year, avian influenza has reemerged in Asia, has been reported in China and Cambodia, Indonesia and Japan, Laos, Pakistan, South Korea, Taiwan, Thailand and Vietnam. SARS and the avian influenza continue to threaten Taiwan. The case has never been stronger for allowing the people of Taiwan access to the WHO. As globalization quickens, and as the spread of infectious disease accelerates, it is crucial that the people of Taiwan be given the opportunity to participate in international health organizations such as WHO.

This bill authorizes Secretary of State Powell to endorse and help obtain observer status for Taiwan at the week-long health summit of the WHA, and authorizes the State Department to introduce a resolution on the floor of the WHA in support of Taiwan's participation in the organization. The bill directs the State Department to submit a plan to Congress on how to accomplish this objective.

Taiwan has eradicated smallpox, cholera, polio, and achieved infant mortality rates on a par with Western, wealthy nations. These accomplishments warrant an invitation to participate in international policy health discussions, to sit at the table with scientists and physicians and other public health experts in all these countries.

With a population of 23 million people, Taiwan is larger than 75 percent of the countries which actually belong to the WHO. Taiwan is prepared to contribute meaningfully to the global health efforts discussed at the WHA, but without observer status, its delegates cannot even enter the room. This bill would prevent the international community from missing out on the insight and experience Taiwanese health officials can offer. This bill is good for the 23 million people in Taiwan, and it is also good for the rest of the world because of the expertise that Taiwanese health officials bring to the table.

I urge my colleagues to support access to the WHO for the 23 million people of democratic Taiwan and support this bill.

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

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

Mr. Speaker, I would just like to recognize several of the staff who have been instrumental on bringing this forth today. On the majority side, I would like to recognize Sarah Tilleman and Dennis Halpin for their very hard work; and on the minority side, I would like to recognize and thank Paul Oostburg and Bob King for their service and the hard work they have put in to make this possible today.

Mr. LANTOS. Mr. Speaker, I am in strong support of this resolution.

Mr. Speaker, I would first like to commend my colleague from Ohio, SHERROD BROWN, for his persistence in pushing for Taiwan's observer status at the WHO. For many years he has successfully advocated for legislation to move this issue forward, and I want to congratulate him on his current efforts to do so.

I would also like to thank the Chairman of the Committee, my good friend from Illinois, for moving this legislation forward and to other members on his side of the aisle for their support.

Mr. Speaker, by battling the spread of infectious diseases and increasing the quality of health care to the global community, the World Health Organization makes a significant contribution to America's national security. As we meet today, the World Health Organization is attempting to prevent future outbreaks of the deadly SARS virus, implementing new strategies to stop the spread of the deadly HIV/AIDS virus, and teaching the developing world how to stop the transmission of tuberculosis.

Mr. Speaker, the fight for quality health care around the globe will never cease. As a result, the WHO and its member countries must look for help from every nation, and from every people, to strengthen the work of the organization. Unfortunately, strong and consistent opposition from the Chinese Government has repeatedly stopped the people of Taiwan from contributing to the work of the WHO.

I appreciate the willingness of President Bush to support Taiwan's bid for WHO observer status. But I fear that those who work for the President at the White House and the State Department are unwilling to make a concerted effort to make Taiwan's observer status a reality. While it is true that active, not simply passive, support for Taiwan's bid will upset Beijing, we must first focus on promoting America's own national interest.

It is true that observer status for Taiwan will not come easy. Beijing holds sway over many WHO members. But the facts in support of Taiwan's case are clear, and support will undoubtedly build over time with active American engagement.

Mr. Speaker, Taiwan is one of America's strongest allies in the Asia-Pacific region, and is a beacon of democracy for people around the world. Taiwan also has the money and expertise to make a significant contribution to the work of the World Health Organization. The case for Taiwan at the WHO is clear, and I hope that the Bush Administration will actively seize on this critically-important matter.

I urge my colleagues to support H.R. 4019.

Mr. MENENDEZ. Mr. Speaker, I am in strong support of Taiwan's entry into the World Health Organization (WHO). It is once again time for Congress to stand up for a democratic Taiwan.

Secretary Powell has noted before the International Relations Committee that there should be ways for Taiwan to enjoy full benefits of participation in international organizations without being a member. H.R. 4019 only calls for the Secretary of State to initiate a United States plan to endorse and obtain observer status at the WHO for Taiwan.

Time and time again in recent years, Congress has passed similar legislation to provide for Taiwan's participation in the WHO. Yet time and time again, Taiwan has been thwarted from joining this international organization because of objections from the People's Republic of China. This most recently occurred last May at the World Health Assembly in Geneva; even after Congress enacted legislation authorizing the U.S. Government to implement a plan for Taiwan to obtain observer status.

In recent years. Taiwan has expressed a willingness to assist financially and technically in international aid and health activities supported by the WHO, but has been unable to render such assistance because Taiwan is not a member of the WHO. Last year's SARS outbreak in Asia should have made it perfectly clear how important it is to allow Taiwan to participate in the WHO. Taiwan offered to work with the WHO yet was denied; only later were two WHO experts dispatched to Taiwan.

Meanwhile, the WHO has allowed observers to participate in the activities of the organization, including the Palestinian Liberation Organization, the Knights of Malta, and the Vatican.

Along with many of my colleagues, I am extremely disappointed that Taiwan is not a full member of the U.N. and all international organizations that its democratically led government wishes to join. Although this resolution does not go anywhere near far enough to address this concern, it is a first step in addressing the problem that Taiwan faces.

Therefore, I urge every member of this House to support a democratic Taiwan by supporting this bill.

