr. WAMP, Mrs. EMERSON, Mr. DOOLITTLE, Mr. SIMPSON, Mr. REHBERG, Mr. LEWIS of California, Mr. VISCLOSKY, Mr. EDWARDS, Mr. PASTOR, Mr. CLYBURN, Mr. BERRY, and Mr. OBEY.

The message also announced that the House passed the following bills, in which it requests the concurrence of the Senate:

H.R. 758. An act to establish an interagency aerospace revitalization task force to develop a national strategy for aerospace workforce recruitment, training, and cultivation.

H.R. 3256. An act to designate the facility of the United States Postal Service located at 3038 West Liberty Avenue in Pittsburgh, Pennsylvania, as the ''Congressman James Grove Fulton Memorial Post Office Building''.

H.R. 3368. An act to designate the facility of the United States Postal Service located at 6483 Lincoln Street in Gagetown, Michigan, as the ''Gagetown Veterans Memorial Post Office''.

H.R. 3675. An act to amend the Federal Trade Commission act to increase civil penalties for violations involving unfair or deceptive acts or practices that exploit popular reaction to an emergency or major disaster, and to authorize the Federal Trade Commission to seek civil penalties for such violations in actions brought under section 13 of that Act.

The message further announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 269. Concurrent resolution recognizing the 40th anniversary of the White House Fellows Program.

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 758. An act to establish an interagency aerospace revitalization task force to develop a national strategy for aerospace workforce recruitment, training, and cultivation; to the Committee on Commerce, Science, and Transportation.

H.R. 3256. An act to designate the facility of the United States Postal Service located at 3038 West Liberty Avenue in Pittsburgh, Pennsylvania, as the ''Congressman James Grove Fulton Memorial Post Office Building''; to the Committee on Homeland Security and Governmental Affairs.

H.R. 3368. An act to designate the facility of the United States Postal Service located at 6483 Lincoln Street in Gagetown, Michigan, as the ''Gagetown Veterans Memorial Post Office''; to the Committee on Homeland Security and Governmental Affairs.

H.R. 3675. An act to amend the Federal Trade Commission Act to increase civil penalties for violations involving unfair or deceptive acts or practices that exploit popular reaction to an emergency or major disaster, and to authorize the Federal Trade Commission to seek civil penalties for such violations in actions brought under section 13 of that Act; to the Committee on Commerce Science, and Transportation.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 269. Concurrent resolution recognizing the 40th anniversary of the White House Fellows Program; to the Committee on the Judiciary.

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–4404. A communication from the Assistant Attorney General, Department of Justice, transmitting, pursuant to law, the July 2005 AMBER Alert Report; to the Committee on the Judiciary.

EC–4405. A communication from the Secretary, Judicial Conference of the United States, transmitting, pursuant to law, a report relative to legislation that would authorize the remaining bankruptcy judgeships recommended by the Conference in February 2005; to the Committee on the Judiciary.

EC–4406. A communication from the Acting Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Agency, Department of Justice, transmitting, pursuant to law, the report of a rule entitled ''Schedules of Controlled Substances: Placement of Pregabalin into Schedule V'' (Docket No. DEA-267F) received on October 21, 2005; to the Committee on the Judiciary.

EC–4407. A communication from the Chief, Regulatory Review Group, Farm Service Agency, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Guaranteed Farm Ownership and Operating Loan Requirements'' (RIN0560-AG65) received on October 21, 2005; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4408. A communication from the Chief, Regulatory Review Group, Farm Service Agency, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Dairy Disaster Assistance Program'' (RIN0560-AH28) received on October 21, 2005; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4409. A communication from the Human Resources Specialist, Office of the Assistant Secretary for Administration and Management, Department of Labor, transmitting, pursuant to law, the report of nominations and the designation of acting officers for the positions of Assistant Secretary for Occupational Safety and Health and Assistant Secretary for Mine Safety and Health, received on October 21, 2005; to the Committee on Health, Education, Labor, and Pensions.

EC–4410. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report relative to adding a class of certain workers of Mallinckrodt Chemical Works to the Special Exposure Cohort; to the Committee on Health, Education, Labor, and Pensions.

EC–4411. A communication from the Director, Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Food Labeling; Nutrient Content Claims, Definition of Sodium Levels for the Term 'Healthy' '' (RIN0910-AC49) received on October 21, 2005; to the Committee on Health, Education, Labor, and Pensions.

EC–4412. A communication from the U.S. Global AIDS Coordinator, Department of State, transmitting, pursuant to law, a report on the President's Emergency Plan for AIDS Relief: Community and Faith-Based Organizations; to the Committee on Foreign Relations.

EC–4413. A communication from the Executive Secretary and Chief of Staff, U.S. Agency for International Development, transmitting, pursuant to law, the reports of a vacancy in the position of Inspector General and nominations for the positions of Inspector General and Assistant Administrator, received on October 21, 2005; to the Committee on Foreign Relations.

EC–4414. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to the Case-Zablocki Act, 1 U.S.C. 112b, as amended, the report of the texts and background statements of international agreements, other than treaties (List 05-247–05-259); to the Committee on Foreign Relations.

EC–4415. A communication from the Under Secretary of Defense for Personnel and Readiness, transmitting, a report on the approved retirement of Lieutenant General Philip R. Kensinger, Jr., United States Army, and his advancement to the grade of lieutenant general on the retired list; to the Committee on Armed Services.

EC–4416. A communication from the Under Secretary of Defense for Personnel and Readiness, transmitting, a report on the approved

retirement of Vice Admiral Lowell E. Jacoby, United States Navy, and his advancement to the grade of vice admiral on the retired list; to the Committee on Armed Services.

EC–4417. A communication from the Acting Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting, pursuant to law, the report of a rule entitled ''Prohibition of Foreign Taxation on U.S. Assistance Programs'' (DFARS Case 2004-D012) received on October 21, 2005; to the Committee on Armed Services.

EC–4418. A communication from the Acting Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting, pursuant to law, the report of a rule entitled ''Quality Control of Aviation Critical Safety Items and Related Services'' (DFARS Case 2003-D101) received on October 21, 2005; to the Committee on Armed Services.

EC–4419. A communication from the Acting Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting, pursuant to law, the report of a rule entitled ''Extension of Partnership Agreement–8(a) Program'' (DFARS Case 2005-D020) received on October 21, 2005; to the Committee on Armed Services.

EC–4420. A communication from the Acting Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting, pursuant to law, the report of a rule entitled ''Central Contractor Registration'' (DFARS Case 2003-D040) received on October 21, 2005; to the Committee on Armed Services.

EC–4421. A communication from the Acting Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting, pursuant to law, the report of a rule entitled ''Advisory and Assistance Services'' (DFARS Case 2003-D042) received on October 21, 2005; to the Committee on Armed Services.

EC–4422. A communication from the Acting Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting, pursuant to law, the report of a rule entitled ''Defense Logistics Agency Waiver Authority'' (DFARS Case 2005-D019) received on October 21, 2005; to the Committee on Armed Services.

EC–4423. A communication from the Chairman, Flight 93 Advisory Commission, transmitting, pursuant to law, the Flight 93 National Memorial International Design Competition Summary Report to the Committee on Energy and Natural Resources.

EC–4424. A communication from the Attorney, Office of Assistant General Counsel for Legislation and Regulatory Law, Department of Energy, transmitting, pursuant to law, the report of a rule entitled ''Energy Conservation Standards for Certain Consumer Products and Commercial and Industrial Equipment'' (RIN1904-AB54) received on October 21, 2005; to the Committee on Energy and Natural Resources.

EC–4425. A communication from the Attorney, Office of Assistant General Counsel for Legislation and Regulatory Law, Department of Energy, transmitting, pursuant to law, the report of a rule entitled ''Energy Conservation Program for Consumer Products: Test Procedures for Residential Central Air Conditioners and Heat Pumps'' (RIN1904-AA46) received on October 21, 2005; to the Committee on Energy and Natural Resources.

EC–4426. A communication from the Deputy General Counsel for Equal Opportunity and Administrative Law, Office of General Counsel, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a nomination notification for the Presidentially-appointed Senate-confirmed position of Assistant Secretary for Public and Indian Housing received on October 21, 2005; to the Committee on Banking, Housing, and Urban Affairs.

EC–4427. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled ''Letter Report: Certification of the Sufficiency of the Washington Convention Center Authority's Projected Revenues and Excess Reserve to Meet Projected Operating and Debt Service Expenditures and Reserve Requirements for Fiscal Year 2006''; to the Committee on Homeland Security and Governmental Affairs.

EC–4428. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled ''Audit of Advisory Neighborhood Commission 3E for Fiscal Years 2003 and 2004''; to the Committee on Homeland Security and Governmental Affairs.

EC–4429. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled ''Audit of Advisory Neighborhood Commission 2C for Fiscal Years 2003 Through 2005, as of March 31, 2005''; to the Committee on Homeland Security and Governmental Affairs.

EC–4430. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled ''Audit of Advisory Neighborhood Commission 2F for Fiscal Years 2003 Through 2005, as of March 31, 2005''; to the Committee on Homeland Security and Governmental Affairs.

EC–4431. A communication from the Director, United States Holocaust Memorial Museum, transmitting, pursuant to law, a report entitled ''A Strategic Plan for the Second Decade''; to the Committee on Homeland Security and Governmental Affairs.

EC–4432. A communication from the Acting Assistant Secretary and Chief Financial Officer, Department of State, transmitting, pursuant to law, a report on the Department's implementation of the Federal Financial Assistance Management Improvement Act of 1999; to the Committee on Homeland Security and Governmental Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. INHOFE, from the Committee on Environment and Public Works, without amendment and with a preamble:

S. Res. 255. A resolution recognizing the achievements of the United States Fish and Wildlife Service and the Waterfowl Population Survey.

By Mr. INHOFE, from the Committee on Environment and Public Works, without amendment:

S. 1285. A bill to designate the Federal building located at 333 Mt. Elliott Street in Detroit, Michigan, as the ''Rosa Parks Federal Building''.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. DEMINT (for himself and Mr. GRAHAM):

S. 1921. A bill to promote freedom, fairness, and economic opportunity by repealing the income tax and other taxes, abolishing the Internal Revenue Service, and replacing such taxes with a national sales tax and a business tax; to the Committee on Finance.

By Mr. CONRAD (for himself, Mr. ROBERTS, Mr. BAUCUS, Mr. THUNE, Mr. JOHNSON, Mr. BROWNBACK, Mr. DORGAN, Mr. BURNS, Mr. SALAZAR, Mr. TALENT, Mr. BOND, Mr. ENZI, Mr. THOMAS, Mrs. LINCOLN, Mr. CRAPO, Mr. CORNYN, Mr. CRAIG, Mr. COLEMAN, Mr. ALLARD, Mr. REID, and Mr. CHAMBLISS):

S. 1922. A bill to authorize appropriate action if negotiations with Japan to allow the resumption of United States beef exports are not successful, and for other purposes; to the Committee on Finance.

By Ms. SNOWE (for herself, Mr. TALENT, and Mr. BOND):

S. 1923. A bill to address small business investment companies licensed to issue participating debentures, and for other purposes; to the Committee on Small Business and Entrepreneurship.

By Mr. DURBIN:

S. 1924. A bill to strengthen civil-military relationships by permitting State and local governments to enter into lease purchase agreements with the United States Armed Forces; to the Committee on Armed Services.

By Mr. KENNEDY (for himself, Mr. REID, Mr. HARKIN, Mr. DODD, Ms. MIKULSKI, Mr. REED, Mrs. BOXER, Mr. KERRY, Mr. DORGAN, Mr. SCHUMER, Mr. DAYTON, and Mr. LAUTENBERG):

S. 1925. A bill to provide for workers and businesses during the response to Hurricane Katrina and Hurricane Rita, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. SCHUMER:

S. Res. 288. A resolution recognizing the life and accomplishments of Wellington Mara of New York; considered and agreed to.

ADDITIONAL COSPONSORS

S. 370

At the request of Mr. LOTT, the name of the Senator from Oklahoma (Mr. COBURN) was added as a cosponsor of S. 370, a bill to preserve and protect the free choice of individual employees to form, join, or assist labor organizations, or to refrain from such activities.

S. 407

At the request of Mr. JOHNSON, the name of the Senator from New Hampshire (Mr. GREGG) was added as a cosponsor of S. 407, a bill to restore health care coverage to retired members of the uniformed services, and for other purposes.

S. 492

At the request of Mr. FRIST, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 492, a bill to make access to safe water and sanitation for developing countries a specific policy objective of the United States foreign assistance programs, and for other purposes.

S. 632

At the request of Mr. LUGAR, the names of the Senator from New Jersey

(Mr. LAUTENBERG) and the Senator from South Carolina (Mr. DEMINT) were added as cosponsors of S. 632, a bill to authorize the extension of unconditional and permanent nondiscriminatory treatment (permanent normal trade relations treatment) to the products of Ukraine, and for other purposes.

S. 757

At the request of Mr. CHAFEE, the names of the Senator from Utah (Mr. BENNETT), the Senator from North Dakota (Mr. CONRAD), the Senator from Maine (Ms. SNOWE), the Senator from Vermont (Mr. LEAHY) and the Senator from Louisiana (Mr. VITTER) were added as cosponsors of S. 757, a bill to amend the Public Health Service Act to authorize the Director of the National Institute of Environmental Health Sciences to make grants for the development and operation of research centers regarding environmental factors that may be related to the etiology of breast cancer.

S. 828

At the request of Mr. HARKIN, the name of the Senator from Minnesota (Mr. COLEMAN) was added as a cosponsor of S. 828, a bill to enhance and further research into paralysis and to improve rehabilitation and the quality of life for persons living with paralysis and other physical disabilities, and for other purposes.

S. 939

At the request of Mr. MARTINEZ, the name of the Senator from Louisiana (Mr. VITTER) was added as a cosponsor of S. 939, a bill to expedite payments of certain Federal emergency assistance authorized pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act, and to direct the Secretary of Homeland Security to exercise certain authority provided under that Act.

S. 1002

At the request of Mr. GRASSLEY, the name of the Senator from New Hampshire (Mr. SUNUNU) was added as a cosponsor of S. 1002, a bill to amend title XVIII of the Social Security Act to make improvements in payments to hospitals under the medicare program, and for other purposes.

S. 1004

At the request of Mr. ALLEN, the name of the Senator from South Carolina (Mr. DEMINT) was added as a cosponsor of S. 1004, a bill to provide the Federal Trade Commission with the resources necessary to protect users of the Internet from the unfair and deceptive acts and practices associated with spyware, and for other purposes.

S. 1110

At the request of Mr. PRYOR, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 1110, a bill to amend the Federal Hazardous Substances Act to require engine coolant and antifreeze to contain a bittering agent in order to render the coolant or antifreeze unpalatable.

S. 1138

At the request of Mr. ALLEN, the name of the Senator from New Hampshire (Mr. GREGG) was added as a cosponsor of S. 1138, a bill to authorize the placement of a monument in Arlington National Cemetery honoring the veterans who fought in World War II as members of Army Ranger Battalions.

S. 1197

At the request of Mr. BAUCUS, his name was added as a cosponsor of S. 1197, a bill to reauthorize the Violence Against Women Act of 1994.

S. 1272

At the request of Mr. NELSON of Nebraska, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 1272, a bill to amend title 46, United States Code, and title II of the Social Security Act to provide benefits to certain individuals who served in the United States merchant marine (including the Army Transport Service and the Naval Transport Service) during World War II.

S. 1285

At the request of Ms. STABENOW, the names of the Senator from Vermont (Mr. JEFFORDS) and the Senator from New York (Mrs. CLINTON) were added as cosponsors of S. 1285, a bill to designate the Federal building located at 333 Mt. Elliott Street in Detroit, Michigan, as the ''Rosa Parks Federal Building''.

S. 1358

At the request of Mr. DURBIN, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 1358, a bill to protect scientific integrity in Federal research and policymaking.

S. 1504

At the request of Mr. ENSIGN, the name of the Senator from Kansas (Mr. ROBERTS) was added as a cosponsor of S. 1504, a bill to establish a market driven telecommunications marketplace, to eliminate government managed competition of existing communication service, and to provide parity between functionally equivalent services.

S. 1513

At the request of Mr. NELSON of Florida, his name was added as a cosponsor of S. 1513, a bill to reauthorize the HOPE VI program for revitalization of severely distressed public housing, and for other purposes.

S. 1779

At the request of Mr. AKAKA, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 1779, a bill to amend the Humane Methods of Livestock Slaughter Act of 1958 to ensure the humane slaughter of nonambulatory livestock, and for other purposes.

S. 1841

At the request of Mr. NELSON of Florida, the name of the Senator from Wisconsin (Mr. KOHL) was added as a cosponsor of S. 1841, a bill to amend title XVIII of the Social Security Act to provide extended and additional protection to Medicare beneficiaries who enroll for the Medicare prescription drug benefit during 2006.

S. 1864

At the request of Mr. TALENT, the name of the Senator from Arkansas (Mr. PRYOR) was added as a cosponsor of S. 1864, a bill to amend the Internal Revenue Code of 1986 to treat certain farming business machinery and equipment as 5-year property for purposes of depreciation.

S. 1920

At the request of Mr. OBAMA, the name of the Senator from Delaware (Mr. CARPER) was added as a cosponsor of S. 1920, a bill to amend the Clean Air Act to establish a renewable diesel standard, and for other purposes.

S. RES. 180

At the request of Mr. SCHUMER, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. Res. 180, a resolution supporting the goals and ideals of a National Epidermolysis Bullosa Awareness Week to raise public awareness and understanding of the disease and to foster understanding of the impact of the disease on patients and their families.

S. RES. 273

At the request of Mr. COLEMAN, the names of the Senator from Arkansas (Mr. PRYOR) and the Senator from Virginia (Mr. ALLEN) were added as cosponsors of S. Res. 273, a resolution expressing the sense of the Senate that the United Nations and other international organizations shall not be allowed to exercise control over the Internet.

S. RES. 282

At the request of Mr. BIDEN, the names of the Senator from Louisiana (Ms. LANDRIEU) and the Senator from Idaho (Mr. CRAPO) were added as cosponsors of S. Res. 282, a resolution supporting the goals and ideals of National Domestic Violence Awareness Month and expressing the sense of the Senate that Congress should raise awareness of domestic violence in the United States and its devastating effects on families.

At the request of Ms. MURKOWSKI, her name was added as a cosponsor of S. Res. 282, supra.

S. RES. 287

At the request of Mr. LEVIN, the names of the Senator from Hawaii (Mr. AKAKA), the Senator from Montana (Mr. BAUCUS), the Senator from Indiana (Mr. BAYH), the Senator from Delaware (Mr. BIDEN), the Senator from New Mexico (Mr. BINGAMAN), the Senator from West Virginia (Mr. BYRD), the Senator from Washington (Ms. CANTWELL), the Senator from Delaware (Mr. CARPER), the Senator from North Dakota (Mr. CONRAD), the Senator from New Jersey (Mr. CORZINE), the Senator from Minnesota (Mr. DAYTON), the Senator from Connecticut (Mr. DODD), the Senator from North Dakota (Mr. DORGAN), the Senator from Wisconsin (Mr.

FEINGOLD), the Senator from Hawaii (Mr. INOUYE), the Senator from Vermont (Mr. JEFFORDS), the Senator from South Dakota (Mr. JOHNSON), the Senator from Wisconsin (Mr. KOHL), the Senator from Louisiana (Ms. LANDRIEU), the Senator from New Jersey (Mr. LAUTENBERG), the Senator from Vermont (Mr. LEAHY), the Senator from Connecticut (Mr. LIEBERMAN), the Senator from Arkansas (Mrs. LINCOLN), the Senator from Maryland (Ms. MIKULSKI), the Senator from Washington (Mrs. MURRAY), the Senator from Florida (Mr. NELSON), the Senator from Nebraska (Mr. NELSON), the Senator from Arkansas (Mr. PRYOR), the Senator from Rhode Island (Mr. REED), the Senator from West Virginia (Mr. ROCKEFELLER), the Senator from Colorado (Mr. SALAZAR), the Senator from Maryland (Mr. SARBANES) and the Senator from Oregon (Mr. WYDEN) were added as cosponsors of S. Res. 287, a resolution honoring the life of and expressing the condolences of the Senate on the passing of Rosa Parks.

AMENDMENT NO. 2193

At the request of Mr. THUNE, the names of the Senator from Rhode Island (Mr. CHAFEE) and the Senator from Montana (Mr. BURNS) were added as cosponsors of amendment No. 2193 proposed to H.R. 3010, a bill making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes.

AMENDMENT NO. 2194

At the request of Mr. REED, the names of the Senator from New Jersey (Mr. CORZINE) and the Senator from Connecticut (Mr. LIEBERMAN) were added as cosponsors of amendment No. 2194 proposed to H.R. 3010, a bill making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes.

AMENDMENT NO. 2200

At the request of Mr. NELSON of Florida, the name of the Senator from Wisconsin (Mr. KOHL) was added as a cosponsor of amendment No. 2200 intended to be proposed to H.R. 3010, a bill making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes.

AMENDMENT NO. 2218

At the request of Mr. BINGAMAN, the names of the Senator from Texas (Mrs. HUTCHISON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from New York (Mrs. CLINTON), the Senator from Connecticut (Mr. DODD), the Senator from Washington (Mrs. MURRAY) and the Senator from Colorado (Mr. SALAZAR) were added as cosponsors of amendment No. 2218 proposed to H.R. 3010, a bill making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes.

AMENDMENT NO. 2219

At the request of Mr. BINGAMAN, the names of the Senator from Nevada (Mr. REID), the Senator from Massachusetts (Mr. KENNEDY), the Senator from New York (Mrs. CLINTON), the Senator from Connecticut (Mr. DODD) and the Senator from Colorado (Mr. SALAZAR) were added as cosponsors of amendment No. 2219 proposed to H.R. 3010, a bill making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes.

AMENDMENT NO. 2228

At the request of Mr. DURBIN, the names of the Senator from New Jersey (Mr. LAUTENBERG), the Senator from Wisconsin (Mr. FEINGOLD), the Senator from New Mexico (Mr. BINGAMAN) and the Senator from Massachusetts (Mr. KENNEDY) were added as cosponsors of amendment No. 2228 proposed to H.R. 3010, a bill making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes.

AMENDMENT NO. 2246

At the request of Mr. KENNEDY, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of amendment No. 2246 proposed to H.R. 3010, a bill making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes.

AMENDMENT NO. 2254

At the request of Mr. DODD, the names of the Senator from Connecticut (Mr. LIEBERMAN), the Senator from Michigan (Ms. STABENOW) and the Senator from South Dakota (Mr. JOHNSON) were added as cosponsors of amendment No. 2254 proposed to H.R. 3010, a bill making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes.

AMENDMENT NO. 2257

At the request of Mrs. FEINSTEIN, the names of the Senator from New York (Mr. SCHUMER), the Senator from New Jersey (Mr. CORZINE) and the Senator from Washington (Mrs. MURRAY) were added as cosponsors of amendment No. 2257 intended to be proposed to H.R. 3010, a bill making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes.

AMENDMENT NO. 2261

At the request of Mr. COLEMAN, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of amendment No. 2261 intended to be proposed to H.R. 3010, a bill making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes.

AMENDMENT NO. 2262

At the request of Mr. BINGAMAN, the names of the Senator from Colorado (Mr. SALAZAR), the Senator from Nevada (Mr. REID), the Senator from Massachusetts (Mr. KENNEDY), the Senator from New York (Mrs. CLINTON), the Senator from Connecticut (Mr. DODD), the Senator from Washington (Mrs. MURRAY) and the Senator from Connecticut (Mr. LIEBERMAN) were added as cosponsors of amendment No. 2262 proposed to H.R. 3010, a bill making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Ms. SNOWE (for herself, Mr. TALENT, and Mr. BOND):

S. 1923. A bill to address small business investment companies licensed to issue participating debentures, and for other purposes; to the Committee on Small Business and Entrepreneurship.

Ms. SNOWE. Mr. President, I rise to support the ''Small Business Investment and Growth Act of 2005,'' which I have introduced today to facilitate increased investments in small businesses throughout this country. I am pleased to be joined by my esteemed colleagues from Missouri, Senator Jim Talent and Senator Kit Bond, in sponsoring this bill.

As Chair of the Senate Committee on Small Business and Entrepreneurship, I am committed to supporting our Nation's small businesses by increasing their access to capital. Small businesses comprise 99.7 percent of all businesses in the United States. Moreover, small businesses employ more than half, 57 percent, of the total private-sector workforce, and are responsible for the creation of more than two-thirds of all new jobs. Clearly, increasing investments in small businesses is crucial to our on-going economic success.

This bill will reform and enhance the Small Business Administration's SBIC program, a program that is vital to fostering innovation, growth, and job creation in small businesses throughout our country. Small Business Investment Companies (SBICs) are privately-owned and managed venture capital investment companies that are licensed and regulated by the SBA. SBICs use their own capital, combined with funds borrowed from other private investors and supported by an SBA guarantee, to make equity and debt investments in qualifying small businesses. The SBA shares in the profits of SBICs. The structure of the program is unique and has been a model for similar public-private partnerships around the world.

The program has been successful in mobilizing private venture capital investment, and leveraging that private investment with additional funds supported by SBA guarantees. According to the SBA's annual reports to Congress, the SBIC program has provided over $17.2 billion in financing to small businesses since the beginning of Fiscal Year 1999. Each year, this financing allows small businesses to create or retain tens of thousands of jobs. For instance, according to the SBA's Office of Advocacy, in 2004 alone SBIC investments helped small businesses create or retain approximately 81,042 jobs.

There are currently two types of SBIC Programs, the Participating Securities Program and the Debenture Program. Unfortunately, the Participating Securities Program stopped issuing new financing to SBICs at the beginning of FY 2005 because the program had ceased to be a zero-subsidy program, and there were no Federal appropriations to support the program. The Debenture Program has not suffered similar losses, and is unaffected by this bill.

This bill would create a third type of SBIC program, the ''Participating Debenture'' SBIC Program, that would replace the Participating Securities program. This new program would be a ''zero-subsidy'' program, with no Federal appropriations necessary, that would provide financing with equity characteristics to small businesses. In response to two major problems suffered by the Participating Securities Program, the new Participating Debenture program would seek to a, ensure that a participating debenture is considered a debt instrument for Federal budgetary purposes, and b, prevent financial losses by the SBA by increasing the SBA's share of SBICs' profits.

Together with Senator TALENT and Senator BOND, I plan to foster a debate in the Small Business Committee about this bill and move toward a successful rejuvenation of the equity portion of the SBIC program. I believe that a full discussion about the proposal by the SBA, the SBICs, and experts in the venture capital industry will be necessary to achieve this progress.

In July 2005 a bill, H.R. 3429, was introduced in the House that would also create a new program to replace the Participating Securities program. The bill we are introducing has some elements in common with that House bill, but goes further to clarify the manner in which the SBIC program would operate, and to bring the program into greater compliance with budgetary guidelines.

This bill will allow the SBA to guarantee the repayment of the redemption price, principal, and interest for a new type of security, a ''participating debenture,'' issued by a SBIC. This type of guarantee (of principal and interest for a security issued by an SBIC) existed in the two other SBIC programs, and for those other two programs it was explicitly authorized in the Small Business Investment Act of 1958 (the SBIA). This bill will also authorize the SBA to guarantee the repayment to an ''interim funding provider'' (an IFP) of any funds lost by the IFP because of the default of an SBIC during the period after the IFP has advanced monies to the SBIC, and before the IFP has been repaid for those funds. This type of guarantee existed in practice in the two other SBIC programs, but was not authorized by the SBIA Thus, this provision rectifies that problem and brings the new program into compliance with the Federal Credit Reform Act of 1990 (the FCRA).

Another section of the bill authorizes the SBA to guarantee the payment of the redemption price and interest for a trust certificate issued by a trustee of a pool of PDs. This type of guarantee existed in the two prior SBIC programs, but was not authorized by the SBIA. Similar to the current Participating Securities and Debenture SBIC programs, the Participating Debenture (PD) program will raise funds by pooling the securities issued by SBICs into a pool and selling trust certificates that represent interests in that pool. Thus, this provision rectifies that problem and brings the new program more into compliance with the FCRA.

Our bill includes all of the provisions of H.R. 3429 that address redemption and interest, and also includes several additional provisions. First, the bill includes repayment in default. It authorizes the SBA to guarantee repayment to IFPs for funds lost due to the default of an SBIC. The bill also authorizes the SBA to guarantee the payment of the redemption price and interest for trust certificates issued by a trustee of a pool of PDs. For each of the guarantees authorized here, the SBA is empowered to charge a fee.

The fee authorized above will be sufficient to reduce to zero the net cost to the SBA of each guarantee. For the other two SBIC programs, the SBIA only explicitly authorized such a fee for the first guarantee, mentioned above, and did not authorize such a fee for the other two types of guarantees. Thus, this provision rectifies that problem and brings the new program into compliance with the FCRA. This section is not found in H.R. 3429.

The obligations that each SBIC hold to repay the SBA will be identical, or ''matched'', in both size and timing to the obligations that the SBA holds to repay to the trust certificate holders that have purchased trust certificates in the pool that holds that particular SBICs' PDs. For advancing funds to an SBIC in accordance with the SBIC's license agreement with the SBA, an IFP shall have the right to receive interest from the SBIC. The manner of calculating and collecting this interest is specified. These sections is not found in H.R. 3429. The aggregate unpaid principal balance of the PDs issued by a SBIC must not exceed 200 percent of that company's private capital. In other words, the maximum ratio of the SBA's outstanding investment in the SBIC, when compared to the private investors' investment, is 2:1. This method would be identical to the two current SBIC programs.

The bill permits the SBA may authorize a trust or pool acting on behalf of the SBA to purchase PDs from an SBIC. This practice occurs in the other two SBIC programs, but is not explicitly authorized by the SBIA. The principal balance of each PD will be payable in full not later than the tenth anniversary of the date of issuance of that PD. If a SBIC fails to make this payment they default immediately and are liquidated. This was not the case in the other two SBIC programs. Thus, both of these provisions bring this new program more into compliance with the FCRA.

Our bill, unlike the House bill, adds that if an SBIC fails to repay the required principle and interest by a date no later than the tenth anniversary of the original issuance, the SBIC defaults immediately and must be liquidated. Beginning on the date of issuance, interest on the principal balance outstanding of a PD shall accrue on a daily basis, and unpaid accrued interest shall compound every six months. There are no interest payments during the first five years of a PD. All unpaid interest on a PD accruing during the first five years will be due and payable in full out of gross receipts on the fifth anniversary. Interest accruing on a PD after the fifth anniversary will be due and payable semi-annually. Interest payments used to be contingent on a SBIC's profitability. In this proposal, the payments are due regardless of a SBIC's financial situation and if a payment is missed the SBA has the right to liquidate the SBIC. Thus, this provision brings this new program more into compliance with the FCRA.

In addition, the SBA is authorized to charge an additional fee, as necessary to reduce the cost of the program to zero, as that term is defined in the FCRA, but the fee is capped at 1.5 percent, this may need to be adjusted. This type of fee existed in the other two SBIC programs. If a SBIC fails to pay any principal or interest on a PD when due, the Administration, in addition to any other remedies that it may have, can demand immediate repayment of the principal balance and all accrued interest on all outstanding PDs of that SBIC. This was not the case in the other two programs; thus, this provision brings the new program more into compliance with the FCRA. If a default occurs, the SBA has the right to charge a default rate of interest. Again, this is an improvement on the existing program. Finally, if a default occurs, the SBA may apply the SBIC's private collateral, its private investments, to pay any interest or principal that the SBIC owes the SBA. Again, this is an improvement (a crucial improvement) on the existing program.

The bill offers several additions, in this regard, to the House bill. If default occurs, the SBA can charge a default rate of interest. The SBA can also make use of private investments to pay any interest or principle owed to the SBA by the SBIC. In the event of a SBIC's liquidation, a PD will be senior in priority for all purposes to any equity interests, in other words, the SBA will have first priority to reimbursement. Also, the SBIC's private collateral may, at the option of the SBA, be applied to pay accrued interest and principal of outstanding PDs.

In the event of a default by an SBIC, a PD will be senior in priority for all purposes to any equity interests, in other words, the SBA will have first priority to reimbursement. Also, the SBIC's private collateral may, at the option of the SBA, be applied to pay accrued interest and principal of outstanding PDs. The bill has an additional section for the defaults of the SBIC. The section creates rights for the SBA, in case of default, that are the same as the SBA's rights in liquidation. An SBIC also commits to invest private equity in small businesses, to match the capital raised by its PDs. An SBIC in this program shall have no other debt other than financing obtained pursuant to this program.

Unless otherwise allowed by the SBA, an SBIC may used the proceeds of a PD issued by the company to pay the principal and interest due on outstanding Pds issued by that company, if the SBIC has outstanding private equity capital invested in an amount equal to that being refinanced. This section of the Senate bill adds that an SBIC may use proceeds of a PD if it has outstanding private equity capital invested in an amount equal to that be refinanced.

Unless otherwise provided, an SBIC's gross receipts shall be used first for the payment of accrued interest on PDs, and then for repayment of PD principal and private investments into the SBIC, and then for profit distributions. Gross Receipts means all cash received by a SBIC, including proceeds of the sale of securities, management or other fees, and cash representing return of invested capital, other than capital contributed by partners, the proceeds of the issuance of PDs, and money borrowed from other sources, if any. Marketable Securities that the company distributes in kind will be distributed as if they were Gross Receipts.

When an SBIC misses a payment, the SBA may choose not to liquidate the SBIC and the SBIC may continue to operate. In such a case, a SBIC must use Gross Receipts within 10 days after receipt to repay any outstanding past due interest and past due principal. If a SBIC has no outstanding past due interest or principal, it must use Gross Receipts to prepay accrued interest. Such prepayment will be due not later than the end of the calendar quarter during which such Gross Receipts were received. Failure to prepay accrued interest will be deemed a Payment Default. At such time as there is no unpaid, accrued interest or past due principal outstanding on a SBIC's PDs, the SBIC may use Gross Receipts to prepay PD principal that is not past due. If any Gross Receipts remain, they may be paid to private investors to repay their investments. As long as there are any outstanding PDs, a SBIC may distribute Gross Receipts to its limited partners but only if they distribute at least a pro-rata share simultaneously to the administration.

If Gross Receipts remain after the payment of all required payments, remaining funds can be used for profit distributions. When all PD principal and all private capital has been repaid in full, post-amortization payments may made be made to the administration. The payments are 25 precent of their pro-rata share until private investors have received 100 percent of their principal; and thereafter, 50 percent of their pro-rata share. The order of payments are: interest payments, principal payments, pre-payments, pre-amortization payments, and post-amortization payments. This provision provides for tax distributions that are required by law, as necessary. No distribution may violate liquidity requirements or other restrictions imposed by the SBA's regulations or any State's law.

At any time a SBIC is in restricted operation or liquidation by reason of capital impairment or regulatory violation, the maturity date of the SBIC's PDs, including principal and accrued interest, is subject to acceleration at the option of the administration, and whether or not there has been such an acceleration, up to 100 percent of all Gross Receipts and unfunded private investor commitments may, at the option of the administration, be required to be distributed to the administration until all accrued interest and principal on the SBIC's PDs have been paid in full. No distributions will be made to limited partners when a SBIC is in restricted operations or liquidation due to capital impairment or regulatory violation. This section of the bill details the procedures and requirements that would apply if an SBIC provided a partial repayment to the SBA in the form of securities, rather than cash.

Another section details the schedule under which payments will be made to the SBA by an SBIC. Subject to SBA regulations and the permission of private investors, an SBIC may reinvest Gross Receipts back into small businesses. In addition, the bill provides that after re-payments have occurred in this program, the SBA's share of such re-payments shall not be reduced or recalculated. This section does not create any ownership interest for the SBA in any SBICs. Rather, the relationship is one of lender-borrower.

I urge my colleagues to support this bill. Too much is at stake for small businesses, and the economy as a whole, to allow this critical legislation to languish. Congress must find essential agreement and fulfill its obligation to America's small businesses. Failing to advance this bill would diminish our chances for innovation, and stifle the entrepreneurial opportunities this program will produce. Instead, we have an opportunity to support these key attributes of American small businesses.

By Mr. DURBIN:

S. 1924. A bill to strengthen civil-military relationships by permitting State and local governments to enter into lease purchase agreements with the United States Armed Forces; to the Committee on Armed Services.

Mr. DURBIN. Mr. President, I have often said here on the floor of the Senate that by working together, we in America can build a better future for all of us. Rather than limit our potential with an every-man-for-himself philosophy, we should find ways to work together. Anyone who has ever played sports can recall their coach's encouragement to use teamwork. That was good advice for athletics and it's a good idea in public policy too. America could use a little bit more of a teamwork society.

