Mr. MILLER of California. Mr. Speaker, Members of the House, among the highest priorities for America's families and America's parents is a good education for their children and the ability of their local schools to be able to deliver world class standards in world class education for our young people and, at the same time, to make sure that today's students go to school in a safe environment and a drug-free environment.

Unfortunately, under the current funding plan proposed by the Republicans we see funding for safe and drug-free schools cut by 25 percent, funding for title I that for the first time is bringing the advances in technology and teacher improvements to economically disadvantaged schools cut by 17 percent, Goals 2000 that allows the Governors of States to implement world class standards in reading and mathematics and critical thinking in the sciences for the first time so that young people can compete against the best the world has to offer to keep America's economy strong; we see these programs slashed in this funding resolution. Hopefully on March 15 we will reverse that trend and restore aid to education.

PEACE THROUGH STRENGTH AS OPPOSED TO INSTABILITY THROUGH WEAKNESS

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

Mr. HUNTER. Mr. Speaker, Presidents Bush and Reagan brought down the Berlin Wall with a defense policy that was called peace through strength. They built up our military, rebuilt declining forces, and they forced the Soviet Union to the bargaining table, and they, by doing that, brought stability to the world.

Mr. Speaker, despite President Clinton's own Joint Chiefs of Staff recommending that he spend more money on defense to give the right kind of equipment to these young troops that he is deploying all over the world, he has refused to do that. His new defense budget has come down. It drastically cuts the new equipment that his own people recommended he give to his troops, and this President apparently follows a policy of instability through weakness.

TAX RELIEF FOR UNITED STATES TROOPS IN BOSNIA.

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

Mrs. KENNELLY. Mr. Speaker, I rise in support of H.R. 2778, tax relief for United States troops in Bosnia. We have before us today a piece of legislation that really is an excellent piece of legislation. It shows that we can in fact work in a bipartisan manner.

Mr. Speaker, as men and women struggle to bring peace to a region that has seen more than its fair share of horror and tragedy in Bosnia, we have decided that it is very timely at this time of year, before April, to address the concerns of our men and women in Bosnia and their tax situation, and what we have done is make it easier for men and women in Bosnia to file their income tax returns and have their combat pay exempt from taxation.

Also, it was realized that officers in the area had a cap on their compensation that could not end. As a result, only a part of it could be tax free.

I am pleased that the Committee on Ways and Means was able to report this important legislation in a bipartisan manner, and I also am pleased that we are able to relieve our men and women in Bosnia from the worries that all of the rest of us across the United States have concerning getting ready to pay our taxes to the United States Government.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore (Mr. ROGERS) laid before the House a communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, February 27, 1996.

Hon. NEWT GINGRICH,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you pursuant to Rule L (50) of the Rules of the House that a member of my staff has been served with a subpoena issued by the Circuit Court for Baltimore City, Maryland. This subpoena relates to her employment by former Representative Kweisi Mfume.

After consultation with the General Counsel, I have determined that compliance with the subpoena is consistent with the privileges and precedents of the House.

Sincerely,

ROBIN H. CARLE,
Clerk of the House.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered or on which a vote is objected to under clause 4 of rule XV. Such rollcall votes, if postponed, will be taken after the debate is concluded on all motions to suspend the rules.

SPECIAL TAX TREATMENT FOR UNITED STATES TROOPS IN BOSNIA

Mr. BUNNING of Kentucky. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2778) to provide that members of the Armed Forces performing services for the peacekeeping effort in the Republic of Bosnia and Herzegovina shall be entitled to certain tax benefits in the same manner as if such services were performed in a combat zone, as amended.

The Clerk read as follows:

H.R. 2778

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

SECTION 1. TREATMENT OF CERTAIN INDIVIDUALS PERFORMING SERVICES IN CERTAIN HAZARDOUS DUTY AREAS.

(a) GENERAL RULE.—For purposes of the following provisions of the Internal Revenue Code of 1986, a qualified hazardous duty area shall be treated in the same manner as if it were a combat zone (as determined under section 112 of such Code):

(1) Section 2(a)(3) (relating to special rule where deceased spouse was in missing status).

(2) Section 112 (relating to the exclusion of certain combat pay of members of the Armed Forces).

(3) Section 692 (relating to income taxes of members of Armed Forces on death).

(4) Section 2201 (relating to members of the Armed Forces dying in combat zone or by reason of combat-zone-incurred wounds, etc.).