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

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

The SPEAKER pro tempore (Mr. BASS). The question is on the motion offered by the gentleman from Ohio (Mr. CHABOT) that the House suspend the rules and pass the bill, H.R. 4019, 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. CHABOT. 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 motion will be postponed.

GUARDSMEN AND RESERVISTS FINANCIAL RELIEF ACT OF 2003

Mr. SHAW. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1779) to amend the Internal Revenue Code of 1986 to allow penalty-free withdrawals from retirement plans during the period that a military reservist or national guardsman is called to active duty for an extended period, 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. SHORT TITLE.

This Act may be cited as the ''Guardsmen and Reservists Financial Relief Act of 2003''.

SEC. 2. PENALTY-FREE WITHDRAWALS FROM RETIREMENT PLANS FOR INDIVIDUALS CALLED TO ACTIVE DUTY FOR AT LEAST 179 DAYS.

(a) IN GENERAL.—Paragraph (2) of section 72(t) of the Internal Revenue Code of 1986 (relating to 10-percent additional tax on early distributions from qualified retirement plans) is amended by adding at the end the following new subparagraph:

''(G) DISTRIBUTIONS FROM RETIREMENT PLANS TO INDIVIDUALS CALLED TO ACTIVE DUTY.—

''(i) IN GENERAL.—Any qualified reservist distribution.

''(ii) AMOUNT DISTRIBUTED MAY BE REPAID.—Any individual who receives a qualified reservist distribution may, at any time during the 2-year period beginning on the day after the end of the active duty period, make one or more contributions to an individual retirement plan of such individual in an aggregate amount not to exceed the amount of such distribution. The dollar limitations otherwise applicable to contributions to individual retirement plans shall not apply to any contribution made pursuant to the preceding sentence. No deduction shall be allowed for any contribution pursuant to this clause.

''(iii) QUALIFIED RESERVIST DISTRIBUTION.—For purposes of this subparagraph, the term 'qualified reservist distribution' means any distribution to an individual if—

''(I) such distribution is from an individual retirement plan, or from amounts attributable to employer contributions made pursuant to elective deferrals described in subparagraph (A) or (C) of section 402(g)(3) or section 501(c)(18)(D)(iii),

''(II) such individual was (by reason of being a member of a reserve component (as defined in section 101 of title 37, United States Code)), ordered or called to active duty for a period in excess of 179 days or for an indefinite period, and

''(III) such distribution is made during the period beginning on the date of such order or call and ending at the close of the active duty period.

''(iv) APPLICATION OF SUBPARAGRAPH.—This subparagraph applies to individuals ordered or called to active duty after September 11, 2001, and before September 12, 2005. In no event shall the 2-year period referred to in clause (ii) end before the date which is 2-years after the date of the enactment of this subparagraph.''

(b) CONFORMING AMENDMENTS.—

(1) Section 401(k)(2)(B)(i) of such Code is amended by striking ''or'' at the end of subclause (III), by striking ''and'' at the end of subclause (IV) and inserting ''or'', and by inserting after subclause (IV) the following new subclause:

''(V) the date on which a period referred to in section 72(t)(2)(G)(iii)(III) begins, and''.

(2) Section 403(b)(11) of such Code is amended by striking ''or'' at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting '', or'', and by inserting after subparagraph (B) the following new subparagraph:

''(C) for distributions to which section 72(t)(2)(G) applies.''

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions after September 11, 2001.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida (Mr. SHAW) and the gentleman from New York (Mr. RANGEL) each will control 20 minutes.

The Chair recognizes the gentleman from Florida (Mr. SHAW).

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

Mr. Speaker, after the attacks of September 11, 2001, more than 85,000 reservists were recalled to Active Duty. America's brave men and women who serve the Reserves and National Guard willingly leave their jobs and families behind when called to Active Duty. Many of these service people receive a military salary that is much less than their civilian salary, and their families are the ones who suffer the difference in income during their absence. The house payments go on; the grocery bills continue to pile up. Of the nearly 200 reservists on Active Duty in Afghanistan, Iraq and around the world, one-third have taken a pay cut in order to serve their country.

This bill will provide financial assistance to those reservists and guardsmen by allowing them to withdraw money from their IRAs without being penalized. By being able to use their savings when needed, they may avert some of the hardships that result from decreases in salary. This would allow servicemembers that extra bit of stretch in the family budget so they can avoid the financial squeeze that could challenge their ability to keep a business going, make rent payments and afford groceries. All of us know every bit helps, and when we think of the tremendous sacrifice these men and women are making to serve their country to keep us safe, this bill certainly deserves and is receiving great bipartisan support from both sides of the aisle.

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

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

Mr. Speaker, I rise in support of this bill, but I do so with a very, very heavy heart because what my dear friend, the gentleman from Florida (Mr. SHAW), has pointed out is the inequities that exist in this war and the lack of sacrifice being shared by so many Americans.

It is for that reason why I think that we have to take a look at the draft. We have to make certain that when we talk about bringing them on and we are not going to cut and run, that we are not just talking about people like these reservists that we are trying to help today, people who the gentleman from Florida (Mr. SHAW) pointed out cannot make their rent payment, families who are actually receiving charitable allocations of food.

I saw a family left behind as their husband and father was in Iraq standing in line receiving food and clothing because they cannot afford it because of the reduction in salary that the reservists suffer as a result of performing their heroic duty. They suffer loss of income, many of them do not get their decent jobs back, their families have lost health benefits, and what are we suggesting we do today? What are we suggesting that we do today? We are suggesting that these low-income people that are being placed in harm's way, that when they dip into their individual retirement funds, when they are forced to jeopardize their retirement because of their service to their country, that we do not compensate them for this dramatic economic loss, we do not say, hey, we know how many private citizens are going there getting 10 times your salary, we know what their health benefits are, we know what their death benefits are, we know what their compensation really is, we are not saying that we are going to adjust that. No, what we are saying is if they are forced to go into their family's retirement fund, they can dip into it as deep as they want, jeopardize the future fiscal support of their family, and we will not make them pay a penalty.