Today I rise to introduce the Base and Community Lease-Purchase Expansion Act. The purpose of this bill is to provide more opportunity for military bases to enter into cooperative agreements with the governments of the communities in which they are located.

One of the options available to the military for obtaining the facilities and office space it needs is the lease-purchase agreement. In this sort of arrangement, the military service contracts with an entity that agrees to construct a building on military land. The military then makes lease payments over a term of several years. At the end of that term the building becomes the property of the government. Current law says that the military services may enter into an agreement such as this only with a ''private contractor.''

The bill I offer today expands the range of entities with which the military can enter into these agreements so that the door can be opened to cooperative lease-purchase arrangements between the military and governments at the local and State level.

We know from the recent round of base closures and realignments that communities across the Nation are closely connected to the military installations situated nearby. The health and prosperity of one has a direct effect on the health and prosperity of the other. It is only prudent to allow the two to work together when it will benefit both the base and the community to do so. And what more stable partner could a military base have than the local government that welcomes its presence and role in the local community?

In my own State of Illinois, for example, we are very proud to be host to

Scott Air Force Base, home to the United States Transportation Command, the Air Force's Air Mobility Command, and some tireless flying units that move troops and materials all over the world in defense of our Nation. St. Clair County, where Scott Air Force Base is located, has for some time been willing to discuss with the Air Force the idea of working together on a lease-purchase agreement. That idea cannot get off the ground; much less take flight, however, so long as the current law strictly limits such agreements to private contractors.

This is just one example from my own State of Illinois. I expect there may be other military installations and their neighboring jurisdictions that also might like to work together in a similar fashion. The Base and Community Lease-Purchase Expansion Act which I introduce today will help open the door to that sort of teamwork.

America is strongest when the military and civilian parts of our society work together in partnership on projects of mutual benefit. To that end we must work to reduce barriers and seize opportunities to foster cooperation between military installations and the states and local jurisdictions in which they are located. In so doing, we lay the foundation for mutual understanding, a strong military and enduring communities.

SUBMITTED RESOLUTIONS—OCTOBER 25, 2005

SENATE RESOLUTION 286—COMMENDING THE GRAND OLE OPRY ON THE OCCASION OF ITS 80TH ANNIVERSARY FOR ITS IMPORTANT ROLE IN THE POPULARIZATION OF COUNTRY MUSIC AND FOR ITS 8 DECADES OF MUSICAL AND BROADCAST EXCELLENCE

Mr. FRIST (for himself and Mr. ALEXANDER) submitted the following resolution; which was considered and agreed to:

S. RES. 286

Whereas the Grand Ole Opry is a pioneer of commercial radio in the United States, and is the longest running continuous radio program in the United States, having operated since November 28, 1925, and having broadcasted over 4,000 consecutive Saturday evening shows on WSM Radio, Nashville, Tennessee;

Whereas the Grand Ole Opry played an integral role in the commercial development of the country music industry, and in establishing Nashville, Tennessee, as ''Music City USA'';

Whereas the Grand Ole Opry has consistently promoted the best in live entertainment and provided a distinctive forum for connecting country music fans to musicians so as to promote the popularity of this uniquely American genre;

Whereas the Grand Ole Opry serves as a unique American icon that enshrines the rich musical history of country music, and preserves the tradition and character of the genre through commemorative performances and events;

Whereas the Grand Ole Opry is committed to quality performances, and the membership of the Grand Ole Opry represents the elite of country music performers, including generations of America's most talented musicians, encompassing the music legends of old and the superstars of today that continue to define American country music;

Whereas performers at the Grand Ole Opry have included such universally recognized names as Roy Acuff, Chet Atkins, Garth Brooks, Johnny Cash, Patsy Cline, Vince Gill, Alan Jackson, Grandpa Jones, Loretta Lynn, Uncle Dave Macon, Dolly Parton, Minnie Pearl, Jim Reeves, Ernest Tubb, Hank Williams, Trisha Yearwood, and many more;

Whereas the Grand Ole Opry celebrates the diversity of country music, with membership spanning both generation and genre, representing the best in folk, country, bluegrass, gospel, and comedy performances;

Whereas the Grand Ole Opry continues to utilize technological innovations to develop new avenues of connecting country music to its fans, and can be seen and heard around the world via television, radio, satellite radio, and the Internet;

Whereas the Grand Ole Opry provides heartening support to members of the Armed Forces by participating in the Department of Defense's America Supports You Program, providing live performances to American Forces serving abroad via the American Forces Radio and Television Services network;

Whereas the Grand Ole Opry is recognized as the world's premiere country music show, and continues to entertain millions of fans throughout the world, including United States Presidents and foreign dignitaries, and serves as an emissary of American music and culture; and

Whereas the Grand Ole Opry will continue to impact American culture and music, and play an important role in presenting the best in country music to new generations of fans throughout the world, touching millions with music and comedy: Now, therefore, be it

Resolved, That the Senate commends the Grand Ole Opry on the occasion of its 80th anniversary for its important role in the popularization of country music, and for its 8 decades of musical and broadcast excellence.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 288—RECOGNIZING THE LIFE AND ACCOMPLISHMENTS OF WELLINGTON MARA OF NEW YORK

Mr. SCHUMER submitted the following resolution; which was considered and agreed to:

S. RES. 288

Whereas Tim Wellington Mara was born on August 14, 1916 in New York City;

Whereas Wellington Mara became a ball boy for the New York Giants at the age of 9;

Whereas Wellington Mara was made co-owner of the New York Giants in 1930 at the age of 14;

Whereas Wellington Mara graduated from Loyola High School, a Jesuit institution in Manhattan, and then attended Fordham University;

Whereas the only interruption in Wellington Mara's 81 years with the New York Giants organization occurred during World War II, when he served with distinction for more than 3 years in the Navy, seeing action in both the Atlantic and Pacific theaters aboard aircraft carriers;

Whereas Wellington Mara was instrumental in crafting an agreement in which larger market teams shared television revenue with smaller market teams, thereby allowing football to thrive throughout the United States;

Whereas under nearly 80 years of Wellington Mara's leadership, the New York Giants made 26 postseason appearances, the second highest in league history, including 18 National Football League Divisional championships, and 6 National Football League championships;

Whereas Wellington Mara displayed an unwavering commitment to his players and coaches by finding doctors for former players, paying for medical expenses, and arranging help for their families;

Whereas Wellington Mara was an invaluable contributor to the National Football League as a member of many ownership committees and has been recognized for always putting the interests of the game ahead of what was best for the New York Giants;

Whereas, in 1997, Wellington Mara was elected to the Professional Football Hall of Fame, joining his father, Tim Mara, who was a charter member of the Hall of Fame; and

Whereas, at the end of a life dedicated to the great game of football, its fans, and players, Wellington Mara passed away on October 25, 2005, at the age of 89: Now, therefore, be it

Resolved, That the Senate—

(1) expresses its most sincere condolences to the family of Wellington Mara, the former Ann Mumm, whom he married in 1954, their 11 children, and 40 grandchildren; and

(2) recognizes the life and accomplishments of Wellington Mara, who, for more than 8 decades, dedicated his life to the New York Giants and their millions of fans and supporters.

AMENDMENTS SUBMITTED AND PROPOSED

SA 2268. Mr. LEVIN submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes.

SA 2269. Mr. LAUTENBERG submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2270. Mr. LAUTENBERG submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2271. Mr. AKAKA submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2272. Mr. NELSON of Nebraska (for himself and Mr. DEWINE) submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2273. Mr. KENNEDY submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2274. Mr. NELSON of Nebraska (for himself and Mr. CARPER) submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2275. Mr. BYRD (for himself, Mr. LIEBERMAN, Mr. CORZINE, Mr. ROCKEFELLER, Mr. SCHUMER, Mr. KERRY, Mr. REED, Mr. REID, Mr. KENNEDY, Mr. BINGAMAN, Mr. DODD, Mr. KOHL, Mrs. MURRAY, Mr. LAUTENBERG, Ms. MIKULSKI, Mrs. CLINTON, and Mr. DAYTON) proposed an amendment to the bill H.R. 3010, supra.

SA 2276. Mr. DOMENICI submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2277. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra.

SA 2278. Mr. FRIST submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra.

SA 2279. Mr. FEINGOLD (for himself and Ms. COLLINS) submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2280. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2281. Mr. HARKIN (for himself, Mr. KENNEDY, Mr. REID, Mr. DURBIN, Mr. BAYH, and Mr. JOHNSON) submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2282. Mr. LEVIN submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2283. Mr. HARKIN (for himself, Mr. KENNEDY, Mr. REID, Mr. DURBIN, Mr. OBAMA, Mr. BAYH, Mr. KOHL, Ms. MIKULSKI, Mrs. CLINTON, Mr. JOHNSON, and Mr. DAYTON) proposed an amendment to the bill H.R. 3010, supra.

SA 2284. Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2285. Mrs. MURRAY submitted an amendment intended to be proposed by her to the bill H.R. 3010, supra.

SA 2286. Mr. REED submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2287. Mrs. BOXER (for herself and Mr. ENSIGN) submitted an amendment intended to be proposed by her to the bill H.R. 3010, supra.

SA 2288. Ms. STABENOW (for herself and Ms. SNOWE) submitted an amendment intended to be proposed by her to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2289. Mr. DAYTON submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra.

SA 2290. Mr. GREGG submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2291. Mr. SPECTER submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra.

SA 2292. Mrs. CLINTON (for herself, Mr. DODD, Mr. KENNEDY, Mr. JEFFORDS, Ms. STABENOW, Mr. DAYTON, Mr. LIEBERMAN, Mr. REID, Mr. LAUTENBERG, Mr. KOHL, Mr. CORZINE, Ms. MIKULSKI, Mr. DURBIN, Mr. ROCKEFELLER, Mr. JOHNSON, and Mr. KERRY) proposed an amendment to the bill H.R. 3010, supra.

SA 2293. Mr. KENNEDY submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2294. Mr. COLEMAN submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2295. Mr. ENZI submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2296. Mr. VITTER submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2297. Mr. VITTER submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2298. Mr. VITTER submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2299. Mr. COCHRAN submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2300. Mr. ENSIGN (for himself, Mr. WARNER, and Mr. ALLEN) submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra.

SA 2301. Mr. OBAMA (for himself, Mr. DURBIN, Mr. KERRY, Mrs. CLINTON, Mr. DODD, and Mr. CORZINE) submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2302. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2303. Mr. ALEXANDER submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2304. Mr. HAGEL (for himself, Mr. ALEXANDER, Mr. ROBERTS, Mr. WARNER, and Ms. MURKOWSKI) submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2305. Mr. ALEXANDER submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2306. Mr. ALEXANDER submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2307. Mr. ALEXANDER submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2308. Mr. ALEXANDER submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2309. Ms. COLLINS (for herself and Mr. REED) submitted an amendment intended to be proposed by her to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2310. Mr. STEVENS (for himself and Mrs. MURRAY) submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2311. Mr. SUNUNU submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2312. Ms. SNOWE submitted an amendment intended to be proposed by her to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2313. Mrs. CLINTON (for herself and Mr. SCHUMER) proposed an amendment to the bill H.R. 3010, supra.

SA 2314. Mr. CONRAD submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2315. Mr. DURBIN submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra.

SA 2316. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2317. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2318. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2319. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2320. Mr. OBAMA submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2321. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2322. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra.

SA 2323. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2324. Mr. ALLEN (for himself and Mr. WARNER) submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2325. Mr. DURBIN submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2326. Mr. DURBIN submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2327. Mr. COLEMAN (for himself and Mr. BINGAMAN) submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2328. Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2329. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2330. Mr. WARNER (for himself and Mr. LEAHY) proposed an amendment to the bill S. 1285, to designate the Federal building located at 333 Mt. Elliott Street in Detroit, Michigan, as the ''Rosa Parks Federal Building''.

SA 2331. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 2283 proposed by Mr. HARKIN (for himself, Mr. KENNEDY, Mr. REID, Mr. DURBIN, Mr. OBAMA, Mr. BAYH, Mr. KOHL, Ms. MIKULSKI, Mrs. CLINTON, Mr. JOHNSON, and Mr. DAYTON) to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table.

SA 2332. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 2283 proposed by Mr. HARKIN (for himself, Mr. KENNEDY, Mr. REID, Mr. DURBIN, Mr. OBAMA, Mr. BAYH, Mr. KOHL, Ms. MIKULSKI, Mrs. CLINTON, Mr. JOHNSON, and Mr. DAYTON) to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2333. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 2283 proposed by Mr. HARKIN (for himself, Mr. KENNEDY, Mr. REID, Mr. DURBIN, Mr. OBAMA, Mr. BAYH, Mr. KOHL, Ms. MIKULSKI, Mrs. CLINTON, Mr. JOHNSON, and Mr. DAYTON) to the bill H.R. 3010, supra; which was ordered to lie on the table.

SA 2334. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 2288 submitted by Ms. STABENOW (for herself and Ms. SNOWE) and intended to be proposed to the bill H.R. 3010, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 2268. Mr. LEVIN submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. ____. (a) Section 316 of the Immigration and Nationality Act (8 U.S.C. 1427), is amended by adding at the end the following:

''(g)(1) The continuous residency requirement under subsection (a) may be reduced to 3 years for an applicant for naturalization if—

''(A) the applicant is the beneficiary of an approved petition for classification under section 204(a)(1)(E);

''(B) the applicant has been approved for adjustment of status under section 245(a); and

''(C) such reduction is necessary for the applicant to represent the United States at an international event.

''(2) The Secretary of Homeland Security shall adjudicate an application for naturalization under this section not later than 30 days after the submission of such application if the applicant—

''(A) requests such expedited adjudication in order to represent the United States at an international event; and

''(B) demonstrates that such expedited adjudication is related to such representation.

''(3) An applicant is ineligible for expedited adjudication under paragraph (2) if the Secretary of Homeland Security determines that such expedited adjudication poses a risk to national security. Such a determination by the Secretary shall not be subject to review.

''(4)(A) In addition to any other fee authorized by law, the Secretary of Homeland Security shall charge and collect a $1,000 premium processing fee from each applicant described in this subsection to offset the additional costs incurred to expedite the processing of applications under this subsection.

''(B) The fee collected under subparagraph (A) shall be deposited as offsetting collections in the Immigration Examinations Fee Account.''.

(b) The amendment made by subsection (a) is repealed on January 1, 2006.

SA 2269. Mr. LAUTENBERG submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____. (a) None of the funds made available in this Act may be used to provide abstinence education that includes information that is medically inaccurate. For purposes of this section, the term ''medically inaccurate'' means information that is unsupported or contradicted by peer-reviewed research by leading medical, psychological, psychiatric, and public health publications, organizations and agencies.

SA 2270. Mr. LAUTENBERG submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

On page 178, after line 25, insert the following:

SEC. ____. None of the funds made available under this Act may be used to enroll beneficiaries under Part D of title XVIII of the Social Security Act for a prescription drug plan or an MA–PD plan that contains an initial coverage limit (as described in section 1860D–2(b)(3) of such Act), unless the beneficiary signs a certification of the following in a typeface of not less than 18 points: ''I understand that the Medicare Prescription Drug Plan or MA–PD Plan that I am signing up for may result in a gap in coverage during a given year. I understand that if subject to this gap in coverage, I will be responsible for paying 100 percent of the cost of my prescription drugs and will continue to be responsible for paying the plan's monthly premium while subject to this gap in coverage.''.

SA 2271. Mr. AKAKA submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place in title II, insert the following:

SEC. ____. Notwithstanding any other provision of law, the Secretary of Health and Human Services shall compute a DSH allotment for the State of Hawaii for fiscal year 2006 for purposes of the Medicaid program under title XIX of the Social Security Act that is comparable to the DSH allotments determined under that program for other States with a statewide waiver in effect under section 1115 of such Act.

SA 2272. Mr. NELSON of Nebraska (for himself and Mr. DEWINE) submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

On page 222, between lines 5 and 6, insert the following:

SEC. _____. (a) Congress makes the following findings:

(1) The American Jobs Creation Act of 2004 permitted the outsourcing or privatization by the Internal Revenue Service of collection of unpaid and past due federal income taxes.

(2) The Internal Revenue Service is about to issue to private-sector debt collection companies tax collection contracts that will create up to 4,000 well paying private-sector jobs.

(3) If the same tax collection activities were conducted by Federal employees, Federal law would give preferences in employment to disabled veterans in filling those federal jobs.

(4) By enacting legislation to improve the Internal Revenue Service's tax collection efforts and outsourcing or privatizing those efforts, Congress did not intend to curtail the Nation's long-standing commitment to creating meaningful job opportunities for disabled veterans and other persons with severe disabilities.

(5) The contracts the Internal Revenue Service will execute with private-sector debt collection companies provide a unique opportunity for the Federal government to stimulate the creation of well paying jobs for disabled veterans and other persons with disabilities.

(b) It is the sense of the Senate that—

(1) the Secretary of the Treasury should, to the maximum extent practicable, ensure that existing Federal employment preferences for disabled veterans and Federal policies promoting opportunities for other disabled persons are carried forward as a part of any tax collection contract program carried out under section 6306 of the Internal Revenue Code of 1986, as added by the American Jobs Creation Act of 2004, and

(2) the criteria applied by the Internal Revenue Service in awarding contracts to private-sector tax collection companies under such program should incorporate a preference for companies hiring disabled veterans and other disabled persons.

SA 2273. Mr. KENNEDY submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title III (before the short title), add the following:

SEC. ____. ADDITIONAL FUNDING FOR PART A OF TITLE I OF ESEA.

In addition to amounts otherwise appropriated under this Act, there are appropriated, out of any money in the Treasury not otherwise appropriated, $85,000,000 to ensure that the amount of Federal assistance received under part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311 et seq.) by a local educational agency for fiscal year 2006 is not less than the amount of Federal assistance received by such agency under such part for fiscal year 2005.

SA 2274. Mr. NELSON of Nebraska (for himself and Mr. CARPER) submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

On page 158, strike lines 12 through 21 and insert the following:

bus Budget Reconciliation Act of 1981, $3,483,000,000.

For making payments under title XXVI of the Omnibus Budget Reconciliation Act of 1981, $300,000,000, to remain available until expended: *Provided,* That these funds are for the unanticipated home energy assistance

needs of one or more States, as authorized by section 2604(e) of the Act: *Provided further*, That the entire amount is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 95 (109th Congress), the concurrent resolution on the budget for fiscal year 2006.

GENERAL PROVISION—REVENUE RAISING PROVISIONS

SEC. ___. PARTIAL PAYMENTS REQUIRED WITH SUBMISSION OF OFFERS-IN-COMPROMISE.

(a) IN GENERAL.—Section 7122 of the Internal Revenue Code of 1986 (relating to compromises) is amended by redesignating subsections (c) and (d) as subsections (d) and (e), respectively, and by inserting after subsection (b) the following new subsection:

''(c) RULES FOR SUBMISSION OF OFFERS-IN-COMPROMISE.—

''(1) PARTIAL PAYMENT REQUIRED WITH SUBMISSION.—

''(A) LUMP-SUM OFFERS.—

''(i) IN GENERAL.—The submission of any lump-sum offer-in-compromise shall be accompanied by the payment of 20 percent of amount of such offer.

''(ii) LUMP-SUM OFFER-IN-COMPROMISE.—For purposes of this section, the term 'lump-sum offer-in-compromise' means any offer of payments made in 5 or fewer installments.

''(B) PERIODIC PAYMENT OFFERS.—The submission of any periodic payment offer-in-compromise shall be accompanied by the payment of the amount of the first proposed installment and each proposed installment due during the period such offer is being evaluated for acceptance and has not been rejected by the Secretary. Any failure to make a payment required under the preceding sentence shall be deemed a withdrawal of the offer-in-compromise.

''(2) RULES OF APPLICATION.—

''(A) USE OF PAYMENT.—The application of any payment made under this subsection to the assessed tax or other amounts imposed under this title with respect to such tax may be specified by the taxpayer.

''(B) NO USER FEE IMPOSED.—Any user fee which would otherwise be imposed under this section shall not be imposed on any offer-in-compromise accompanied by a payment required under this subsection.''.

(b) ADDITIONAL RULES RELATING TO TREATMENT OF OFFERS.—

(1) UNPROCESSABLE OFFER IF PAYMENT REQUIREMENTS ARE NOT MET.—Paragraph (3) of section 7122(d) of the Internal Revenue Code of 1986 (relating to standards for evaluation of offers), as redesignated by subsection (a), is amended by striking ''; and'' at the end of subparagraph (A) and inserting a comma, by striking the period at the end of subparagraph (B) and inserting '', and'', and by adding at the end the following new subparagraph:

''(C) any offer-in-compromise which does not meet the requirements of subsection (c) shall be returned to the taxpayer as unprocessable.''.

(2) DEEMED ACCEPTANCE OF OFFER NOT REJECTED WITHIN CERTAIN PERIOD.—Section 7122 of such Code, as amended by subsection (a), is amended by adding at the end the following new subsection:

''(f) DEEMED ACCEPTANCE OF OFFER NOT REJECTED WITHIN CERTAIN PERIOD.—Any offer-in-compromise submitted under this section shall be deemed to be accepted by the Secretary if such offer is not rejected by the Secretary before the date which is 24 months after the date of the submission of such offer (12 months for offers-in-compromise submitted after the date which is 5 years after the date of the enactment of this subsection). For purposes of the preceding sentence, any period during which any tax liability which is the subject of such offer-in-compromise is in dispute in any judicial proceeding shall not be taken in to account in determining the expiration of the 24-month period (or 12-month period, if applicable).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to offers-in-compromise submitted on and after the date which is 60 days after the date of the enactment of this Act.

SEC. ___. TREATMENT OF CONTINGENT PAYMENT CONVERTIBLE DEBT INSTRUMENTS.

(a) IN GENERAL.—Section 1275(d) of the Internal Revenue Code of 1986 (relating to regulation authority) is amended—

(1) by striking ''The Secretary'' and inserting the following:

''(1) IN GENERAL.—The Secretary'', and

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

''(2) TREATMENT OF CONTINGENT PAYMENT CONVERTIBLE DEBT.—

''(A) IN GENERAL.—In the case of a debt instrument which—

''(i) is convertible into stock of the issuing corporation, into stock or debt of a related party (within the meaning of section 267(b) or 707(b)(1)), or into cash or other property in an amount equal to the approximate value of such stock or debt, and

''(ii) provides for contingent payments,

any regulations which require original issue discount to be determined by reference to the comparable yield of a noncontingent fixed-rate debt instrument shall be applied as if the regulations require that such comparable yield be determined by reference to a noncontingent fixed-rate debt instrument which is convertible into stock.

''(B) SPECIAL RULE.—For purposes of subparagraph (A), the comparable yield shall be determined without taking into account the yield resulting from the conversion of a debt instrument into stock.''.

(b) CROSS REFERENCE.—Section 163(e)(6) of the Internal Revenue Code of 1986 (relating to cross references) is amended by adding at the end the following:

''For the treatment of contingent payment convertible debt, see section 1275(d)(2).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to debt instruments issued on or after the date of the enactment of this Act.

SEC. ___. IMPOSITION OF MARK-TO-MARKET TAX ON INDIVIDUALS WHO EXPATRIATE.

(a) IN GENERAL.—Subpart A of part II of subchapter N of chapter 1of the Internal Revenue Code of 1986 is amended by inserting after section 877 the following new section:

''SEC. 877A. TAX RESPONSIBILITIES OF EXPATRIATION.

''(a) GENERAL RULES.—For purposes of this subtitle—

''(1) MARK TO MARKET.—Except as provided in subsections (d) and (f), all property of a covered expatriate to whom this section applies shall be treated as sold on the day before the expatriation date for its fair market value.

''(2) RECOGNITION OF GAIN OR LOSS.—In the case of any sale under paragraph (1)—

''(A) notwithstanding any other provision of this title, any gain arising from such sale shall be taken into account for the taxable year of the sale, and

''(B) any loss arising from such sale shall be taken into account for the taxable year of the sale to the extent otherwise provided by this title, except that section 1091 shall not apply to any such loss.

Proper adjustment shall be made in the amount of any gain or loss subsequently realized for gain or loss taken into account under the preceding sentence.

''(3) EXCLUSION FOR CERTAIN GAIN.—

''(A) IN GENERAL.—The amount which, but for this paragraph, would be includible in the gross income of any individual by reason of this section shall be reduced (but not below zero) by $600,000. For purposes of this paragraph, allocable expatriation gain taken into account under subsection (f)(2) shall be treated in the same manner as an amount required to be includible in gross income.

''(B) COST-OF-LIVING ADJUSTMENT.—

''(i) IN GENERAL.—In the case of an expatriation date occurring in any calendar year after 2005, the $600,000 amount under subparagraph (A) shall be increased by an amount equal to—

''(I) such dollar amount, multiplied by

''(II) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year, determined by substituting 'calendar year 2004' for 'calendar year 1992' in subparagraph (B) thereof.

''(ii) ROUNDING RULES.—If any amount after adjustment under clause (i) is not a multiple of $1,000, such amount shall be rounded to the next lower multiple of $1,000.

''(4) ELECTION TO CONTINUE TO BE TAXED AS UNITED STATES CITIZEN.—

''(A) IN GENERAL.—If a covered expatriate elects the application of this paragraph—

''(i) this section (other than this paragraph and subsection (i)) shall not apply to the expatriate, but

''(ii) in the case of property to which this section would apply but for such election, the expatriate shall be subject to tax under this title in the same manner as if the individual were a United States citizen.

''(B) REQUIREMENTS.—Subparagraph (A) shall not apply to an individual unless the individual—

''(i) provides security for payment of tax in such form and manner, and in such amount, as the Secretary may require,

''(ii) consents to the waiver of any right of the individual under any treaty of the United States which would preclude assessment or collection of any tax which may be imposed by reason of this paragraph, and

''(iii) complies with such other requirements as the Secretary may prescribe.

''(C) ELECTION.—An election under subparagraph (A) shall apply to all property to which this section would apply but for the election and, once made, shall be irrevocable. Such election shall also apply to property the basis of which is determined in whole or in part by reference to the property with respect to which the election was made.

''(b) ELECTION TO DEFER TAX.—

''(1) IN GENERAL.—If the taxpayer elects the application of this subsection with respect to any property treated as sold by reason of subsection (a), the payment of the additional tax attributable to such property shall be postponed until the due date of the return for the taxable year in which such property is disposed of (or, in the case of property disposed of in a transaction in which gain is not recognized in whole or in part, until such other date as the Secretary may prescribe).

''(2) DETERMINATION OF TAX WITH RESPECT TO PROPERTY.—For purposes of paragraph (1), the additional tax attributable to any property is an amount which bears the same ratio to the additional tax imposed by this chapter for the taxable year solely by reason of subsection (a) as the gain taken into account under subsection (a) with respect to such property bears to the total gain taken into account under subsection (a) with respect to all property to which subsection (a) applies.

''(3) TERMINATION OF POSTPONEMENT.—No tax may be postponed under this subsection later than the due date for the return of tax imposed by this chapter for the taxable year

which includes the date of death of the expatriate (or, if earlier, the time that the security provided with respect to the property fails to meet the requirements of paragraph (4), unless the taxpayer corrects such failure within the time specified by the Secretary).

''(4) SECURITY.—

''(A) IN GENERAL.—No election may be made under paragraph (1) with respect to any property unless adequate security is provided to the Secretary with respect to such property.

''(B) ADEQUATE SECURITY.—For purposes of subparagraph (A), security with respect to any property shall be treated as adequate security if—

''(i) it is a bond in an amount equal to the deferred tax amount under paragraph (2) for the property, or

''(ii) the taxpayer otherwise establishes to the satisfaction of the Secretary that the security is adequate.

''(5) WAIVER OF CERTAIN RIGHTS.—No election may be made under paragraph (1) unless the taxpayer consents to the waiver of any right under any treaty of the United States which would preclude assessment or collection of any tax imposed by reason of this section.

''(6) ELECTIONS.—An election under paragraph (1) shall only apply to property described in the election and, once made, is irrevocable. An election may be made under paragraph (1) with respect to an interest in a trust with respect to which gain is required to be recognized under subsection (f)(1).

''(7) INTEREST.—For purposes of section 6601—

''(A) the last date for the payment of tax shall be determined without regard to the election under this subsection, and

''(B) section 6621(a)(2) shall be applied by substituting '5 percentage points' for '3 percentage points' in subparagraph (B) thereof.

''(c) COVERED EXPATRIATE.—For purposes of this section—

''(1) IN GENERAL.—Except as provided in paragraph (2), the term 'covered expatriate' means an expatriate.

''(2) EXCEPTIONS.—An individual shall not be treated as a covered expatriate if—

''(A) the individual—

''(i) became at birth a citizen of the United States and a citizen of another country and, as of the expatriation date, continues to be a citizen of, and is taxed as a resident of, such other country, and

''(ii) has not been a resident of the United States (as defined in section 7701(b)(1)(A)(ii)) during the 5 taxable years ending with the taxable year during which the expatriation date occurs, or

''(B)(i) the individual's relinquishment of United States citizenship occurs before such individual attains age 18½, and

''(ii) the individual has been a resident of the United States (as so defined) for not more than 5 taxable years before the date of relinquishment.

''(d) EXEMPT PROPERTY; SPECIAL RULES FOR PENSION PLANS.—

''(1) EXEMPT PROPERTY.—This section shall not apply to the following:

''(A) UNITED STATES REAL PROPERTY INTERESTS.—Any United States real property interest (as defined in section 897(c)(1)), other than stock of a United States real property holding corporation which does not, on the day before the expatriation date, meet the requirements of section 897(c)(2).

''(B) SPECIFIED PROPERTY.—Any property or interest in property not described in subparagraph (A) which the Secretary specifies in regulations.

''(2) SPECIAL RULES FOR CERTAIN RETIREMENT PLANS.—

''(A) IN GENERAL.—If a covered expatriate holds on the day before the expatriation date any interest in a retirement plan to which this paragraph applies—

''(i) such interest shall not be treated as sold for purposes of subsection (a)(1), but

''(ii) an amount equal to the present value of the expatriate's nonforfeitable accrued benefit shall be treated as having been received by such individual on such date as a distribution under the plan.

''(B) TREATMENT OF SUBSEQUENT DISTRIBUTIONS.—In the case of any distribution on or after the expatriation date to or on behalf of the covered expatriate from a plan from which the expatriate was treated as receiving a distribution under subparagraph (A), the amount otherwise includible in gross income by reason of the subsequent distribution shall be reduced by the excess of the amount includible in gross income under subparagraph (A) over any portion of such amount to which this subparagraph previously applied.

''(C) TREATMENT OF SUBSEQUENT DISTRIBUTIONS BY PLAN.—For purposes of this title, a retirement plan to which this paragraph applies, and any person acting on the plan's behalf, shall treat any subsequent distribution described in subparagraph (B) in the same manner as such distribution would be treated without regard to this paragraph.

''(D) APPLICABLE PLANS.—This paragraph shall apply to—

''(i) any qualified retirement plan (as defined in section 4974(c)),

''(ii) an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A), and

''(iii) to the extent provided in regulations, any foreign pension plan or similar retirement arrangements or programs.

''(e) DEFINITIONS.—For purposes of this section—

''(1) EXPATRIATE.—The term 'expatriate' means—

''(A) any United States citizen who relinquishes citizenship, and

''(B) any long-term resident of the United States who—

''(i) ceases to be a lawful permanent resident of the United States (within the meaning of section 7701(b)(6)), or

''(ii) commences to be treated as a resident of a foreign country under the provisions of a tax treaty between the United States and the foreign country and who does not waive the benefits of such treaty applicable to residents of the foreign country.

''(2) EXPATRIATION DATE.—The term 'expatriation date' means—

''(A) the date an individual relinquishes United States citizenship, or

''(B) in the case of a long-term resident of the United States, the date of the event described in clause (i) or (ii) of paragraph (1)(B).

''(3) RELINQUISHMENT OF CITIZENSHIP.—A citizen shall be treated as relinquishing United States citizenship on the earliest of—

''(A) the date the individual renounces such individual's United States nationality before a diplomatic or consular officer of the United States pursuant to paragraph (5) of section 349(a) of the Immigration and Nationality Act (8 U.S.C. 1481(a)(5)),

''(B) the date the individual furnishes to the United States Department of State a signed statement of voluntary relinquishment of United States nationality confirming the performance of an act of expatriation specified in paragraph (1), (2), (3), or (4) of section 349(a) of the Immigration and Nationality Act (8 U.S.C. 1481(a)(1)–(4)),

''(C) the date the United States Department of State issues to the individual a certificate of loss of nationality, or

''(D) the date a court of the United States cancels a naturalized citizen's certificate of naturalization.

Subparagraph (A) or (B) shall not apply to any individual unless the renunciation or voluntary relinquishment is subsequently approved by the issuance to the individual of a certificate of loss of nationality by the United States Department of State.

''(4) LONG-TERM RESIDENT.—The term 'long-term resident' has the meaning given to such term by section 877(e)(2).

''(f) SPECIAL RULES APPLICABLE TO BENEFICIARIES' INTERESTS IN TRUST.—

''(1) IN GENERAL.—Except as provided in paragraph (2), if an individual is determined under paragraph (3) to hold an interest in a trust on the day before the expatriation date—

''(A) the individual shall not be treated as having sold such interest,

''(B) such interest shall be treated as a separate share in the trust, and

''(C)(i) such separate share shall be treated as a separate trust consisting of the assets allocable to such share,

''(ii) the separate trust shall be treated as having sold its assets on the day before the expatriation date for their fair market value and as having distributed all of its assets to the individual as of such time, and

''(iii) the individual shall be treated as having recontributed the assets to the separate trust.

Subsection (a)(2) shall apply to any income, gain, or loss of the individual arising from a distribution described in subparagraph (C)(ii). In determining the amount of such distribution, proper adjustments shall be made for liabilities of the trust allocable to an individual's share in the trust.

''(2) SPECIAL RULES FOR INTERESTS IN QUALIFIED TRUSTS.—

''(A) IN GENERAL.—If the trust interest described in paragraph (1) is an interest in a qualified trust—

''(i) paragraph (1) and subsection (a) shall not apply, and

''(ii) in addition to any other tax imposed by this title, there is hereby imposed on each distribution with respect to such interest a tax in the amount determined under subparagraph (B).

''(B) AMOUNT OF TAX.—The amount of tax under subparagraph (A)(ii) shall be equal to the lesser of—

''(i) the highest rate of tax imposed by section 1(e) for the taxable year which includes the day before the expatriation date, multiplied by the amount of the distribution, or

''(ii) the balance in the deferred tax account immediately before the distribution determined without regard to any increases under subparagraph (C)(ii) after the 30th day preceding the distribution.

''(C) DEFERRED TAX ACCOUNT.—For purposes of subparagraph (B)(ii)—

''(i) OPENING BALANCE.—The opening balance in a deferred tax account with respect to any trust interest is an amount equal to the tax which would have been imposed on the allocable expatriation gain with respect to the trust interest if such gain had been included in gross income under subsection (a).

''(ii) INCREASE FOR INTEREST.—The balance in the deferred tax account shall be increased by the amount of interest determined (on the balance in the account at the time the interest accrues), for periods after the 90th day after the expatriation date, by using the rates and method applicable under section 6621 for underpayments of tax for such periods, except that section 6621(a)(2) shall be applied by substituting '5 percentage points' for '3 percentage points' in subparagraph (B) thereof.

''(iii) DECREASE FOR TAXES PREVIOUSLY PAID.—The balance in the tax deferred account shall be reduced—

''(I) by the amount of taxes imposed by subparagraph (A) on any distribution to the person holding the trust interest, and

''(II) in the case of a person holding a nonvested interest, to the extent provided in regulations, by the amount of taxes imposed by subparagraph (A) on distributions from the trust with respect to nonvested interests not held by such person.

''(D) ALLOCABLE EXPATRIATION GAIN.—For purposes of this paragraph, the allocable expatriation gain with respect to any beneficiary's interest in a trust is the amount of gain which would be allocable to such beneficiary's vested and nonvested interests in the trust if the beneficiary held directly all assets allocable to such interests.

''(E) TAX DEDUCTED AND WITHHELD.—

''(i) IN GENERAL.—The tax imposed by subparagraph (A)(ii) shall be deducted and withheld by the trustees from the distribution to which it relates.