(5) Section 3401(a)(1) (defining wages relating to combat pay for members of the Armed Forces).

(6) Section 4253(d) (relating to the taxation of phone service originating from a combat zone from members of the Armed Forces).

(7) Section 6013(f)(1) (relating to join return where individual is in missing status).

(8) Section 7508 (relating to time for performing certain acts postponed by reason of service in combat zone).

(b) QUALIFIED HAZARDOUS DUTY AREA.—For purposes of this section, the term ''qualified hazardous duty area'' means Bosnia and Herzegovina, Croatia, or Macedonia, if as of the date of the enactment of this section any member of the Armed Forces of the United States is entitled to special pay under section 310 of title 37, United States Code (relating to special pay; duty subject to hostile fire or imminent danger) for services performed in such country. Such term includes any such country only during the period such entitlement is in effect. Solely for purposes of applying section 7508 of the Internal Revenue Code of 1986, in the case of an individual who is performing services as part of Operation Joint Endeavor outside the United States while deployed away from such individual's permanent duty station, the term ''qualified hazardous duty area'' includes, during the period for which such entitlement is in effect, any area in which such services are performed.

(c) EXCLUSION OF COMBAT PAY FROM WITHHOLDING LIMITED TO AMOUNT EXCLUDABLE FROM GROSS INCOME.—Paragraph (1) of section 3401(a) of the Internal Revenue Code of 1986 (defining wages) is amended by inserting before the semicolon the following: ''to the extent remuneration for such service is excludable from gross income under such section''.

(d) INCREASE IN COMBAT PAY EXCLUSION FOR OFFICERS TO HIGHEST AMOUNT APPLICABLE TO ENLISTED PERSONNEL.—

(1) IN GENERAL.—Subsection (b) of section 112 of such Code (relating to commissioned officers) is amended by striking ''$500'' and inserting ''the maximum enlisted amount''.

(2) MAXIMUM ENLISTED AMOUNT.—Subsection (c) of section 112 of such Code (relating to definitions) is amended by adding at the end the following new paragraph:

''(5) The term 'maximum enlisted amount' means, for any month, the sum of—

''(A) the highest rate of basic pay payable for such month to any enlisted member of the Armed Forces of the United States at the highest pay grade applicable to enlisted members, and

''(B) in the case of an officer entitled to special pay under section 310 of title 37, United States Code, for such month, the amount of such special pay payable to such officer for such month.''.

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the provisions of and amendments made by this section shall take effect on November 21, 1995.

(2) WITHHOLDING.—Subsection (a)(5) and the amendment made by subsection (c) shall apply to remuneration paid after the date of the enactment of this Act.

SEC. 2. EXTENSION OF INTERNAL REVENUE SERVICE USER FEES.

Subsection (c) of section 10511 of the Revenue Act of 1987 is amended by striking ''October 1, 2000'' and by inserting ''October 1, 2003''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Kentucky [Mr. BUNNING] will be recognized for 20 minutes, and the gentleman from Florida [Mr. GIBBONS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Kentucky [Mr. BUNNING].

GENERAL LEAVE

Mr. BUNNING of Kentucky. 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. 2778.

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

There was no objection.

Mr. BUNNING of Kentucky. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am proud to bring before the House today a bill I sponsored to make sure that our brave men and women serving in Bosnia are able to receive the benefits that they deserve while risking their lives in the service of their country.

The Internal Revenue Code provides specific benefits to our service personnel who are on active duty in a combat zone. But, these benefits are available only if the President issues an Executive order designating the area as a combat zone.

Unfortunately, the peacekeeping operations in the former Yugoslavia have not been designated by the President as being in a combat zone.

There have already been casualties in Bosnia and more are likely. That means that our service personnel are in a combat zone type situation even if the President has not declared it a combat zone.

Let us be honest. When you are being shot at or dodging landmines you are in a combat zone. Diplomatic niceties aside, these brave warriors are in danger because of the policies of their Government and we must take care of them.

Quite frankly, we must act to insure that we do not have a repeat of what happened in Somalia.

In Somalia, the families of the soldiers who lost their lives could not receive the benefits that should have gone to them under the Tax Code because the President never declared it a combat zone.

Two of those who were killed were Congressional Medal of Honor winners. But because of the technical language of the Code they could not receive the tax benefits because Somalia had not been designated as a combat zone.

H.R. 2778 provides that members of the Armed Forces in Bosnia and Herzegovina, Croatia, or Macedonia who receive hostile fire or imminent danger pay will receive combat zone tax benefits.