Well, I hope Members vote aye. I hope this passes by voice vote so we will not have to explain this big patriotic thing that we have done for our fighting reservists and National Guardsmen.

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

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

Mr. Speaker, I well understand the passion in the voice of the gentleman from New York (Mr. RANGEL). He served with great distinction in Korea, and he knows what those sacrifices are like.

□ 1145

But he is a cosponsor of this bill. Sometimes it is hard to get a bipartisan minute in this Chamber; however, I think that when we do have to ask for a vote, that we will be getting a great bipartisan vote.

Mr. Speaker, I yield such time as he may consume to the gentleman from Colorado (Mr. BEAUPREZ), the author of this bill.

Mr. BEAUPREZ. Mr. Speaker, I thank the gentleman for his efforts to bring this to the floor, and I thank the gentleman from New York (Mr. RANGEL) as well for being a cosponsor of this legislation.

There is certainly much to do. I recognize and respect that. It crossed my mind, though, that this is perhaps one step in the direction of the great bit that we have to do, and it is something we can do and do quickly to provide some relief to the many families that have been going through sacrifice, financial and certainly otherwise, at this difficult time.

The Guard and Reserve have a noble tradition. Some of our greatest American heroes have served in the Guard. George Washington, Abraham Lincoln, Paul Revere, and certainly Teddy Roosevelt were all members of the National Guard. In fact, Roosevelt's Rough Riders were a Guard unit.

Since September 11 alone, some 366,000 plus Guard and reservists have been mobilized, just since September 11, 2001. Currently on Active Duty there are about 167,000 Guard and reservists on Active Duty. I believe it was the gentleman from Florida (Mr. SHAW), perhaps it was the gentleman from New York (Mr. RANGEL), who cited an estimated one-third that took a pay cut, and it may be more than that, to make this huge sacrifice and, of course, put themselves in harm's way. It would seem one of the most disingenuous, ungrateful things that this Nation could do, and in order to maintain their life-style back home, their obligations back home, that their families then be penalized for tapping into

a retirement account. Recognizing again that there is much that could and, in fact, probably should be done relative to the expanded mission that we have now found ourselves in for our Guard and Reserves since September 11, 2001, this being but one step and the step that I hope this House and this body takes today in trying to provide some financial relief to those families.

This legislation is retroactive to any Guard or reservist that has been called up since September 11, 2001. It does sunset in 2005, but certainly is action that I hope, once we see the wisdom of, perhaps we can extend that into the future. Again, a step to take, not the final step, not the only step, but a logical step in providing some financial relief to those who have taken on such a heavy burden in serving this country in a time of need.

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

Let us move forward and take this small first step, but let us listen to other steps that we can take to really show the depth of our appreciation of the sacrifice that our men and women in the National Guard and the Reserves are making.

Mr. Speaker, I yield 2 minutes to the gentleman from North Dakota (Mr. POMEROY), a member of the Committee on Ways and Means.

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

The bill before us is not the least we can do. It is well beneath the least we should do. It is saying that if, when they are serving their country on extended deployment in the National Guard, they need to go into their retirement accounts to avoid family bankruptcy, that we are not going to charge them the penalty fee for early withdrawal of their retirement money.

I am going to support this legislation because grim reality is many of our soldiers and their families are in precisely this fiscal predicament. But the leadership on the that majority side that allowed this bill to come up on the suspension calendar had so many other options, I wish it had done something more meaningful. One of the options is legislation I have introduced, the Guard and Reserve Fairness Act, H.R. 3317, and let me contrast the rather pitiful step we are taking with this legislation to what is in this bill.

This bill, the Guard and Reserve Fairness Act, would allow those employers that continue to top off the pay of their employee who is on Guard deployment, it would allow them a tax credit for the dollars they advance holding the salary of their soldier level. This is a step we have to take to encourage employers to make the extra step so that their soldiers, their departed employees now on deployment, do not take the financial hit.

On Sunday night I greeted a planeload of returning guardsmen from about 15 months of very hazardous duty in Iraq as they arrived home in Bismark, North Dakota. It was quite a scene; tears of joy as families were reunited after all they had been through. But to think that we are putting them through, on top of everything else, great financial hardship because the pay in the military is below what so many of them are making in the private sector, it is just unacceptable.

So let us advance the step of doing much more than this so that we can avoid the financial hardship to our soldiers.

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

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentlewoman from Oregon (Ms. HOOLEY).

Ms. HOOLEY of Oregon. Mr. Speaker, I thank the gentleman from New York for yielding me this time.

Mr. Speaker, I rise in support of this legislation before us today to allow the reservists and National Guard members to make needed withdrawals from the retirement accounts without the usual tax penalties. This will allow these families to adjust to the financial strain that extended deployment inflicts on soldiers and their families. But hopefully this is only the first step. This is a very small piece.

I would like to take this moment to announce the introduction by the gentleman from New York (Mr. RANGEL) and me of another simple piece of legislation to help our deployed soldiers. Under current law the refundable child tax credit provides a refund of 10 percent of taxable earnings over $10,000, but they have to be taxable earnings. We do not tax combat pay for deployed soldiers, unintentionally raising taxes for many families of soldiers deployed in Iraq or Afghanistan. Because of the quirk in the Tax Code, a soldier earning combat pay who is making under $39,000 a year with two children would actually be better off if their combat pay were taxed. This legislation we are introducing would fix this glitch and treat combat pay as taxable income only for the purpose of computing the family tax credit.