''(ii) EXCEPTION WHERE FAILURE TO WAIVE TREATY RIGHTS.—If an amount may not be deducted and withheld under clause (i) by reason of the distributee failing to waive any treaty right with respect to such distribution—

''(I) the tax imposed by subparagraph (A)(ii) shall be imposed on the trust and each trustee shall be personally liable for the amount of such tax, and

''(II) any other beneficiary of the trust shall be entitled to recover from the distributee the amount of such tax imposed on the other beneficiary.

''(F) DISPOSITION.—If a trust ceases to be a qualified trust at any time, a covered expatriate disposes of an interest in a qualified trust, or a covered expatriate holding an interest in a qualified trust dies, then, in lieu of the tax imposed by subparagraph (A)(ii), there is hereby imposed a tax equal to the lesser of—

''(i) the tax determined under paragraph (1) as if the day before the expatriation date were the date of such cessation, disposition, or death, whichever is applicable, or

''(ii) the balance in the tax deferred account immediately before such date.

Such tax shall be imposed on the trust and each trustee shall be personally liable for the amount of such tax and any other beneficiary of the trust shall be entitled to recover from the covered expatriate or the estate the amount of such tax imposed on the other beneficiary.

''(G) DEFINITIONS AND SPECIAL RULES.—For purposes of this paragraph—

''(i) QUALIFIED TRUST.—The term 'qualified trust' means a trust which is described in section 7701(a)(30)(E).

''(ii) VESTED INTEREST.—The term 'vested interest' means any interest which, as of the day before the expatriation date, is vested in the beneficiary.

''(iii) NONVESTED INTEREST.—The term 'nonvested interest' means, with respect to any beneficiary, any interest in a trust which is not a vested interest. Such interest shall be determined by assuming the maximum exercise of discretion in favor of the beneficiary and the occurrence of all contingencies in favor of the beneficiary.

''(iv) ADJUSTMENTS.—The Secretary may provide for such adjustments to the bases of assets in a trust or a deferred tax account, and the timing of such adjustments, in order to ensure that gain is taxed only once.

''(v) COORDINATION WITH RETIREMENT PLAN RULES.—This subsection shall not apply to an interest in a trust which is part of a retirement plan to which subsection (d)(2) applies.

''(3) DETERMINATION OF BENEFICIARIES' INTEREST IN TRUST.—

''(A) DETERMINATIONS UNDER PARAGRAPH (1).—For purposes of paragraph (1), a beneficiary's interest in a trust shall be based upon all relevant facts and circumstances, including the terms of the trust instrument and any letter of wishes or similar document, historical patterns of trust distributions, and the existence of and functions performed by a trust protector or any similar adviser.

''(B) OTHER DETERMINATIONS.—For purposes of this section—

''(i) CONSTRUCTIVE OWNERSHIP.—If a beneficiary of a trust is a corporation, partnership, trust, or estate, the shareholders, partners, or beneficiaries shall be deemed to be the trust beneficiaries for purposes of this section.

''(ii) TAXPAYER RETURN POSITION.—A taxpayer shall clearly indicate on its income tax return—

''(I) the methodology used to determine that taxpayer's trust interest under this section, and

''(II) if the taxpayer knows (or has reason to know) that any other beneficiary of such trust is using a different methodology to determine such beneficiary's trust interest under this section.

''(g) TERMINATION OF DEFERRALS, ETC.—In the case of any covered expatriate, notwithstanding any other provision of this title—

''(1) any period during which recognition of income or gain is deferred shall terminate on the day before the expatriation date, and

''(2) any extension of time for payment of tax shall cease to apply on the day before the expatriation date and the unpaid portion of such tax shall be due and payable at the time and in the manner prescribed by the Secretary.

''(h) IMPOSITION OF TENTATIVE TAX.—

''(1) IN GENERAL.—If an individual is required to include any amount in gross income under subsection (a) for any taxable year, there is hereby imposed, immediately before the expatriation date, a tax in an amount equal to the amount of tax which would be imposed if the taxable year were a short taxable year ending on the expatriation date.

''(2) DUE DATE.—The due date for any tax imposed by paragraph (1) shall be the 90th day after the expatriation date.

''(3) TREATMENT OF TAX.—Any tax paid under paragraph (1) shall be treated as a payment of the tax imposed by this chapter for the taxable year to which subsection (a) applies.

''(4) DEFERRAL OF TAX.—The provisions of subsection (b) shall apply to the tax imposed by this subsection to the extent attributable to gain includible in gross income by reason of this section.

''(i) SPECIAL LIENS FOR DEFERRED TAX AMOUNTS.—

''(1) IMPOSITION OF LIEN.—

''(A) IN GENERAL.—If a covered expatriate makes an election under subsection (a)(4) or (b) which results in the deferral of any tax imposed by reason of subsection (a), the deferred amount (including any interest, additional amount, addition to tax, assessable penalty, and costs attributable to the deferred amount) shall be a lien in favor of the United States on all property of the expatriate located in the United States (without regard to whether this section applies to the property).

''(B) DEFERRED AMOUNT.—For purposes of this subsection, the deferred amount is the amount of the increase in the covered expatriate's income tax which, but for the election under subsection (a)(4) or (b), would have occurred by reason of this section for the taxable year including the expatriation date.

''(2) PERIOD OF LIEN.—The lien imposed by this subsection shall arise on the expatriation date and continue until—

''(A) the liability for tax by reason of this section is satisfied or has become unenforceable by reason of lapse of time, or

''(B) it is established to the satisfaction of the Secretary that no further tax liability may arise by reason of this section.

''(3) CERTAIN RULES APPLY.—The rules set forth in paragraphs (1), (3), and (4) of section 6324A(d) shall apply with respect to the lien imposed by this subsection as if it were a lien imposed by section 6324A.

''(j) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section.''.

(b) INCLUSION IN INCOME OF GIFTS AND BEQUESTS RECEIVED BY UNITED STATES CITIZENS AND RESIDENTS FROM EXPATRIATES.—Section 102 of the Internal Revenue Code of 1986 (relating to gifts, etc. not included in gross income) is amended by adding at the end the following new subsection:

''(d) GIFTS AND INHERITANCES FROM COVERED EXPATRIATES.—

''(1) IN GENERAL.—Subsection (a) shall not exclude from gross income the value of any property acquired by gift, bequest, devise, or inheritance from a covered expatriate after the expatriation date. For purposes of this subsection, any term used in this subsection which is also used in section 877A shall have the same meaning as when used in section 877A.

''(2) EXCEPTIONS FOR TRANSFERS OTHERWISE SUBJECT TO ESTATE OR GIFT TAX.—Paragraph (1) shall not apply to any property if either—

''(A) the gift, bequest, devise, or inheritance is—

''(i) shown on a timely filed return of tax imposed by chapter 12 as a taxable gift by the covered expatriate, or

''(ii) included in the gross estate of the covered expatriate for purposes of chapter 11 and shown on a timely filed return of tax imposed by chapter 11 of the estate of the covered expatriate, or

''(B) no such return was timely filed but no such return would have been required to be filed even if the covered expatriate were a citizen or long-term resident of the United States.''.

(c) DEFINITION OF TERMINATION OF UNITED STATES CITIZENSHIP.—Section 7701(a) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

''(49) TERMINATION OF UNITED STATES CITIZENSHIP.—

''(A) IN GENERAL.—An individual shall not cease to be treated as a United States citizen before the date on which the individual's citizenship is treated as relinquished under section 877A(e)(3).

''(B) DUAL CITIZENS.—Under regulations prescribed by the Secretary, subparagraph (A) shall not apply to an individual who became at birth a citizen of the United States and a citizen of another country.''.

(d) INELIGIBILITY FOR VISA OR ADMISSION TO UNITED STATES.—

(1) IN GENERAL.—Section 212(a)(10)(E) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(10)(E)) is amended to read as follows:

''(E) FORMER CITIZENS NOT IN COMPLIANCE WITH EXPATRIATION REVENUE PROVISIONS.—Any alien who is a former citizen of the United States who relinquishes United States citizenship (within the meaning of section 877A(e)(3) of the Internal Revenue Code of 1986) and who is not in compliance with section 877A of such Code (relating to expatriation).''.

(2) AVAILABILITY OF INFORMATION.—

(A) IN GENERAL.—Section 6103(l) of the Internal Revenue Code of 1986 (relating to disclosure of returns and return information for purposes other than tax administration) is amended by adding at the end the following new paragraph:

''(21) DISCLOSURE TO DENY VISA OR ADMISSION TO CERTAIN EXPATRIATES.—Upon written request of the Attorney General or the Attorney General's delegate, the Secretary shall disclose whether an individual is in compliance with section 877A (and if not in compliance, any items of noncompliance) to officers and employees of the Federal agency responsible for administering section 212(a)(10)(E) of the Immigration and Nationality Act solely for the purpose of, and to the extent necessary in, administering such section 212(a)(10)(E).''.

(B) SAFEGUARDS.—Section 6103(p)(4) of such Code (relating to safeguards) is amended by striking ''or (20)'' each place it appears and inserting ''(20), or (21)''.

(3) EFFECTIVE DATES.—The amendments made by this subsection shall apply to individuals who relinquish United States citizenship on or after the date of the enactment of this Act.

(e) CONFORMING AMENDMENTS.—

(1) Section 877 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(h) APPLICATION.—This section shall not apply to an expatriate (as defined in section 877A(e)) whose expatriation date (as so defined) occurs on or after the date of the enactment of the Safe, Accountable, Flexible, and Efficient Transportation Equity Act of 2005.''.

(2) Section 2107 of such Code is amended by adding at the end the following new subsection:

''(f) APPLICATION.—This section shall not apply to any expatriate subject to section 877A.''.

(3) Section 2501(a)(3) of such Code is amended by adding at the end the following new subparagraph:

''(C) APPLICATION.—This paragraph shall not apply to any expatriate subject to section 877A.''.

(f) CLERICAL AMENDMENT.—The table of sections for subpart A of part II of subchapter N of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 877 the following new item:

''Sec. 877A. Tax responsibilities of expatriation.''.

(g) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in this subsection, the amendments made by this section shall apply to expatriates (within the meaning of section 877A(e) of the Internal Revenue Code of 1986, as added by this section) whose expatriation date (as so defined) occurs on or after the date of the enactment of this Act.

(2) GIFTS AND BEQUESTS.—Section 102(d) of the Internal Revenue Code of 1986 (as added by subsection (b)) shall apply to gifts and bequests received on or after the date of the enactment of this Act, from an individual or the estate of an individual whose expatriation date (as so defined) occurs after such date.

(3) DUE DATE FOR TENTATIVE TAX.—The due date under section 877A(h)(2) of the Internal Revenue Code of 1986, as added by this section, shall in no event occur before the 90th day after the date of the enactment of this Act.

SA 2275. Mr. BYRD (for himself, Mr. LIEBERMAN, Mr. CORZINE, Mr. ROCKEFELLER, Mr. SCHUMER, Mr. KERRY, Mr. REED, Mr. REID, Mr. KENNEDY, Mr. BINGAMAN, Mr. DODD, Mr. KOHL, Mrs. MURRAY, Mr. LAUTENBERG, Ms. MIKULSKI, Mrs. CLINTON, and Mr. DAYTON) proposed an amendment to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title III (before the short title), add the following:

SEC. ____. ADDITIONAL TITLE I FUNDING.

In addition to amounts otherwise appropriated under this Act, there are appropriated, out of any money in the Treasury not otherwise appropriated, $5,000,000,000 for carrying out title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.), of which—

(1) $2,500,000,000 shall be for targeted grants under section 1125 of such Act; and

(2) $2,500,000,000 shall be for education finance incentive grants under section 1125A of such Act.

SA 2276. Mr. DOMENICI submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

On page 165, strike line 2 and insert the following:

for a study of the system's effectiveness: *Provided further*, That the total amount made available under this heading shall be increased by $15,000,000, which shall be for carrying out the National Youth Sports Program under the Community Services Block Grant Act.

GENERAL PROVISION—REDUCTION

SEC. ____. Notwithstanding any other provision of this Act, $338,614,000 shall be the total amount made available under the heading ''GENERAL DEPARTMENTAL MANAGEMENT'' under the heading ''OFFICE OF THE SECRETARY'' (other than funds transferred and expended as authorized by section 201(g)(1) of the Social Security Act, and amounts available under section 241 of the Public Health Service Act, as described under such headings).

SA 2277. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; as follows:

On page 112, strike lines 17 and 18 and insert the following:

Workforce Investment Act of 1998; $2,867,806,000 plus reimbursements, of which $1,871,518,000 is available for obli-

On page 113, strike lines 8 through 13 and insert the following:

$1,148,264,000 shall be for activities described in section 132(a)(2)(B) of such Act: *Provided further*, That $125,000,000 shall be available for Community-Based Job Training Grants, and not more than an additional $125,000,000 may be used by the Secretary of Labor for such grants from funds reserved under section 132(a)(2)(A) of the Workforce Investment Act of 1998, to carry out such grants under sec-

On page 132, line 9, strike ''$320,250,000'' and insert ''$240,250,000, of which $13,248,000 is for such management or operation of activities conducted by or through the Bureau of International Labor Affairs, and''

SA 2278. Mr. FRIST submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; as follows:

On page 116, line 9, strike ''$132,825,000, together with'' and insert ''$119,825,000: *Provided*, That amounts provided for in this Act for suicide prevention activities under the Garrett Lee Smith Memorial Act (Public law 108–355) shall be increased by $13,000,000: *Provided further*,'' That''.

SA 2279. Mr. FEINGOLD (for himself and Ms. COLLINS) submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place in title II, insert the following:

SEC. ____. The Secretary of Health and Human Services shall make available $800,000, from amounts appropriated in this Act for General Departmental Management for the Department of Health and Human Services, to carry out section 312 of the Public Health Service Act (42 U.S.C. 244).

SA 2280. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

On page 178, after line 25, insert the following:

SEC. 222. Section 640(i) of the Head Start Act (42 U.S.C. 9835(i)) is amended—

(1) by striking ''(i) The'' and inserting the following:

''(i) TRANSPORTATION SAFETY.—

''(1) REGULATIONS.—The''; and

(2) by adding at the end the following:

''(2) WAIVER AUTHORITY.—

''(A) IN GENERAL.—The Secretary may waive, for a period not to exceed 2 years, any requirement of regulations promulgated under paragraph (1) for 1 or more vehicles used by the agency or its designee in transporting children enrolled in a Head Start program or an Early Head Start program for vehicles operated by a direct or indirect recipient of funding from the Federal Transit Administration if, in addition to meeting all Federal Motor Vehicle Safety Standards normally applicable to transit vehicles, transit buses used by the agency or its designee for Head Start transportation also comply with the following Federal Motor Vehicle Safety Standards:

''(i) Standard number 220 (School Bus Rollover Protection).

''(ii) Standard number 221 (School Bus Body Joint Strength).

''(iii) Standard number 301 (Fuel System Integrity).

''(iv) Standard number 207 (Seating Systems) and standard number 208 (Occupant

Crash Protection) or standard number 222 (School Bus Passenger Seating and Crash Protection).

''(v) Standard number 209 (Seat Belt Assemblies) and standard number 210 (Seat Belt Assembly Anchorages).

''(B) BUS MONITOR.—A waiver of the bus monitor requirement may be granted if the agency or its designee is transporting less than 5 children who are enrolled in a Head Start program or an Early Head Start program.''.

SA 2281. Mr. HARKIN (for himself, Mr. KENNEDY, Mr. REID, Mr. DURBIN, Mr. BAYH, and Mr. JOHNSON) submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

On page 22, at the appropriate place at the end of Title V, insert the following:

TITLE .

SECTION 101.

(a) From the money in the Treasury not otherwise obligated or appropriated, there are appropriated to the Centers for Disease Control and Prevention $7,975,000,000 for activities relating to a pandemic influenza epidemic during the fiscal year ending September 30, 2006, which shall be available until expended.

(b) Of the amount appropriated under subsection (a)—

(1) $3,680,000,000 shall be for stockpiling of antivirals and necessary medical supplies relating to pandemic influenza and public health infrastructure, of which not less than $600,000,000 shall be for grants to state and local public health agencies for emergency preparedness;

(2) $60,000,000 shall be for global surveillance relating to avian flu;

(3) $3,300,000 shall be to increase the national investment in domestic vaccine infrastructure including development and research;

(4) $750,000,000 shall be for improving hospital preparedness and surge capacity and health information technology systems and networks to improve detection of influenza outbreaks;

(5) $75,000,000 shall be for risk communication and outreach to providers, businesses, and to the American public;

(6) $100,000,000 shall be for research and CDC lab capacity related to pandemic influenza; and

(7) $10,000,000 for surveillance of migratory birds for the occurrence of influenza.

(c) This title shall take effect on the date of enactment of this Act.

SA 2282. Mr. LEVIN submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

On Page 165, before the period on line 5, insert the following:

: *Provided*, That the Secretary shall undertake a family reunification effort in concert with national non-profit organizations engaged in similar efforts

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SA 2283. Mr. HARKIN (for himself, Mr. KENNEDY, Mr. REID, Mr. DURBIN, Mr. OBAMA, Mr. BAYH, Mr. KOHL, Ms. MIKULSKI, Mrs. CLINTON, Mr. JOHNSON, Mr. DAYTON, and Mr. BYRD) proposed an amendment to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; as follows:

On page 222, at the appropriate place at the end of Title V, insert the following:

TITLE .

SECTION 101.

(a) From the money in the Treasury not otherwise obligated or appropriated, there are appropriated to the Centers for Disease Control and Prevention $7,975,000,000 for activities relating to a pandemic influenza epidemic during the fiscal year ending September 30, 2006, which shall be available until expended.

(b) Of the amount appropriated under subsection (a)—

(1) $3,680,000,000 shall be for stockpiling of antivirals and necessary medical supplies relating to pandemic influenza and public health infrastructure, of which not less than $600,000,000 shall be for grants to state and local public health agencies for emergency preparedness;

(2) $60,000,000 shall be for global surveillance relating to avian flu;

(3) $3,300,000 shall be to increase the national investment in domestic vaccine infrastructure including development and research;

(4) $750,000,000 shall be for improving hospital preparedness and surge capacity and health information technology systems and networks to improve detection of influenza outbreaks;

(5) $75,000,000 shall be for risk communication and outreach to providers, businesses, and to the American public;

(6) $100,000,000 shall be for research and CDC lab capacity related to pandemic influenza; and

(7) $10,000,000 for surveillance of migratory birds for the occurrence of influenza.

(c) This title shall take effect on the date of enactment of this Act.

SA 2284. Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE ____—ELEMENTARY AND SECONDARY EDUCATION ASSISTANCE TO STUDENTS AND SCHOOLS IMPACTED BY HURRICANE KATRINA

SEC. ___. SHORT TITLE.

This title may be cited as the ''Hurricane Katrina Elementary and Secondary Education Recovery Act''.

SEC. ___. FINDINGS.

Congress finds the following:

(1) Hurricane Katrina has had a devastating and unprecedented impact on students who attended schools in the disaster areas.

(2) Due to the devastating effects of Hurricane Katrina, a significant number of students have enrolled in schools outside of the area in which they resided on August 22, 2005, including a significant number of students who enrolled in non-public schools because their parents chose to enroll them in such schools.

(3) 372,000 students were displaced by Hurricane Katrina. Approximately 700 schools have been damaged or destroyed. Nine States each have more than 1,000 of such displaced students enrolled in their schools. In Texas alone, over 45,000 displaced students have enrolled in schools.

(4) In response to these extraordinary conditions, this title creates a one-time only emergency grant for the 2005–2006 school year tailored to the needs and particular circumstances of students displaced by Hurricane Katrina.

(5) The level and type of assistance provided under this title, both for students attending public schools and students attending non-public schools, is being authorized solely because of the unprecedented nature of the crisis, the massive dislocation of students, and the short duration of assistance.

SEC. ___. WAIVERS AND OTHER ACTIONS.

(a) CURRENT WAIVER AND OTHER AUTHORITY.—The Secretary of Education is encouraged to exercise the maximum waiver authority available or exercise other actions for States, local educational agencies, and schools affected by Hurricane Katrina with respect to the waiver authority or authorization of actions provided under the following provisions of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.):

(1) Section 1111(b)(3)(C)(vii) of such Act (20 U.S.C. 6311(b)(3)(C)(vii)).

(2) Section 1111(b)(7) of such Act (20 U.S.C. 6311(b)(7)).

(3) Section 1111(c)(1) of such Act (20 U.S.C. 6311(c)(1)).

(4) Section 1111(h)(2)(A)(i) of such Act (20 U.S.C. 6311(h)(2)(A)(i)).

(5) Section 1116(b)(7)(D) of such Act (20 U.S.C. 6316(b)(7)(D)).

(6) Section 1116(c)(10)(F) of such Act (20 U.S.C. 6316(c)(10)(F)).

(7) Section 1125A(e)(3) of such Act (20 U.S.C. 6337(e)(3)).

(8) Section 3122(a)(3)(B) of such Act (20 U.S.C. 6842(a)(3)(B)).

(9) Section 5141(c) of such Act (20 U.S.C. 7217(c)).

(10) Section 7118(c)(3)(A) of such Act (20 U.S.C. 7428(c)(3)(A)).

(11) Section 9521(c) of such Act (20 U.S.C. 7901(c)).

(b) REPORT ON WAIVERS.—Not later than December 31, 2005, the Secretary of Education shall prepare and submit a report on the States and local educational agencies requesting a waiver of any provision under the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) and the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) due to the impact of Hurricane Katrina to the Committee on Education and the Workforce and the Committee on Appropriations of the House of Representatives and the Committee on Health, Education, Labor, and Pensions and the Committee on Appropriations of the Senate.

SEC. ___. PROVIDING ADDITIONAL SUPPORT FOR STUDENTS AFFECTED BY HURRICANE KATRINA.

(a) GRANTS TO STATES AUTHORIZED.—From amounts appropriated under subsection (g), the Secretary of Education is authorized to make grants to States for assistance to eligible local educational agencies to enable the agencies to provide services, programs, and activities as described in subsection (c).

(b) STATE APPLICATIONS.—A State that desires to receive a grant under this section shall submit an application to the Secretary of Education at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(c) ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES.—A State that receives a grant

under subsection (a) shall use the funds made available through the grant to provide assistance to eligible local educational agencies to enable such agencies to provide, to students displaced by Hurricane Katrina or students attending a school in an area described in subsection (f)(1)—

(1) supplemental educational services consistent with the definitions, criteria, and amounts established under section 1116(e) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6316(e)); or

(2) additional programs and activities under part B of title IV of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7171 et seq.) relating to 21st century community learning centers.

(d) LOCAL APPLICATIONS.—An eligible local educational agency that desires to receive assistance under this section from a State shall submit an application to the State at such time, in such manner, and accompanied by such information as the State may reasonably require.

(e) INTERACTION WITH THE ESEA.—An eligible local educational agency providing services described in subsection (c)(1) may provide such services to a student displaced by Hurricane Katrina regardless of the status of the school under section 1116(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6316(b)) that such student attends.

(f) DEFINITION OF ELIGIBLE LOCAL EDUCATIONAL AGENCY.—In this section, the term ''eligible local educational agency'' means—

(1) a local educational agency in an area in which a major disaster has been declared in accordance with section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170) related to Hurricane Katrina; or

(2) a local educational agency that enrolls a student displaced from an area where a major disaster has been declared in accordance with section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170) related to Hurricane Katrina.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $100,000,000 for fiscal year 2006.

SEC. ___. IMMEDIATE AID TO RESTART SCHOOL OPERATIONS.

(a) PURPOSE.—It is the purpose of this section—

(1) to provide immediate and direct assistance to local educational agencies in Louisiana, Mississippi, and Alabama that serve an area in which a major disaster has been declared in accordance with section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170), related to Hurricane Katrina;

(2) to assist school district administrators and personnel of such agencies who are working to restart operations in elementary schools and secondary schools served by such agencies; and

(3) to facilitate the re-opening of elementary schools and secondary schools served by such agencies and the re-enrollment of students in such schools as soon as possible.

(b) PAYMENTS AND GRANTS AUTHORIZED.—From amounts appropriated to carry out this section, the Secretary of Education is authorized to make payments, not later than November 30, 2005, to State educational agencies (as defined in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801 et seq.)) in Louisiana, Mississippi, and Alabama to enable such agencies to award grants to local educational agencies serving an area in which a major disaster has been declared in accordance with section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170), related to Hurricane Katrina.

(c) ELIGIBILITY AND CONSIDERATION.—In determining whether to award a grant under this section, or the amount of the grant, the State educational agency shall consider the following:

(1) The number of school-aged children served by the local educational agency in the academic year preceding the academic year for which the grant is awarded.

(2) The severity of the impact of Hurricane Katrina on the local educational agency and the extent of the needs in each local educational agency in Louisiana, Mississippi, and Alabama that is in an area in which a major disaster has been declared in accordance with section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170), related to Hurricane Katrina.

(d) APPLICATIONS.—Each local educational agency desiring a grant under this section shall submit an application to the State educational agency at such time, in such manner, and accompanied by such information as the State educational agency may reasonably require to ensure expedited and timely payment to the local educational agency.

(e) USES OF FUNDS.—

(1) IN GENERAL.—A local educational agency receiving a grant under this section shall use the grant funds for—

(A) recovery of student and personnel data, and other electronic information;

(B) replacement of school district information systems, including hardware and software;

(C) financial operations;

(D) reasonable transportation costs;

(E) rental of mobile educational units and leasing of neutral sites or spaces;

(F) initial replacement of instructional materials and equipment, including textbooks;

(G) redeveloping instructional plans, including curriculum development;

(H) initiating and maintaining education and support services; and

(I) such other activities related to the purpose of this section that are approved by the Secretary.

(2) USE WITH OTHER AVAILABLE FUNDS.—A local educational agency receiving a grant under this section may use the grant funds in coordination with other Federal, State, or local funds available for the activities described in paragraph (1).

(3) PROHIBITIONS.—Grant funds received under this section shall not be used for any of the following:

(A) Construction or major renovation of schools.

(B) Payments to school administrators or teachers who are not actively engaged in restarting or re-opening schools.

(f) SUPPLEMENT NOT SUPPLANT.—

(1) IN GENERAL.—Except as provided in paragraph (2), funds made available under this section shall be used to supplement, not supplant, any funds made available through the Federal Emergency Management Agency or through a State.

(2) EXCEPTION.—Paragraph (1) shall not prohibit the provision of Federal assistance under this section to an eligible educational agency that is or may be entitled to receive, from another source, benefits for the same purposes as under this section if—

(A) such agency has not received such other benefits by the time of application for Federal assistance under this section; and

(B) such agency agrees to repay all duplicative Federal assistance received to carry out the purposes of this section.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $900,000,000 for fiscal year 2006.

SEC. ___. HOLD HARMLESS FOR LOCAL EDUCATIONAL AGENCIES SERVING MAJOR DISASTER AREAS.

In the case of a local educational agency that serves an area in which the President has declared that a major disaster exists in accordance with section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170), related to Hurricane Katrina, the amount made available for such local educational agency under each of sections 1124, 1124A, 1125, and 1125A of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6333, 6334, 6335, and 6337) for fiscal year 2006 shall be not less than the amount made available for such local educational agency under each of such sections for fiscal year 2005.

SEC. ___. TEACHER AND PARAPROFESSIONAL RECIPROCITY; DELAY.

(a) TEACHER AND PARAPROFESSIONAL RECIPROCITY.—

(1) TEACHERS.—

(A) AFFECTED TEACHER.—In this subsection, the term ''affected teacher'' means a teacher who is displaced due to Hurricane Katrina and relocates to a State that is different from the State in which such teacher resided on August 22, 2005.

(B) IN GENERAL.—A local educational agency may consider an affected teacher hired by such agency who is not highly qualified in the State in which such agency is located to be highly qualified, for purposes of section 1119 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6319) and section 612(a)(14) of the Individuals with Disabilities Education Act (20 U.S.C. 1412(a)(14)), for a period not to exceed 1 year, if such teacher was highly qualified, consistent with section 9101(23) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801(23)) and section 602(10) of the Individuals with Disabilities Education Act (20 U.S.C. 1401(10)), on or before August 22, 2005, in the State in which such teacher resided on August 22, 2005.

(2) PARAPROFESSIONAL.—

(A) AFFECTED PARAPROFESSIONAL.—In this subsection, the term ''affected paraprofessional'' means a paraprofessional who is displaced due to Hurricane Katrina and relocates to a State that is different from the State in which such paraprofessional resided on August 22, 2005.

(B) IN GENERAL.—A local educational agency may consider an affected paraprofessional hired by such agency who does not satisfy the requirements of section 1119(c) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6319(c)) in the State in which such agency is located to satisfy such requirements, for purposes of such section, for a period not to exceed 1 year, if such paraprofessional satisfied such requirements on or before August 22, 2005, in the State in which such paraprofessional resided on August 22, 2005.

(b) DELAY.—The Secretary of Education may delay, for a period not to exceed 1 year, applicability of the requirements of paragraphs (2) and (3) of section 1119(a) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6319(a)(2) and (3)) and section 612(a)(14)(C) of the Individuals with Disabilities Education Act (20 U.S.C. 1412(a)(14)(C)) with respect to the States of Alabama, Louisiana, and Mississippi (and local educational agencies within the jurisdiction of such States), if any such State or local educational agency demonstrates that a failure to comply with such requirements is due to exceptional or uncontrollable circumstances, such as a natural disaster or a precipitous and unforeseen decline in the financial resources of local educational agencies within the State.

SEC. ___. ASSISTANCE FOR HOMELESS YOUTH.

(a) IN GENERAL.—The Secretary of Education shall provide assistance to local educational agencies serving homeless children and youths displaced by Hurricane Katrina, consistent with section 723 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11433), including identification, enrollment assistance, assessment and school placement assistance, transportation, coordination of school services, supplies, referrals for health, mental health, and other needs.

(b) EXCEPTION AND DISTRIBUTION OF FUNDS.—

(1) EXCEPTION.—For purposes of providing assistance under subsection (a), subsections (c) and (e)(1) of section 722 and subsections (b) and (c) of section 723 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11432(c) and (e)(1), 11433(b) and (c)) shall not apply.

(2) DISBURSEMENT.—The Secretary of Education shall disburse funding provided under subsection (a) to State educational agencies based on demonstrated need, as determined by the Secretary, and such State educational agencies shall distribute funds available under subsection (c) to local educational agencies based on demonstrated need, for the purposes of carrying out section 723 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11433).

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $50,000,000.

SEC. ___. ALTERNATIVE EDUCATION PROGRAMS FOR DISPLACED ADOLESCENT STUDENTS.

(a) DEFINITIONS.—In this section:

(1) ALTERNATIVE EDUCATION PROGRAM.—The term ''alternative education program'' means a transitional program that provides displaced adolescent students with—

(A) instruction in reading, mathematics, writing, study skills, and other relevant subjects;

(B) counseling;

(C) tutoring;

(D) activities designed to familiarize the displaced adolescent students with the range of career options available to the students;

(E) mentoring;

(F) test preparation for college entrance examinations, including the PSAT, SAT, and ACT;

(G) counseling on the financial aid available for postsecondary education; or

(H) job readiness skills and career and technical education.

(2) DISPLACED ADOLESCENT STUDENT.—The term ''displaced adolescent student'' means a secondary school student who—

(A) resides or resided on August 22, 2005, in an area for which a major disaster has been declared in accordance with section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170), related to Hurricane Katrina;

(B) cannot continue enrollment in a secondary school because of Hurricane Katrina; and

(C) is expected to obtain a secondary school diploma by the end of the 2006–2007 school year.

(3) ELIGIBLE ENTITY.—The term ''eligible entity'' means a State educational agency, local educational agency, or consortium of such agencies, located in an area in which a major disaster has been declared in accordance with section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170) related to Hurricane Katrina, that—

(A) demonstrates a need for additional funds in order to provide an alternative education program to displaced adolescent students; and

(B) has the ability to administer the alternative education program and to serve displaced adolescent students.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of Education.

(b) PROGRAM AUTHORIZED.—From amounts appropriated under this section for fiscal year 2006, the Secretary shall award grants to States for assistance to eligible entities to enable the entities to develop and carry out alternative education programs for displaced adolescent students.

(c) STATE APPLICATIONS.—A State desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(d) ASSISTANCE TO ELIGIBLE ENTITIES.—

(1) IN GENERAL.—A State that receives a grant under this section may use the funds made available through the grant to provide assistance to eligible entities to enable the eligible entities to develop and carry out alternative education programs for displaced adolescent students.

(2) PARTNERSHIPS.—An eligible entity may apply for assistance under this section in partnership with 1 or more community-based organizations or institutions of higher education (as such term is defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001)), or both.

(e) LOCAL APPLICATIONS.—An eligible entity desiring assistance under this section from a State shall submit an application to the Governor of the State at such time, in such manner, and containing such information as the Governor may require. At a minimum, the Governor shall require an entity that desires to carry out an alternative education program in an area in which another organization is carrying out an alternative education program to provide an assurance that the entity will coordinate activities carried out under its program with the activities carried out by the organization under its program

(f) USES OF FUNDS.—An eligible entity that receives assistance under this section shall use the assistance to carry out an alternative education program that meets the needs of displaced adolescent students, including the staffing, curricular materials, and other programmatic costs needed to carry out the alternative education program.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2006.

SEC. ___. GENERAL PROVISION.

Nothing in the previous 9 sections of this title shall be construed to permit discrimination on the basis of race, color, religion, sex (except as otherwise permitted under title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.)), national origin, or disability in any program funded under such sections.

SEC. ___. TEMPORARY EMERGENCY IMPACT AID FOR DISPLACED STUDENTS.

(a) TEMPORARY EMERGENCY IMPACT AID AUTHORIZED.—

(1) AID TO STATE EDUCATIONAL AGENCIES.—From amounts appropriated under subsection (o), the Secretary of Education shall provide emergency impact aid to State educational agencies to enable the State educational agencies to make emergency impact aid payments to eligible local educational agencies and eligible BIA-funded schools to enable—

(A) such eligible local educational agencies and schools to provide for the instruction of displaced students served by such agencies and schools; and

(B) such eligible local educational agencies to make immediate impact aid payments to accounts established on behalf of displaced students (referred to in this section as ''accounts'') who are attending eligible non-public schools located in the areas served by the eligible local educational agencies.

(2) AID TO LOCAL EDUCATIONAL AGENCIES AND BIA-FUNDED SCHOOLS.—A State educational agency shall make emergency impact aid payments to eligible local educational agencies and eligible BIA-funded schools in accordance with subsection (d).

(3) STATE EDUCATIONAL AGENCIES IN CERTAIN STATES.—In the case of the States of Louisiana and Mississippi, the State educational agency shall carry out the activities of eligible local educational agencies that are unable to carry out this section, including eligible local educational agencies in such States for which the State exercises the authorities normally exercised by such local educational agencies.

(b) DEFINITIONS.—In this section:

(1) DISPLACED STUDENT.—The term ''displaced student'' means a student who enrolled in a school (other than the school that the student was enrolled in, or was eligible to be enrolled in, on August 22, 2005) because such student resides or resided on August 22, 2005, in an area for which a major disaster has been declared in accordance with section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170), related to Hurricane Katrina.

(2) ELIGIBLE LOCAL EDUCATIONAL AGENCIES.—The term ''eligible local educational agency'' means a local educational agency that serves—

(A) an elementary school or secondary school (including a charter school) in which there is enrolled a displaced student; or

(B) an area in which there is located an eligible non-public school.

(3) ELIGIBLE NON-PUBLIC SCHOOL.—The term ''eligible non-public school'' means a non-public school that—

(A) is accredited or licensed or otherwise operates in accordance with State law;

(B) was in existence on August 22, 2005; and

(C) serves a displaced student on behalf of whom an application for an account has been made pursuant to subsection (c)(2)(A)(ii).

(4) ELIGIBLE BIA-FUNDED SCHOOL.—In this section, the term ''eligible BIA-funded school'' means a school funded by the Bureau of Indian Affairs in which there is enrolled a displaced student.

(c) APPLICATION.—

(1) STATE EDUCATIONAL AGENCY.—A State educational agency that desires to receive emergency impact aid under this section shall submit an application to the Secretary of Education at such time, in such manner, and accompanied by such information as the Secretary of Education may reasonably require, including—

(A) information on the total displaced student child count of the State provided by eligible local educational agencies in the State and eligible BIA-funded schools in the State under paragraph (2);

(B) a description of the process for the parent or guardian of a displaced student enrolled in a non-public school to indicate to the eligible local educational agency serving the area in which such school is located that the student is enrolled in such school;

(C) a description of the procedure to be used by an eligible local educational agency in such State to provide payments to accounts;

(D) a description of the process to be used by an eligible local educational agency in such State to obtain—

(i) attestations of attendance of eligible displaced students from eligible non-public schools, in order for the local educational agency to provide payments to accounts on behalf of eligible displaced students; and

(ii) attestations from eligible non-public schools that accounts are used only for the purposes described in subsection (e)(2)(A); and

(E) the criteria, including family income, used to determine the eligibility for and the amount of assistance under this section provided on behalf of a displaced student attending an eligible non-public school.