That means enlisted personnel stationed in these countries would not be taxed on their pay for any month that they receive hostile fire or imminent danger pay.

Officers would be taxed on only a portion of their pay. Members of the Armed Forces would be eligible to postpone their tax filing and payment obligations. Additional benefits would also apply.

The bill also makes some technical and administrative improvements to the combat zone tax provisions. More importantly, it makes some long-needed changes to the combat zone tax laws.

Currently, enlisted personnel in a combat zone are not taxed on their pay for any month they are in the combat zone, but officers are allowed to receive only $500 each month tax-free.

This $500 was set in 1966 and has not been increased for inflation. This bill would raise that $500 limit to equal the top pay grade for enlisted personnel.

The bill also extends one of the combat zone tax benefits, the suspension of tax filing and payment obligations, to personnel involved in Operation Joint Endeavor even if they are not physically located in the former Yugoslavia.

Members of the Armed Forces and Department of Defense personnel who have been deployed as part of Operation Joint Endeavor outside of the United States and away from their permanent duty stations would be eligible for this benefit.

Plainly, these people do not have easy access to their tax records and have concerns other than finding the nearest post office.

This is truly a bipartisan bill. More than 120 Members of Congress have cosponsored this bill. It was reported by the Ways and Means Committee on a unanimous voice vote.

Moreover, as it was reported by the Ways and Means Committee, the bill incorporates the best of practically all of the various combat zone benefit bills introduced in recent months.

In short, the bill before us reflects the input of many Members, Democrats and Republicans, as well as the Defense Department and the Treasury Department.

In particular, I want to recognize Chairman BILL ARCHER, SAM GIBBONS, and IKE SKELTON for their contribution to this report.

Making sure that our military personnel in Bosnia receive all of the benefits that we can give them under the Tax Code is the least that we can do for them.

I hope that we will demonstrate our unqualified support for our troops in Bosnia by adopting the bill before us today.

This is not about whether you agree with the policy that put United States forces in Bosnia. Many of us have had grave reservations about the policy that sent our troops there in the first place; but, the point is—they are there.

And, since they are there, we need to do everything in our power to make sure that they are treated fairly in the Tax Code. This bill does that.

□ 1130

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

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

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

Mr. Speaker, this is a needed piece of legislation. It is a bipartisan piece of legislation. The chairman has adequately and totally described it. I support what he is doing, what we are doing on a bipartisan basis. I would only say that it makes good common sense that soldiers who go to zones, such as the one they are now occupying in the former Yugoslavia and its surrounding areas, do not take with them their tax records. They are not in a position to file an income tax return. They are certainly entitled to all of the benefits that are included in this bill.

This is something we have done in various forms for most soldiers, at least since World War II, in my own memory, so I urge a unanimous vote for it as a show of solidarity that we support those whose lives are at risk.

Mr. Speaker, I yield such time as he may consume to the gentleman from Missouri [Mr. SKELTON]. He is a distinguished member of this committee whose record is replete with his concern for the welfare of our country and of the military personnel who make it up.

Mr. SKELTON. Mr. Speaker, I especially appreciate the gentleman's kind words. I am grateful for the opportunity to express my support for H.R. 2778. I commend the chairman of the committee, the gentleman from Texas [Mr. ARCHER], the gentleman from Florida [Mr. GIBBONS], the ranking member, and the Committee on Ways and Means for bringing this legislation to the floor. I especially thank the gentleman from Kentucky [Mr. BUNNING] for his hard work. I commend him for his thorough and painstaking effort. It was a pleasure to work with him on this legislation.

Mr. Speaker, late last year I began working with the gentleman from Kentucky [Mr. BUNNING] to draft legislation providing tax relief for United

States troops serving our Nation in contingency operations overseas, particularly those in Bosnia and Herzegovina, Croatia, and Macedonia. I introduced my own legislation, H.R. 2776, to meet this end. I am pleased the committee adopted a key provision originally from my bill that would expand a pay exemption.

We need to take care of our troops. The American people can be proud of the fine service of the members of our Armed Forces. We are sending them into dangerous and difficult missions as participants in Operation Joint Endeavor and Operation Able Sentry, thousands of miles from their friends and families.

It is only proper that we extend an exemption from Federal income taxes during their deployment, as we did those who served in the gulf war in Operation Desert Shield and Operation Desert Storm. In some instances, the living conditions and dangers are as bad or worse than some experienced in the gulf war.