I urge my colleagues to support this bill before us today and to cosponsor the Rangel-Hooley bill to correct the inequities with combat pay and the child tax credit. All Members can sign up.

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

Very briefly, I think the gentlewoman brings up a good point, and I would point out to the Congress that this is a matter that is subject to conference right now on a bill that is in conference, and I certainly think this is an oversight. It was not thought of when the child care credit was initiated, and I have been told that it would be germane and would be subject to conference, and perhaps it would get good bipartisan support.

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

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

I would ask the gentleman from Florida might he extend that bipartisan to join with me in asking that the conference meets. Without a meeting there is no agreement.

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

Mr. RANGEL. I yield to the gentleman from Florida.

Mr. SHAW. Mr. Speaker, I think, as the gentleman knows, this is the Senate's call at this particular point.

Mr. RANGEL. Mr. Speaker, when the Senate does call, I hope that the minority be notified where the conference is being held, that we would be allowed to participate.

Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. LEVIN), a member of the Committee on Ways and Means.

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

Mr. LEVIN. Mr. Speaker, I support this legislation. I assume everybody else will. But let us recognize it as a baby step when we should be taking a much larger one, I would say a giant step.

I do not think any of us know enough about what is happening in the lives of the families of those who are serving, in many cases serving longer than they ever expected, and the hardship that is happening financially as well as otherwise to these families.

So we should be doing more than this. Indeed, we should have had a Committee on Ways and Means discussion of this, this bill did not come before us, to look at the panoply of legislation that we could be considering and enacting. One has been mentioned relating to the child credit. Another relates to the withdrawals from the IRAs. The penalty is now being taken care of. But how about when there is a recontribution to make up for what had to be withdrawn because people are serving, they are doing their duty, they are receiving much less pay, the families are living on much less? This was not expected. It was not something they could readily plan for.

So today we ought to be looking at this legislation as something that should be passed, but as something that should just be the opener in a full discussion in this House, in our committee, about the consequences that are being imposed really upon the families who are really in many cases in some economic distress. So let us just make this the beginning and not the end.

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. LANTOS), the senior Democrat on the Committee on International Relations, and one of the most eloquent voices that we have in this body.

Mr. LANTOS. Mr. Speaker, I thank my good friend for yielding me this time.

Mr. Speaker, the legislation we are considering today is the absolute

height of hypocrisy. H.R. 1779, the so-called Guardsmen and Reservists Financial Relief Act, is a sham, and it is an outrage. We are calling up members of our National Guard and Reserves, pulling them out of their regular employment, taking them away from their homes and families and communities, and asking them to risk their lives in the fight against terrorism in places like Iraq and Afghanistan. And what does the Republican leadership of this House propose to do in order to help them face the financial strain this call-up imposes on them and their families as they risk their lives for our Nation? This legislation provides the tiniest of tiny benefits. The bill allows the waiver of the early withdrawal fees as reservists and National Guardsmen and women use their own retirement savings, their own IRAs, in order to meet their urgent financial needs caused by their activation to serve our Nation.

This bill still requires that these brave men and women pay taxes on the money they withdraw. This means that a reservist in the 25 percent tax bracket would have to withdraw $10,000 from his own IRA in order to meet expenses of $7,500.

Instead of considering serious and substantive Democratic proposals to help those who risk their lives for all Americans, the leadership of this House continues to adopt grandly titled legislation which does little or nothing. At the same time, the Republican leadership continues to press for the top White House domestic priority, another tax cut for the wealthiest Americans.

Where is the shared sacrifice? Where is the effort to balance what all Americans are being asked to sacrifice as we fight the war on terrorism? Tax cuts for the wealthiest Americans, minute waivers of fees on early withdrawals for soldiers fighting and dying in Iraq and Afghanistan.

□ 1200

I cannot understand how the leadership of this House can shamelessly bring this tepid legislation to the floor and claim it benefits members of the Reserves and National Guard.

Months ago, Madam Speaker, I introduced H.R. 1345, bipartisan legislation supported by 80 Members of this body, that would provide real relief to the more than 40 percent of the National Guard and Reserves who suffer serious financial hardship when they are activated to serve our Nation. There are currently 170,000 Reservists and National Guardsmen activated to fight the war on terrorism, which means that 70,000 of them are attempting to get by on drastically reduced salaries.

Madam Speaker, the time has come to provide real assistance to these families. I challenge the Republican majority in this House to take meaningful action that will truly benefit the soldiers in our Reserve and National Guard units. It is time to stop playing with sham legislation like this bill that we are considering today.

Mr. RANGEL. Madam Speaker, I yield 1 minute to the gentleman from Texas (Mr. SANDLIN).

Mr. SANDLIN. Madam Speaker, I thank my colleague from New York for yielding me time.

Madam Speaker, today there are 171,917 National Guardsmen and Reservists on active duty. They are facing increasingly difficult circumstances with the most recent extension of the deployment of troops in Iraq. As a consequence of their service, many of our National Guardsmen and Reservists have been forced to resort to their savings, savings that are vital to the economic well-being of their families.

Many of our Guardsmen and Reservists have been forced to liquidated IRAs and other retirement accounts in order to pay their families' day-to-day expenses.

I am pleased that the bill we have before us today provides these servicemembers relief from the 10 percent penalty normally imposed on individuals making early withdrawals from those accounts. This relief is important, and I am pleased to support it as a first step.

Curiously, the bill does not take the next logical step, the next important step. While H.R. 1779 would permit the individual to recontribute the money to the retirement plan, the bill eliminates any tax benefit for the recontribution. As a result, individuals making those recontributions could ultimately face double taxation. They paid regular income tax on the initial distribution; they would have to pay regular income tax on the final distribution.