(2) LOCAL EDUCATIONAL AGENCIES AND BIA-FUNDED SCHOOLS.—An eligible local educational agency or eligible BIA-funded school that desires an emergency impact aid payment under this section shall submit an application to the State educational agency at such time, in such manner, and accompanied by such information as the State educational agency may reasonably require, including documentation submitted quarterly for the 2005-2006 school year that indicates the following:

(A) In the case of an eligible local educational agency—

(i) the number of displaced students enrolled in the elementary schools and secondary schools (including charter schools and including the number of displaced students who are served under part B of the Individuals with Disabilities Education Act) served by such agency for such quarter; and

(ii) the number of displaced students for whom the eligible local educational agency expects to provide payments to accounts under subsection (e)(2) (including the number of displaced students who are served under part B of the Individuals with Disabilities Education Act) for such quarter who meet the following criteria:

(I) The displaced student enrolled in an eligible non-public school prior to the date of enactment of this title.

(II) The parent or guardian of the displaced student chose to enroll the student in the eligible non-public school in which the student is enrolled.

(III) The parent or guardian of the displaced student submitted an application requesting that the agency make a payment to an account on behalf of the student.

(IV) The displaced student's tuition and fees (and transportation expenses, if any) for the 2005–2006 school year is waived or reimbursed (by the eligible non-public school) in an amount that is not less than the amount of emergency impact aid payment provided on behalf of such student under this section.

(B) In the case of an eligible BIA-funded school, the number of displaced students, including the number of displaced students who are served under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.), enrolled in such school for such quarter.

(3) DETERMINATION OF NUMBER OF DISPLACED STUDENTS.—In determining the number of displaced students for a quarter under paragraph (2), an eligible local educational agency or eligible BIA-funded school shall include in such number the number of displaced students served during such quarter prior to the date of enactment of this title.

(d) AMOUNT OF EMERGENCY IMPACT AID.—

(1) AID TO STATE EDUCATIONAL AGENCIES.—

(A) IN GENERAL.—The amount of emergency impact aid received by a State educational agency for the 2005–2006 school year shall equal the sum of—

(i) the product of the number of displaced students (who are not served under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.)), as determined by the eligible local educational agencies and eligible BIA-funded schools in the State under subsection (c)(2), times $6,000; and

(ii) the product of the number of displaced students who are served under part B of the Individuals with Disabilities Education Act, as determined by the eligible local educational agencies and eligible BIA-funded schools in the State under subsection (c)(2), times $7,500.

(B) INSUFFICIENT FUNDS.—If the amount available under this section to provide emergency impact aid under this subsection is insufficient to pay the full amount that a State educational agency is eligible to receive under this section, the Secretary of Education shall ratably reduce the amount of such emergency impact aid.

(2) AID TO ELIGIBLE LOCAL EDUCATIONAL AGENCIES AND ELIGIBLE BIA-FUNDED SCHOOLS.—

(A) QUARTERLY INSTALLMENTS.—

(i) IN GENERAL.—A State educational agency shall provide emergency impact aid payments under this section on a quarterly basis for the 2005-2006 school year by such dates as determined by the Secretary of Education. Such quarterly installment payments shall be based on the number of displaced students reported under subsection (c)(2) and in the amount determined under clause (ii).

(ii) PAYMENT AMOUNT.—Each quarterly installment payment under clause (i) shall equal 25 percent of the sum of—

(I) the number of displaced students (who are not served under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.)) reported by the eligible local educational agency or eligible BIA-funded school for such quarter (as determined under subsection (c)(2)) times $6,000; and

(II) the number of displaced students who are served under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.) reported by the eligible local educational agency or eligible BIA-funded school for such quarter (as determined under subsection (c)(2)) times $7,500.

(iii) TIMELINE.—The Secretary of Education shall establish a timeline for quarterly reporting on the number of displaced students in order to make the appropriate disbursements in a timely manner.

(iv) INSUFFICIENT FUNDS.—If, for any quarter, the amount available under this section to make payments under this subsection is insufficient to pay the full amount that an eligible local educational agency or eligible BIA-funded school is eligible to receive under this section, the State educational agency shall ratably reduce the amount of such payments.

(B) MAXIMUM PAYMENT TO ACCOUNT.—In providing quarterly payments to an account for the 2005–2006 school year on behalf of a displaced student for each quarter that such student is enrolled in a non-public school in the area served by the agency under subsection (e)(2), an eligible local educational agency may provide not more than 4 quarterly payments to such account, and the aggregate amount of such payments shall not exceed the lesser of—

(i)(I) in the case of a displaced student who is not served under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.), $6,000; or

(II) in the case of a displaced student who is served under part B of the Individuals with Disabilities Education Act, $7,500; or

(ii) the cost of tuition and fees (and transportation expenses, if any) at the non-public school for the 2005-2006 school year.

(e) USE OF FUNDS.—

(1) DISPLACED STUDENTS IN PUBLIC SCHOOLS.—An eligible local educational agency or eligible BIA-funded school receiving emergency impact aid payments under this section shall use the payments to provide instructional opportunities for displaced students who enroll in elementary schools and secondary schools (including charter schools) served by such agency or in such a school, and for other expenses incurred as a result of the agency or school serving displaced students, which uses may include—

(A) paying the compensation of personnel, including teacher aides, in schools enrolling displaced students;

(B) identifying and acquiring curricular material, including the costs of providing additional classroom supplies, and mobile educational units and leasing sites or spaces;

(C) basic instructional services for such students, including tutoring, mentoring, or academic counseling;

(D) reasonable transportation costs;

(E) health services (including counseling and mental health services); and

(F) education and support services.

(2) DISPLACED STUDENTS IN NON-PUBLIC SCHOOLS.—

(A) IN GENERAL.—An eligible local educational agency that receives emergency impact aid payments under this section and that serves an area in which there is located an eligible non-public school shall, at the request of the parent or guardian of a displaced student who meets the criteria described in subsection (c)(2)(A)(ii) and who enrolled in a non-public school in an area served by the agency, use such emergency impact aid payment to provide payment on a quarterly basis (but not to exceed the total amount specified in subsection (d)(2)(B) for the 2005–2006 school year) to an account on behalf of such displaced student, which payment shall be used to assist in paying for any of the following:

(i) Paying the compensation of personnel, including teacher aides, in the non-public school, which funds shall not be used for religious instruction, proselytization, or worship.

(ii) Identifying and acquiring curricular material, including the costs of providing additional classroom supplies (which shall be secular, neutral, and shall not have a religious component), and mobile educational units and leasing sites or spaces, which shall not be used for religious instruction, proselytization, or worship.

(iii) Basic instructional services, including tutoring, mentoring, or academic counseling, which services shall be secular and neutral and shall not be used for religious instruction, proselytization, or worship.

(iv) Reasonable transportation costs.

(v) Health services (including counseling and mental health services), which services shall be secular and neutral and shall not be used for religious instruction, proselytization, or worship.

(vi) Education and support services, which services shall be secular and neutral and shall not be used for religious instruction, proselytization, or worship.

(B) VERIFICATION OF ENROLLMENT.—Before providing a quarterly payment to an account under subparagraph (A), the eligible local educational agency shall verify with the parent or guardian of a displaced student that such displaced student is enrolled in the non-public school.

(3) PROVISION OF SPECIAL EDUCATION AND RELATED SERVICES.—

(A) IN GENERAL.—In the case of a displaced student who is served under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.), any payment made on behalf of such student to an eligible local educational agency or any payment available in an account for such student, shall be used to pay the cost of providing the student with special education and related services consistent with the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.).

(B) SPECIAL RULE.—

(i) RETENTION.—Notwithstanding any other provision of this section, if an eligible local educational agency provides services to a

displaced student attending an eligible non-public school under section 612(a)(10) of the Individuals with Disabilities Education Act (20 U.S.C. 1412(a)(10)), the eligible local educational agency may retain a portion of the assistance received under this section for such student to pay the cost of providing such services.

(ii) DETERMINATION OF PORTION.—

(I) GUIDELINES.—Each State shall issue guidelines that specify the portion of the assistance that an eligible local educational agency in the State may retain under this subparagraph. Each State shall apply such guidelines in a consistent manner throughout the State.

(II) DETERMINATION OF PORTION.—The portion specified in the guidelines shall be based on customary costs of providing services under such section 612(a)(10) for the local educational agency.

(C) DEFINITIONS.—In this paragraph:

(i) SPECIAL EDUCATION; RELATED SERVICES.—The terms ''special education'' and ''related services'' have the meaning given such terms in section 602 of the Individuals with Disabilities Education Act (20 U.S.C. 1401).

(ii) INDIVIDUALIZED EDUCATION PROGRAM.—The term ''individualized education program'' has the meaning given the term in section 614(d)(2) of the Individuals with Disabilities Education Act (20 U.S.C. 1414(d)(2)).

(f) RETURN OF AID.—

(1) ELIGIBLE LOCAL EDUCATIONAL AGENCY OR ELIGIBLE BIA-FUNDED SCHOOL.—An eligible local educational agency or eligible BIA-funded school that receives an emergency impact aid payment under this section shall return to the State educational agency any payment provided to the eligible local educational agency or school under this section that the eligible local educational agency or school has not obligated by the end of the 2005–2006 school year in accordance with this section.

(2) STATE EDUCATIONAL AGENCY.—A State educational agency that receives emergency impact aid under this section, shall return to the Secretary of Education—

(A) any aid provided to the agency under this section that the agency has not obligated by the end of the 2005–2006 school year in accordance with this section; and

(B) any payment funds returned to the State educational agency under paragraph (1).

(g) LIMITATION ON USE OF AID AND PAYMENTS.—Aid and payments provided under this section shall only be used for expenses incurred during the 2005–2006 school year.

(h) ADMINISTRATIVE EXPENSES.—A State educational agency that receives emergency impact aid under this section may use not more than 1 percent of such aid for administrative expenses. An eligible local educational agency or eligible BIA-funded school that receives emergency impact aid payments under this section may use not more than 2 percent of such payments for administrative expenses.

(i) SPECIAL FUNDING RULE.—In calculating funding under section 8003 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703) for an eligible local educational agency that receives an emergency impact aid payment under this section, the Secretary of Education shall not count displaced students served by such agency for whom an emergency impact aid payment is received under this section, nor shall such students be counted for the purpose of calculating the total number of children in average daily attendance at the schools served by such agency as provided in section 8003(b)(3)(B)(i) of such Act (20 U.S.C. 7703(b)(3)(B)(i)).

(j) TERMINATION OF AUTHORITY.—The authority provided by this section shall terminate on August 1, 2006.

(k) NOTICE OF OPTION OF PUBLIC SCHOOL OR NON-PUBLIC SCHOOL ENROLLMENT.—Each State receiving emergency impact aid under this section shall provide, to the parent or guardian of each displaced student for whom a payment is made under this section to an account who resides in such State, notification that such parent or guardian has the option of enrolling such student in a public school or a non-public school.

(l) BY-PASS.—If a State educational agency or eligible local educational agency is unable to carry out this section, the Secretary of Education may make such arrangements with the State as the Secretary determines appropriate to carry out this section on behalf of displaced students attending an eligible non-public school in the area served by such agency. For a State in which State law prohibits the State from using Federal funds to directly provide services on behalf of students attending non-public schools and provides that another entity shall provide such services, the Secretary of Education shall make such arrangements with that entity.

(m) NONDISCRIMINATION.—

(1) IN GENERAL.—A school that enrolls a displaced student under this section shall not discriminate against students on the basis of race, color, national origin, religion, disability, or sex.

(2) APPLICABILITY AND SINGLE SEX SCHOOLS, CLASSES, OR ACTIVITIES.—

(A) IN GENERAL.—To the extent consistent with title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.), the prohibition of sex discrimination in paragraph (1) shall not apply to a non-public school that is controlled by a religious organization if the application of paragraph (1) would not be consistent with the religious tenets of such organization.

(B) SINGLE SEX SCHOOLS, CLASSES, OR ACTIVITIES.—Notwithstanding paragraph (1) and to the extent consistent with title IX of the Education Amendments of 1972, a parent or guardian may choose and a non-public school may offer a single sex school, class, or activity.

(C) ENROLLMENT.—The prohibition of religious discrimination in paragraph (1) shall not apply with regard to enrollment for a non-public school that is controlled by a religious organization, except in the case of the enrollment of displaced students assisted under this section.

(3) GENERAL PROVISION.—Nothing in this section may be construed to alter or modify the provisions of the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.), and the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.).

(4) OPT-IN.—A displaced student assisted under this section who is enrolled in a non-public school shall not participate in religious worship or religious classes at such school unless such student's parent or guardian chooses to opt-in such student for such religious worship or religious classes.

(5) RULE OF CONSTRUCTION.—The amount of any payment (or other form of support provided on behalf of a displaced student) under this section shall not be treated as income of a parent or guardian of the student for purposes of Federal tax laws or for determining eligibility for any other Federal program.

(n) TREATMENT OF STATE AID.—A State shall not take into consideration emergency impact aid payments received under this section by a local educational agency in the State in determining the eligibility of such local educational agency for State aid, or the amount of State aid, with respect to free public education of children.

(o) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $2,400,000,000 for fiscal year 2006.

SEC. ___. SUNSET PROVISION.

Except as otherwise provided in this title, the provisions of this title shall be effective for the period beginning on the date of enactment of this title and ending on August 1, 2006.

SEC. ___. FUNDING.

(a) IN GENERAL.—Notwithstanding any other provision of law, of the amounts made available to the Department of Homeland Security under the heading ''DISASTER RELIEF'' under the heading ''EMERGENCY PREPAREDNESS AND RESPONSE'' of Public Law 109–62 (119) Stat. 1991), not less than $3,450,000,000 shall be available to the heads of the appropriate departments or agencies of the Federal Government to carry out the programs and activities authorized under this title.

(b) AVAILABLE UNTIL EXPENDED.—The amounts appropriated under subsection (a) shall remain available until expended.

SA 2285. Mrs. MURRAY submitted an amendment intended to be proposed by her to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; as follows:

At the end of title II (before the short title), insert the following:

SEC. ____. (a) There are appropriated $3,000,000 to the Office of Inspector General to conduct a investigation of the management of the Food and Drug Administration to pursue examples of mismanagement and promote economy and efficiency in the Department.

(b) The investigation under subsection (a) shall not include any investigation of a former Commissioner of Food and Drugs, but shall include investigation of the actions by the Food and Drug Administration with respect to the over-the-counter application for the drug Plan B.

(c) Not later than 60 days after the date of enactment of this Act, the Inspector General shall complete the investigation under this section and submit a report to the Subcommittee on Labor, Health and Human Services, Education and Related Agencies of the Committee on Appropriations of the Senate on the findings of such investigation.

(d) Notwithstanding any other provision of this title, amounts made available under this Act for the Office of the Secretary shall be reduced by $3,000,000 and transferred to the Office of Inspector General to conduct the investigation under this section.

SA 2286. Mr. REED submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title III (before the short title), add the following:

SEC. ____. In addition to amounts otherwise appropriated under this Act, there are appropriated, out of any money in the Treasury not otherwise appropriated, $2,476,514 for the Gaining Early Awareness and Readiness for Undergraduate Programs under chapter 2 of subpart 2 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070a–21 et seq.).

SA 2287. Mrs. BOXER (for herself and Mr. ENSIGN) submitted an amendment

intended to be proposed by her to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. ___. 21ST CENTURY COMMUNITY LEARNING CENTERS.

(a) FUNDING INCREASE.—In addition to amounts otherwise appropriated under this Act, there is appropriated $51,900,000 for 21st century community learning centers under part B of title IV of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7171 et seq.).

(b) OFFSET FROM TITLE I DEPARTMENTAL MANAGEMENT.—The amounts appropriated under title I under the heading ''DEPARTMENTAL MANAGEMENT'' for salaries and expenses shall be reduced by $51,900,000.

SA 2288. Ms. STABENOW (for herself and Ms. SNOWE) submitted an amendment intended to be proposed by her to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place in title II, insert the following:

SEC. ____. Amounts appropriated in this title for the Office of the National Coordinator for Health Information Technology shall be increased by $29,850,000: *Provided,* That funds made available for General Department Management under the heading Office of the Secretary shall be reduced by $29,850,000.

SA 2289. Mr. DAYTON submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; as follows:

On page 178, after line 25, insert the following:

SEC. _____. (a) In addition to amounts otherwise appropriated under this Act, there are appropriated, out of any money in the Treasury not otherwise appropriated, $15,121,000 for activities authorized by the Help America Vote Act of 2002, of which $10,000,000 shall be for payments to States to promote access for voters with disabilities, and of which $5,121,000 shall be for payments to States for protection and advocacy systems for voters with disabilities.

(b) Notwithstanding any other provision of this Act, amounts made available under this title for the administration and related expenses shall be reduced by $15,121,000 from other services.

SA 2290. Mr. GREGG submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

On page 158, strike lines 12 through 21 and insert the following:

bus Budget Reconciliation Act of 1981, $3,159,000,000.

For making payments under title XXVI of the Omnibus Budget Reconciliation Act of 1981, $300,000,000, to remain available until expended: *Provided,* That these funds are for the unanticipated home energy assistance needs of one or more States, as authorized by section 2604(e) of the Act: *Provided further,* That the entire amount is designated as an emergency requirement pursuant to section 402 of H. Con. Res. 95 (109th Congress), the concurrent resolution on the budget for fiscal year 2006.

GENERAL PROVISION—REDUCTION AND RESCISSION

SEC. ____. (a) Amounts made available in this Act, not otherwise required by law, are reduced by 0.982 percent.

(b) The reduction described in subsection (a) shall not apply to amounts made available under this Act—

(1) for the account under the heading ''LOW-INCOME HOME ENERGY ASSISTANCE''; or

(2) for the account under the heading ''REFUGEE AND ENTRANT ASSISTANCE'' (with respect to amounts designated as emergency requirements).

SEC. ____. (a) There is rescinded an amount equal to 0.981 percent of the budget authority provided in any prior appropriation Act for fiscal year 2006, for any discretionary account described in this Act.

(b) Any rescission made by subsection (a) shall be applied proportionately—

(1) to each discretionary account described in subsection (a) to the extent that it relates to budget authority described in subsection (a), and to each item of budget authority described in subsection (a); and

(2) within each such account or item, to each program, project, and activity (as delineated in the appropriation Act or accompanying report for the relevant fiscal year covering such account or item).

(c) The rescission described in subsection (a) shall not apply to budget authority provided as described in subsection (a)—

(1) for the account under the heading ''LOW-INCOME HOME ENERGY ASSISTANCE''; or

(2) for the account under the heading ''REFUGEE AND ENTRANT ASSISTANCE (with respect to amounts designated as emergency requirements)''.

SA 2291. Mr. SPECTER submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; as follows:

On page 178, after line 25, insert the following:

SEC. ____. (a) Notwithstanding any other provision of law, none of the funds made available under this Act may be used to implement or enforce the interim final rule published in the Federal Register by the Centers for Medicare & Medicaid Services on August 26, 2005 (70 Fed. Reg. 50940) or any corresponding similar regulation or ruling—

(1) prior to April 1, 2006; and

(2) on or after April 1, 2006, unless the Secretary of Health and Human Services publishes—

(A) by not later than January 1, 2006, a proposed rule with respect to motorized or powered wheelchairs, followed by a 45-day period to comment on the proposed rule; and

(B) by not later than February 14, 2006, a final rule with respect to motorized or powered wheelchairs, followed by a 45-day transition period for implementation of the final rule.

(b)(1) Notwithstanding any other provision of law, with respect to a covered item consisting of a motorized or power wheelchair furnished during 2006, the Secretary of Health and Human Services shall reduce the payment amount otherwise applicable under section 1834 of the Social Security Act (42 U.S.C. 1395m) for such item by 1.5 percent.

(2) The payment reduction provided under paragraph (1) for 2006—

(A) shall not apply to a covered item consisting of a motorized or power wheelchair that is furnished after 2006; and

(B) shall not be taken into account in calculating the payment amounts applicable for such a covered item furnished after 2006.

SA 2292. Mrs. CLINTON (for herself, Mr. DODD, Mr. KENNEDY, Mr. JEFFORDS, Ms. STABENOW, Mr. DAYTON, Mr. LIEBERMAN, Mr. REID, Mr. LAUTENBERG, Mr. KOHL, Mr. CORZINE, Ms. MIKULSKI, Mr. DURBIN, Mr. ROCKEFELLER, Mr. JOHNSON, and Mr. KERRY) proposed an amendment to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; as follows:

At the end of title III (before the short title), add the following:

SEC. ____. In addition to amounts otherwise appropriated under this Act, there are appropriated, out of any money in the Treasury not otherwise appropriated, $3,958,901,143 for carrying out part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.).

SA 2293. Mr. KENNEDY submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____. None of the funds appropriated under this Act shall be used to enforce or otherwise comply with the provisions of Proclamation 7924 (70 Fed. Reg. 54227), as issued by the President, relating to the suspension of the application of the provisions of subchapter IV of chapter 31 of title 40, United States Code (commonly referred to as the Davis-Bacon Act).

SA 2294. Mr. COLEMAN submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title III (before the short title), add the following:

SEC. ___. ASSESSMENT OF MATHEMATICS AND SCIENCE PARTNERSHIPS PROGRAM.

(a) IN GENERAL.—The Secretary of Education shall conduct an assessment of the Mathematics and Science Partnerships program under part B of title II of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6661 et seq.). The assessment shall—

(1) include the current participation level of businesses and nonprofit organizations in the program;

(2) include a comparative analysis between those partnerships that include either a business or a nonprofit organization and those that do not;

(3) include a general comparative survey of other competing nations that involve businesses in similar programs;

(4) include the level of interest and demand by institutions of higher education and high-need local educational agencies for business participation in the program;

(5) include a determination as to whether greater participation in the program by businesses and nonprofit organizations would improve the program's effectiveness and efficiency in meeting the goals of such program and better ensures that the learning process is geared towards the development of marketable skills for teachers and students;

(6) include a list of possible incentives for greater business involvement in the program; and

(7) determine whether additional business participation in the program would help address the critical need for a strong, highly skilled workforce in science, technology, engineering, and mathematics.

(b) REPORT.—Not later than 180 days after the date of enactment of this section, the Secretary of Education shall report the Secretary's findings to Congress.

SA 2295. Mr. ENZI submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

On page 115, strike line 15, and insert the following:

under title I of the Workforce Investment Act of 1998, or to approve, through regulatory or administrative action, the redesignation of local areas that were in effect under subtitle B of that title on June 30, 2005 and that have substantially met (as defined by the State board involved) the local performance measures for the local areas under that subtitle and sustained the fiscal integrity of the funds used by the areas to carry out activities under that subtitle (as specified in section 116(a)(3)(B) of that Act but notwithstanding the time limits specified in section 116(a)(3)(B) of that Act), until

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SA 2296. Mr. VITTER submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

On page 222, between lines 5 and 6, insert the following:

TITLE VI—KATRINA RECOVERY

SEC. 601. SHORT TITLE.

This title may be cited as the ''Louisiana Katrina Recovery Act of 2005''.

SEC. 602. DEFINITIONS.

In this title:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Louisiana Katrina Recovery Administrator.

(2) AGENCY.—The term ''agency'' has the meaning given the term under section 551(1) of title 5, United States Code.

(3) OFFICE.—The term ''Office'' means the Office of the Louisiana Katrina Recovery Administrator.

(4) RECOVERY.—The term ''recovery'' includes relief, rebuilding, and reconstruction.

SEC. 603. ESTABLISHMENT.

(a) ESTABLISHMENT.—There is established within the Executive Office of the President, the Office of the Louisiana Katrina Recovery Administrator.

(b) ADMINISTRATOR.—

(1) APPOINTMENT.—The Louisiana Katrina Recovery Administrator shall be the head of the Office. Not later than 30 days after the date of enactment of this Act, the President shall appoint the Administrator.

(2) QUALIFICATIONS.—The individual appointed as Administrator—

(A) shall be a United States citizen at least 30 years of age; and

(B) shall be appointed on the basis of—

(i) extensive business and management experience;

(ii) demonstrated political independence and integrity; and

(iii) independence from financial interests associated with recovery from Hurricane Katrina in Louisiana.

SEC. 604. AUTHORITIES AND FUNCTIONS.

(a) IN GENERAL.—The Administrator shall—

(1) provide leadership in—

(A) developing a plan for the recovery of areas in Louisiana adversely impacted by Hurricane Katrina; and

(B) ensuring accountability in and transparency of recovery efforts;

(2) have management and oversight authority of all agencies in all Federal activities and the use of Federal resources relating to the recovery from Hurricane Katrina in Louisiana;

(3) ensure the activities and resources referred to under paragraph (2) are performed and used in the most efficient and effective manner practicable;

(4) coordinate the efforts of the Federal Government and the State and local governments of Louisiana in the recovery from Hurricane Katrina in Louisiana; and

(5) after consultation with the relevant head of an agency, have the authority to—

(A) if necessary to ensure streamlined Federal action and avoid unnecessary bureaucratic delays in long-term recovery efforts, direct the head of an agency to exercise any administrative waiver authority of that agency relating to a requirement of Federal law, including any waiver authority under section 301 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5141); and

(B) extend any such waiver for any period until the termination of the Office.

(b) CHAIRPERSON OF THE INTERAGENCY WORKING GROUP.—

(1) ESTABLISHMENT.—There is established the Louisiana Katrina Interagency Working Group (in this subsection referred to as the ''Working Group''). The Administrator shall be the Chairperson of the Working Group.

(2) FUNCTIONS.—The Working Group shall coordinate with the Administrator to carry out this title.

(3) MEMBERS.—The Working Group shall include—

(A) the Secretary of Housing and Urban Development;

(B) the Secretary of Commerce;

(C) the Secretary of Education;

(D) the Secretary of Labor;

(E) the Secretary of Agriculture;

(F) the Administrator of the Small Business Administration;

(G) the Director of the Environmental Protection Agency; and

(H) any other head of an agency, as determined by the President.

(4) TERMINATION.—The Working Group shall terminate on the date of the termination of the Office.

SEC. 605. ADMINISTRATIVE AND SUPPORT SERVICES.

The President shall provide administrative and support services (including personnel) for the Office.

SEC. 606. LOUISIANA KATRINA ADVISORY BOARD.

(a) ESTABLISHMENT.—There is established the Louisiana Katrina Advisory Board (in this section referred to as the ''Board'').

(b) MEMBERSHIP.—The Board shall be comprised of 6 members, none of whom shall be an elected official, and of whom—

(1) 2 shall be appointed by the President;

(2) 2 shall be appointed by the Governor of the State of Louisiana;

(3) 1 shall be appointed by the mayor of the city of New Orleans; and

(4) 2 shall be appointed by a majority of the parish presidents of Jefferson, Plaquemines, St. Bernard, St. Tammany, and Washington Parishes, Louisiana.

(c) DUTIES.—The Board shall provide advice and recommendations to the Administrator to carry out the purposes of this title.

(d) CHAIRPERSON.—The Administrator shall designate 1 member as Chairperson of the Board.

(e) POWERS OF THE BOARD.—

(1) HEARINGS.—The Board may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Board considers advisable to carry out this section.

(2) INFORMATION FROM FEDERAL AGENCIES.—The Board may secure directly from any Federal department or agency such information as the Board considers necessary to carry out this section. Upon request of the Chairperson of the Board, the head of such department or agency shall furnish such information to the Board.

(3) POSTAL SERVICES.—The Board may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(4) GIFTS.—The Board may accept, use, and dispose of gifts or donations of services or property.

(f) BOARD PERSONNEL MATTERS.—

(1) COMPENSATION OF MEMBERS.—Each member of the Board who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Board. All members of the Board who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(2) TRAVEL EXPENSES.—The members of the Board shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Board.

(3) STAFF.—

(A) IN GENERAL.—The Chairperson of the Board may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Board to perform its duties. The employment of an executive director shall be subject to confirmation by the Board.

(B) COMPENSATION.—The Chairperson of the Board may fix the compensation of the executive director and other personnel without regard to chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate

of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(C) PERSONNEL AS FEDERAL EMPLOYEES.—

(i) IN GENERAL.—The executive director and any personnel of the Board who are employees shall be employees under section 2105 of title 5, United States Code, for purposes of chapters 63, 81, 83, 84, 85, 87, 89, 89A, 89B, and 90 of that title.

(ii) MEMBERS OF BOARD.—Subparagraph (A) shall not be construed to apply to members of the Board.

(4) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Board without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(5) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairperson of the Board may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

(g) TERMINATION OF THE BOARD.—The Board shall terminate on the date of the termination of the Office of the Louisiana Katrina Recovery Administrator.

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as necessary to the Board to carry out this title.

SEC. 607. DISAPPROVAL RESOLUTIONS.

(a) IN GENERAL.—Notwithstanding any other provision of this title, if Congress enacts a joint resolution as provided under this section—

(1) a waiver under section 604(a)(5) shall not take effect or cease to be in effect, as the case may be; or

(2) notwithstanding section 610(b), the Office shall terminate.

(b) CONTENTS OF RESOLUTION.—For the purpose of subsection (a), the term ''joint resolution'' means a joint resolution, the matter after the resolving clause of which is only 1 of the following:

''That Congress disapproves the waiver extension under section 604(a)(5) of the Louisiana Katrina Recovery Act of 2005 relating to _____ (the blank space being appropriately filled in).''.

''The Congress disapproves the extension of termination under section 610(b) of the Louisiana Katrina Recovery Act of 2005, of which the President submitted notice to Congress on _____ (the blank space being filled in by the appropriate date).''.

(c) REFERRAL TO COMMITTEE.—A resolution described in subsection (b) introduced in the House of Representatives shall be referred to the Committee on Homeland Security of the House of Representatives. A resolution described in subsection (b) introduced in the Senate shall be referred to the Committee on Homeland Security and Governmental Affairs of the Senate. Such a resolution may not be reported before the 8th day after its introduction.

(d) DISCHARGE OF COMMITTEE.—If the committee to which is referred a resolution described in subsection (b) has not reported such resolution (or an identical resolution) at the end of 15 calendar days after its introduction, such committee shall be deemed to be discharged from further consideration of such resolution and such resolution shall be placed on the appropriate calendar of the House involved.

(e) FLOOR CONSIDERATION.—

(1) IN GENERAL.—When the committee to which a resolution is referred has reported, or has been deemed to be discharged (under subsection (d)) from further consideration of, a resolution described in subsection (b), it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) for any Member of the respective House to move to proceed to the consideration of the resolution, and all points of order against the resolution (and against consideration of the resolution) are waived. The motion is highly privileged in the House of Representatives and is privileged in the Senate and is not debatable. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the resolution is agreed to, the resolution shall remain the unfinished business of the respective House until disposed of.

(2) DEBATE.—Debate on the resolution, and on all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is in order and not debatable. An amendment to, or a motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the resolution is not in order. A motion to reconsider the vote by which the resolution is agreed to or disagreed to is not in order.

(3) VOTE ON FINAL PASSAGE.—Immediately following the conclusion of the debate on a resolution described in subsection (b), and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the appropriate House, the vote on final passage of the resolution shall occur.

(4) RULINGS OF THE CHAIR ON PROCEDURE.—Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution described in subsection (b) shall be decided without debate.

(f) COORDINATION WITH ACTION BY OTHER HOUSE.—If, before the passage by 1 House of a resolution of that House described in subsection (b), that House receives from the other House a resolution described in subsection (b) relating to the same matter, then the following procedures shall apply:

(1) The resolution of the other House shall not be referred to a committee.

(2) With respect to a resolution described in subsection (b) of the House receiving the resolution—

(A) the procedure in that House shall be the same as if no resolution had been received from the other House; but

(B) the vote on final passage shall be on the resolution of the other House.

(g) RULES OF HOUSE OF REPRESENTATIVES AND SENATE.—This subsection is enacted by Congress—

(1) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a resolution described in subsection (b), and it supersedes other rules only to the extent that it is inconsistent with such rules; and

(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

SEC. 608. SPECIAL INSPECTOR GENERAL FOR RELIEF AND RECONSTRUCTION.

(a) REDESIGNATION.—(1) Section 3001 of the Emergency Supplemental Appropriations Act for Defense and for the Reconstruction of Iraq and Afghanistan, 2004 (Public Law 108–106; 117 Stat. 1234; 5 U.S.C. App. 3 section 8G note) is amended—

(A) in subsection (b), by striking ''Office of the Special Inspector General for Iraq Reconstruction'' and inserting ''Office of the Special Inspector General for Relief and Reconstruction''; and

(B) in subsection (c)(1), by striking all after ''The head of the Office of the Special Inspector General'' and inserting ''for Relief and Reconstruction is the Special Inspector General for Relief and Reconstruction (in this section referred to as the 'Inspector General'). If a vacancy occurs after the service of the individual as provided under section 608(b) of the Louisiana Katrina Recovery Act of 2005, the Inspector General shall be appointed by the President, by and with the advice and consent of the Senate.''.

(2)(A) The heading of such section is amended to read as follows:

''SEC. 3001. SPECIAL INSPECTOR GENERAL FOR RELIEF AND RECONSTRUCTION.''.

(B) The heading of title III of such Act is amended to read as follows:

''TITLE III—SPECIAL INSPECTOR GENERAL FOR RELIEF AND RECONSTRUCTION''.

(b) CONTINUATION IN OFFICE.—The individual serving as the Special Inspector General for Iraq Reconstruction as of the date of the enactment of this Act may continue to serve as the Special Inspector General for Relief and Reconstruction (with all additional duties and responsibilities as provided under this title) after that date without reappointment under paragraph (1) of section 3001(c) of the Emergency Supplemental Appropriations Act for Defense and for the Reconstruction of Iraq and Afghanistan, 2004, but remaining subject to removal as specified in paragraph (4) of that section.

(c) PURPOSES.—Subsection (a) of such section is amended—

(1) in paragraph (1), by inserting ''and for Hurricane Katrina recovery activities'' after ''Iraq Relief and Reconstruction Fund''; and

(2) in paragraph (3), by striking ''the Secretary of State and the Secretary of Defense'' and inserting ''the Secretary of State, the Secretary of Homeland Security, the Secretary of Defense, and the heads of other Federal agencies, as appropriate,''.

(d) RESPONSIBILITIES OF ASSISTANT INSPECTOR GENERAL FOR AUDITING.—Subsection (d) of such section is amended to read as follows:

''(d) ASSISTANT INSPECTORS GENERAL.—(1) The Inspector General shall, in accordance with applicable laws and regulations governing the civil service—

''(A) appoint 1 or more Assistant Inspectors General for Auditing who shall have the responsibility for supervising the performance of auditing activities relating to—

''(i) programs and operations supported by the Iraq Relief and Reconstruction Fund; and

''(ii) programs and operations relating to Hurricane Katrina recovery activities; and

''(B) appoint 1 or more Assistant Inspectors General for Investigations who shall have the responsibility for supervising the performance of investigative activities relating to such programs and operations.''.

(e) SUPERVISION.—Such section is further amended—

(1) in subsection (e)—

(A) by striking paragraph (1) and inserting the following:

''(1)(A) Except as provided in paragraph (2), the Inspector General shall report directly

to, and be under the general supervision of, the Secretary of State and the Secretary of Defense with respect to activities relating to the Iraq Relief and Reconstruction Fund.