H.R. 2778 deserves, and I am sure will receive, a wide bipartisan support. Let us all express our support for our American troops by passing this legislation, hopefully unanimously, today.

Mr. BUNNING of Kentucky. Mr. Speaker, I have the pleasure to yield such time as he may consume to the gentleman from Texas [Mr. ARCHER], chairman of the Committee on Ways and Means.

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

Mr. Speaker, I rise in strong support of H.R. 2778. I compliment the gentleman from Kentucky [Mr. BUNNING], chairman of the Subcommittee on Social Security of the Committee on Ways and Means, for his leadership in introducing this bill, even though it does not have anything to do with Social Security.

He has done a great service for our service men and women in Bosnia by pointing out the appropriateness of this legislation, because those people over there, as we know and we have heard, are placed in the same sort of danger as if it were a combat zone.

Quite honestly, I do not know why the President did not declare it a combat zone. It clearly is a combat zone. But by the President failing to declare it as one, he has denied, effectively, the benefits to our service people over there that they would otherwise be entitled to. This legislation provides our troops and their families with a little relief and demonstrates Congress' support for our troops.

In the past they would have, as I mentioned, in a combat zone automatically have received these benefits which now we will give especially to them by this legislation. This bill enjoys great bipartisan support, and I know of no opposition to it. I therefore urge my colleagues on both sides of the aisle to support it.

Mr. SPENCE. Mr. Speaker, I rise in strong support of H.R. 2778, a bill to provide combat zone type tax exemption to our troops in the former Yugoslavia.

Mr. Speaker, many Members of this body, including myself, may have considerable doubt about the wisdom of the President's decision to commit military forces to uphold the Dayton Peace agreement in Bosnia. But there is one thing about which there is no doubt in my mind, and that is my unshakable support for the military men and women assigned this arduous duty. I am confident that the vast majority of this House will not falter when the welfare of our troops is at stake, especially when they serve in such a dangerous place such as Bosnia.

H.R. 2778 as reported by the Committee on Ways and Means is a superb bill. It provides full exclusion of income for enlisted members and warrant officers as would be provided under current law in a combat zone. Another important aspect of the legislation is the long overdue update in the income exemption for officers. We on the Committee on National Security have been working since the Persian Gulf war to update the $500 cap on officer exemptions in current law. The $500 cap dates back to 1966 and has long since lost any relevance to officer income levels. H.R. 2778 not only restores the value of this benefit for officers, it precludes this problem from reoccurring by linking the cap to the maximum pay for an enlisted person, or $3,377.10.

The other very important aspect of this bill is that it provides a series of benefits to the survivors of members who lose their lives in Bosnia. We all hope that we have seen the last United States servicemember die in Bosnia, but we must acknowledge that the prospect for further casualties remains very real. H.R. 2778 ensures that a second tragedy is not visited upon a deceased member's family by the Internal Revenue Service.

H.R. 2778 is an important bill that supports our troops. I urge my colleagues to vote ''yes.''

Mr. BEREUTER. Mr. Speaker, this Member rises in the strongest possible support for H.R. 2778, legislation designed to provide that members of the Armed Forces serving in Bosnia will be entitled to combat zone tax benefits.

The benefits provided in this legislation are relatively modest. Enlisted personnel will not be taxed on their base pay, and officers receive a $500 exclusion. Servicemembers killed in Bosnia are granted a reduced estate tax. They are given a filing extension so that our peacekeeping operation does not shut down on April 15 while our troops are filling out returns. Telephone calls back home are not subject to a 3-percent excise tax.

But while the provisions may seem modest, the effect on the morale of American troops serving in Bosnia, Croatia, and Macedonia will be significant. This Member recently had the opportunity to visit with General Nash, commanding general of the U.S. Army's 1st Armored Division in Bosnia. He expressed the troops' strong support for the passage of H.R. 2778. It was, General Nash argued, at this point perhaps the single most positive and personally important expression of support that the Congress could send to the troops serving in IFOR.

Mr. Speaker, the very least we can do is ensure that, when our troops return, they will not be met at the airport by the IRS. This Member urges swift passage of H.R. 2778.

Mr. GILMAN. Mr. Speaker, I rise today in strong support of H.R. 2778, a bill to give special tax treatment to U.S. troops in Bosnia. This legislation will assist the families of those troops serving in the Balkans with filing their taxes and is an appropriate gesture in response to the peacekeeping efforts of those troops who are serving in that region.