Madam Speaker, I am pleased today to support H.R. 1779, but only as a first step. These folks are risking their lives. Let us not force them to risk the financial security of their family.

Mr. RANGEL. Madam Speaker, I yield 1 minute to the gentleman from Maine (Mr. MICHAUD), a member of the Committee on Veterans' Affairs.

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

Madam Speaker, yesterday I learned that one member of the 133rd Engineering Battalion from my State of Maine was killed and four were seriously wounded when serving their country in Iraq. My thoughts and prayers are with these soldiers and their families.

Unfortunately, sacrifices like these make it very clear that the Guard and Reserve face the same grave dangers as other military personnel. They are an essential part of our total fighting force, and they deserve the best our country can give.

I believe this bill before us today is a good first step in the right direction, but there is still so much more we should be doing for our soldiers and their families. Instead of simply allowing them to pull out their retirement money early to help pay the bills, we should provide better pay and assistance for their families. Indeed, they face the same problems when they return home as other workers. Anyone who has been unemployed for an extended period should have the same ability to use their retirement funds to make ends meet. Even more important, Reservists must return home to a country that can provide good jobs for them so they can care for their families. That is the best way to honor our veterans.

Mr. RANGEL. Madam Speaker, I yield 1 minute to the gentleman from Ohio (Mr. STRICKLAND), a member of the Committee on Veterans' Affairs.

Mr. STRICKLAND. Madam Speaker, the leadership of this House should be ashamed to bring this bill to the floor. We are going to vote for it, obviously, because it is better than nothing, but it is nearly nothing.

The President said in his last press conference that he would tell the troops, whatever you need, we will provide. Well, it took the President and the Pentagon one full year, from March, when the war started, until March of this year, to ensure that all of our Guardsmen and all of our Reservists had body armor to keep them safe, and now we have Guardsmen and Reservists driving around in Iraq in Humvees that are not armored. They are getting their limbs blown off, and they are losing their lives by driving over these roadside bombs in unarmored Humvees.

The only company that has a sole-source contract to provide these armored Humvees for our military is in the State of Ohio. The vice president of that company came to my office and said, Congressman, we can produce up to 500 of these armored Humvees per month, but the Pentagon is only asking for 220.

We are doing something for our Reservists and our National Guard persons, but what we ought to be doing is providing them with life-saving equipment, and the President and the Pentagon and this Congress is failing to do that today.

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

Madam Speaker, I have to rise at this particular point. This is a bill that gives a single benefit to our wonderful men and women serving us in combat. This is not the end of the legislation. This is not the only bill. This is not enough to do for these service men and women. Nobody up here is claiming that.

This has nothing to do with body armor, it has nothing to do with Humvees, it has nothing to do with equipment. Those are things that are being addressed in another committee, and should be addressed. I cannot disagree with what is being said, but this is not the forum in which to make these types of allegations.

This is a very good step forward, and this is supposed to be one of the unusual bipartisan moments we would

have in this body. I really am very disappointed that we are getting so much negative debate on something that is, hey, not enough, but we are going to move it forward.

Madam Speaker, it is my privilege to yield such time as he may consume to the gentleman from South Carolina (Mr. BARRETT), the coauthor of this legislation.

Mr. BARRETT of South Carolina. Madam Speaker, I rise today to support H.R. 1779, the Guardsmen and Reservists Financial Relief Act of 2003.

We live in a different world than we did 3 years ago. We now know our borders are not secure, the oceans no longer protect us from the rest of the world. Enemies in the past needed great armies, great industrial capacities and so many other things to endanger America. Now terrorists are organized to penetrate open societies and turn the power of modern technologies against us.

To defeat this, we must and will use every tool available to us: better homeland defense, law enforcement, intelligence and vigorous efforts to cut off terrorist financing and military power.

There is no doubt that our National Guardsmen and Reservists have been an integral part of our military power since September 11. The members and their families have sacrificed so much over the past 2 years. That is why I am proud to have worked very closely with the gentleman from Colorado (Mr. BEAUPREZ) to come up with a way to ease the financial burdens placed on our Guardsmen and Reservists families while they serve their country.

H.R. 1779 will allow military Reservists and National Guardsmen to make penalty-free withdrawals, listen to me now, penalty-free withdrawals, from their IRAs if they have been called for an extended duty time of more than 179 days. Reservists and Guardsmen will then be able to repay these withdrawals, penalty free, penalty free, within 2 years after the end of their duty.

It is my hope that this legislation will give some relief to the families who sacrifice day to day. You have seen them, and I have seen them. They are in everybody's district.

We want to help them to ensure our national security so we can defend our freedom. H.R. 1779 is just one way our Nation can thank them for what they do, each and every one of them every day. My thoughts and prayers remain with those who stand in harm's way, and may God bless each and every one of them.

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

Madam Speaker, let me take this opportunity to disagree in the most friendly way with the gentleman from Florida. This is the time for us to show our support for our Reservists and National Guard. This is the time for us to give you on the other side of the aisle an opportunity to show what package you would want to present so that we in a bipartisan way can present this.

It is no profile in courage for us to say you are now able to borrow money from your pension funds and have it penalty-free, penalty-free, penalty-free. Eighty-eight of the 704 people killed in action are Reservists and National Guard. Their families know that we have about 25,000 civilians over there that really get better benefits than they are getting.

So we are only using this as a vehicle to offer you the opportunity to join in a bipartisan way with a package that should sweep the patriotism of this House and to really say we are not remembering you in our prayers, but we are remembering you in the pocketbook where these people are suffering.