''(B) Except as provided in paragraph (2), the Inspector General shall report directly to, and be under the general supervision of, the Director of the Office of Management and Budget and the Secretary of Homeland Security with respect to activities relating to Hurricane Katrina recovery activities.''; and

(B) in paragraph (2)—

(i) by striking ''Department of Defense, the Department of State, or the United States Agency for International Development'' and inserting ''Federal Government''; and

(ii) by inserting ''and Hurricane Katrina recovery activities'' after ''Iraq Relief and Reconstruction Fund'';

(2) in subsection (f)—

(A) in paragraph (1)—

(i) by inserting ''(A)'' after ''(1)'';

(ii) by redesignating subparagraphs (A) through (E) as clauses (i) through (v), respectively; and

(iii) by adding at the end the following:

''(B) It shall be the duty of the Inspector General to conduct and coordinate audits and investigations of the treatment, handling, and expenditure of amounts appropriated or otherwise made available for Hurricane Katrina recovery by the Federal Government, and of the programs, operations, and contracts carried out utilizing such funds, including—

''(i) the oversight and accounting of the obligation and expenditure of such funds;

''(ii) the monitoring and review of reconstruction activities funded by such funds;

''(iii) the monitoring and review of contracts funded by such funds;

''(iv) the monitoring and review of the transfer of such funds and associated information between and among departments, agencies, and entities of the United States, State and local governments, and private and nongovernmental entities;

''(v) the maintenance of records on the use of such funds to facilitate future audits and investigations of the use of such funds; and

''(vi) the monitoring of Federal grants and benefit programs.''; and

(B) in paragraph (4)—

(i) by inserting ''(A)'' after ''(4)'';

(ii) by striking all after ''cooperation of'' and inserting ''the inspectors general and auditing entities of all other Federal departments and agencies.''; and

(iii) by adding at the end the following:

''(B)(i) The Inspector General shall ensure, to the greatest extent possible, that the activities of the Inspector General do not duplicate audits and investigations of inspectors general and other auditors of Federal departments and agencies, and State and local government entities.

''(ii) The Inspector General shall notify the inspector general of the relevant agency or department before initiating an audit or investigation relating to Hurricane Katrina activities.

''(iii) Nothing in this section shall be construed to limit the statutory authority of inspectors general to conduct audits or investigations relating to Hurricane Katrina activities.'';

(3) in subsection (h)(4)(B), by striking ''Secretary of State or Secretary of Defense'' and inserting ''Director of the Office of Management and Budget and heads of relevant agencies''; and

(4) in subsection (h)(5)—

(A) by inserting ''(A)'' after ''(5)'';

(B) by inserting ''for activities relating to Iraq'' after ''operation of such offices''; and

(C) by adding at the end the following:

''(B) The Secretary of Homeland Security shall provide the Inspector General with appropriate and adequate office space, together with such equipment, office supplies, and communications facilities and services as may be necessary for the operations of such offices for activities relating to Hurricane Katrina, and shall provide necessary maintenance services for such offices and equipment and facilities located therein.''.

(f) REPORTS RELATING TO THE IRAQI RELIEF AND RECONSTRUCTION.—Subsection (i) of such section is amended by adding at the end the following:

''(7)(A) The Inspector General shall also submit each report under this subsection to the Secretary of State and the Secretary of Defense.

''(B)(i) Not later than 30 days after receipt of a report under subparagraph (A), the Secretary of State and the Secretary of Defense may submit to the appropriate committees of Congress any comments on the matters covered by the report as the Secretary of State or the Secretary of Defense, as the case may be, considers appropriate.

''(ii) A report under this subparagraph may include a classified annex if the Secretary of State or the Secretary of Defense, as the case may be, considers it necessary.''.

(g) REPORTS RELATING TO HURRICANE KATRINA RELIEF AND RECONSTRUCTION.—Subsection (j) of such section is amended to read as follows:

''(j) REPORTS RELATING TO HURRICANE KATRINA RELIEF AND RECONSTRUCTION.—(1)(A) At the end of each calendar quarter, beginning with the first full quarter after the date of enactment of the Louisiana Katrina Recovery Act of 2005, the Inspector General shall submit to the appropriate committees of Congress a report summarizing for the period of that quarter the activities of the Inspector General and of the Hurricane Katrina recovery activities of the Federal Government. Each report shall include, for the period covered by such report, a detailed statement of all obligations, expenditures, and revenues associated with recovery activities for Hurricane Katrina, including the following:

''(i) Obligations and expenditures of appropriated funds.

''(ii) Accounting of the costs incurred to date for Hurricane Katrina recovery, together with the estimate of the Federal Government's costs to complete each project and each program.

''(iii) Operating expenses of any Federal departments, agencies, or entities receiving appropriated funds for Hurricane Katrina recovery activities.

''(iv) In the case of any contract described in paragraph (2)—

''(I) the amount of the contract or other agreement;

''(II) a brief discussion of the scope of the contract or other agreement;

''(III) a discussion of how the contracting department or agency identified, and solicited offers from, potential contractors to perform the contract, together with a list of the potential contractors that were issued solicitations for the offers; and

''(IV) the justification and approval documents on which was based the determination to use procedures other than procedures that provide for full and open competition.

''(B) The first quarterly report required to be submitted under subparagraph (A) shall also summarize activities for Hurricane Katrina recovery undertaken before that quarter.

''(2) A contract described in this paragraph is any major contract or other agreement that is entered into by any department or agency of the United States Government that involves the use of amounts appropriated or otherwise made available for Hurricane Katrina recovery with any public or private sector entity.

''(3) Not later than 45 days after the date of enactment of the Louisiana Katrina Recovery Act of 2005, the Inspector General shall submit to the appropriate committees of Congress an interim report on the status of Hurricane Katrina recovery activities of the Federal Government. The interim report shall include the following:

''(A) The operational activities of the Office of the Special Inspector General for Relief and Reconstruction.

''(B) The status of auditors and investigators deployed to Louisiana.

''(C) A strategic plan for oversight, including audits of no bid contracts.

''(D) Vulnerabilities identified and immediate actions to address such vulnerabilities.

''(E) Measures taken to coordinate interagency oversight elements.

''(4) Not later than March 31, 2006, and semiannually thereafter, the Inspector General shall submit to the appropriate committees of Congress a report meeting the requirements of section 5 of the Inspector General Act of 1978 (5 U.S.C. App.).

''(5) The Inspector General shall publish each report under this subsection on an accessible Federal Government Internet website.

''(6) Nothing in this subsection shall be construed to authorize the public disclosure of information that is—

''(A) specifically prohibited from disclosure by any other provision of law;

''(B) specifically required by Executive order to be protected from disclosure in the interest of national defense or national security or in the conduct of foreign affairs; or

''(C) a part of an ongoing criminal investigation.

''(7)(A) The Inspector General shall also submit each report under this subsection to the Director of the Office of Management and Budget, Secretary of Homeland Security, or heads of other appropriate agencies.

''(B) Not later than 30 days after receipt of a report under paragraph (1), the Director of the Office of Management and Budget and the heads of other appropriate agencies may submit to the appropriate committees of Congress any comments on the matters covered by the report as the Director of the Office of Management and Budget and heads of relevant agencies consider appropriate.

''(8) The Inspector General shall respond to any reasonable summons to appear and testify before any duly constituted committee of Congress.''.

(h) TRANSPARENCY.—Subsection (k) of such section is amended—

(1) in paragraph (1), by striking ''subsection (i), the Secretary of State and the Secretary of Defense shall jointly'' and inserting ''subsection (i) or (j), the Director of the Office of Management and Budget and the heads of the relevant departments shall''; and

(2) in paragraph (2), by striking ''subsection (j)(2) of comments on a report under subsection (i), the Secretary of State and the Secretary of Defense shall jointly'' and inserting ''subsection (i)(7)(B) or (j)(7)(B) of comments on a report under subsection (i) or (j), the Director of the Office of Management and Budget and the heads of relevant departments shall''.

(i) WAIVER.—Subsection (l) of such section is amended—

(1) in paragraph (1), by inserting ''or paragraph (1) or (3) of subsection (j)'' after ''subsection (i)''; and

(2) in paragraph (2), by inserting ''or paragraph (1) or (3) of subsection (j)'' after ''subsection (i)'' each place that term occurs.

(j) APPROPRIATE COMMITTEES OF CONGRESS.—Subsection (m) of such section is amended—

(1) in paragraph (1), by striking ''and Foreign Relations'' and inserting ''Foreign Relations, and Homeland Security and Governmental Affairs''; and

(2) in paragraph (2), by striking ''and International Relations'' and inserting ''International Relations, and Homeland Security''.

(k) FUNDING.—Subsection (n) of such section is amended by adding at the end the following:

''(3) There are authorized to be appropriated to the Office of the Special Inspector General for Relief and Reconstruction to carry out the responsibilities of the Special Inspector General relating to Hurricane Katrina recovery such sums as necessary for fiscal year 2006.''.

(l) APPLICATION TO LOUISIANA AND TERMINATION.—Such section is amended by striking subsection (o) and inserting the following:

''(o) APPLICATION TO LOUISIANA.—Any reference in this section to Hurricane Katrina recovery shall only apply with respect to Hurricane Katrina recovery in the State of Louisiana.

''(p) TERMINATION.—(1)(A) The responsibilities of the Office of the Special Inspector General for Relief and Reconstruction with respect to the Iraq Relief and Reconstruction Fund shall terminate on the date that is 10 months after the date, as determined by the Secretary of State and Secretary of Defense, on which 80 percent of the amounts appropriated or otherwise made available to the Iraq Relief and Reconstruction Fund by chapter 2 of title II of this Act have been obligated.

''(B) The responsibilities of the Office of the Special Inspector General for Relief and Reconstruction with respect to Hurricane Katrina recovery activities shall terminate 2 years after the date of enactment of the Louisiana Katrina Recovery Act of 2005.

''(2) The Office of the Special Inspector General for Relief and Reconstruction shall terminate on the later date occurring under subparagraph (A) or (B) of paragraph (1).''.

SEC. 609. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as necessary to carry out this title.

SEC. 610. TERMINATION OF OFFICE.

(a) IN GENERAL.—The Office and position of Administrator shall terminate 2 years after the date of enactment of this Act.

(b) EXTENSION OF TERMINATION.—

(1) IN GENERAL.—The President may extend the date of termination under subsection (a) in accordance with this subsection.

(2) CONDITIONS OF EXTENSION.—Any extension of termination under this subsection—

(A) shall not be effective for any period occurring 5 years after the date of enactment of this Act;

(B) may not apply retroactively if the Office and the position of Director have terminated under this section;

(C) shall not be effective unless 60 days before the date on which a termination would occur the President submits a notice to Congress of a determination to extend the termination; and

(D) subject to subparagraph (A), shall be for a 6-month period.

SA 2297. Mr. VITTER submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title I (before the short title), insert the following:

SEC. ___. COMMUNITY-BASED TRAINING GRANTS.

(a) INCREASE FOR TRAINING AND EMPLOYMENT.—In addition to amounts otherwise appropriated under this Act, the $2,787,806,000 appropriated under title I under the heading ''TRAINING AND EMPLOYMENT SERVICES (INCLUDING RESCISSION)'' under the heading ''EMPLOYMENT AND TRAINING ADMINISTRATION'' shall be increased by an additional $125,000,000, which additional amount shall be available for obligation for the period July 1, 2006, through June 30, 2007.

(b) INCREASE FOR COMMUNITY-BASED JOB TRAINING GRANTS.—In addition to amounts otherwise appropriated or made available under this Act for Community-Based Job Training Grants, not more than an additional $125,000,000 may be used by the Secretary of Labor for such grants, from funds reserved under section 132(a)(2)(A) of the Workforce Investment Act of 1998, to carry out such grants under section 171(d) of such Act, except that the 10 percent limitation otherwise applicable to the amount of funds that may be used to carry out section 171(d) shall not by applicable to funds used for Community-Based Job Training Grants.

(c) OFFSET FROM DEPARTMENTAL MANAGEMENT.—Notwithstanding any other provision of this Act, the amounts appropriated under title I under the heading ''SALARIES AND EXPENSES'' under the heading ''DEPARTMENTAL MANAGEMENT'', for management or operation of activities conducted by or through the Bureau of International Labor Affairs, shall be reduced by $125,000,000.

SA 2298. Mr. VITTER submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE ____—FAMILY EDUCATION REIMBURSEMENT ACCOUNT PROGRAM

SEC. ___. SHORT TITLE.

This title may be cited as the ''Family Education Reimbursement Act of 2005''.

SEC. ___. FAMILY EDUCATION REIMBURSEMENT ACCOUNTS.

(a) ESTABLISHMENT.—The Secretary of Education, in consultation with the Secretary of Health and Human Services, shall—

(1) establish a Family Education Reimbursement Account Program under which, at the direction of the parent of each displaced student who signs up under subsection (d), the Secretary provides reimbursement to enable the student or preschool-age child to attend the school or preschool program of his or her parent's choice during the 2005–2006 school year;

(2) of the amount available to carry out this section for fiscal year 2006, use not more than one third of one percent of such amount for administrative expenses, including outreach, support services, and dissemination of information; and

(3) contract with a nongovernmental entity to administer and operate the program.

(b) REIMBURSEMENT.—

(1) IN GENERAL.—In carrying out this section, the Secretary—

(A) shall allow the parent of the participating displaced student to select the school or preschool program to be attended by the student during the 2005–2006 school year;

(B) at the direction of the parent, shall provide reimbursement to that school or preschool program on a quarterly basis; and

(C) in the case of a public school, may provide such reimbursement to the appropriate local fiscal agent for the school.

(2) AMOUNT.—In providing reimbursement under paragraph (1), the Secretary shall—

(A) determine the amount of reimbursement to a school or preschool program based on the number of weeks during which the participating displaced student attended the school or preschool program during the preceding quarter;

(B) subject to subparagraph (C), provide the same amount of reimbursement to each school and preschool program for each week of attendance by one participating displaced student;

(C) not provide reimbursement that exceeds the actual cost of the school for educating students, or the actual cost of the preschool program, for the same period for students who are not displaced students;

(D) not provide reimbursement of more than $6,700 on behalf of any student for the 2005–2006 school year; and

(E) discontinue reimbursement once a displaced student returns to the school he or she attended prior to August 29, 2005.

(3) USE OF FUNDS.—The Secretary may provide reimbursement under paragraph (1) on behalf of a displaced student only if the school or preschool program involved agrees—

(A) to use the reimbursement for providing educational and other services to the displaced student; and

(B) not to use the reimbursement for the construction or renovation of facilities.

(c) ACCOUNTING OF FUNDS.—The Secretary shall provide an appropriate accounting of funds for each school or program that receives a payment on behalf of one or more participating displaced students under this section.

(d) REGISTRATION.—

(1) IN GENERAL.—To seek to participate in the program under this section, the parent of a displaced student shall sign up by means of the Internet site, toll-free telephone number, or paper form developed under subsection (e).

(2) ACCOUNT NUMBERS.—Upon completion of registration for the program under this section—

(A) the displaced student shall be assigned an account number; and

(B) the account number shall be made available to the parent of the student.

(3) FAMILIES.—If a parent has more than one child who is a displaced student—

(A) the parent shall be allowed to register each child under this subsection at the same time; and

(B) the same account number under paragraph (2) shall be provided to each child.

(e) FERA SYSTEM DEVELOPMENT AND ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary shall develop and implement a web-based system—

(A) to support the registration in the program under this section of displaced students by means of an Internet site, toll-free telephone number, or paper form; and

(B) to facilitate the timely payment of funds from the accounts of families participating in the program under this section to the school or preschool program authorized to be reimbursed for educational and other services rendered.

(2) SYSTEM REQUIREMENTS.—

(A) INTERNET SITE; TOLL-FREE TELEPHONE NUMBER; PAPER FORM.—The Internet site and toll-free telephone number developed pursuant to paragraph (1)—

(i) shall be integrated with each other;

(ii) shall, with respect to the toll-free telephone number, not be fully automated;

(iii) shall be operational not later than 2 weeks after the date of the enactment of this section;

(iv) shall include privacy controls, consistent with section 444 of the General Education Provisions Act (20 U.S.C. 1232g);

(v) shall be accessible to participating displaced students and their parents for the purpose of determining—

(I) the amount expended under this section on the student's behalf to date; and

(II) the amount remaining for expenditure under this section on the student's behalf;

(vi) shall be accessible to schools and preschool programs for the purpose of facilitating reimbursement under subsection (b);

(vii) shall support non-English speaking parents by providing information and registration in an understandable and uniform format and, to the extent practicable, in a language the parents can understand;

(viii) may use existing Federal grant management and electronic payment systems;

(ix) shall include information technology and other controls necessary to prevent fraud and overpayment, including mechanisms to validate family and school information; and

(x) shall provide technical support services (including support for registration and processing of accounts) to the families of participating displaced students and the schools and preschool programs in which the students are enrolled.

(B) PAYMENT SYSTEM.—The Secretary shall ensure that—

(i) the payment system required to carry out this section is operational not later than 4 weeks after the date of the enactment of this section; and

(ii) the first disbursements under this section are made not later than 5 weeks after the date of the enactment of this section.

(3) CONTRACTOR REQUIREMENTS.—The Secretary shall award the contract required by subsection (a)(3) to a nongovernmental entity that—

(A) has experience meeting the requirements described in paragraph (2)(A);

(B) demonstrates expertise in the development and operation of information technology infrastructures, including the manufacture and supply of hardware and software, information management, electronic fund transfer payment systems, and customer relations management and outreach;

(C) demonstrates significant experience in the development, implementation, and technical support for payment management systems operated by agencies of the Federal Government, including the Department of Education and the Department of Health and Human Services; and

(D) is based, and operates help desk services, in the United States.

(f) TRANSFERRING STUDENTS.—

(1) IN GENERAL.—Subject to paragraph (2), the Secretary shall continue to provide reimbursement under this section on behalf of a participating displaced student who transfers to one or more schools or preschool programs during the 2005–2006 school year.

(2) EXCEPTION.—The Secretary shall not provide reimbursement under this section on behalf of a participating displaced student with respect to any school or preschool program which the student attends for less than 2 consecutive weeks during the 2005–2006 school year.

(g) ADDITIONAL AMOUNT FOR ADMINISTRATIVE EXPENSES.—In providing reimbursement to an entity under this section—

(1) the Secretary shall include an additional amount equal to 1 percent of the total amount of such reimbursement to the entity for the purpose of defraying administrative expenses;

(2) such additional amount shall not be counted for purposes of the maximum reimbursement amount specified in subsections (b)(2)(C) and (b)(2)(D); and

(3) of the amount specified in subsections (b)(2)(C) and (b)(2)(D), 100 percent of such amount shall be made available to the school or preschool program.

(h) PROCUREMENT.—For purposes of the contract required by subsection (a)(3), the following provisions of Federal acquisition law shall not apply:

(1) Title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.).

(2) The Office of Federal Procurement Policy Act (41 U.S.C. 403 et seq.).

(3) The Federal Acquisition Streamlining Act of 1994 (Public Law 103–355).

(4) The Competition in Contracting Act of 1984 (Public Law 98–369).

(5) Subchapter V of chapter 35 of subtitle III of title 31, relating to the procurement protest system.

(6) The Federal Acquisition Regulation and any laws not listed in paragraphs (1) through (5) providing authority to promulgate regulations in the Federal Acquisition Regulation.

(i) AUDIT.—The Secretary may provide reimbursement under this section to a school or program on behalf of a displaced student only if the school or program agrees to allow the Secretary to conduct an audit to review and verify that the school or program is using the reimbursement in accordance with subsection (b)(3).

(j) NONDISCRIMINATION.—

(1) IN GENERAL.—The Secretary may provide reimbursement under this section to a school or preschool program only if the school or program agrees not to discriminate against participating displaced students (including applicants) on the basis of race, color, national origin, religion, or sex.

(2) APPLICABILITY AND SINGLE SEX SCHOOLS, CLASSES, OR ACTIVITIES.—

(A) IN GENERAL.—Notwithstanding any other provision of law, the prohibition of sex discrimination in paragraph (1) shall not apply to a school or preschool program that is operated by, supervised by, controlled by, or connected to a religious organization to the extent that the application of paragraph (1) is inconsistent with the religious tenets or beliefs of the school or program.

(B) SINGLE SEX SCHOOLS, CLASSES, OR ACTIVITIES.—Notwithstanding paragraph (1) or any other provision of law, a parent may choose and a school may offer a single sex school, class, or activity.

(3) CHILDREN WITH DISABILITIES.—Nothing in this section may be construed to alter or modify the provisions of the Individuals with Disabilities Education Act.

(4) RELIGIOUSLY AFFILIATED SCHOOLS.—

(A) IN GENERAL.—Notwithstanding any other provision of law, a school or preschool program receiving reimbursement under this section that is operated by, supervised by, controlled by, or connected to, a religious organization may exercise its right in matters of employment consistent with title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e–1 et seq.), including the exemptions in such title.

(B) MAINTENANCE OF PURPOSE.—Notwithstanding any other provision of law, funds made available under this section on behalf of participating displaced students that are received by a school or preschool program, as a result of their parents' choice, shall not, consistent with the first amendment of the United States Constitution, necessitate any change in the school or program's teaching mission, require any school or program to remove religious art, icons, scriptures, or other symbols, or preclude any school or program from retaining religious terms in its name, selecting its board members on a religious basis, or including religious references in its mission statements and other chartering or governing documents.

(5) RULE OF CONSTRUCTION.—Reimbursement (or any other form of support provided on behalf of participating displaced students) under this section shall be considered assistance to the student and shall not be considered assistance to the school or preschool program that enrolls the student.

(k) REPORTS.—At the end of each quarter described in subsection (b)(2)(A), the Secretary shall submit a report to the appropriate committees of the Congress describing the implementation and results of the program under this section. Such report shall—

(1) specify the number of children served, the percentage of funds used on instructional activities, and the percentage of funds used for supplemental educational services; and

(2) include information on the mobility of displaced students.

(l) DEFINITIONS.—In this section:

(1) The term ''displaced student'' means a student who is at least 4 years old, has not completed 12th grade, and would have attended another school or preschool program during the 2005–2006 school year, but for the fact that—

(A) the school, the program, or the surrounding area was damaged by a Gulf hurricane disaster; and

(B) the school or program could not reopen shortly after the disaster.

(2) The term ''Gulf hurricane disaster'' means a major disaster that was declared to exist by the President, in accordance with section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170), and was caused by Hurricane Katrina or Hurricane Rita.

(3) The term ''parent'' has the meaning given to that term in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

(4) The term ''participating displaced student'' means a displaced student participating in the program under this section.

(5) The term ''preschool program'' means a public or private program serving 4 or 5 year old children, including any such Head Start program, that is in compliance with applicable State health and safety requirements.

(6) The term ''school'' means a public or private elementary school or secondary school (as those terms are defined in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801)), including a religious elementary school or secondary school, that was legally operating in the State involved before September 1, 2005.

(7) The term ''Secretary'' means the Secretary of Education, in consultation with the Secretary of Health and Human Services.

(m) FUNDING.—

(1) IN GENERAL.—

(A) APPROPRIATION.—Out of funds not otherwise appropriated, there is hereby appropriated to the Secretary of Education, to carry out this section, $2,500,000,000, to remain available through the period ending on July 31, 2006. Any such funds that are not obligated by the end of such period shall revert to the Treasury.

(B) OFFSET.—Notwithstanding any other provision of this Act, each account for which amounts are appropriated under this Act and are not otherwise required by law shall be reduced by 1.76 percent.

(2) CONTRIBUTIONS.—Under such terms and conditions as the Secretary may impose, the Secretary may, for the purpose of carrying out this section, accept and use such amounts as may be contributed by individuals, business concerns, or other entities for such purpose.

SA 2299. Mr. COCHRAN submitted an amendment intended to be proposed by

him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title II (before the short title), add the following:

SEC. ___. ADDITIONAL PUBLIC HEALTH FUNDING.

(a) MINORITY PUBLIC HEALTH.—In addition to amounts otherwise appropriated under this Act, there are appropriated, out of any money in the Treasury not otherwise appropriated, $10,000,000 for the Office of Minority Health.

(b) SICKLE CELL DISEASE.—From amounts appropriated under the title for the Office of the Secretary of Health and Human Services, such Secretary shall make available and amount not to exceed $2,000,000 of such amounts to provide funding for grants under paragraph (1) of section 712(c) of Public Law 108–357 (42 U.S.C. 300b-1 note).

(c) OFFSET.—Notwithstanding any other provision of this Act, amounts made available under this Act under the heading Program Management for the Centers for Medicare and Medicaid Services shall be reduced, on a pro rata basis, by an additional $12,000,000.

SA 2300. Mr. ENSIGN (for himself, Mr. WARNER and Mr. ALLEN) submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; as follows:

At the end of title III (before the short title), insert the following:

SEC. ___. PROHIBITION REGARDING THE E-LANGUAGE LEARNING SYSTEM.

Notwithstanding any other provision of this Act, none of the funds made available under this Act shall be used to support, develop, or distribute the Department of Education's e-Language Learning System (ELLS).

SA 2301. Mr. OBAMA (for himself, Dr. DURBIN, Mr. KERRY, Mrs. CLINTON, Mr. DODD, and Mr. CORZINE) submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title III (before the short title), insert the following:

SEC. _____. THURGOOD MARSHALL LEGAL EDUCATIONAL OPPORTUNITY PROGRAM AND POSITIVE BEHAVIORAL INTERVENTIONS AND SUPPORTS.

(a) INCREASES.—In addition to amounts otherwise appropriated under this Act, there is appropriated, out of any money in the Treasury not otherwise appropriated, an additional $3,500,000 for subpart 3 of part A of title VII of the Higher Education Act of 1965 (20 U.S.C. 1136 et seq.), and an additional $1,000,000 to the Office of Special Education Programs of the Department of Education for the expansion of positive behavioral interventions and supports.

(b) OFFSET FROM CONSULTING EXPENSES.—

(1) Notwithstanding any other provision of this Act, each amount provided by this Act for consulting expenses for the Department of Health and Human Services shall be reduced by the pro rata percentage required to reduce the total amount provided by this Act for such expenses by $4,500,000.

(2) Not later than 30 days after the date of enactment of this Act, the Director of the Office of Management and Budget shall submit to the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate a listing of the amounts by account of the reductions made pursuant to paragraph (1).

(c) REPORT ON THURGOOD MARSHALL LEGAL EDUCATIONAL OPPORTUNITY PROGRAM.—Not later than September 30, 2006, the Secretary of Education shall prepare and submit to Congress a report on the evaluation data regarding the educational and professional performance of individuals who have participated, during fiscal year 2006 or any preceding year, in the program under subpart 3 of part A of title VII of the Higher Education Act of 1965 (20 U.S.C. 1136 et seq.).

SA 2302. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

On page 182, beginning on line 4, strike '', and $1,250,000 shall be for a grant to the University of Hawaii School of Law for a Center of Excellence in Native Hawaiian law''.

SA 2303. Mr. ALEXANDER submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE ____—ELEMENTARY AND SECONDARY EDUCATION ASSISTANCE TO STUDENTS AND SCHOOLS IMPACTED BY HURRICANE KATRINA

SEC. ___. SHORT TITLE.

This title may be cited as the ''Hurricane Katrina Elementary and Secondary Education Recovery Act''.

SEC. ___. FINDINGS.

Congress finds the following:

(1) Hurricane Katrina has had a devastating and unprecedented impact on students who attended schools in the disaster areas.

(2) Due to the devastating effects of Hurricane Katrina, a significant number of students have enrolled in schools outside of the area in which they resided on August 22, 2005, including a significant number of students who enrolled in non-public schools because their parents chose to enroll them in such schools.

(3) 372,000 students were displaced by Hurricane Katrina. Approximately 700 schools have been damaged or destroyed. Nine States each have more than 1,000 of such displaced students enrolled in their schools. In Texas alone, over 45,000 displaced students have enrolled in schools.

(4) In response to these extraordinary conditions, this title creates a one-time only emergency grant for the 2005–2006 school year tailored to the needs and particular circumstances of students displaced by Hurricane Katrina.

(5) The level and type of assistance provided under this title, both for students attending public schools and students attending non-public schools, is being authorized solely because of the unprecedented nature of the crisis, the massive dislocation of students, and the short duration of assistance.

SEC. ___. WAIVERS AND OTHER ACTIONS.

(a) CURRENT WAIVER AND OTHER AUTHORITY.—The Secretary of Education is encouraged to exercise the maximum waiver authority available or exercise other actions for States, local educational agencies, and schools affected by Hurricane Katrina with respect to the waiver authority or authorization of actions provided under the following provisions of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.):

(1) Section 1111(b)(3)(C)(vii) of such Act (20 U.S.C. 6311(b)(3)(C)(vii)).

(2) Section 1111(b)(7) of such Act (20 U.S.C. 6311(b)(7)).

(3) Section 1111(c)(1) of such Act (20 U.S.C. 6311(c)(1)).

(4) Section 1111(h)(2)(A)(i) of such Act (20 U.S.C. 6311(h)(2)(A)(i)).

(5) Section 1116(b)(7)(D) of such Act (20 U.S.C. 6316(b)(7)(D)).

(6) Section 1116(c)(10)(F) of such Act (20 U.S.C. 6316(c)(10)(F)).

(7) Section 1125A(e)(3) of such Act (20 U.S.C. 6337(e)(3)).

(8) Section 3122(a)(3)(B) of such Act (20 U.S.C. 6842(a)(3)(B)).

(9) Section 5141(c) of such Act (20 U.S.C. 7217(c)).

(10) Section 7118(c)(3)(A) of such Act (20 U.S.C. 7428(c)(3)(A)).

(11) Section 9521(c) of such Act (20 U.S.C. 7901(c)).

(b) REPORT ON WAIVERS.—Not later than December 31, 2005, the Secretary of Education shall prepare and submit a report on the States and local educational agencies requesting a waiver of any provision under the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) and the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) due to the impact of Hurricane Katrina to the Committee on Education and the Workforce and the Committee on Appropriations of the House of Representatives and the Committee on Health, Education, Labor, and Pensions and the Committee on Appropriations of the Senate.

SEC. ___. PROVIDING ADDITIONAL SUPPORT FOR STUDENTS AFFECTED BY HURRICANE KATRINA.

(a) GRANTS TO STATES AUTHORIZED.—From amounts appropriated under subsection (g), the Secretary of Education is authorized to make grants to States for assistance to eligible local educational agencies to enable the agencies to provide services, programs, and activities as described in subsection (c).

(b) STATE APPLICATIONS.—A State that desires to receive a grant under this section shall submit an application to the Secretary of Education at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(c) ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES.—A State that receives a grant under subsection (a) shall use the funds made available through the grant to provide assistance to eligible local educational agencies to enable such agencies to provide, to students displaced by Hurricane Katrina or students attending a school in an area described in subsection (f)(1)—

(1) supplemental educational services consistent with the definitions, criteria, and amounts established under section 1116(e) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6316(e)); or

(2) additional programs and activities under part B of title IV of the Elementary

and Secondary Education Act of 1965 (20 U.S.C. 7171 et seq.) relating to 21st century community learning centers.

(d) LOCAL APPLICATIONS.—An eligible local educational agency that desires to receive assistance under this section from a State shall submit an application to the State at such time, in such manner, and accompanied by such information as the State may reasonably require.

(e) INTERACTION WITH THE ESEA.—An eligible local educational agency providing services described in subsection (c)(1) may provide such services to a student displaced by Hurricane Katrina regardless of the status of the school under section 1116(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6316(b)) that such student attends.

(f) DEFINITION OF ELIGIBLE LOCAL EDUCATIONAL AGENCY.—In this section, the term ''eligible local educational agency'' means—

(1) a local educational agency in an area in which a major disaster has been declared in accordance with section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170) related to Hurricane Katrina; or

(2) a local educational agency that enrolls a student displaced from an area where a major disaster has been declared in accordance with section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170) related to Hurricane Katrina.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $100,000,000 for fiscal year 2006.

SEC. ___. IMMEDIATE AID TO RESTART SCHOOL OPERATIONS.

(a) PURPOSE.—It is the purpose of this section—

(1) to provide immediate and direct assistance to local educational agencies in Louisiana, Mississippi, and Alabama that serve an area in which a major disaster has been declared in accordance with section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170), related to Hurricane Katrina;

(2) to assist school district administrators and personnel of such agencies who are working to restart operations in elementary schools and secondary schools served by such agencies; and

(3) to facilitate the re-opening of elementary schools and secondary schools served by such agencies and the re-enrollment of students in such schools as soon as possible.

(b) PAYMENTS AND GRANTS AUTHORIZED.—From amounts appropriated to carry out this section, the Secretary of Education is authorized to make payments, not later than November 30, 2005, to State educational agencies (as defined in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801 et seq.)) in Louisiana, Mississippi, and Alabama to enable such agencies to award grants to local educational agencies serving an area in which a major disaster has been declared in accordance with section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170), related to Hurricane Katrina.

(c) ELIGIBILITY AND CONSIDERATION.—In determining whether to award a grant under this section, or the amount of the grant, the State educational agency shall consider the following:

(1) The number of school-aged children served by the local educational agency in the academic year preceding the academic year for which the grant is awarded.

(2) The severity of the impact of Hurricane Katrina on the local educational agency and the extent of the needs in each local educational agency in Louisiana, Mississippi, and Alabama that is in an area in which a major disaster has been declared in accordance with section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170), related to Hurricane Katrina.

(d) APPLICATIONS.—Each local educational agency desiring a grant under this section shall submit an application to the State educational agency at such time, in such manner, and accompanied by such information as the State educational agency may reasonably require to ensure expedited and timely payment to the local educational agency.

(e) USES OF FUNDS.—

(1) IN GENERAL.—A local educational agency receiving a grant under this section shall use the grant funds for—

(A) recovery of student and personnel data, and other electronic information;

(B) replacement of school district information systems, including hardware and software;

(C) financial operations;

(D) reasonable transportation costs;

(E) rental of mobile educational units and leasing of neutral sites or spaces;

(F) initial replacement of instructional materials and equipment, including textbooks;

(G) redeveloping instructional plans, including curriculum development;

(H) initiating and maintaining education and support services; and

(I) such other activities related to the purpose of this section that are approved by the Secretary.

(2) USE WITH OTHER AVAILABLE FUNDS.—A local educational agency receiving a grant under this section may use the grant funds in coordination with other Federal, State, or local funds available for the activities described in paragraph (1).

(3) PROHIBITIONS.—Grant funds received under this section shall not be used for any of the following:

(A) Construction or major renovation of schools.

(B) Payments to school administrators or teachers who are not actively engaged in restarting or re-opening schools.

(f) SUPPLEMENT NOT SUPPLANT.—

(1) IN GENERAL.—Except as provided in paragraph (2), funds made available under this section shall be used to supplement, not supplant, any funds made available through the Federal Emergency Management Agency or through a State.

(2) EXCEPTION.—Paragraph (1) shall not prohibit the provision of Federal assistance under this section to an eligible educational agency that is or may be entitled to receive, from another source, benefits for the same purposes as under this section if—

(A) such agency has not received such other benefits by the time of application for Federal assistance under this section; and

(B) such agency agrees to repay all duplicative Federal assistance received to carry out the purposes of this section.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $900,000,000 for fiscal year 2006.

SEC. ___. HOLD HARMLESS FOR LOCAL EDUCATIONAL AGENCIES SERVING MAJOR DISASTER AREAS.

In the case of a local educational agency that serves an area in which the President has declared that a major disaster exists in accordance with section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170), related to Hurricane Katrina, the amount made available for such local educational agency under each of sections 1124, 1124A, 1125, and 1125A of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6333, 6334, 6335, and 6337) for fiscal year 2006 shall be not less than the amount made available for such local educational agency under each of such sections for fiscal year 2005.

SEC. ___. TEACHER AND PARAPROFESSIONAL RECIPROCITY; DELAY.

(a) TEACHER AND PARAPROFESSIONAL RECIPROCITY.—

(1) TEACHERS.—

(A) AFFECTED TEACHER.—In this subsection, the term ''affected teacher'' means a teacher who is displaced due to Hurricane Katrina and relocates to a State that is different from the State in which such teacher resided on August 22, 2005.

(B) IN GENERAL.—A local educational agency may consider an affected teacher hired by such agency who is not highly qualified in the State in which such agency is located to be highly qualified, for purposes of section 1119 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6319) and section 612(a)(14) of the Individuals with Disabilities Education Act (20 U.S.C. 1412(a)(14)), for a period not to exceed 1 year, if such teacher was highly qualified, consistent with section 9101(23) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801(23)) and section 602(10) of the Individuals with Disabilities Education Act (20 U.S.C. 1401(10)), on or before August 22, 2005, in the State in which such teacher resided on August 22, 2005.

(2) PARAPROFESSIONAL.—

(A) AFFECTED PARAPROFESSIONAL.—In this subsection, the term ''affected paraprofessional'' means a paraprofessional who is displaced due to Hurricane Katrina and relocates to a State that is different from the State in which such paraprofessional resided on August 22, 2005.

(B) IN GENERAL.—A local educational agency may consider an affected paraprofessional hired by such agency who does not satisfy the requirements of section 1119(c) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6319(c)) in the State in which such agency is located to satisfy such requirements, for purposes of such section, for a period not to exceed 1 year, if such paraprofessional satisfied such requirements on or before August 22, 2005, in the State in which such paraprofessional resided on August 22, 2005.