The Dayton Peace Accord, signed in December 1995, outlined a peaceful settlement for the 3 year old conflict in Bosnia and Herzegovina. Part of this agreement called for the deployment of a NATO peackeeping force to enforce the cease-fire which was the foundation of the accord. The U.S. commitment to this force in Bosnia was 20, 000 soldiers. Furthermore, an additional 12,000 Americans are stationed in Croatia, Italy, Hungary, and other neighboring countries to provide support for the implementation force [IFOR]. In December, the Secretary of Defense estimated the cost of this mission to be $2 billion.

Additionally, there are 550 Americans serving as part of a 1,000 man U.N. force in Macedonia. The purpose of this mission, Operation Able Sentry, which began in 1993, is to prevent the conflict in Bosnia from spilling over into Macedonia.

Under current law, U.S. military personnel serving in Areas designated by the President as a combat zone are exempt from performing a number of tax-related duties, including filing tax returns, paying taxing, or filing a claim for credit until the individual is no longer serving in the designated area. This allows these individuals to attend to their financial affairs after their service is complete. Additionally, the families of active service personnel killed in a combat zone are not subject to income tax for the year of death and are entitled to a reduction in estate taxes.

To date, President Clinton has not declared any areas within the Balkans as combat zones. By not classifying the area as a combat zone, the families of soldiers killed in service will not be able to receive a variety of special tax waivers and benefits.

This legislation will correct the oversight of the administration and allow personnel serving in Bosnia and Herzegovina, Croatia, and Macedonia, all qualified hazardous duty areas, to be eligible for the eight specific provisions of the Internal Revenue Service Code which relate to personnel serving in a combat zone.

In addition, this legislation will raise the amount of income an officer may claim as tax-exempt combat pay from $500 to the highest rate of basic pay for any enlisted member of the Armed Forces.

I strongly support this legislation and urge its passage. By doing so we will be sending a vote of confidence to our troops in the Balkans regarding their ability and dedication to enforcing peace in a war-torn land.

Ms. DELAURO. Mr. Speaker, first, I want to express my sadness that our colleague, Representative GIBBONS, is retiring. We will miss your leadership.

I strongly support this bill to give favorable tax treatment to American troops, just as I strongly supported American troops during the debate on Bosnia. American service men and women who are keeping the peace in Bosnia deserve all of the support that we in Congress can give.

Under this bill, we will allow our Armed Forces to focus on the difficult task at hand—keeping peace in a land ravaged by nearly 4

years of fighting—without worrying about filing their tax forms on time. We will signal how much we value the extraordinary service of American troops by exempting Operation Joint Endeavor pay from taxation. The bill also will make it easier for families to stay in touch during a time of separation by waiving the excise tax for troops to call home from Bosnia.

This bill corrects a technicality, but one that I believe is extremely important. Troops in combat zones have traditionally received tax breaks, but American forces in Bosnia are there not to fight a war, but to keep the peace. I urge my colleagues to pass this bill and show our troops in Bosnia that we understand their sacrifice and value their service.

Mr. TATE. Mr. Speaker, while I do not believe the President ever made the case to the American people and Congress that sending United States ground troops to Bosnia is clearly within our vital national security interests, I cannot express how profoundly proud and deeply appreciative I am of the men and women that once again have been called upon to serve our great Nation.

The men and women of our military risk their lives every day in Bosnia. I believe if our Government can do anything to help our soldiers and their families during these difficult times, it is our obligation to do so. That is why I am so disappointed that the President has not extended combat zone tax benefits to troops serving in Bosnia. In the past, these benefits have been automatic.

As a Member of the 104th Congress, I am proud this body has chosen to step up to the plate and show how profoundly grateful we are for those troops serving at the request of the President. Today, we will pass a measure to provide tax relief to our troops serving in Operation Joint Endeavor. This will include eliminating taxation of combat pay, reducing estate taxes in the event of combat-related death, and forgiving income tax upon a combat-related death.

This tax relief cannot fully compensate members of the military for their service, but if it helps one family or service member through this trying ordeal, then it will have been worth it.

Mr. FARR of California. Mr. Speaker, I rise today to speak in support of H.R. 2778. This important legislation would ensure that American soldiers now serving in the former Yugoslavia receive the same tax benefits as other soldiers in combat zones.

Our troops serving in Operation Joint Endeavor face special dangers and challenges unique to their mission, including mine clearance and monitoring the withdrawal and redeployment of armed groups. Though they are not serving in conventional combat conditions, their work is no less dangerous. Clearly, they should not be treated any differently than other American soldiers who serve overseas in an area of potential danger.