Madam Speaker, I yield one minute to the distinguished gentleman from California (Mr. GEORGE MILLER)

(Mr. GEORGE MILLER of California asked and was given permission to revise and extend his remarks.)

Mr. GEORGE MILLER of California. Madam Speaker, we are going to support this legislation, but let us understand something: this legislation is a monumental insult to our Guardspeople and our soldiers.

What we are telling them is we invaded Iraq, and now they have to invade their savings, that they have to invade their retirement plans and their savings to subsidize this war effort. Because their families are under serious economic stress to keep from losing their home or losing their car or defaulting on a loan, they must now invade their savings, contrary to every bit of piece of advice that they get from Merrill Lynch, from Goldman Sachs and everybody else about how you build a retirement account, that you do not invade it.

Many of these people do not have incomes that will allow them to restore the savings that they take out of here. So they are getting penalized. They are getting penalized by destroying their long-term retirement future to subsidize this war because we could not come up with a plan, this administration, to get them out of Iraq on time or to give them notice about how long they were going to spend there so their families could make adjustments.

What these sailors and soldiers and Marines need is they need some additional pay. They need interest-free loans. They do not need to invade their savings to subsidize this war. It is an outrageous thing that we would do this to these individuals, because so many of them are not going to be able to pay this money back.

Mr. RANGEL. Madam Speaker, I yield 1 minute to the gentleman from Tennessee (Mr. TANNER), a member of the Committee on Ways and Means

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

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

Madam Speaker, I spent 26 years in the National Guard. I know what some of these people in the Guard and Reserve are going through. It is of little use, I think, for us to claim that we are giving a benefit to people when all we are saying to them is you can spend your own retirement money without penalty.

That is a really pathetic gesture to people who are the only people in the country, active duty, Guard and Reservists and their families, the only people in this country who have been asked to sacrifice anything, anything whatsoever. The rest of us, people my age, I am now retired from the National Guard, are told, you take a tax cut.

We send thousands of young people to Iraq and all over the world. ''We will make any sacrifice.'' No, we are not making any sacrifice. They are. We are told to go shop and take a tax cut to help the economy. They are the ones that are making the sacrifice, and it is a shame that this is all we can do.

The SPEAKER pro tempore (Mrs. BIGGERT). The gentleman from New York (Mr. RANGEL) has 1 minute remaining, and the gentleman from Florida (Mr. SHAW) has 11 minutes remaining.

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

Madam Speaker, because I am concerned about the feelings of the gentleman from Florida, and not believing that we can move forward on this in a bipartisan way, I am going to make an offer that I do not believe that he can refuse, and that is we have agreed that this would be a very small step in doing what we as Americans, we as Members of Congress would want to do.

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We Democrats have a lot of ideas. We have a committee that is working on how we can best support our troops, National Guard, reservists and active. If his office would work with my office with the ideas that they have, maybe we can come together with a meaningful, a real meaningful, support bill to show how much we appreciate the extraordinary commitment that these men and women are making.

And so perhaps once a week I will come to the floor and call upon my friend, the gentleman from Florida, cannot we collectively do something so that we are not criticizing the minimum we do, but we be supporting the maximum that fiscally we can.

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

Madam Speaker, I will say to my good friend the gentleman from New York (Mr. RANGEL) that any time he wants to meet with me, I would be delighted to meet with him. Unfortunately, most of the problems that we have been hearing are in the Committee on Armed Services where, I might say, that that committee has a lot of good bipartisan effort within that committee. But I would be delighted to share any ideas that I might

have or that the gentleman from New York (Mr. RANGEL) might have including one that was spoken of earlier by the gentleman from California, and that is interest-free loans.

Madam Speaker, I yield 2 minutes to the gentleman from Nevada (Mr. GIBBONS).

Mr. GIBBONS. Madam Speaker, I rise today in strong support of the Guardsman and Reservists Financial Relief Act of 2003.

First let me commend all of our fine troops at home and abroad for their efforts in the war on terrorism. I want them to know that America supports their unyielding commitment in protecting our country from the constant threat of terror. The terrorists will never let up in their pursuit to create devastation and chaos all at the cost of innocent civilians, and their lives, of course. And we cannot afford to lose this war, and we must remain steadfast.

Madam Speaker, there is no doubt that through this difficult and dangerous struggle, our National Guardsmen and military reservists have continued to serve our Nation with honor and distinction. The President and this Nation have called upon these brave men and women to help win this war, and they have answered.

Guard and reservists oftentimes leave behind not only their friends and family, but their private sector jobs. In doing so they may face a drastic cut in pay, placing their families in financial hardship.

While our reservists are fighting to protect the American way of life, facing daily threats from radical insurgents and terrorists abroad, here in Congress we must stand up and fight for those heroes here at home.

Madam Speaker, this is why I am a strong advocate for this legislation. H.R. 1779 will help the families of these reservists and guardsmen pay their bills while they continue to serve this country. I ask Congress to do the right thing today, pass this important bill for the brave men and women who sacrificed so much for our safety and security so that we can win this war.

Mr. SHAW. Madam Speaker, I yield 1 minute to the gentleman from South Carolina (Mr. SPRATT).

Mr. SPRATT. Madam Speaker, there is nothing wrong with this bill as far as it goes. What we are trying to argue here is we need to go further, particularly at this point in time. The gentleman mentioned the Committee on Armed Services. When we had the last supplemental appropriation on the floor, $87 billion, I offered a package of benefits that went to family assistance, family separation pay, imminent danger pay, Tricare for reservists, a number of different things that we could and probably will have to do because of recruitment and retention problems that we will face down the road, but should do out of gratitude for our troops and particularly our Reserve and Guard components.