(b) DELAY.—The Secretary of Education may delay, for a period not to exceed 1 year, applicability of the requirements of paragraphs (2) and (3) of section 1119(a) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6319(a)(2) and (3)) and section 612(a)(14)(C) of the Individuals with Disabilities Education Act (20 U.S.C. 1412(a)(14)(C)) with respect to the States of Alabama, Louisiana, and Mississippi (and local educational agencies within the jurisdiction of such States), if any such State or local educational agency demonstrates that a failure to comply with such requirements is due to exceptional or uncontrollable circumstances, such as a natural disaster or a precipitous and unforeseen decline in the financial resources of local educational agencies within the State.

SEC. ___. ASSISTANCE FOR HOMELESS YOUTH.

(a) IN GENERAL.—The Secretary of Education shall provide assistance to local educational agencies serving homeless children and youths displaced by Hurricane Katrina, consistent with section 723 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11433), including identification, enrollment assistance, assessment and school placement assistance, transportation, coordination of school services, supplies, referrals for health, mental health, and other needs.

(b) EXCEPTION AND DISTRIBUTION OF FUNDS.—

(1) EXCEPTION.—For purposes of providing assistance under subsection (a), subsections (c) and (e)(1) of section 722 and subsections (b) and (c) of section 723 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11432(c) and (e)(1), 11433(b) and (c)) shall not apply.

(2) DISBURSEMENT.—The Secretary of Education shall disburse funding provided under subsection (a) to State educational agencies based on demonstrated need, as determined by the Secretary, and such State educational agencies shall distribute funds available under subsection (c) to local educational agencies based on demonstrated need, for the purposes of carrying out section 723 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11433).

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $50,000,000.

SEC. ___. ALTERNATIVE EDUCATION PROGRAMS FOR DISPLACED ADOLESCENT STUDENTS.

(a) DEFINITIONS.—In this section:

(1) ALTERNATIVE EDUCATION PROGRAM.—The term ''alternative education program'' means a transitional program that provides displaced adolescent students with—

(A) instruction in reading, mathematics, writing, study skills, and other relevant subjects;

(B) counseling;

(C) tutoring;

(D) activities designed to familiarize the displaced adolescent students with the range of career options available to the students;

(E) mentoring;

(F) test preparation for college entrance examinations, including the PSAT, SAT, and ACT;

(G) counseling on the financial aid available for postsecondary education; or

(H) job readiness skills and career and technical education.

(2) DISPLACED ADOLESCENT STUDENT.—The term ''displaced adolescent student'' means a secondary school student who—

(A) resides or resided on August 22, 2005, in an area for which a major disaster has been declared in accordance with section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170), related to Hurricane Katrina;

(B) cannot continue enrollment in a secondary school because of Hurricane Katrina; and

(C) is expected to obtain a secondary school diploma by the end of the 2006–2007 school year.

(3) ELIGIBLE ENTITY.—The term ''eligible entity'' means a State educational agency, local educational agency, or consortium of such agencies, located in an area in which a major disaster has been declared in accordance with section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170) related to Hurricane Katrina, that—

(A) demonstrates a need for additional funds in order to provide an alternative education program to displaced adolescent students; and

(B) has the ability to administer the alternative education program and to serve displaced adolescent students.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of Education.

(b) PROGRAM AUTHORIZED.—From amounts appropriated under this section for fiscal year 2006, the Secretary shall award grants to States for assistance to eligible entities to enable the entities to develop and carry out alternative education programs for displaced adolescent students.

(c) STATE APPLICATIONS.—A State desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(d) ASSISTANCE TO ELIGIBLE ENTITIES.—

(1) IN GENERAL.—A State that receives a grant under this section may use the funds made available through the grant to provide assistance to eligible entities to enable the eligible entities to develop and carry out alternative education programs for displaced adolescent students.

(2) PARTNERSHIPS.—An eligible entity may apply for assistance under this section in partnership with 1 or more community-based organizations or institutions of higher education (as such term is defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001)), or both.

(e) LOCAL APPLICATIONS.—An eligible entity desiring assistance under this section from a State shall submit an application to the Governor of the State at such time, in such manner, and containing such information as the Governor may require. At a minimum, the Governor shall require an entity that desires to carry out an alternative education program in an area in which another organization is carrying out an alternative education program to provide an assurance that the entity will coordinate activities carried out under its program with the activities carried out by the organization under its program

(f) USES OF FUNDS.—An eligible entity that receives assistance under this section shall use the assistance to carry out an alternative education program that meets the needs of displaced adolescent students, including the staffing, curricular materials, and other programmatic costs needed to carry out the alternative education program.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2006.

SEC. ___. GENERAL PROVISION.

Nothing in the previous 9 sections of this title shall be construed to permit discrimination on the basis of race, color, religion, sex (except as otherwise permitted under title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.)), national origin, or disability in any program funded under such sections.

SEC. ___. TEMPORARY EMERGENCY IMPACT AID FOR DISPLACED STUDENTS.

(a) TEMPORARY EMERGENCY IMPACT AID AUTHORIZED.—

(1) AID TO STATE EDUCATIONAL AGENCIES.—From amounts appropriated under subsection (o), the Secretary of Education shall provide emergency impact aid to State educational agencies to enable the State educational agencies to make emergency impact aid payments to eligible local educational agencies and eligible BIA-funded schools to enable—

(A) such eligible local educational agencies and schools to provide for the instruction of displaced students served by such agencies and schools; and

(B) such eligible local educational agencies to make immediate impact aid payments to accounts established on behalf of displaced students (referred to in this section as ''accounts'') who are attending eligible non-public schools located in the areas served by the eligible local educational agencies.

(2) AID TO LOCAL EDUCATIONAL AGENCIES AND BIA-FUNDED SCHOOLS.—A State educational agency shall make emergency impact aid payments to eligible local educational agencies and eligible BIA-funded schools in accordance with subsection (d).

(3) STATE EDUCATIONAL AGENCIES IN CERTAIN STATES.—In the case of the States of Louisiana and Mississippi, the State educational agency shall carry out the activities of eligible local educational agencies that are unable to carry out this section, including eligible local educational agencies in such States for which the State exercises the authorities normally exercised by such local educational agencies.

(b) DEFINITIONS.—In this section:

(1) DISPLACED STUDENT.—The term ''displaced student'' means a student who enrolled in a school (other than the school that the student was enrolled in, or was eligible to be enrolled in, on August 22, 2005) because such student resides or resided on August 22, 2005, in an area for which a major disaster has been declared in accordance with section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170), related to Hurricane Katrina.

(2) ELIGIBLE LOCAL EDUCATIONAL AGENCIES.—The term ''eligible local educational agency'' means a local educational agency that serves—

(A) an elementary school or secondary school (including a charter school) in which there is enrolled a displaced student; or

(B) an area in which there is located an eligible non-public school.

(3) ELIGIBLE NON-PUBLIC SCHOOL.—The term ''eligible non-public school'' means a non-public school that—

(A) is accredited or licensed or otherwise operates in accordance with State law;

(B) was in existence on August 22, 2005; and

(C) serves a displaced student on behalf of whom an application for an account has been made pursuant to subsection (c)(2)(A)(ii).

(4) ELIGIBLE BIA-FUNDED SCHOOL.—In this section, the term ''eligible BIA-funded school'' means a school funded by the Bureau of Indian Affairs in which there is enrolled a displaced student.

(c) APPLICATION.—

(1) STATE EDUCATIONAL AGENCY.—A State educational agency that desires to receive emergency impact aid under this section shall submit an application to the Secretary of Education at such time, in such manner, and accompanied by such information as the Secretary of Education may reasonably require, including—

(A) information on the total displaced student child count of the State provided by eligible local educational agencies in the State and eligible BIA-funded schools in the State under paragraph (2);

(B) a description of the process for the parent or guardian of a displaced student enrolled in a non-public school to indicate to the eligible local educational agency serving the area in which such school is located that the student is enrolled in such school;

(C) a description of the procedure to be used by an eligible local educational agency in such State to provide payments to accounts;

(D) a description of the process to be used by an eligible local educational agency in such State to obtain—

(i) attestations of attendance of eligible displaced students from eligible non-public schools, in order for the local educational agency to provide payments to accounts on behalf of eligible displaced students; and

(ii) attestations from eligible non-public schools that accounts are used only for the purposes described in subsection (e)(2)(A); and

(E) the criteria, including family income, used to determine the eligibility for and the amount of assistance under this section provided on behalf of a displaced student attending an eligible non-public school.

(2) LOCAL EDUCATIONAL AGENCIES AND BIA-FUNDED SCHOOLS.—An eligible local educational agency or eligible BIA-funded school that desires an emergency impact aid payment under this section shall submit an application to the State educational agency

at such time, in such manner, and accompanied by such information as the State educational agency may reasonably require, including documentation submitted quarterly for the 2005-2006 school year that indicates the following:

(A) In the case of an eligible local educational agency—

(i) the number of displaced students enrolled in the elementary schools and secondary schools (including charter schools and including the number of displaced students who are served under part B of the Individuals with Disabilities Education Act) served by such agency for such quarter; and

(ii) the number of displaced students for whom the eligible local educational agency expects to provide payments to accounts under subsection (e)(2) (including the number of displaced students who are served under part B of the Individuals with Disabilities Education Act) for such quarter who meet the following criteria:

(I) The displaced student enrolled in an eligible non-public school prior to the date of enactment of this title.

(II) The parent or guardian of the displaced student chose to enroll the student in the eligible non-public school in which the student is enrolled.

(III) The parent or guardian of the displaced student submitted an application requesting that the agency make a payment to an account on behalf of the student.

(IV) The displaced student's tuition and fees (and transportation expenses, if any) for the 2005–2006 school year is waived or reimbursed (by the eligible non-public school) in an amount that is not less than the amount of emergency impact aid payment provided on behalf of such student under this section.

(B) In the case of an eligible BIA-funded school, the number of displaced students, including the number of displaced students who are served under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.), enrolled in such school for such quarter.

(3) DETERMINATION OF NUMBER OF DISPLACED STUDENTS.—In determining the number of displaced students for a quarter under paragraph (2), an eligible local educational agency or eligible BIA-funded school shall include in such number the number of displaced students served during such quarter prior to the date of enactment of this title.

(d) AMOUNT OF EMERGENCY IMPACT AID.—

(1) AID TO STATE EDUCATIONAL AGENCIES.—

(A) IN GENERAL.—The amount of emergency impact aid received by a State educational agency for the 2005–2006 school year shall equal the sum of—

(i) the product of the number of displaced students (who are not served under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.)), as determined by the eligible local educational agencies and eligible BIA-funded schools in the State under subsection (c)(2), times $6,000; and

(ii) the product of the number of displaced students who are served under part B of the Individuals with Disabilities Education Act, as determined by the eligible local educational agencies and eligible BIA-funded schools in the State under subsection (c)(2), times $7,500.

(B) INSUFFICIENT FUNDS.—If the amount available under this section to provide emergency impact aid under this subsection is insufficient to pay the full amount that a State educational agency is eligible to receive under this section, the Secretary of Education shall ratably reduce the amount of such emergency impact aid.

(2) AID TO ELIGIBLE LOCAL EDUCATIONAL AGENCIES AND ELIGIBLE BIA-FUNDED SCHOOLS.—

(A) QUARTERLY INSTALLMENTS.—

(i) IN GENERAL.—A State educational agency shall provide emergency impact aid payments under this section on a quarterly basis for the 2005-2006 school year by such dates as determined by the Secretary of Education. Such quarterly installment payments shall be based on the number of displaced students reported under subsection (c)(2) and in the amount determined under clause (ii).

(ii) PAYMENT AMOUNT.—Each quarterly installment payment under clause (i) shall equal 25 percent of the sum of—

(I) the number of displaced students (who are not served under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.)) reported by the eligible local educational agency or eligible BIA-funded school for such quarter (as determined under subsection (c)(2)) times $6,000; and

(II) the number of displaced students who are served under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.) reported by the eligible local educational agency or eligible BIA-funded school for such quarter (as determined under subsection (c)(2)) times $7,500.

(iii) TIMELINE.—The Secretary of Education shall establish a timeline for quarterly reporting on the number of displaced students in order to make the appropriate disbursements in a timely manner.

(iv) INSUFFICIENT FUNDS.—If, for any quarter, the amount available under this section to make payments under this subsection is insufficient to pay the full amount that an eligible local educational agency or eligible BIA-funded school is eligible to receive under this section, the State educational agency shall ratably reduce the amount of such payments.

(B) MAXIMUM PAYMENT TO ACCOUNT.—In providing quarterly payments to an account for the 2005–2006 school year on behalf of a displaced student for each quarter that such student is enrolled in a non-public school in the area served by the agency under subsection (e)(2), an eligible local educational agency may provide not more than 4 quarterly payments to such account, and the aggregate amount of such payments shall not exceed the lesser of—

(i)(I) in the case of a displaced student who is not served under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.), $6,000; or

(II) in the case of a displaced student who is served under part B of the Individuals with Disabilities Education Act, $7,500; or

(ii) the cost of tuition and fees (and transportation expenses, if any) at the non-public school for the 2005-2006 school year.

(e) USE OF FUNDS.—

(1) DISPLACED STUDENTS IN PUBLIC SCHOOLS.—An eligible local educational agency or eligible BIA-funded school receiving emergency impact aid payments under this section shall use the payments to provide instructional opportunities for displaced students who enroll in elementary schools and secondary schools (including charter schools) served by such agency or in such a school, and for other expenses incurred as a result of the agency or school serving displaced students, which uses may include—

(A) paying the compensation of personnel, including teacher aides, in schools enrolling displaced students;

(B) identifying and acquiring curricular material, including the costs of providing additional classroom supplies, and mobile educational units and leasing sites or spaces;

(C) basic instructional services for such students, including tutoring, mentoring, or academic counseling;

(D) reasonable transportation costs;

(E) health services (including counseling and mental health services); and

(F) education and support services.

(2) DISPLACED STUDENTS IN NON-PUBLIC SCHOOLS.—

(A) IN GENERAL.—An eligible local educational agency that receives emergency impact aid payments under this section and that serves an area in which there is located an eligible non-public school shall, at the request of the parent or guardian of a displaced student who meets the criteria described in subsection (c)(2)(A)(ii) and who enrolled in a non-public school in an area served by the agency, use such emergency impact aid payment to provide payment on a quarterly basis (but not to exceed the total amount specified in subsection (d)(2)(B) for the 2005–2006 school year) to an account on behalf of such displaced student, which payment shall be used to assist in paying for any of the following:

(i) Paying the compensation of personnel, including teacher aides, in the non-public school, which funds shall not be used for religious instruction, proselytization, or worship.

(ii) Identifying and acquiring curricular material, including the costs of providing additional classroom supplies (which shall be secular, neutral, and shall not have a religious component), and mobile educational units and leasing sites or spaces, which shall not be used for religious instruction, proselytization, or worship.

(iii) Basic instructional services, including tutoring, mentoring, or academic counseling, which services shall be secular and neutral and shall not be used for religious instruction, proselytization, or worship.

(iv) Reasonable transportation costs.

(v) Health services (including counseling and mental health services), which services shall be secular and neutral and shall not be used for religious instruction, proselytization, or worship.

(vi) Education and support services, which services shall be secular and neutral and shall not be used for religious instruction, proselytization, or worship.

(B) VERIFICATION OF ENROLLMENT.—Before providing a quarterly payment to an account under subparagraph (A), the eligible local educational agency shall verify with the parent or guardian of a displaced student that such displaced student is enrolled in the non-public school.

(3) PROVISION OF SPECIAL EDUCATION AND RELATED SERVICES.—

(A) IN GENERAL.—In the case of a displaced student who is served under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.), any payment made on behalf of such student to an eligible local educational agency or any payment available in an account for such student, shall be used to pay the cost of providing the student with special education and related services consistent with the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.).

(B) SPECIAL RULE.—

(i) RETENTION.—Notwithstanding any other provision of this section, if an eligible local educational agency provides services to a displaced student attending an eligible non-public school under section 612(a)(10) of the Individuals with Disabilities Education Act (20 U.S.C. 1412(a)(10)), the eligible local educational agency may retain a portion of the assistance received under this section for such student to pay the cost of providing such services.

(ii) DETERMINATION OF PORTION.—

(I) GUIDELINES.—Each State shall issue guidelines that specify the portion of the assistance that an eligible local educational agency in the State may retain under this subparagraph. Each State shall apply such

guidelines in a consistent manner throughout the State.

(II) DETERMINATION OF PORTION.—The portion specified in the guidelines shall be based on customary costs of providing services under such section 612(a)(10) for the local educational agency.

(C) DEFINITIONS.—In this paragraph:

(i) SPECIAL EDUCATION; RELATED SERVICES.—The terms ''special education'' and ''related services'' have the meaning given such terms in section 602 of the Individuals with Disabilities Education Act (20 U.S.C. 1401).

(ii) INDIVIDUALIZED EDUCATION PROGRAM.—The term ''individualized education program'' has the meaning given the term in section 614(d)(2) of the Individuals with Disabilities Education Act (20 U.S.C. 1414(d)(2)).

(f) RETURN OF AID.—

(1) ELIGIBLE LOCAL EDUCATIONAL AGENCY OR ELIGIBLE BIA-FUNDED SCHOOL.—An eligible local educational agency or eligible BIA-funded school that receives an emergency impact aid payment under this section shall return to the State educational agency any payment provided to the eligible local educational agency or school under this section that the eligible local educational agency or school has not obligated by the end of the 2005–2006 school year in accordance with this section.

(2) STATE EDUCATIONAL AGENCY.—A State educational agency that receives emergency impact aid under this section, shall return to the Secretary of Education—

(A) any aid provided to the agency under this section that the agency has not obligated by the end of the 2005–2006 school year in accordance with this section; and

(B) any payment funds returned to the State educational agency under paragraph (1).

(g) LIMITATION ON USE OF AID AND PAYMENTS.—Aid and payments provided under this section shall only be used for expenses incurred during the 2005–2006 school year.

(h) ADMINISTRATIVE EXPENSES.—A State educational agency that receives emergency impact aid under this section may use not more than 1 percent of such aid for administrative expenses. An eligible local educational agency or eligible BIA-funded school that receives emergency impact aid payments under this section may use not more than 2 percent of such payments for administrative expenses.

(i) SPECIAL FUNDING RULE.—In calculating funding under section 8003 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703) for an eligible local educational agency that receives an emergency impact aid payment under this section, the Secretary of Education shall not count displaced students served by such agency for whom an emergency impact aid payment is received under this section, nor shall such students be counted for the purpose of calculating the total number of children in average daily attendance at the schools served by such agency as provided in section 8003(b)(3)(B)(i) of such Act (20 U.S.C. 7703(b)(3)(B)(i)).

(j) TERMINATION OF AUTHORITY.—The authority provided by this section shall terminate on August 1, 2006.

(k) NOTICE OF OPTION OF PUBLIC SCHOOL OR NON-PUBLIC SCHOOL ENROLLMENT.—Each State receiving emergency impact aid under this section shall provide, to the parent or guardian of each displaced student for whom a payment is made under this section to an account who resides in such State, notification that such parent or guardian has the option of enrolling such student in a public school or a non-public school.

(l) BY-PASS.—If a State educational agency or eligible local educational agency is unable to carry out this section, the Secretary of Education may make such arrangements with the State as the Secretary determines appropriate to carry out this section on behalf of displaced students attending an eligible non-public school in the area served by such agency. For a State in which State law prohibits the State from using Federal funds to directly provide services on behalf of students attending non-public schools and provides that another entity shall provide such services, the Secretary of Education shall make such arrangements with that entity.

(m) NONDISCRIMINATION.—

(1) IN GENERAL.—A school that enrolls a displaced student under this section shall not discriminate against students on the basis of race, color, national origin, religion, disability, or sex.

(2) APPLICABILITY AND SINGLE SEX SCHOOLS, CLASSES, OR ACTIVITIES.—

(A) IN GENERAL.—To the extent consistent with title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.), the prohibition of sex discrimination in paragraph (1) shall not apply to a non-public school that is controlled by a religious organization if the application of paragraph (1) would not be consistent with the religious tenets of such organization.

(B) SINGLE SEX SCHOOLS, CLASSES, OR ACTIVITIES.—Notwithstanding paragraph (1) and to the extent consistent with title IX of the Education Amendments of 1972, a parent or guardian may choose and a non-public school may offer a single sex school, class, or activity.

(C) ENROLLMENT.—The prohibition of religious discrimination in paragraph (1) shall not apply with regard to enrollment for a non-public school that is controlled by a religious organization, except in the case of the enrollment of displaced students assisted under this section.

(3) GENERAL PROVISION.—Nothing in this section may be construed to alter or modify the provisions of the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.), and the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.).

(4) OPT-IN.—A displaced student assisted under this section who is enrolled in a non-public school shall not participate in religious worship or religious classes at such school unless such student's parent or guardian chooses to opt-in such student for such religious worship or religious classes.

(5) RULE OF CONSTRUCTION.—The amount of any payment (or other form of support provided on behalf of a displaced student) under this section shall not be treated as income of a parent or guardian of the student for purposes of Federal tax laws or for determining eligibility for any other Federal program.

(n) TREATMENT OF STATE AID.—A State shall not take into consideration emergency impact aid payments received under this section by a local educational agency in the State in determining the eligibility of such local educational agency for State aid, or the amount of State aid, with respect to free public education of children.

(o) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $2,400,000,000 for fiscal year 2006.

SEC. ____. SUNSET PROVISION.

Except as otherwise provided in this title, the provisions of this title shall be effective for the period beginning on the date of enactment of this title and ending on August 1, 2006.

SA 2304. Mr. HAGEL (for himself, Mr. ALEXANDER, Mr. ROBERTS, Mr. WARNER, and Ms. MURKOWSKI) submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title III (before the short title), add the following:

SEC. ____.(a) In addition to amounts otherwise appropriated under this Act, there are appropriated, out of any money in the Treasury not otherwise appropriated, $408,000,000 to carry out part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.).

(b) Notwithstanding any other provision of this Act, amounts appropriated under this Act for discretionary programs (other than programs under title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) and programs under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.)) shall be reduced, on a pro rata basis, by $408,000,000.

SA 2305. Mr. ALEXANDER submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title III (before the short title), add the following:

SEC. ____.(a) There are appropriated, out of any money in the Treasury not otherwise appropriated, $7,000,000 to the National Assessment Governing Board for the purposes of implementing a National Assessment of Educational Progress test in United States history.

(b) Notwithstanding any other provision of this Act, amounts appropriated under title I under the heading ''SALARIES AND EXPENSES'' under the heading ''DEPARTMENTAL MANAGEMENT'' shall be reduced by $7,000,000.

SA 2306. Mr. ALEXANDER submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title III (before the short title), add the following:

SEC. ____.(a) There are appropriated, out of any money in the Treasury not otherwise appropriated, $7,000,000 to the National Assessment Governing Board for the purposes of implementing a National Assessment of Educational Progress test in United States history.

(b) Notwithstanding any other provision of this Act, amounts appropriated under title I for the State Unemployment Insurance and Employment Service Operations shall be reduced by $7,000,000.

SA 2307. Mr. ALEXANDER submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30,

2006, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title III (before the short title), add the following:

SEC. ____.(a) In addition to amounts otherwise appropriated under this Act, there are appropriated, out of any money in the Treasury not otherwise appropriated, $502,738,000 for targeted grants under section 1125 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6335) and education finance incentive grants under section 1125A of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6337).

(b) Notwithstanding any other provision of this Act, amounts appropriated under this Act for discretionary programs (other than programs under title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) and programs under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.)) shall be reduced, on a pro rata basis, by $502,738,000.

SA 2308. Mr. ALEXANDER submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title III (before the short title), add the following:

SEC. ____.(a) There are appropriated, out of any money in the Treasury not otherwise appropriated, $7,000,000 to the National Assessment Governing Board for the purposes of implementing a National Assessment of Educational Progress test in United States history.

(b) Notwithstanding any other provision of this Act, amounts appropriated under title I for the Job Corps: Operations shall be reduced by $7,000,000.

SA 2309. Ms. COLLINS (for herself and Mr. REED) submitted an amendment intended to be proposed by her to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____. It is the sense of the Senate that the additional $2,920,000,000 in new budget authority provided in this Act to the Low-Income Home Energy Assistance Program should be offset by the reconciliation bill pursuant to subsection (b) of section 202 of H. Con. Res. 95, the Concurrent Resolution on the Budget for Fiscal Year 2006, by scaling back or eliminating certain tax deductions, exemptions, preferences, subsidies, or other tax expenditures provided under current law to the oil and gas industry, to provide savings totaling $2,920,000,000 over the period of fiscal years 2006 through 2010.

SA 2310. Mr. STEVENS (for himself and Mrs. MURRAY) submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

1. At the appropriate place insert the following:

SEC. —. PROHIBITION OF THE USE OF FUNDS FOR RELIANCE ON STUDENT INTEREST SURVEYS IN DETERMINING COMPLIANCE WITH TITLE IX.

None of the funds provided under this Act shall be used—

(1) for any educational, compliance, or enforcement activities that are based on the Department of Education's March 17, 2005 policy guidance entitled ''Additional Clarification of Intercollegiate Athletics Policy: Three Part Test—Part Three,'' or on the principles governing the interpretation of surveys set forth in that guidance, regarding compliance with the Patsy Takemoto Mink Equal Opportunity in Education Act (20 U.S.C. 1681 et seq.) (commonly referred to as ''title IX''); or

(2) to rely on the results of any survey of student interest as a basis for presuming that an educational institution has complied with such title IX.

SA 2311. Mr. SUNUNU submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place in title II, insert the following:

SEC. ____. Amounts appropriated in this title for community health center programs under section 330 of the Public Health Service Act (42 U.S.C. 254b) shall be increased by $198,560,000. Notwithstanding any other provision of this Act, amounts appropriated under this Act shall be reduced by 0.14 percent.

SA 2312. Ms. SNOWE submitted an amendment intended to be proposed by her to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title III (before the short title), insert the following:

SEC. ___. FUNDING INCREASE FOR EVEN START.

(a) INCREASE.—In addition to amounts otherwise appropriated under this Act, there is appropriated, out of any money in the Treasury not otherwise appropriated, an additional $200,000,000 for carrying out subpart 3 of part B of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6381 et seq.).

(b) OFFSET.—Notwithstanding any other provision of this Act, each amount appropriated under this Act for salaries and expenses at the Occupational Safety and Health Administration and the Employment Standards Administration is reduced by a uniform percentage necessary to reduce the total amounts so appropriated by $200,000,000.

SA 2313. Mrs. CLINTON (for herself and Mr. SCHUMER) proposed an amendment to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. ____.(a) Notwithstanding any other provision of law, $125,000,000 shall be available and shall remain available until expended to replace the funds appropriated but not expended under chapter 8 of division B of the Department of Defense and Emergency Supplemental Appropriations for Recovery from and Response to Terrorist Attacks on the United States Act, 2002 (Public Law 107–117), and of such amount, $50,000,000 shall be made available for payment to the New York State Uninsured Employers Fund for reimbursement of claims related to the terrorist attacks of September 11, 2001 and for reimbursement of claims related to the first response emergency services personnel who were injured, were disabled, or died due to such terrorist attacks, and $75,000,000 shall be made available to the Centers for Disease Control and Prevention upon enactment of this Act, and shall remain available until expended, for purposes related to the September 11, 2001 terrorist attacks. In expending such funds, the Director of the Centers for Disease Control and Prevention shall give first priority to the existing programs coordinated by the Mount Sinai Center for Occupational and Environmental Medicine, the Fire Department of New York City Bureau of Health Services and Counseling Services Unit, the New York City Police Foundation's Project COPE, Police Organization Providing Peer Assistance, and the New York City Department of Health and Mental Hygiene World Trade Center Health Registry that administer baseline and follow-up screening, clinical examinations, or long-term medical health monitoring, analysis, or treatment for emergency services personnel or rescue and recovery personnel, and shall give secondary priority to similar programs coordinated by other entities working with the State of New York and New York City.

On page 116, line 10, strike ''$3,326,000,000'' and insert ''$3,201,000,000'' in lieu thereof.

SA 2314. Mr. CONRAD submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title III (before the short title), add the following:

SEC. ____.(a) In addition to amounts otherwise appropriated under this Act, there are appropriated, out of any money in the Treasury not otherwise appropriated, $29,376,000 for the Rural Education Achievement Program under part B of title VI of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7341 et seq.).

(b) Notwithstanding any other provision of this Act, the amount appropriated under this title under the heading ''PROGRAM ADMINISTRATION'' under the heading ''DEPARTMENTAL MANAGEMENT'' shall be reduced by $29,376,000.

SA 2315. Mr. DURBIN submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; as follows:

On page 222, after line 8, insert the following:

SEC. 517. Notwithstanding any other provision of law, not later than 60 days after the date of enactment of this Act, MidAmerica St. Louis Airport in Mascoutah, Illinois, shall be designated as a port of entry.

SA 2316. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. ____. Not later than 12 months after the date of enactment of this Act, the Comptroller General of the United States shall transmit to the Congress a report on the formula used to determine trade adjustment assistance funding levels for States. The report shall examine the formula and determine if State funding levels are in proportion to the amount of eligible displaced workers in each State, or if other factors affect the overall funding levels that States receive. The report shall include information on States that have had to request funding from the reserve because the formula did not provide enough base funding to immediately assist all workers who are eligible, the length and incidence of waiting lists established because of lack of base funding, the effect of waiting lists on displaced workers and communities, and the burden that is placed on States when funding is dispersed late due to a delayed appropriations process. The report shall examine whether or not the rigorous and complicated timelines and deadlines that citizens are required to meet affects the overall number of people who are able to successfully apply for assistance and the overall funding level that States will be able to receive in the future. The report shall include recommendations on how to make the process of meeting the rigorous timelines and deadlines easier to understand, less complicated, and easier for States to administer. The report shall also address the overall level of funding needed to provide assistance to firms and workers affected by the Dominican Republic-Central America-United States Free Trade Agreement.

SA 2317. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. ____. (a) The amount appropriated under title I for trade adjustment assistance under the heading ''FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES'' is hereby increased by $90,900,000.

(b) Not later than 12 months after the date of enactment of this Act, the Comptroller General of the United States shall transmit to the Congress a report on the formula used to determine trade adjustment assistance funding levels for States. The report shall examine the formula and determine if State funding levels are in proportion to the amount of eligible displaced workers in each State, or if other factors affect the overall funding levels that States receive. The report shall include information on States that have had to request funding from the reserve because the formula did not provide enough base funding to immediately assist all workers who are eligible, the length and incidence of waiting lists established because of lack of base funding, the effect of waiting lists on displaced workers and communities, and the burden that is placed on States when funding is dispersed late due to a delayed appropriations process. The report shall examine whether or not the rigorous and complicated timelines and deadlines that citizens are required to meet affects the overall number of people who are able to successfully apply for assistance and the overall funding level that States will be able to receive in the future. The report shall include recommendations on how to make the process of meeting the rigorous timelines and deadlines easier to understand, less complicated, and easier for States to administer. The report shall also address the overall level of funding needed to provide assistance to firms and workers affected by the Dominican Republic-Central America-United States Free Trade Agreement.

SA 2318. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place in title I, insert the following:

SEC. ____. The Secretary of Labor, in consultation with the Secretary of Health and Human Services and the Secretary of Energy, shall investigate, and submit to Congress a report on, whether the coverage dates for uranium rolling activities at the Bethlehem Steel atomic weapons employer facility in Lackawana, New York (which is detailed in the Department of Energy's list of facilities covered under the Energy Employees Occupational Illness Compensation Program Act (42 U.S.C. 7384 et seq.)) is accurate and complete. In making such determination, the Secretary of Labor shall undertake diligent measures and apply the full array of investigative tools available to the Department of Labor, including on-site inspection and review records at Bethlehem Steel records facilities, in order to determine whether the records of Bethlehem Steel, and its successor, contain shipping, receiving, contracting, or production-related information pertaining to activities on behalf of the Atomic Energy Commission or its contractors or subcontractors in processing radioactive materials extended beyond the time periods of 1949 through 1952. The Secretary of Labor, in consultation with the Secretary of Energy, shall also review uranium shipping and receipt records at the Hanford and Savannah River facilities and provide a list of dates and shipments involving Bethlehem Steel.

SA 2319. Mrs. CLINTON submitted an amendment intended to be proposed by her to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____. SURVIVORS OF SEXUAL ASSAULT; PROVISION BY HOSPITALS OF EMERGENCY CONTRACEPTIVES.

(a) IN GENERAL.—No Federal funds appropriated in this Act may be provided to a hospital under any health-related program, unless the hospital meets the conditions specified in subsection (b) in the case of—

(1) any woman who presents at the hospital and states that she is a victim of sexual assault, or is accompanied by someone who states she is a victim of sexual assault; and

(2) any woman who presents at the hospital whom hospital personnel have reason to believe is a victim of sexual assault.

(b) ASSISTANCE FOR VICTIMS.—The conditions specified in this subsection regarding a hospital and a woman described in subsection (a) are as follows:

(1) The hospital promptly provides the woman with medically and factually accurate and unbiased written and oral information about emergency contraception, including information explaining that—

(A) emergency contraception does not cause an abortion; and

(B) emergency contraception is effective in most cases in preventing pregnancy after unprotected sex.

(2) The hospital promptly offers emergency contraception to the woman, and promptly provides such contraception to her on her request.

(3) The information provided pursuant to paragraph (1) is in clear and concise language, is readily comprehensible, and meets such conditions regarding the provision of the information in languages other than English as the Secretary may establish.

(4) The services described in paragraphs (1) through (3) are not denied because of the inability of the woman or her family to pay for the services.

(c) DEFINITIONS.—For purposes of this section:

(1) The term ''emergency contraception'' means a drug, drug regimen, or device that—

(A) is used postcoitally;

(B) prevents pregnancy by delaying ovulation, preventing fertilization of an egg, or preventing implantation of an egg in a uterus; and

(C) is approved by the Food and Drug Administration.

(2) The term ''hospital'' has the meanings given such term in title XVIII of the Social Security Act, including the meaning applicable in such title for purposes of making payments for emergency services to hospitals that do not have agreements in effect under such title.

(3) The term ''Secretary'' means the Secretary of Health and Human Services.

(4) The term ''sexual assault'' means coitus in which the woman involved does not consent or lacks the legal capacity to consent.

(d) EFFECTIVE DATE; AGENCY CRITERIA.—This section takes effect upon the expiration of the 180-day period beginning on the date of enactment of this Act. Not later than 30 days prior to the expiration of such period, the Secretary shall publish in the Federal Register criteria for carrying out this section.

SA 2320. Mr. OBAMA submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place in title II, insert the following:

SEC. ____. Amounts appropriated in this Act to carry out the preventive health and health services block grant program under part A of title XIX of the Public Health Service Act (42 U.S.C. 300w et seq.) shall be increased by $9,000,000, such increased amounts to be used to maintain critical health promotion and disease prevention activities in States.

SA 2321. Mr. BINGAMAN submitted an amendment intended to be proposed

by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place in title II, insert the following:

SEC. ____. (a) IN GENERAL.—No amounts appropriated under this title for the Office of the Secretary of Health and Human Services shall be expended for travel during the period that begins on January 2, 2006, and ends on the date regulations implementing the amendments made by section 506(a) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Public Law 108–173, 117 Stat. 2294) are promulgated.

(b) NONAPPLICATION.—This Act shall be applied without regard to subsection (a) if, not later than January 1, 2006, the Secretary of Health and Human Services promulgates regulations implementing the amendments made by section 506(a) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Public Law 108–173, 117 Stat. 2294).

SA 2322. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; as follows:

At the appropriate place in title II, insert the following:

SEC. ____. (a) IN GENERAL.—None of the funds made available in this Act may used for Federal matching payments under section 1903(a)(7) of the Social Security Act (42 U.S.C. 1396b(a)(7)) for reimbursement of amounts expended for the proper and efficient administration of a State Medicaid plan under title XIX of such Act to a State agency if more than—

(1) 15 percent of the applications for medical assistance under the State Medicaid plan in any fiscal year quarter are received or initially processed;

(2) 15 percent of eligibility redeterminations for such medical assistance are initially processed; or

(3) 15 percent of change reports are received and initially processed,

by individuals who are not State employees meeting the personnel standards required under section 1902(a)(4)(A) of the Social Security Act (42 U.S.C. 1396a(a)(4)(A)).

(b) EXCLUSION OF APPLICATIONS RECEIVED AND PROCESSED ON AN OUTSTATION BASIS.—The percentages described in subsection (a) shall be determined without regard to applications received and processed by the Health Resources Services Administration.