Unfortunately, without this bill, our troops in Bosnia would not get the same tax benefits as soldiers serving in a combat zone. This legislation will correct this discrepancy and ensure that the young American men and women enforcing the Dayton Peace Accords in the former Yugoslavia are treated the same as soldiers serving in equally hazardous areas.

I am glad to see Congress take action on this issue, and I urge the prompt passage of the legislation to correct this oversight.

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

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

The SPEAKER pro tempore (Mr. ROGERS). The question is on the motion offered by the gentleman from Kentucky [Mr. BUNNING] that the House suspend the rules and pass the bill, H.R. 2778, as amended.

The question was taken.

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

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

MOST-FAVORED-NATION TREATMENT FOR BULGARIA

Mr. CRANE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2853) to authorize the extension of nondiscriminatory treatment—most-favored-nation treatment—to the products of Bulgaria.

The Clerk read as follows:

H.R. 2853

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

SECTION 1. CONGRESSIONAL FINDINGS AND SUPPLEMENTAL ACTION.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that Bulgaria—

(1) has received most-favored-nation treatment since 1991 and has been found to be in full compliance with the freedom of emigration requirements under title IV of the Trade Act of 1974 since 1993;

(2) has reversed many years of Communist dictatorship and instituted a constitutional republic ruled by a democratically elected government as well as basic market-oriented reforms, including privatization;

(3) is in the process of acceding to the General Agreement on Tariffs and Trade (GATT) and the World Trade Organization (WTO), and extension of unconditional most-favored-nation treatment would enable the United States to avail itself of all rights under the GATT and the WTO with respect to Bulgaria; and

(4) has demonstrated a strong desire to build friendly relationships and to cooperate fully with the United States on trade matters.

(b) SUPPLEMENTAL ACTION.—The Congress notes that the United States Trade Representative intends to negotiate with Bulgaria in order to preserve the commitments of that country under the bilateral commercial agreement in effect between that country and the United States that are consistent with the GATT and the WTO.

SEC. 2. TERMINATION OF APPLICATION OF TITLE IV OF THE TRADE ACT OF 1974 TO BULGARIA.

(a) PRESIDENTIAL DETERMINATIONS AND EXTENSION OF NONDISCRIMINATORY TREATMENT.—Notwithstanding any provision of title IV of the Trade Act of 1974 (19 U.S.C. 2431 et seq.), the President may—

(1) determine that such title should no longer apply to Bulgaria; and

(2) after making a determination under paragraph (1) with respect to Bulgaria, proclaim the extension of nondiscriminatory treatment (most-favored-nation treatment) to the products of that country.

(b) TERMINATION OF APPLICATION OF TITLE IV.—On and after the effective date of the extension under subsection (a)(2) of nondiscriminatory treatment to the products of Bulgaria, title IV of the Trade Act of 1974 shall cease to apply to that country.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois [Mr. CRANE] will be recognized for 20 minutes, and the gentleman from Florida [Mr. GIBBONS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Illinois [Mr. CRANE].

GENERAL LEAVE

Mr. CRANE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2853.

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

There was no objection.

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

Mr. Speaker, I rise in strong support of H.R. 2853, which would extend permanent most-favored-nation [MFN] tariff treatment to the products of Bulgaria. This legislation, which was introduced by myself and the ranking member of the Ways and Means Subcommittee on Trade, Mr. RANGEL, is non-controversial and is identical to legislation that the House passed last year, H.R. 1643, by a voice vote. The House needs to take action on this important legislation again because the provisions on Bulgaria were not contained in the version of H.R. 1643 that was ultimately enacted.

The reasons for the normalization of trade relations between the United States and Bulgaria through the passage of H.R. 2853 remain the same as they were at the time of the House's consideration of this issue last year. At present, Bulgaria's MFN status is regulated by title IV of the Trade Act of 1974, which is commonly referred to as the Jackson-Vanik amendment. Since 1993, Bulgaria has received MFN status after the President has found the country to be in full compliance with the freedom of emigration requirements contained in this provision of United States law.

The political and economic circumstances in Bulgaria have changed considerably since the enactment of the Jackson-Vanik amendment, which was intended to address United States trade relations with nonmarket economies. In recent years, the Communist dictatorship in Bulgaria has collapsed and a democratically elected government has taken office which has implemented basic market-oriented principles, including privatization. Normalizing United States trade relations with Bulgaria, as has been done for