So I hope we can get the cooperation of both sides of the aisle in crafting a package for the upcoming mark of the defense authorization bill which will address many areas here where things can be done positively that go far beyond this bill.

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

Madam Speaker, I say to the gentleman from South Carolina (Mr. SPRATT) that I agree with him more than I disagree with him. I think he puts a nice positive spin on the closing side on the minority side. Yes, we are not doing enough, but I think now every 2 years we go through this.

This bill which this body is going to overwhelmingly support, and I am going to ask for a recorded vote, it has been called the height of hypocrisy, it has been called a sham, an insult. One of the speakers said it was pathetic.

Let me come back to Earth here and go through exactly what this bill does do. I think this is very important. Generally distributions from IRAs or pension plans are subject to 10 percent early withdrawal penalty if made before the age of 59½. And there are some exceptions right now that are in the law, such as distributions made for catastrophic medical expenses or first-time home purchases. I think there is also an exemption on educational funds.

What this bill simply does, and I compliment the authors of this bill, it would waive the 10 percent early withdrawal penalty for military reservists and National Guardsmen who are called into Active Duty for more than 179 days. Amounts withdrawn could be repaid on an after-tax basis to an IRA within 2 years after leaving Active Duty status. The bill would apply to individuals called into duty after September 11, 2001, and before September 12, 2005.

The Joint Committee on Taxation estimates that this bill would reduce revenue to the Federal Government by approximately $4 million over 10 years. That is not, in the total scheme of things in this Federal Government, that is not a lot of money. The gentleman from South Carolina (Mr. SPRATT) knows this well. He is the ranking member on the Committee on the Budget and an expert on the minority side in this area.

It is the least we can do. Is it enough? No. Are we requiring people to take the money out of their IRAs? No. We are simply laying down another tool by which these families can help themselves. There are already many things that are in the law that protect our men and women who are called upon to serve. But are there enough things? Shall we continue to look for additional things? Of course we should. We owe them so very much. We can never repay the risks that they are taking, the sacrifices that they and their families are making.

GENERAL LEAVE

Mr. SHAW. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on the subject of this bill.

The SPEAKER pro tempore (Mrs. BIGGERT). Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. STARK. Madam Speaker, I am in support of the Guardsman and Reservists Financial Relief Act.

The courageous Americans serving in harms way should not be forced to suffer for their services through unnecessary financial hardship. This legislation would allow members of the National Guard and Reserves deployed in extended duty in Iraq and elsewhere the opportunity to borrow against their 301(k) plans and retirement savings to make ends meet.

This bill may give reservists more flexibility to meet financial pressures. But President Bush and Republicans in Congress can—and must—do more for our troops who are making sacrifices on our behalf. They deserve better pay and better health care and benefits for their families.

Several thousands reservists who were on the verge of coming home from Iraq recently had their stay extended. By next month, the Pentagon expects reservists to make up 40 percent of the total force employed there. In fact, more than 325,000 Guardsmen and reservists have been activated since September 11, many taking a pay cut when called to active duty.

With the bill before us today, reservists aren't getting additional pay to help support themselves and their families. They're just being allowed to borrow against their retirement without a penalty—as if having to pay back their lost retirement savings later because of lost wages isn't penalty enough.

It is important to remember that most people who've joined the Guard and the Reserves never signed up expecting to be deployed on extended tours of duty. Yet, they have accepted that responsibility and served courageously in Iraq. But, let us not forget our reservists are still bearing the consequences.

Many families of Guard and Reserve troops have had to cope with lost income since their civilian salaries are suspended while they are on active duty. The military pay for most reservists is often far lower than their civilian job forcing many families to work overtime, use their savings or even go on welfare.

Rather than putting it on reservists to make up for this lost pay, Congress ought to pass the Equity for Reservists Pay Act, legislation I support to require federal agencies to pay employees the difference between their civilian and military wages while they are on active duty. Congress ought also extend military pay raises. We ought to extend the child tax credit to low-income families of those serving in Iraq or Afghanistan.

Although I support this legislation, Republicans have sadly missed the mark today. This just doesn't repay our troops for their service. But, I'm not surprised considering that President Bush wants to cut imminent danger pay and separation allowances, putting our troops further in the hole.

I urge my colleagues to pass this legislation today. But this should not be the last step this Congress takes to help those brave Americans who continue to sacrifice for our nation.

Mr. SPRATT. Madam Speaker, H.R. 1779 amends the Internal Revenue Code of 1986 to allow penalty-free retirement account withdrawals for national guardsmen and reservists called to active duty for an extended, and further authorizes a 2-year period to reimburse their accounts up to the amount withdrawn. I think you would be hard pressed to find a Member of Congress who opposes this low cost bill to benefit our troops. My only question is: Shouldn't we do more? The answer is clearly yes. I agree in spirit with this bill, but when I compare it with what the troops truly deserve, I'm reminded of the commercial, "Where's the beef?" come up short. The mere fact that we are considering legislation that allows guardsmen and reservists to withdraw funds from their retirement accounts indicates the problem. A solution for this problem must include more "beef" than simply allowing our service members to borrow from their long term savings to meet their short term obligations. A true solution lies in the form of better benefits.

Our troops, both active and reserve need and deserve better family separation and imminent danger pay. Reservists serving in Afghanistan and Iraq need TRICARE military health coverage. Retirees deserve better survivor benefits for military widows and our military families deserve better housing.

Recent events in Afghanistan and Iraq highlight the perils of war. In the FY03 Emergency Supplemental Appropriations bill, imminent danger pay, additional compensation provided to servicemen and women in combat zones, was raised to $225 from $150 a month. The family separation allowance, which goes to help military families pay rent, child care or other expenses while service members are away, was raised from $100 to $250 a month. Congress should act now to make these increases permanent. This will show our troops that we are aware of the hardships they face not only in the field, but also at home.