SA 2323. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place in title II, insert the following:

SEC. ____. Notwithstanding section 403(a)(1) of the Social Security Act (42 U.S.C. 603(a)(1)), the Secretary of Health and Human Services shall reduce the State family assistance grant payable to a State under the Temporary Assistance for Needy Families Program established under part A of title IV of the Social Security Act for a fiscal year quarter by the amount of administrative expenditures incurred for the preceding quarter if more than 10 percent of applications for assistance under the State program funded under such part that are received or initially processed in the preceding quarter are received or initially processed by individuals who are not State employees meeting personnel standards that are established and maintained on a merit basis.

SA 2324. Mr. ALLEN (for himself and Mr. WARNER) submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

On page 178, after line 25, add the following:

SEC. 222.(a) FINDINGS.—The Senate makes the following findings:

(1) Hospitals cannot provide patient care without physicians.

(2) It is particularly difficult for hospitals to provide patient care to uninsured patients.

(3) Medicaid disproportionate share hospital (DSH) payments provide payments to hospitals to provide care to uninsured patients.

(4) Hospitals that provide a large volume of care to uninsured patients incur significant costs.

(5) Since there is no other source of reimbursement for hospitals related to these costs, some States have permitted reimbursement of these physician costs through Medicaid DSH.

(6) The State of Virginia has approved the inclusion of physician services costs as hospital costs for Medicaid DSH purposes.

(7) Fifty percent of all indigent care in the State of Virginia is provided by its 2 academic medical centers.

(8) The financial viability of these academic medical centers is threatened if these costs cannot be included in Medicaid DSH reimbursement.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Senate is aware of an issue regarding the definition of ''hospital costs'' incurred by the State of Virginia for purposes of Medicaid reimbursement to that State and urges the Administrator of the Centers for Medicare & Medicaid Services to work with the State to resolve the pending issue.

SA 2325. Mr. DURBIN submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____. None of the funds made available in this Act may be used to disseminate scientific information that is deliberately false or misleading.

SA 2326. Mr. DURBIN submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____. (a) None of the funds made available in this Act may be used to request that a candidate for appointment to a Federal scientific advisory committee disclose the political affiliation or voting history of the candidate or the position that the candidate holds with respect to political issues not directly related to and necessary for the work of the committee involved.

SA 2327. Mr. COLEMAN (for himself and Mr. BINGAMAN) submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

On page 191, line 2, strike ''may be used'' and all that follows through ''dissemination activities:'' on line 4 of such page and insert ''may be used for program evaluation, national outreach, and information dissemination activities, and shall be used by the Secretary of Education to develop, through consultation with the Secretaries of State, Commerce, Homeland Security, and Energy, institutions of higher education in the United States, organizations that participate in international exchange programs, and other appropriate groups, a strategic plan for enhancing the access of foreign students, scholars, scientists, and exchange visitors to institutions of higher education of the United States for study and exchange activities: *Provided further*, That the strategic plan described in the preceding proviso shall make use of the Internet and other media resources, establish a clear division of responsibility and a mechanism of institutionalized cooperation between the Departments of Education, State, Commerce, Homeland Security, and Energy, and include streamlined procedures to facilitate international exchanges of foreign students, scholars, scientists, and exchange visitors:''.

SA 2328. Mr. LANDRIEU submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title III (before the short title), add the following:

SEC. ____. FEDERAL TRIO PROGRAMS FOR HURRICANE AFFECTED STUDENTS.

(a) ADDITIONAL AMOUNTS FOR FEDERAL TRIO PROGRAMS.—In addition to amounts otherwise appropriated under this Act, there are appropriated, out of any money in the Treasury not otherwise appropriated, $5,000,000 for carrying out title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.) which amount shall be available to carry out the Federal TRIO programs under chapter 1 of subpart 2 of part A of such title.

(b) OFFSET FROM DEPARTMENTAL MANAGEMENT FUNDS.—Notwithstanding any other provision of this Act, amounts made available under this title under the heading ''PROGRAM ADMINISTRATION'' under the heading

''DEPARTMENTAL MANAGEMENT'' shall be reduced by $5,000,000.

SA 2329. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

''Beginning with fiscal year 2007 and thereafter, all non-defense, non- trust-fund, discretionary spending shall not exceed the previous fiscal year's levels, for purposes of the congressional budget process (Section 302 et al of the Congressional Budget Act of 1974), without a 2/3 vote of Members duly chosen and sworn.''

SA 2330. Mr. WARNER (for himself and Mr. LEAHY) proposed an amendment to the bill S. 1285, to designate the Federal building located at 333 Mt. Elliott Street in Detroit, Michigan, as the ''Rosa Parks Federal Building''; as follows:

At the appropriate place, insert the following:

SEC. . (a) The annex, located on the 200 block of 3rd Street Northwest in the District of Columbia, to the E. Barrett Prettyman Federal Building and United States Courthouse located at Constitution Avenue Northwest in the District of Columbia shall be known and designated as the ''William B. Bryant Annex''.

(b) Any reference in a law, map, regulation, document, paper, or other record of the United States to the annex referred to in section 1 shall be deemed to be a reference to the ''William B. Bryant Annex''.

SA 2331. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 2283 proposed by Mr. HARKIN (for himself, Mr. KENNEDY, Mr. REID, Mr. DURBIN, Mr. OBAMA, Mr. BAYH, Mr. KOHL, Ms. MIKULSKI, Mrs. CLINTON, Mr. JOHNSON, and Mr. DAYTON) to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

On page 1 of the amendment, insert ''(such amounts shall be in lieu of amounts appropriated for such purposes under the Department of Defense Appropriations Act, 2006)'' after ''$8,158,589,000''.

SA 2332. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 2283 proposed by Mr. HARKIN (for himself, Mr. KENNEDY, Mr. REID, Mr. DURBIN, Mr. OBAMA, Mr. BAYH, Mr. KOHL, Ms. MIKULSKI, Mrs. CLINTON, Mr. JOHNSON, and Mr. DAYTON) to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

On page 1 of the amendment, insert ''(such amounts shall be in lieu of amounts appropriated for such purposes under the Department of Defense Appropriations Act, 2006 and, notwithstanding any other provision of this Act, shall be used for newly emerging pandemic infectious diseases, which may include pandemic influenza)'' after ''$8,158,589,000''.

SA 2333. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 2283 proposed by Mr. HARKIN (for himself, Mr. KENNEDY, Mr. REID, Mr. DURBIN, Mr. OBAMA, Mr. BAYH, Mr. KOHL, Ms. MIKULSKI, Mrs. CLINTON, Mr. JOHNSON, and Mr. DAYTON) to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

On page 1 of the amendment, insert ''(notwithstanding any other provision of this Act, such amounts shall be used for newly emerging pandemic infectious diseases, which may include pandemic influenza)'' after ''$8,158,589,000''.

SA 2334. Mr. ENZI submitted an amendment intended to be proposed to amendment SA 2288 submitted by Ms. STABENOW (for herself and Ms. SNOWE) and intended to be proposed to the bill H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the amendment add the following: ''The additional amounts provided for the Office of the National Coordinator for Health Information Technology under this section shall not be made available unless and until Congress approves legislation that authorizes appropriations for such Office.''.

NOTICES OF INTENT

Mr. NELSON of Nebraska. Mr. President, I intend to move to suspend rule XVI with respect to legislating on an appropriations bill for consideration of my amendment to increase funding for the Low-Income Home Energy Assistance Program, LIHEAP

Mr. NELSON of Nebraska. Mr. President, I intend to move to suspend rule XVII with respect to germaneness for consideration of my amendment to increase funding for the Low-Income Home Energy Assistance Program, LIHEAP.

Mr. NELSON of Nebraska. Mr. President, I intend to move to suspend rule XVI with respect to legislating on an appropriations bill for consideration of my amendment which expresses the Sense of the Senate that the Secretary of the Treasury should ensure that existing Federal employment preferences for disabled veterans and Federal policies promoting opportunities for other disabled persons are carried forward as a part of any tax collection contract program.

Mr. NELSON of Nebraska. Mr. President, I intend to move to suspend rule XXII with respect to germaneness for consideration of my amendment which expresses the Sense of the Senate that the Secretary of the Treasury should ensure that existing Federal employment preferences for disabled veterans and Federal policies promoting opportunities for other disabled persons are carried forward as a part of any tax collection contract program.

NOTICES OF HEARINGS/MEETINGS

SUBCOMMITTEE ON PUBLIC LANDS AND FORESTS

Mr. CRAIG. Mr. President, I would like to announce for the information of the Senate and the public that S. 405, a bill to provide for the conveyance of certain public land in Clark County, NV, for use as a heliport, has been added to the agenda of the hearing scheduled before the Subcommittee on Public Lands and Forests scheduled for Wednesday, November 2 at 2 p.m. in Room SD–366.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Committee on Energy and Natural Resources, United States Senate, Washington, DC 20510–6150.

For further information, please contact Frank Gladics (202–224–2878), Dick Bouts (202–224–7545), or Kristina Rolph (202–224–8276) of the Committee staff.

AUTHORITIES FOR COMMITTEES TO MEET

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. SPECTER. Mr. President, I ask unanimous consent that the committee on energy and natural resources be authorized to meet during the session of the Senate on Wednesday, October 26 at 2 p.m. The purpose of this hearing is to receive testimony on the implementation of the Federal Lands Recreation Enhancement Act, P.L. 108–447 by the Forest Service and the Department of the –Interior.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. SPECTER. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet on October 26, 2005, at 9:30 a.m. to conduct a business meeting on the following agenda:

S. 1772, The Gas Price Act;

S. 1869, To reauthorize the Coastal Barrier Resources Act, and for other purposes; and

S. Res. 255, A resolution recognizing the achievements of the United States Fish and Wildlife Service and the Waterfowl Population Survey.

Resolutions: Committee resolution on the Beneficial Use of Dredged Material on the Delaware River, Delaware, New Jersey, and Pennsylvania; and

Two Committee resolutions on additional items in GSA's FY06 Capital Investment and Leasing Program.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. SPECTER. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet on October 26 2:30 p.m. to hold its second hearing on Eco-terrorism specifically examining Stop Huntingdon Animal Cruelty (''SHAC'').

THE PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. SPECTER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, October 26, 2005, at 2:30 p.m., to hold a hearing on Nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. SPECTER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a hearing on ''Habeas Reform: The Streamlined Procedures Act'' on Wednesday, October 26, 2005 at 9 a.m., in the Dirksen Senate Office Building, room 226.

Witness List: Seth Waxman, Esq., Former Solicitor General of the United States, Partner, Wilmer, Cutler, Pickering, Hale and Dorr, Washington, DC; Ronald Eisenburg, Esq., Deputy District Attorney, Philadelphia District Attorney's Office, Philadelphia, PA; Stephen Saltzburg, Esq., Wallace and Beverly Woodbury University Professor of Law, George Washington University School of Law, Washington, DC; Kent Scheidegger, Esq., Legal Director, Criminal Justice Legal Foundation, Sacramento, CA.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. SPECTER. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on October 26, 2005 at 2:30 p.m. to hold a closed briefing.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ADMINISTRATIVE OVERSIGHT AND THE COURTS

Mr. SPECTER. Mr. President, I ask unanimous consent that the Subcommittee on Administrative Oversight and the Courts be authorized to meet to conduct a hearing on ''Revisiting Proposals to Split the Ninth Circuit: An Inevitable Solution to a Growing Problem'' on Wednesday, October 26, 2005 at 2:30 p.m. in Room 226 of the Dirksen Senate Office Building.

Witness List

Panel I: Circuit Judge Diarmuid O'Scannlain, U.S. Court of Appeals for the Ninth Circuit Portland, OR; Circuit Judge Richard Tallman, U.S. Court of Appeals for the Ninth Circuit, Seattle, WA; Chief Judge Mary Schroeder U.S. Court of Appeals for the Ninth Circuit, Phoenix, AZ; and Circuit Judge Alex Kozinski U.S. Court of Appeals for the Ninth Circuit, Pasadena CA.

Panel II: Circuit Judge Andrew Kleinfeld U.S. Court of Appeals for the Ninth Circuit, Fairbanks, AK; District Judge John Roll, U.S. District Court, District of Arizona, Tuscon, AZ; Circuit Judge Sidney T. Thomas, U.S. Court of Appeals for the Ninth Circuit, Billings, MT; and Chief Judge Emeritus Marilyn Huff, U.S. District Court, Southern District, CA, San Diego, CA.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON FEDERAL FINANCIAL MANAGEMENT, GOVERNMENT INFORMATION AND INTERNATIONAL SECURITY

Mr. SPECTER. Mr. President, I ask unanimous consent that the Subcommittee on Federal Financial Management, Government Information, and International Security be authorized to meet on Wednesday, October 26, 2005, at 2:30 p.m. for a hearing regarding ''Uncollected Taxes: Can We Reduce the $300 Billion Tax Gap?''

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TERRORISM, TECHNOLOGY AND HOMELAND SECURITY

Mr. SPECTER. Mr. President, I ask unanimous consent that the Subcommittee on Terrorism, Technology, and Homeland Security be authorized to meet to conduct a hearing on ''Terrorism: Emergency Preparedness,'' on Wednesday, October 26, 2005, at 10:30 a.m. in Room 226 of the Dirksen Senate Office Building.

Witness List

Panel I: Former Senator Slade Gorton, 9/11 Public Discourse Project, Seattle, WA; Wayne Thomas, Vice-President of Homeland Security, Innovative Emergency Management, Inc., Baton Rouge, LA; Henry Renteria, Director, California Governor's Office of Emergency Services, Mather, CA; Matt Bettenhausen, Director, California Office of Homeland Security, Sacramento, CA; Michael O'Hanlon, Senior Fellow and co-holder of Sydney Stein chair, Foreign Policy Studies Program, Brookings Institution, Washington, DC.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGES OF THE FLOOR

Mr. HARKIN. Mr. President, I ask unanimous consent that Jacob Cilek of my staff be granted the privilege of the floor for the duration of today's session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DODD. Madam President, I ask unanimous consent that privilege of the floor be granted to two fellows in my office, Elizabeth Hoffman and Regan Fitzgerald, during consideration of this legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. I ask unanimous consent that Matt Ryno of my staff be granted the privilege of the floor for the duration of today's session.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. FRIST. Mr. President, I ask unanimous consent the Senate immediately proceed to executive session to consider the following nominations on today's Executive Calendar: Calendar Nos. 370, 371, and 373. I further ask unanimous consent that the nominations be confirmed and the motions to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and finally the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF VETERANS AFFAIRS

Robert Joseph Henke, of Virginia, to be an Assistant Secretary of Veterans Affairs (Management).

William F. Tuerk, of Virginia, to be Under Secretary of Veterans Affairs for Memorial Affairs.

Lisette M. Mondello, of Texas, to be an Assistant Secretary of Veterans Affairs (Public and Intergovernmental Affairs).

NOMINATION OF LISETTE MONDELLO

Mrs. HUTCHISON. Mr. President, today I wish to congratulate a friend and fellow Texan, Ms. Lisette Mondello, who is being confirmed to be Assistant Secretary of Public and Intergovernmental Affairs at the Department of Veterans Affairs. She is one of the finest and most qualified individuals for this position.

Ms. Mondello has been serving as the senior advisor to the Secretary of Education. This experience is invaluable and has provided exceptional training for the position of Assistant Secretary.

Prior to her position with the Department of Education, Ms. Mondello was the director of communications in my office for 4 years. During that time I valued her counsel and commitment. In fact, her husband Joe Mondello, was my legislative director for several years. Prior to that, she worked for our colleague, Senator Alfonse D' Amato.

Additionally, Ms. Mondello has held several positions in the private sector and with grassroots organizations. These experiences have contributed to an understanding of political and public relations from two distinctive viewpoints. She will bring an enormous wealth of knowledge and understanding to the Department of Veterans Affairs.

Ms. Mondello received bachelor of arts degree from Trinity University in San Antonio, TX. She obtained a Certificate in Finance from Southern Methodist University in Dallas, TX.

Given Ms. Mondello's rich and diverse background, she is ideally suited

to serve as the department's lead in public and intergovernmental affairs. She has earned an impressive record of accomplishment and will bring great enthusiasm and honor to this position.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will return to legislative session.

RECOGNIZING THE LIFE AND ACCOMPLISHMENTS OF WELLINGTON MARA OF NEW YORK

Mr. FRIST. Mr. President, I ask unanimous consent the Senate proceed to the immediate consideration of S. Res. 288 submitted earlier today.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 288) recognizing the life and accomplishments of Wellington Mara of New York.

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. Mr. President, I ask unanimous consent that the resolution and preamble be agreed to en bloc, the motion to reconsider be laid upon the table, and any statement relating thereto be printed in the RECORD as if read, without intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 288) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 288

Whereas Tim Wellington Mara was born on August 14, 1916 in New York City;

Whereas Wellington Mara became a ball boy for the New York Giants at the age of 9;

Whereas Wellington Mara was made co-owner of the New York Giants in 1930 at the age of 14;

Whereas Wellington Mara graduated from Loyola High School, a Jesuit institution in Manhattan, and then attended Fordham University;

Whereas the only interruption in Wellington Mara's 81 years with the New York Giants organization occurred during World War II, when he served with distinction for more than 3 years in the Navy, seeing action in both the Atlantic and Pacific theaters aboard aircraft carriers;

Whereas Wellington Mara was instrumental in crafting an agreement in which larger market teams shared television revenue with smaller market teams, thereby allowing football to thrive throughout the United States;

Whereas under nearly 80 years of Wellington Mara's leadership, the New York Giants made 26 postseason appearances, the second highest in league history, including 18 National Football League Divisional championships, and 6 National Football League championships;

Whereas Wellington Mara displayed an unwavering commitment to his players and coaches by finding doctors for former players, paying for medical expenses, and arranging help for their families;

Whereas Wellington Mara was an invaluable contributor to the National Football League as a member of many ownership committees and has been recognized for always putting the interests of the game ahead of what was best for the New York Giants;

Whereas, in 1997, Wellington Mara was elected to the Professional Football Hall of Fame, joining his father, Tim Mara, who was a charter member of the Hall of Fame; and

Whereas, at the end of a life dedicated to the great game of football, its fans, and players, Wellington Mara passed away on October 25, 2005, at the age of 89: Now, therefore, be it

Resolved, That the Senate—

(1) expresses its most sincere condolences to the family of Wellington Mara, the former Ann Mumm, whom he married in 1954, their 11 children, and 40 grandchildren; and

(2) recognizes the life and accomplishments of Wellington Mara, who, for more than 8 decades, dedicated his life to the New York Giants and their millions of fans and supporters.

SUPPORTING THE GOALS AND IDEALS OF NATIONAL DOMESTIC VIOLENCE AWARENESS MONTH

Mr. FRIST. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of S. Res. 282 and that the Senate proceed to its consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 282) supporting the goals and ideals of National Domestic Violence Awareness Month and expressing the sense of the Senate that Congress should raise awareness of domestic violence in the United States and its devastating effects on families.

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. Mr. President, I ask unanimous consent that the resolution and the preamble be agreed to en bloc, the motion to reconsider be laid upon the table, and that any statements relating to the resolution be printed in the RECORD, without intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 282) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 282

Whereas 2005 marks the 11th anniversary of the enactment of the Violence Against Women Act of 1994 (Public Law 103–322, 108 Stat. 1902);

Whereas since the passage of the Violence Against Women Act of 1994, communities have made significant progress in reducing domestic violence such that between 1993 and 2001, the incidents of nonfatal domestic violence fell 49 percent;

Whereas the Violence Against Women Act of 1994 cost $15.50 per woman to implement, and has been estimated to save $159 per woman, totaling a savings of nearly $14,800,000,000 since its creation in averted costs of victimization;

Whereas since it was created by the Violence Against Women Act of 1994, the National Domestic Violence Hotline has been used to answer over 1,000,000 calls;

Whereas States have passed over 660 State laws pertaining to domestic violence, stalking, and sexual assault;

Whereas the Violence Against Women Act of 1994 has helped make strides toward breaking the cycle of violence, but there remains much work to be done;

Whereas the Senate recently passed the Violence Against Women Act of 2005 which reauthorized critical components of the original Act and established additional protections for battered immigrants and victims of human trafficking in order to further combat domestic violence and sexual assault;

Whereas domestic violence affects women, men, and children of all racial, social, religious, ethnic, and economic groups in the United States;

Whereas protecting the economic security of victims can help break the cycle of domestic violence;

Whereas abusers frequently seek to control their partners by actively interfering with the ability of their partners to work, including by preventing their partners from going to work and harassing their partners at work;

Whereas only 28 States and the District of Columbia have laws that explicitly provide unemployment insurance to victims of domestic violence under certain circumstances;

Whereas, on average, more than 3 women are murdered by their husbands or boyfriends in the United States every day;

Whereas women who have been abused are much more likely to suffer from chronic pain, diabetes, depression, unintended pregnancies, substance abuse, and sexually transmitted infections, including HIV/AIDS;

Whereas only about 10 percent of primary care physicians routinely screen for domestic violence during new patient visits, and 9 percent routinely screen during periodic checkups;

Whereas each year, about 324,000 pregnant women in the United States are battered by the men in their lives, leading to pregnancy complications, such as low-weight gain, anemia, infections, and first and second trimester bleeding;

Whereas every 2 minutes, someone in the United States is sexually assaulted;

Whereas almost 25 percent of women surveyed had been raped or physically assaulted by a spouse or boyfriend at some point in their lives;

Whereas in 2002 alone, 250,000 women and girls older than the age of 12 were raped or sexually assaulted;

Whereas 64 percent of women have reported being raped, physically assaulted, or stalked since age 18 by their current or former intimate partner;

Whereas 1 out of every 12 women has been stalked in her lifetime;

Whereas approximately 503,000 women are stalked by an intimate partner annually in the United States;

Whereas the influence of cultural norms, economics, language barriers, and limited access to legal services and information may render some immigrant women particularly vulnerable to abuse;

Whereas 1 in 5 adolescent girls in the United States becomes a victim of physical or sexual abuse, or both, in a dating relationship;

Whereas 40 percent of girls ages 14 to 17 report knowing someone their age who has been hit or beaten by a boyfriend;

Whereas approximately 8,800,000 children in the United States witness domestic violence each year;

Whereas witnessing domestic violence increases the risk of developing long-term physical and mental health problems, future struggles with substance abuse, and experiencing domestic abuse as a victim;

Whereas a boy who witnesses his father's domestic violence is 10 times more likely to engage in domestic violence than a boy from a nonviolent home;

Whereas almost 37 percent of all women who sought care in hospital emergency rooms for violence-related injuries were injured by a current or former spouse, boyfriend, or girlfriend;

Whereas the cost of domestic violence, including rape, physical assault, and stalking, exceeds $5,800,000,000 each year, of which $4,100,000,000 is spent on direct medical and mental health care services;

Whereas 44 percent of the mayors of the United States have identified domestic violence as a primary cause of homelessness;

Whereas over 50 percent of abused women lose at least 3 days of work per month due to domestic violence, 60 percent of battered women endure reprimands for arriving late to work and displaying other work-related problems associated with abuse, and 70 percent report difficulties in performing their work due to the effects of domestic violence;

Whereas existing statistical data suggests that forced prostitution, trafficking for sex, and sex tourism has increased throughout the world;

Whereas the need to increase the public awareness and understanding of domestic violence and the needs of battered women and their children continues to exist;

Whereas the month of October 2005 has been recognized as National Domestic Violence Awareness Month, a month for activities furthering awareness of domestic violence; and

Whereas the dedication and successes of those working tirelessly to end domestic violence and the strength of the survivors of domestic violence should be recognized: Now, therefore, be it

Resolved, That the Senate

(1) supports the goals and ideals of National Domestic Violence Awareness Month; and

(2) expresses the sense of the Senate that Congress should continue to raise awareness of domestic violence in the United States and its devastating impact on families.

ORDERS FOR THURSDAY, OCTOBER 27, 2005

Mr. FRIST. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 9:30 a.m. on Thursday, October 27. I further ask 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, the Senate resume consideration of H.R. 3010, the Labor-HHS appropriations bill, and the time until 10 a.m. be equally divided between the majority and minority. I further ask unanimous consent that at 10 a.m., the Senate proceed to a vote on the motion to invoke cloture. I further ask that Senators have until 10 a.m. to file second-degree amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. FRIST. Mr. President, tomorrow the Senate will continue consideration of the Labor-HHS appropriations bill. There will be a cloture vote on the bill at 10 a.m. I encourage Members to invoke cloture so that we can expedite passage of this final appropriations bill this year. Once cloture is invoked, we should be able to conclude the amendment process and move to final passage tomorrow.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. FRIST. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 7:51 p.m., adjourned until Thursday, October 27, 2005, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate October 26, 2005:

DEPARTMENT OF STATE

BERNADETTE MARY ALLEN, OF MARYLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF NIGER.

JANICE L. JACOBS, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF SENEGAL, AND TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF GUINEA-BISSAU.

MARILYN WARE, OF PENNSYLVANIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO FINLAND.

IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR REGULAR APPOINTMENT IN THE GRADES INDICATED IN THE UNITED STATES ARMY DENTAL CORPS UNDER TITLE 10, U.S.C., SECTIONS 531 AND 3064:

To be colonel

ROBERT DEMPSTER, 0000

To be lieutenant colonel

PHILIP PARK, 0000

To be major

MARY HARRELL, 0000
KRISTINE KNUTSON, 0000
ERROL LADER, 0000

THE FOLLOWING NAMED OFFICERS FOR REGULAR APPOINTMENT IN THE GRADES INDICATED IN THE UNITED STATES ARMY MEDICAL CORPS UNDER TITLE 10, U.S.C., SECTIONS 531 AND 3064:

To be colonel

MIMMS MABEE, 0000
JACK MARKUSFELD, 0000
ROY MAROKUS, 0000
RICKY SNYDER, 0000

To be lieutenant colonel

JAMES BENTLEY, 0000
GEORGE BERNDT, 0000
JAMES FEELEY, 0000
ROGER JONES, 0000
LAWRENCE MCCHESNEY, 0000
MARY SHEPHERD, 0000
STEVE WAXMAN, 0000

To be major

FATEN ANWAR, 0000
HANS BAKKEN, 0000
PAUL BRISSON, 0000
BRIAN EASTRIDGE, 0000
VALERIE FIELDS, 0000
SAMUEL GALIB, 0000
JOSEPH GRILLO, 0000
ANTHONY MICKELSON, 0000
MOHAMMAD NAEEM, 0000
RICHARD NAHOURAII, 0000
JIMMIE PEREZ, 0000

THE FOLLOWING NAMED OFFICERS FOR REGULAR APPOINTMENT IN THE GRADE INDICATED IN THE UNITED STATES ARMY NURSE CORPS UNDER TITLE 10, U.S.C., SECTIONS 531, AND 3064:

To be major

MICHELLE BEACH, 0000
HELEN LAQUAY, 0000

THE FOLLOWING NAMED OFFICERS FOR REGULAR APPOINTMENT IN THE GRADE INDICATED IN THE UNITED STATES ARMY MEDICAL SERVICE CORPS UNDER TITLE 10, U.S.C., SECTIONS 531 AND 3064:

To be major

GREGORY BREWER, 0000
CHRISTOPHER CHANDLER, 0000
CLIFFORD HOPEWELL, 0000
TERRELL MORROW, 0000

CONFIRMATIONS

Executive nominations confirmed by the Senate Wednesday, October 26, 2005:

DEPARTMENT OF VETERANS AFFAIRS

ROBERT JOSEPH HENKE, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF VETERANS AFFAIRS (MANAGEMENT).

WILLIAM F. TUERK, OF VIRGINIA, TO BE UNDER SECRETARY OF VETERANS AFFAIRS FOR MEMORIAL AFFAIRS.

LISETTE M. MONDELLO, OF TEXAS, TO BE AN ASSISTANT SECRETARY OF VETERANS AFFAIRS (PUBLIC AND INTERGOVERNMENTAL AFFAIRS).

THE ABOVE NOMINATION WAS APPROVED SUBJECT TO THE NOMINEE'S COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

EXTENSIONS OF REMARKS

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, October 27, 2005 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

OCTOBER 31

1 p.m.
Homeland Security and Governmental Affairs
Investigations Subcommittee
To resume hearings to examine corruption in the United Nations Oil-for-Food program, focusing on recent reports relative to illegal payments to individuals, investigations of the United Nations Office of Internal Oversight Services and the United Nations Procurement System, Bayoil oil diversions, and progress toward implementing United Nations management reforms, including the oversight by the U.S. Office of Foreign Assets Control to stop misconduct by U.S. persons doing business under the Oil-for-Food program.
SD–342

NOVEMBER 1

10 a.m.
Commerce, Science, and Transportation
To hold hearings to examine the nominations of Shana L. Dale, of Georgia, to be Deputy Administrator of the National Aeronautics and Space Administration, Ellen G. Engleman Conners, of Indiana, to be Chairman of the National Transportation Safety Board, and Mark V. Rosenker, of Maryland, and Kathryn Higgins, of South Dakota, each to be a Member of the National Transportation Safety Board.
SD–562
Homeland Security and Governmental Affairs
To hold hearings to examine the nominations of Shana L. Dale, of Georgia, to be Deputy Administrator of the National Aeronautics and Space Administration, Ellen G. Engleman Conners, of Indiana, to be Chairman of the National Transportation Safety Board, Mark V. Rosenker, of Maryland, to be a Member of the National Transportation Safety Board, and Kathryn Higgins, of South Dakota, to be a Member of the National Transportation Safety Board.
SD–562
Energy and Natural Resources
National Parks Subcommittee
To hold hearings to examine the National Park Service's Draft Management Policies, including potential impact of the policies on park operations, park resources, interaction with gateway communities, and solicitation and collection of donations.
SD–366

2:30 p.m.
Judiciary
To hold hearings to examine pending judicial nominations.
SD–226

NOVEMBER 2

9:30 a.m.
Environment and Public Works
To resume hearings to examine the response to Hurricane Katrina.
SD–406
Indian Affairs
To hold an oversight hearing to examine In Re Tribal Lobbying Matters, Et Al.
SH–216

10 a.m.
Homeland Security and Governmental Affairs
To hold hearings to examine why the levees failed relating to Hurricane Katrina.
SD–342

2 p.m.
Energy and Natural Resources
Public Lands and Forests Subcommittee
To hold hearings to examine S. 1548, to provide for the conveyance of certain Forest Service land to the city of Coffman Cove, Alaska, S. 1541, to protect, conserve, and restore public land administered by the Department of the Interior or the Forest Service and adjacent land through cooperative cost-shared grants to control and mitigate the spread of invasive species, S. 1552, to amend Public Law 97–435 to extend the authorization for the Secretary of the Interior to release certain conditions contained in a patent concerning certain land conveyed by the United States to Eastern Washington University until December 31, 2009, H.R. 482, to provide for a land exchange involving Federal lands in the Lincoln National Forest in the State of New Mexico, and S. 405, to provide for the conveyance of certain public land in Clark County, Nevada, for use as a heliport.
SD–366

2:30 p.m.
Commerce, Science, and Transportation
Business meeting to consider pending calendar business.
SH–216

NOVEMBER 3

10 a.m.
Energy and Natural Resources
To hold hearings to examine a status report on the Environmental Protection Management programs of the Department of Energy.
SD–366
Veterans' Affairs
To hold hearings to examine the rebuilding of VA assets on the Gulf Coast.
SR–418

10:30 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings to examine agricultural transportation and energy issues.
SH–216

2:30 p.m.
Energy and Natural Resources
To hold hearings to examine the nominations of Jeffrey D. Jarrett, of Pennsylvania, to be Assistant Secretary for Fossil Energy, and Edward F. Sproat III, of Pennsylvania, to be Director of the Office of Civilian Radioactive Waste Management, both of the Department of Energy.
SD–366

NOVEMBER 7

12:30 p.m.
Judiciary
To hold hearings to examine the nomination of Harriet Ellan Miers, of Texas, to be an Associate Justice of the Supreme Court of the United States.
SH–216

NOVEMBER 8

10 a.m.
Energy and Natural Resources
To hold hearings to examine the progress made on the development of interim and long-term plans for use of fire retardant aircraft in Federal wildfire suppression operations.
SD–366

2:30 p.m.
Agriculture, Nutrition, and Forestry
Research, Nutrition, and General Legislation Subcommittee
To hold hearings to examine the Pet Animal Welfare Statute.
SDG–50

NOVEMBER 9

11:30 p.m.
Energy and Natural Resources
Business meeting to consider pending calendar business.
SD–366

NOVEMBER 10

10 a.m.
Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings to examine the impact of the Wright amendment, which restricts travel into and out of Dallas Love Field for commercial flights with more than 56 seats.
SD–562

10:30 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings to examine the nominations of Charles R. Christopherson, Jr.,

of Texas, to be Chief Financial Officer, and James M. Andrew, of Georgia, to be Administrator, Rural Utilities Service, both of the Department of Agriculture.

SR–328A

NOVEMBER 17

10 a.m.

Commerce, Science, and Transportation

Aviation Subcommittee

To hold hearings to examine aviation safety.

SD–562

CANCELLATIONS

NOVEMBER 1

9:30 a.m.

Judiciary

To hold hearings to examine Department of Justice and the Weapons of Mass Destruction Commission Recommendations.

SD–226

Daily Digest

Senate

Chamber Action

Routine Proceedings, pages S11853–S11951

Measures Introduced: Five bills and one resolution were introduced, as follows: S. 1921–1925, and S. Res. 288. **Page S11917**

Measures Reported:

S. Res. 255, recognizing the achievements of the United States Fish and Wildlife Service and the Waterfowl Population Survey.

S. 1285, to designate the Federal building located at 333 Mt. Elliott Street in Detroit, Michigan, as the ''Rosa Parks Federal Building''. **Page S11917**

Measures Passed:

Rosa Parks Federal Building/William B. Bryant Annex: Senate passed S. 1285, to designate the Federal building located at 333 Mt. Elliott Street in Detroit, Michigan, as the ''Rosa Parks Federal Building'', after agreeing to the following amendment proposed thereto: **Pages S11892–94**

Warner Amendment No. 2330, to designate the annex to the E. Barrett Prettyman Federal Building and United States Courthouse located at 333 Constitution Avenue Northwest in the District of Columbia as the ''William B. Bryant Annex''. **Page S11894**

Recognizing Wellington Mara: Senate agreed to S. Res. 288, recognizing the life and accomplishments of Wellington Mara of New York. **Page S11950**

National Domestic Violence Awareness Month: Committee on the Judiciary was discharged from further consideration of S. Res. 282, supporting the goals and ideals of National Domestic Violence Awareness Month and expressing the sense of the Senate that Congress should raise awareness of domestic violence in the United States and its devastating effects on families, and the resolution was then agreed to. **Pages S11950–51**

Labor/HHS/Education Appropriations: Senate continued consideration of H.R. 3010, making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, taking action on the following amendments proposed thereto: **Pages S11857, S11910**

Adopted:

Coburn Amendment No. 2231, to require that any limitation, directive, or earmarking contained in either the House of Representatives or Senate report accompanying this bill be included in the conference report or joint statement accompanying the bill in order to be considered as having been approved by both Houses of Congress. **Page S11875**

Santorum Amendment No. 2239, to provide funding for the purchase of rapid oral HIV tests. **Pages S11881–82**

Specter Amendment No. 2291, to restrict the use of funds to implement or enforce the interim final rule with respect to power mobility devices. **Page S11885**

Specter (for Levin) Amendment No. 2268, to amend section 316 of the Immigration and Nationality Act, to reduce the residency requirement and limit the adjudication period for the naturalization of aliens with extraordinary ability so that such aliens may represent the United States as international events. **Page S11886**

Specter (for Chambliss) Amendment No. 2260, to permit an alien to remain eligible for a diversity visa beyond the fiscal year in which the alien applied for the visa. **Pages S11885–88**

Specter (for Frist) Amendment No. 2278, to increase funding for suicide prevention activities. **Page S11901**

Durbin Amendment No. 2315, to designate a port of entry. **Pages S11901–02**

Durbin Amendment No. 2228, to ensure the scientific integrity of Federally-funded scientific advisory committees and their findings. **Pages S11873–75, S11902**

Harkin (for Kennedy) Modified Amendment No. 2246, to ensure that the Current Employment Survey maintains the content of the survey issued prior to August 2005 with respect to the collection of data for the women worker series. **Pages S11902–05**

Dayton Amendment No. 2244, to provide for the production and mailing of a corrected Medicare and You handbook. **Pages S11881, S11905**

Rejected:

By 46 yeas to 53 nays (Vote No. 271), Gregg/Grassley Modified Amendment No. 2253, to increase appropriations for the Low-Income Home Energy Assistance Program by $1,276,000,000, with an across-the-board reduction. **Pages S11889–92**

By 14 yeas to 85 nays (Vote No. 274), Coburn Amendment No. 2232, to increase funding for the AIDS drug assistance program.

Pages S11876–80, S11895–96

Pending:

Sununu Amendment No. 2214, to provide for the funding of the Low-Vision Rehabilitation Services Demonstration Project. **Page S11857**

Sununu Modified Amendment No. 2215, to increase funding for community health centers.

Pages S11857, S11872–73

Thune Further Modified Amendment No. 2193, to provide funding for telehealth programs.

Pages S11857, S11908–09

Murray Amendment No. 2220, to provide stop gap coverage for low-income Seniors and disabled individuals who may lose benefits or suffer a gap in coverage due to the implementation of the Medicare part D prescription drug benefit. **Pages S11857–58**

Harkin Modified Amendment No. 2283, to make available funds for pandemic flu preparedness.

Pages S11863, S11866, S11888–89

Clinton/Schumer Amendment No. 2313, to provide for payments to the New York State Uninsured Employers Fund for reimbursement of claims related to the terrorist attacks of September 11, 2001, and payments to the Centers for Disease Control and Prevention for treatment for emergency services personnel and rescue and recovery personnel.

Pages S11872, S11909

Coburn Amendment No. 2233, to prohibit the use of funds for HIV Vaccine Awareness Day activities. **Pages S11875–76**

Coburn Amendment No. 2230, to limit funding for conferences. **Page S11876**

Dayton Amendment No. 2245, to fully fund the Federal Government's share of the costs under part B of the Individuals with Disabilities Education Act.

Page S11881

Dayton Amendment No. 2289, to increase funding for disabled voter access services under the Help America Vote Act of 2002. **Page S11881**

Santorum Amendment No. 2241, to establish a Congressional Commission on Expanding Social Service Delivery Options. **Pages S11882–83**

Santorum Amendment No. 2237, to provide grants to promote healthy marriages. **Pages S11883–85**

Durbin (for Boxer/Ensign) Amendment No. 2287, to increase appropriations for after-school programs through 21st century community learning centers.

Page S11896

Bingaman (for Smith/Bingaman) Amendment No. 2259, to provide funding for the AIDS Drug Assistance Program within the Health Resources and Services Administration. **Page S11896**

Bingaman Amendment No. 2218, to increase funding for advanced placement programs.

Pages S11896–97

Bingaman Amendment No. 2219, to increase funding for school dropout prevention. **Page S11897**

Bingaman/Salazar Amendment No. 2262, to increase funding for education programs serving Hispanic students. **Pages S11897–S11900**

Harkin Amendment No. 2322, to prohibit payments for administrative expenses under the Medicaid program if more than 15 percent of applications for medical assistance, eligibility redeterminations, and change reports are processed by individuals who are not State employees meeting certain personnel standards. **Page S11900**

Cornyn Amendment No. 2277, to increase the amount of appropriated funds available for Community-Based Job Training Grants. **Pages S11900–01**

Landrieu Amendment No. 2248, to increase appropriations for the Federal TRIO programs for students affected by Hurricanes Katrina or Rita.

Pages S11905–06

Landrieu Amendment No. 2250, to provide funding to carry out the Mosquito Abatement for Safety and Health Act. **Page S11906**

Landrieu Amendment No. 2249, to require that any additional community health center funding be directed, in part, to centers in areas affected by Hurricane Katrina or Hurricane Rita. **Page S11906**

Collins/Feingold Modified Amendment No. 2265, to fund grants for innovative programs to address dental workforce needs. **Pages S11906–07**

Murray Amendment No. 2285, to insert provisions related to an investigation by the Inspector General. **Pages S11907–08**

Ensign Amendment No. 2300, to prohibit funding for the support, development, or distribution of the Department of Education's e-Language Learning System (ELLS). **Page S11909**

During consideration of this measure today, the Senate also took the following action:

By 44 yeas to 51 nays (Vote No. 269), three-fifths of those Senators duly chosen and sworn, not having voted in the affirmative, Senate rejected the motion to waive section 302(f) of the Congressional Budget Act of 1974, with respect to Byrd Amendment No. 2275, to provide additional funding for title I of the Elementary and Secondary Education Act of 1965.

Subsequently, the point of order that the amendment would provide spending in excess of the subcommittee's 302(b) allocation was sustained, and the amendment thus fell. **Pages S11859–66**

By 54 yeas to 43 nays (Vote No. 270), three-fifths of those Senators duly chosen and sworn, not having voted in the affirmative, Senate rejected the motion to waive section 502(c)(5) of H. Con. Res. 95, Congressional Budget Resolution, with respect to the emergency designation provision in Reed Further Modified Amendment No. 2194, to provide for appropriations for the Low-Income Home Energy Assistance Program. Subsequently, a point of order that the emergency designation provision would violate section 502(c)(5) of H. Con. Res. 95 was sustained and the provision was stricken. Also, the Chair sustained a point order that the amendment would exceed the subcommittee's 302(b) allocation and the amendment thus fell. **Pages S11857, S11858–59, S11891**

By 47 yeas to 52 nays (Vote No. 272), three-fifths of those Senators duly chosen and sworn, not having voted in the affirmative, Senate rejected the motion to waive section 302(f) of the Congressional Budget Act of 1974, with respect to Dodd Amendment No. 2254, to increase appropriations for Head Start programs. Subsequently, the point of order that the amendment would provide spending in excess of the subcommittee's 302(b) allocation was sustained, and the amendment thus fell. **Pages S11866–69, S11892**

By 46 yeas to 53 nays (Vote No. 273), three-fifths of those Senators duly chosen and sworn, not having voted in the affirmative, Senate rejected the motion to waive section 302(f) of the Congressional Budget Act of 1974, with respect to Clinton Amendment No. 2292, to provide additional funding for part B of the Individuals with Disabilities Education Act. Subsequently, the point of order that the amendment would provide spending in excess of the subcommittee's 302(b) allocation was sustained, and the amendment thus fell. **Pages S11869–72, S11894–95**

A unanimous-consent agreement was reached providing for further consideration of the bill at 9:30 a.m., on Thursday, October 27, 2005, with the time until 10 a.m., equally divided between the majority and the minority, and at 10 a.m., Senate vote on the motion to invoke cloture on the bill; provided further, that Senators have up until 10 a.m. to file second-degree amendments. **Page S11891**

Defense Authorization—Agreement: A unanimous-consent-time agreement was reached providing that at a time determined by the Majority Leader, with the concurrence of the Democratic Leader, Senate resume consideration of S. 1042, to authorize appropriations for fiscal year 2006 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces; that it be considered under certain limitations relative to amendments; provided further, that there be 2 hours of general debate on the bill divided between the two managers; and that at the expiration of that time and the disposition of certain amendments, the bill be read a third time, and the Senate then proceed to a vote on the passage of the bill, as amended, if amended.

Nominations Confirmed: Senate confirmed the following nominations:

Robert Joseph Henke, of Virginia, to be an Assistant Secretary of Veterans Affairs (Management).

William F. Tuerk, of Virginia, to be Under Secretary of Veterans Affairs for Memorial Affairs.

Lisette M. Mondello, of Texas, to be an Assistant Secretary of Veterans Affairs (Public and Intergovernmental Affairs). **Page S11951**

Nominations Received: Senate received the following nominations:

Bernadette Mary Allen, of Maryland, to be Ambassador to the Republic of Niger.

Janice L. Jacobs, of Virginia, to be Ambassador to the Republic of Senegal, and to serve concurrently and without additional compensation as Ambassador to the Republic of Guinea-Bissau.

Marilyn Ware, of Pennsylvania, to be Ambassador to Finland.

Routine lists in the Army. **Page S11951**

Messages From the House: **Page S11916**

Measures Referred: **Page S11916**

Executive Communications: **Pages S11916–17**

Additional Cosponsors: **Pages S11917–19**

Statements on Introduced Bills/Resolutions: **Pages S11919–22**

Additional Statements: **Pages S11915–16**

Amendments Submitted: **Pages S11922–48**

Notices of Intent: **Page S11948**

Notices of Hearings/Meetings: **Page S11948**

Authorities for Committees to Meet: **Pages S11948–49**

Privileges of the Floor: **Page S11949**

Record Votes: Six record votes were taken today. (Total–274) **Pages S11866, S11891–92, S11894–95, S11896**

Adjournment: Senate convened at 9:30 a.m., and adjourned at 7:51 p.m., until 9:30 a.m., on Thursday, October 27, 2005. (For Senate's program, see the remarks of the Majority Leader in today's Record on page S11951.)

Committee Meetings

(Committees not listed did not meet)

RECONCILIATION

Committee on the Budget: Committee ordered favorably reported an original bill entitled, ''Deficit Reduction Omnibus Reconciliation Act of 2005''.

FEDERAL LANDS RECREATION ENHANCEMENT ACT

Committee on Energy and Natural Resources: Subcommittee on Public Lands and Forests concluded a hearing to examine the implementation of the Federal Lands Recreation Enhancement Act (P.L. 108–447), by the Forest Service and the Department of the Interior, after receiving testimony from Mark Rey, Under Secretary of Agriculture for Natural Resources and Environment; P. Lynn Scarlett, Assistant Secretary of the Interior for Policy, Management and Budget; Marvel C. Stalcup, Arizona No-Fee Coalition, Sedona; Kitty Benzar, Western Slope No-Fee Coalition, Norwood, Colorado; Lance Young, One World Outing Club, Seattle, Washington; and Aubrey C. King, King and Gorin, Bowie, Maryland, on behalf of Western States Tourism Policy Council, Southeast Tourism Society, National Association of RV Parks and Campgrounds, and the National Alliance of Gateway Communities.

BUSINESS MEETING

Committee on Environment and Public Works: Committee reported favorably the following business items:

S. 1869, to reauthorize the Coastal Barrier Resources Act;

S. Res. 255, recognizing the achievements of the United States Fish and Wildlife Service and the Waterfowl Population Survey; and S. 1285, to designate the Federal building located at 333 Mt. Elliott Street in Detroit, Michigan, as the ''Rosa Parks Federal Building''.

Also, committee failed to approve for reporting S. 1772, to streamline the refinery permitting process, as amended.

ECO-TERRORISM: ANIMAL RIGHTS ACTIVISTS

Committee on Environment and Public Works: Committee continued a hearing to examine the threat posed by animal rights activists, specifically Stop Huntingdon Animal Cruelty and their use of direct action against individuals and companies, focusing on efforts to combat domestic extremists, and ways to protect victims, after receiving testimony from John E. Lewis, Deputy Assistant Director, Counterterrorism Division, Federal Bureau of Investigation, and Barry M. Sabin, Chief, Counterterrorism Section, Criminal Division, both of the Department of Justice; Mark L. Bibi, Huntingdon Life Sciences, Inc., Hackensack, New Jersey; Skip Boruchin, Legacy Trading Company, Edmond, Oklahoma; Richard P. Bernard, New York Stock Exchange, New York, New York; and Jerry Vlasak, North American Animal Liberation Press Office, Santa Monica, California.

NOMINATION

Committee on Foreign Relations: Committee concluded a hearing to examine the nomination of James Caldwell Cason, of Florida, to be Ambassador to the Republic of Paraguay, after the nominee testified and answered questions in his own behalf.

UNCOLLECTED TAXES

Committee on Homeland Security and Governmental Affairs: Subcommittee on Federal Financial Management, Government Information, and International Security concluded an oversight hearing to examine the tax gap, focusing on components that make up the tax gap and how to ensure that American taxpayers are not bearing the financial burden of those who are not complying with the law, after receiving testimony from Mark Everson, Commissioner, Internal Revenue Service, Department of the Treasury; Bart Lanier Graham, Georgia Department of Revenue, Atlanta; and Colleen M. Kelley, National Treasury Employees Union, Washington, D.C.

EMERGENCY PREPAREDNESS

Committee on the Judiciary: Subcommittee on Terrorism, Technology and Homeland Security concluded a hearing to examine emergency preparedness relating to terrorism, focusing on communications failures, risk-based funding, and risk assessment, after receiving testimony from former Senator Slade Gorton, on behalf of the National Commission on Terrorist Attacks Upon the United States; Wayne C. Thomas, Innovative Emergency Management, Inc., Baton Rouge, Louisiana; Henry R. Renteria, California Governor's Office of Emergency Services, Mather; Matthew R. Bettenhausen, California Office of Homeland Security, Sacramento; and Michael O'Hanlon, Brookings Institution, Washington, D.C.

NINTH CIRCUIT

Committee on the Judiciary: Subcommittee on Administrative Oversight and the Courts concluded a hearing to examine proposals to divide the Ninth Judicial Circuit of the United States, including S. 1296, S. 1301, and S. 1845, after receiving testimony from Diarmuid F. O'Scannlain, Portland, Oregon, Richard C. Tallman, Seattle, Washington, Alex Kozinski, Pasadena, California, Andrew J. Kleinfeld, Fairbanks,

Alaska, and Sidney R. Thomas, Billings, Montana, each a Circuit Judge, and Mary M. Schroeder, Chief Judge, Phoenix, Arizona, all of the United States Court of Appeals for the Ninth Circuit; and District Judge John M. Roll, United States District Court for the District of Arizona, Tucson; and Chief Judge Emeritus Marilyn L. Huff, United States District Court for the Southern District of California, San Diego.

INTELLIGENCE

Select Committee on Intelligence: Committee met in closed session to receive a briefing on certain intelligence matters from officials of the intelligence community.

House of Representatives

Chamber Action

Public Bills and Resolutions Introduced: 11 public bills, H.R. 4144–4154; and 13 resolutions, H. Con. Res. 275–279; and H. Res. 511–518 were introduced. **Pages H9275–76**

Additional Cosponsors: **Pages H9276–77**

Reports Filed: Reports were filed today as follows:

Conference report on H.R. 2744, making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the fiscal year ending September 30, 2006, (H. Rept. 109–255). **Page H9275**

Speaker: Read a letter from the Speaker wherein he appointed Representative Miller of Michigan to act as Speaker pro tempore for today. **Page H9105**

Chaplain: The prayer was offered today by Rev. Mark Vander Meer, Pastor, Monocacy Valley Church, Ijamsville, Maryland. **Page H9105**

Journal: Agreed to the Speaker's approval of the Journal by a yea-and-nay vote of 349 yeas to 62 nays with 2 voting "present", Roll No. 540. **Pages H9105, H9126**

Energy and Water Development Appropriations Act, 2006—Motion to go to Conference: The House disagreed to the Senate amendment and agreed to a conference on H.R. 2419, to make appropriations for energy and water development for the fiscal year ending September 30, 2006. **Page H9110**

Appointed as conferees: Representatives Messrs. Hobson, Frelinghuysen, Latham, Wamp, Mrs. Emerson, Messrs. Doolittle, Simpson, Rehberg, Lewis of California, Visclosky, Edwards, Pastor, Clyburn, Berry, and Obey. **Page H9110**

Suspensions—Proceedings Postponed: The House completed debate on the following measure under suspension of the rules. Further consideration will continue tomorrow, Thursday, October 27th:

Hurricane Katrina Financial Services Relief Act of 2005: H.R. 3945, amended, to facilitate recovery from the effects of Hurricane Katrina by providing greater flexibility for, and temporary waivers of certain requirements and fees imposed on, depository institutions and Federal regulatory agencies; and **Page H9196**

Congratulating the State of Israel on the election of Ambassador Dan Gillerman as Vice-President of the 60th United Nations General Assembly: H. Res. 368, to congratulate the State of Israel on the election of Ambassador Dan Gillerman as Vice-President of the 60th United Nations General Assembly. **Pages H9202–04**

Federal Housing Finance Reform Act of 2005: The House passed H.R. 1461, to reform the regulation of certain housing-related Government-sponsored enterprises, after adopting the amendment in the nature of a substitute, by a recorded vote of 331 ayes to 90 noes, Roll No. 547. **Pages H9110–23, H9125–88, H9189–96**

Rejected the Frank motion to recommit the bill to the Committee on Financial Services with instructions to report the same back to the House forthwith with amendments, by a recorded vote of 200 ayes to 220 noes, Roll No. 546. **Pages H9192–95**

Pursuant to the rule, the amendment in the nature of a substitute recommended by the Committee on Financial Services now printed in the bill shall be considered as an original bill for the purpose of amendment and shall be considered as read. The rule waives all points of order against the committee amendment in the nature of a substitute. **Pages H9110–11, H9141–78**

Agreed to:

Carson amendment (no. 2 printed in H. Rept. 109–254) that permits personal property loans secured by manufactured housing to be considered in determining whether a GSE has met its duty to serve underserved markets. The amendment permits manufactured homes that have not been attached to

ground owned by a manufactured home owner to count towards this goal; **Page H9178**

Davis of Alabama amendment (no. 3 printed in H. Rept. 109–254) which clarifies the definition of ''rural'' to make it consistent with the same definition in the Housing Act of 1949. The amendment retains ''micro-politian area'' and ''tribal trust lands'' as part of the definition; **Pages H9178–79**

Oxley Manager's amendment (no. 1 printed in H. Rept. 109–254) that makes a number of technical and conforming changes to the affordable housing role of Fannie Mae and Freddie Mac. The amendment also clarifies that federally recognized tribes and Alaskan Native villages qualify for funding under the Affordable Housing Fund established by the bill, (by a recorded vote of 210 ayes to 205 noes, Roll No. 541); **Pages H9180–81**

Sanchez, Loretta, of California amendment (no. 8 printed in H. Rept. 109–254) that adds ''alternative credit scoring'' as an additional element to the Annual Housing Report Regarding Regulated Entities; and **Page H9188**

Kanjorski amendment (no. 9 printed in H. Rept. 109–254) that restores Presidential appointees on the boards of Fannie Mae and Freddie Mac and by retaining the regulatory appointees on the boards of the Federal Home Loan Banks. Makes modifications to the boards of the Federal Home Loan Banks related to the number of regulatory appointees, the expertise of appointees in community and economic development, and the allowable continued service of appointees after the expiration of their terms. **Pages H9189–90**

Rejected:

Leach amendment (no. 4 printed in H. Rept. 109–254) which sought to give the newly created regulator (FHFA) greater authority to impose capital strictures on GSEs, (by a recorded vote of 36 ayes to 378 noes, Roll No. 542); **Pages H9179–80, H9181–82**

Royce amendment (no. 5 printed in H. Rept. 109–254) which sought to authorize the regulator to require one or both of the enterprises to dispose or acquire assets or liabilities if the regulator deems those assets or liabilities to be a potential systemic risk to the housing market, the capital markets, or the financial system, (by a recorded vote of 73 ayes to 346 noes, Roll No. 543); **Pages H9182–84, H9190–91**

Paul amendment (no. 6 printed in H. Rept. 109–254) which sought to eliminate the ability of Fannie Mae, Freddie Mac, and the Federal Home Loan Bank Board, to borrow from the Treasury, (by a recorded vote of 47 ayes to 371 noes, Roll No. 544); and **Pages H9184–85, H9191**

Garrett amendment (no. 7 printed in H. Rept. 109–254) which sought to strike the language in the bill that raises the Conforming Loan Limit, (by a recorded vote of 57 ayes to 358 noes, Roll No. 545). **Pages H9185–88, H9191–92**

Agreed that the Clerk be authorized to make technical and conforming changes in the engrossment of the bill to reflect the actions of the House. **Page H9196**

H. Res. 509, the rule providing for consideration of the bill was agreed to by a yea-and-nay vote of 220 yeas to 196 nays, Roll No. 539, after agreeing to order the previous question by voice vote. **Pages H9125–26**

Committee Resignation: Read a letter from Representative Blunt wherein he resigned from the Committee on Energy and Commerce. **Page H9188**

Committee Election: The House agreed to H. Res. 513 electing Representative Barrett to the Committee on Energy and Commerce. **Page H9189**

Suspensions: The House agreed to suspend the rules and pass the following measures:

Amending the Federal Food, Drug, and Cosmetic Act to provide for the regulation of all contact lenses as medical devices: S. 172, to amend the Federal Food, Drug, and Cosmetic Act to provide for the regulation of all contact lenses as medical devices—clearing the measure for the President; **Pages H9196–98**

Designating the Federal building located at 333 Mt. Elliott Street in Detroit, Michigan, as the ''Rosa Parks Federal Building'': H.R. 2967, to designate the Federal building located at 333 Mt. Elliott Street in Detroit, Michigan, as the ''Rosa Parks Federal Building''; and **Pages H9198–H9202**

Iran Nonproliferation Amendments Act of 2005: S. 1713, amended, to make amendments to the Iran Nonproliferation Act of 2000 related to International Space Station payments. **Pages H9240–46**

Agreed to amend the title so as to read: ''An Act to make amendments to the Iran Nonproliferation Act of 2000 related to International Space Station payments, and for other purposes.''. **Page H9246**

Enrollment of H.R. 3765: The House agreed by unanimous consent to H. Con. Res. 276, requesting the President to return to the House of Representatives the enrollment of H.R. 3765 so that the Clerk of the House may reenroll the bill in accordance with the action of the two Houses. **Page H9198**

Senate Message: Message received from the Senate today appears on page H9123.

Senate Referrals: S. 443 was referred to the Committee on the Judiciary. **Page H9273**

Quorum Calls—Votes: Two yea-and-nay votes, and seven recorded votes developed during the proceedings of today and appear on pages H9125–26, H9126, H9181, H9181–82, H9190, H9191, H9191–92, H9195, H9196. There were no quorum calls.

Adjournment: The House met at 10 a.m. and adjourned at 11:16 p.m.

Committee Meetings

MISSISSIPPI RIVER AGRICULTURAL TRANSPORTATION

Committee on Agriculture: Held a hearing to review the current impact of Mississippi River transportation on agricultural markets. Testimony was heard from the following officials of the Department of the Army: John Paul Woodley, Jr., Assistant Secretary (Civil Works); and MG Don T. Riley, USA, Director, Civil Works, U.S. Army Corps of Engineers; Floyd Gaibler, Deputy Under Secretary, Farm and Foreign Agricultural Services, USDA; and public witnesses.

REGIONAL POWERS' MILITARY CAPABILITIES AND THREATS TO U.S. INTERESTS

Committee on Armed Services: Regional Powers Panel held a hearing on an overview of regional powers' military capabilities and threats to U.S. interests. Testimony was heard from James R. Lilley, former Ambassador to the People's Republic of China and to the Republic of Korea; and a public witness.

RADICAL ISLAMIC TERRORIST THREAT

Committee on Armed Services: Terrorism and Radical Islam Gap Panel held a hearing on responding to the radical Islamic terrorist threat—the Department of Defense's roles, missions, and capabilities in the Global War on Terrorism. Testimony was heard from MG Robert H. Scales, Jr., USA, (ret.), former Commandant, U.S. Army War College; and a public witness.

BUDGET RECONCILIATION

Committee on Education and the Workforce: Approved, as amended, amendments to the Employee Retirement Income Security Act (ERISA); and amendments to the Higher Education Act to be transmitted to the Committee on the Budget in compliance with the reconciliation directive included in section 201(a) of the Concurrent Resolution on the Budget for Fiscal Year 2006.

Will continue tomorrow.

BUDGET RECONCILIATION

Committee on Energy and Commerce: Approved, as amended, reconciliation recommendations for Title I, Digital Television Transition Act of 2005, for transmission to the Committee on the Budget in compliance with the reconciliation directive included in section 201(a) of the Concurrent Resolution on the Budget for Fiscal Year 2006.

Will continue tomorrow.

FEDERAL REAL PROPERTY DISPOSAL PILOT PROGRAM AND MANAGEMENT IMPROVEMENT ACT OF 2005

Committee on Government Reform: Ordered reported, as amended, H.R. 3134, Federal Real Property Disposal Pilot Program and Management Improvement Act of 2005.

RESOLUTION—DIRECTING CERTAIN INFORMATION BE PROVIDED RELATING TO REAPPORTIONMENT OF AIRPORT SCREENERS

Committee on Homeland Security: Ordered unfavorably reported H. Res. 463, Of inquiry directing the Secretary of Homeland Security to provide certain information to the House of Representatives relating to the reapportionment of airport screeners.

ENSURING OPERABILITY DURING CATASTROPHIC EVENTS

Committee on Homeland Security: Subcommittee on Emergency Preparedness, Science, and Technology held a hearing entitled "Ensuring Operability During Catastrophic Events." Testimony was heard from Mark Rey, Under Secretary, Natural Resources and Environment, USDA; the following officials of the Department of Homeland Security: David Boyd, Director, SAFECOM, Office of Interoperability and Communications; and Peter Fonash, Deputy Manager, National Communications System; Ken Moran, Director, Office of Homeland Security, Enforcement Bureau, FCC; and Linton Wells, Acting Assistant Secretary, Networks and Information, Integration and Chief Information Officer, Department of Defense.

U.S.-INDIA GLOBAL PARTNERSHIP

Committee on International Relations: Held a hearing on the U.S.-India Global Partnership: The Impact of Nonproliferation. Testimony was heard from public witnesses.

BUDGET RECONCILIATION

Committee on Resources: Approved reconciliation recommendations for transition to the Committee on the Budget in compliance with the reconciliation directive included in section 201(a) of the Concurrent Resolution on the Budget for Fiscal Year 2006.

WORLD TRADE CENTER COLLAPSE INVESTIGATION

Committee on Science: Held a hearing on the Investigation of the World Trade Center Collapse: Findings, Recommendations and Next Steps. Testimony was heard from William Jeffrey, Director, National Institute of Standards and Technology, Department of Commerce; and public witnesses.

MISCELLANEOUS MEASURES; BUDGET RECONCILIATION

Committee on Transportation and Infrastructure: Ordered reported the following bills: H.R. 1721, To amend the Federal Water Pollution Control Act to reauthorize programs to improve the quality of coastal recreation waters; H.R. 3963, To amend the Federal Water Pollution Control Act to extend the authorization of appropriations for Long Island Sound; and H.R. 4125, To permit the Administrator of General Services to make repairs and lease space without approval of a prospectus if the repair or lease is required as a result of damages to buildings or property attributable to Hurricane Katrina or Hurricane Rita.

The Committee also approved U.S. Army Corps of Engineers Survey Resolutions; a Natural Resources Conservation Service Resolution; and GSA Capital Investment and Leasing Program Resolutions for Fiscal Year 2006.

The Committee approved recommendations for transmittal to the Committee on the Budget to comply with Reconciliation Directive included in Section 201(a) of the Concurrent Resolution on the Budget for Fiscal Year 2006.

BUDGET RECONCILIATION

Committee on Ways and Means: Approved Entitlement Reconciliation Recommendations, as amended, for transmission to the Committee on the Budget in compliance with the reconciliation directive in section 201(a) of the Concurrent Resolution on the Budget for Fiscal Year 2006.

MILITARY INTELLIGENCE PROGRAM

Permanent Select Committee on Intelligence: Met in executive session to hold a hearing on Military Intelligence Program. Testimony was heard from departmental witnesses.

Joint Meetings

U.S. INTERESTS

Commission on Security and Cooperation in Europe (Helsinki Commission): On Tuesday, October 25, Commission concluded a hearing to examine how the United States can best utilize the Organization for Security and Cooperation in Europe in advancing the interests of the United States, after receiving testimony from Daniel Fried, Assistant Secretary of State, Bureau of European and Eurasian Affairs.

APPROPRIATIONS: AGRICULTURE

Conferees agreed to file a conference report on the differences between the Senate and House passed versions of H.R. 2744, making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the fiscal year ending September 30, 2006.

COMMITTEE MEETINGS FOR THURSDAY, OCTOBER 27, 2005

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Agriculture, Nutrition, and Forestry: Subcommittee on Forestry, Conservation, and Rural Revitalization, to hold an oversight hearing to examine the Forest and Rangeland Research Program of the USDA Forest Service, 10 a.m., SR–328A.

Committee on Armed Services: closed business meeting to mark up S. 1803, to authorize appropriations for fiscal year 2006 for intelligence and intelligence-related activities of the United States Government, the Intelligence Community Management Account, and the Central Intelligence Agency Retirement and Disability System, 9:30 a.m., SR–222.

Committee on Energy and Natural Resources: to hold hearings to examine Administration's response to hurricane recovery efforts related to energy and to discuss energy policy, 10 a.m., SH–216.

Committee on Finance: Subcommittee on International Trade, to hold hearings to examine the status of World Trade Organization negotiations, 2 p.m., SD–215.

Committee on Indian Affairs: business meeting to consider S. 1057, to amend the Indian Health Care Improvement Act to revise and extend that Act, S. 1003, to amend the Act of December 22, 1974, S. 692, to provide for the conveyance of certain public land in northwestern New Mexico by resolving a dispute associated with coal preference right lease interests on the land, S. 1892, to amend Public Law 107–153 to modify a certain date, and S. 1219, to authorize certain tribes in the State of Montana to enter into a lease or other temporary conveyance of water rights to meet the water needs of the Dry Prairie Rural Water Association, Inc, 9:30 a.m., SR–485.

Committee on the Judiciary: business meeting to consider S. 1088, to establish streamlined procedures for collateral review of mixed petitions, amendments, and defaulted claims, S. 1789, to prevent and mitigate identity theft, to ensure privacy, to provide notice of security breaches, and to enhance criminal penalties, law enforcement assistance, and other protections against security breaches, fraudulent access, and misuse of personally identifiable information, S. 751, to require Federal agencies, and persons engaged in interstate commerce, in possession of

data containing personal information, to disclose any unauthorized acquisition of such information, S. 1699, to amend title 18, United States Code, to provide criminal penalties for trafficking in counterfeit marks, S. 1095, to amend chapter 113 of title 18, United States Code, to clarify the prohibition on the trafficking in goods or services, H.R. 683, to amend the Trademark Act of 1946 with respect to dilution by blurring or tarnishment, S. 1787, to provide bankruptcy relief for victims of natural disasters, S. 1647, to amend title 11, United States Code, to provide relief to victims of Hurricane Katrina and other natural disasters, S.J. Res. 1, proposing an amendment to the Constitution of the United States relating to marriage, and the nominations: of Steven G. Bradbury, of Maryland, to be an Assistant Attorney General, Wan J. Kim, of Maryland, to be an Assistant Attorney General, Sue Ellen Wooldridge, of Virginia, to be an Assistant Attorney General, and Thomas O. Barnett, of Virginia, to be an Assistant Attorney General, 9:30 a.m., SD–226.

Committee on Veterans' Affairs: to hold hearings to examine the rising number of disabled veterans deemed unemployable relating to the VA's individual unemployment benefit, 2 p.m., SR–418.

Select Committee on Intelligence: to receive a closed briefing regarding certain intelligence matters, 2:30 p.m., SH–219.

House

Committee on Agriculture, to consider reconciliation instructions pursuant to the Conference Report to accompany H. Con. Res. 65, Establishing the congressional budget for the United States Government for fiscal year 2006, revising appropriate budgetary levels for fiscal year 2005, and setting forth appropriate budgetary levels for fiscal years 2007 through 2010, 1 p.m., 1300 Longworth.

Committee on Armed Services, Asymmetric and Unconventional Threats Panel, hearing on Cyber Security, Information Assurance and Information Superiority, 9 a.m., 2118 Rayburn.

Committee on Education and the Workforce, to mark up amendments to the Family Education Reimbursement Act of 2005 for transmission to the Committee on the Budget to comply with the reconciliation directive included in section 201(a) of the Concurrent Resolution on the Budget for Fiscal Year 10 a.m., 2175 Rayburn.

Committee on Energy and Commerce, to mark up Title II, Medicaid, Katrina Health Care Relief, and Katrina and Rita Energy Relief, of Budget reconciliation recommendations, 8 a.m., 2123 Rayburn.

Committee on Financial Services, to consider the following measures: H. Con. Res. 257, Expressing the sense of the Congress with regard to a moratorium on the payment of principal or interest on certain mortgage loans, small business loans, and consumer loans for residents of a Federal disaster area; H.R. 3909, Hurricane Check Cashing Relief Act of 2005; the National Flood Insurance Program Further Enhanced Borrowing Authority Act of 2005; H.R. 3505, Financial Services Regulatory Relief Act of 2005; "Recommendations of the Committee on Financial Services for Reconciliation for FY06: Deposit Insurance Reform;" and "Recommendations of the Committee on Financial Services for Reconciliation for FY06: FHA Asset Disposition," 10 a.m., 2128 Rayburn.

Committee on Homeland Security, Subcommittee on Management, Integration, and Oversight, hearing entitled "The Department of Homeland Security Second-State Review: The Role of the Chief Medical Officer," 2 p.m., 311 Cannon.

Subcommittee on Prevention of Nuclear and Biological Attack, hearing entitled "Nuclear Incident Response Teams," 1 p.m., B–300 Rayburn.

Committee on International Relations, Subcommittee on Africa, Global Human Rights and International Operations and the Subcommittee on Asia and the Pacific, joint hearing on Lifting the Veil: Getting the Refugees Out, Getting Our Message In: An Update on the Implementation of the North Korean Human Rights Act, 1:30 p.m., 2172 Rayburn.

Subcommittee on International Terrorism and Nonproliferation, hearing on the U.S. Counterterrorism Strategy Update, 10:30 a.m., 2172 Rayburn.

Subcommittee on the Middle East and Central Asia, hearing on U.S. Security Policy in Central Asia, 10:30 a.m., 2200 Rayburn.

Committee on the Judiciary, to mark up the following bills: H.R. 1751, Secure Access to Justice and Court Protection Act of 2005; H.R. 4128, Private Property Rights Protection Act of 2005; and H.R. 4093, Federal Judgeship and Administrative Efficiency Act of 2005, 10 a.m., 2141 Rayburn.

Committee on Resources, hearing on H.R. 3405, Strengthening the Ownership of Private Property Act of 2005, 10 a.m., and to hold an oversight hearing on the Operations of the Regional Fishery Management Councils and the Reauthorization of the Magnuson-Stevens Fishery Conservation and Management Act, 2 p.m., 1324 Longworth.

Subcommittee on Forests and Forest Health, hearing on the following bills: H.R. 1090, to designate a Forest Service trail at Waldo Lake in the Willamette National Forest in the State of Oregon as a national recreation trail in honor of Jim Weaver, a former Member of the House of Representative; H.R. 3603, Central Idaho Economic Development and Recreation Act; H.R. 3817, Valle Vidal Protection Act of 2005; and H.R. 4084, to amend the Forest Service use and occupancy permit program to restore the authority of the Secretary of Agriculture to utilize the special use permit fees collected by the Secretary in connection with the establishment and operation of marinas in units of the National Forest System derived from the public domain, 2 p.m., 1334 Longworth.

Committee on Science, Subcommittee on Space and the Subcommittee on Government Management, Finance, and Accountability of the Committee on Government Reform, joint hearing on Financial Management at NASA: Challenges and Next Steps, 10 a.m., 2318 Rayburn.

Committee on Transportation and Infrastructure, Subcommittee on Highways, Transit and Pipelines, oversight hearing on Rebuilding Highway and Transit Infrastructure on the Gulf Coast following Hurricane Katrina-State and Local Officials, 2 p.m., 2167 Rayburn.

Subcommittee on Water Resources and Environment, oversight hearing on Reducing Hurricane and Flood Risk in the Nation, 10 a.m., 2167 Rayburn.

Permanent Select Committee on Intelligence, Subcommittee Terrorism, Human Intelligence, and Counterintelligence, executive, briefing on New York City Terrorism Threat Reporting, 2 p.m., H–405 Capitol.

Select Bipartisan Committee to Investigate the Preparation for and Response to Hurricane Katrina, hearing entitled ''Hurricane Katrina: Preparedness and Response by the Department of Defense, the Coast Guard, and the National Guard of Louisiana, Mississippi, and Alabama,'' 10 a.m., 2154 Rayburn.

Joint Meetings

Conference: meeting of conferees on H.R. 2419, making appropriations for energy and water development for the fiscal year ending September 30, 2006, 2 p.m., S–207, Capitol.

Next Meeting of the SENATE

9:30 a.m., Thursday, October 27

Senate Chamber

Program for Thursday: Senate will continue consideration of H.R. 3010, Labor/HHS/Education Appropriations, with a vote on the motion to invoke cloture on the bill to occur at 10 a.m.

Next Meeting of the HOUSE OF REPRESENTATIVES

10 a.m., Thursday, October 27

House Chamber

Program for Thursday: (1) H.J. Res. 65—Disapproving the recommendations of the Defense Base Closure and Realignment Commission; (2) H.R. 420—Lawsuit Abuse Reduction Act of 2005; and (3) H. Con. Res. ____—To make amendments to H. Con. Res. 95, the congressional budget for the United States Government for fiscal year 2006.

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