The Supplemental Appropriations bill also provided limited and temporary TRICARE benefits for Reservists. It stopped short of providing expanded health care benefits to members of the selected reserve and certain members of the Individual Ready Reserve and their families.

Representative JEFF MILLER's bill to end the survivor Benefit Plan (SBP) widow's tax has 303 co-sponsors, but may never make it to the floor for a vote. Congress should act on this important legislation.

We have thousands of service members and their families living in substandard housing. The Military Housing Privatization Initiative (MHPI) was passed to remedy this injustice. A spending cap was set as a safeguard. We anticipate reaching the spending cap by November 2004, and the problem has not been solved. We must raise or eliminate this cap in order to continue this necessary program.

Instead of rewarding our troops and retirees with tangible benefits, the legislation we are debating today simply permits select Reserve Component members to borrow their own money in the short term at the expense of their long term goal of a comfortable retirement. While H.R. 1779 allows a two year period to replace the withdrawn funds, I am doubtful that a financial strain that would require tapping one's retirement savings would permit complete reimbursement within 2 years. We can do better for the men and women of the world's greatest military. Rather than simply removing the 10 percent penalty for early retirement account withdrawal, I urge my colleagues to support a permanent increase in imminent danger pay and the family separation allowance, provide adequate funding to include reservists in TRICARE, eliminate the SBP widow's tax, and raise or eliminate the MHPI spending cap.

H.R. 1779 is a low cost morale booster for our troops in the field, and I urge its passage today. However, the mere fact that we are considering this measure highlights a bigger and more lasting problem for our troops. Mr. Speaker, I will vote yes on this bill, but I urge my colleagues, especially the Republican Majority to follow up H.R. 1779 with the more meaningful and substantive legislation I have outlined, which is specifically spelled out in the "Military Benefits Proposal," which I am attaching and submitting for the RECORD. This list contains benefits I proposed when the $87 billion Supplemental Appropriation was offered last year. Unfortunately, the Rules Committee did not make my proposal in order as an amendment. I intend to offer many of these benefits again when the Defense Authorization Bill is marked up in Committee and considered here on the floor.

MILITARY BENEFITS PROPOSALS

Hostile Fire/Imminent Danger Pay: Makes increase from $225 per month to $250 per month permanent.

Family Separation Allowance: Makes increase to $250 per month permanent.

Hardship Duty Pay: Increases from $300 per month to up to $600 per month during FY2004.

Eliminate Out-of-Pocket Housing Costs: Accelerates from 2005 to 2004 the final year of the bipartisan effort to increase the Basic Allowance for Housing to completely cover average out-of-pocket housing costs for military families living off base.

Family Assistance Centers: Provides $48 million for increased demand on family assistance centers for National Guard and Reserve to assist with problems related to increased deployments.

Transition Assistance for Disabled Servicemembers: Provides $50 million to enhance DOD–VA transition programs for disabled servicemembers.

Deployment Notification to Reservists: Directs DOD to provide maximum advance notice to mobilized Guard and Reserve personnel on the timing and duration of their duty.

Small Business Loans for Reservists: Provides $25 million for loans or loan guarantees for reservists whose small businesses have been disrupted by their mobilization.

Vocation Development for Reservists: Provides $25 million for SBA grants for vocational or technical training for reserve-owned small businesses.

Mr. KIND. Madam Speaker, I rise in support of this legislation, H.R. 1779, the Guardsmen and Reservists Financial Relief Act, which will allow members of the National Guard and military Reserve forces to make penalty free withdrawals from retirement accounts if they are called to active duty for an extended period of time.

Our National Guard and reserve forces are playing a leading role in our operations abroad. Nationwide, over 325,000 members of the Guard and reserve have been called up to active duty since September 11, 2001. Serving in Iraq and elsewhere, these service members have fought side-by-side with their Active Duty counterparts in often difficult and dangerous conditions.

Over the past year, I have had the opportunity to meet with many National Guard and Reserve members and families from Wisconsin who have been called up in support of operations Enduring Freedom in Afghanistan and Operation Iraqi Freedom in Iraq. Members of the 229th Engineer Company out of Prairie du Chien and Platteville, the 829th Engineer Detachment out of Richland Center, and the 652d Engineer Company out of Ellsworth all recently returned from yearlong deployments in Iraq. Their sacrifices, and those of their families, are greatly appreciated by Wisconsin residents.

With many Guard and Reserve members taking large pay cuts when called to active duty, it is proper that Congress act to relieve this additional burden. The legislation before us today helps by allowing activated Guard and Reserve members to withdraw money from retirement accounts without penalty.

While this legislation assists those Guard and Reserve members and families who need financial assistance to make ends meet, it is only a minor step. I, along with many other members of Congress, support additional tax relief for military families, pay increases for certain personnel, health care improvements, and reenlistment bonuses for members of the Reserve Component.

Our military commitments in Iraq and throughout the world are not likely to diminish in the near future, and the Defense Department expects Guard and Reserve units to make up about 40 percent of our total force in Iraq by May 1, 2004. With this in mind, we need to do all we can to support the men and women of the Guard and Reserve who are called to active duty and their families.

My thoughts and prayers are with those serving our country overseas, as well as their families. America is firmly behind our troops, and we are all hoping to see them home safe, secure and soon.

May God continue to bless the United States of America.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida (Mr. SHAW) that the House suspend the rules and pass the bill, H.R. 1779.

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. SHAW. Madam 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 motion will be postponed.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, proceedings will resume on motions to suspend the rules previously postponed. Votes will be taken in the following order:

H.R. 3970, by the yeas and nays;