always passed with bipartisan sponsors in the House and Senate and consistently strong support from Members of both bodies. We are particularly indebted to the chairman, who, because of the importance of higher education to those who live and work in this white-collar region, has always made this bill a priority of the committee.

This year he performed an additional critical act of leadership. When a problem arose in the Senate after the bill was approved in committee, he forged an acceptable compromise. The champions of the bill in the Senate have been a chairman, Senator GEORGE VOINOVICH and his ranking member, Senator DICK DURBIN of the subcommittee with jurisdiction over the District of Columbia, as well as the Chair of the Senate Committee on Governmental Affairs, Senator SUSAN COLLINS and the ranking member, Senator JOE LIEBERMAN.

Mr. Speaker, I want to express special gratitude to President Bush, who came to office several years after the law was in effect, saw the evidence of its exceptional success, and has continued to fund it in his budget at authorized levels.

The act, which partially funds college tuition through tuition access grants, or TAG, gives D.C. residents opportunities for college attendance that other Americans already enjoy through their State university systems. Because the District has no State university system, TAG substitutes for such a system by allowing D.C. residents to attend the public colleges in the States at instate tuition rates, subsidized up to $10,000. In the alternative, our students may receive $2,500 to attend private colleges at historically black colleges or universities in the city or region or other private colleges, provisions that also imitate what some States allow.

Already some 6,000 D.C. students have attended more than 150 colleges nationwide because of funds provided by the act. There are two particularly gratifying results from the first years of the Act. First, college attendance in the District has increased by 28 percent compared with only 11 percent nationally. Second, the act has been important to keeping tax-paying residents in the city and stemming the large and disastrous taxpayers' losses of the past three decades, particularly of parents who often left for the suburbs when their children were in reach of college age, rather than deny their children the benefits of a lower-cost, high-quality State university system. The high cost of tuition is a significant reason many residents left the District and others refuse to settle here.

The evidence of the success of the program and the return on the dollar to residents, to the city itself and to the Federal Government is not in dispute. Close monitoring by the GAO, by the committee and by our office have shown that TAG has been well run. TAG is universally popular among D.C. residents and businesses because of the act's simultaneous and immediate benefits to higher education in the District and, therefore, to the economic stability and viability of the city itself.

The program is an unqualified success and continues to exceed all expectations. The program has proved itself in becoming a valuable catalyst to where it is most needed. TAG deserves reauthorization, and I strongly urge its passage.

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

Mr. TOM DAVIS of Virginia. Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Speaker, I thank the chairman of the Committee on Government Reform for yielding me time, but particularly for his leadership on this bill and the preceding bill.

This bill provides opportunities to young people who have already not only graduated from high school, but showed exceptional academic achievement. Many of them had to overcome social and economic barriers that we would never want or expect our own children to be able to cope with, let alone overcome. It's not fair that in the District of Columbia they do not have the opportunities that many of our children in the suburbs have. To make at least this very important access to higher education available to them at a very reasonable cost is a terribly appropriate thing to do.

Mr. Speaker, I appreciate the leadership of the gentlewoman from the District of Columbia (Ms. NORTON) on behalf of her constituents and the leadership of the gentleman from Virginia (Mr. TOM DAVIS) on behalf of the Congress to make sure that this legislation gets through.

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

In closing, I want to say that the two gentlemen from which we just heard on the bill, the gentleman from Virginia (Mr. MORAN) who just spoke, and the gentleman from Virginia (Mr. TOM DAVIS) who has led the bill, are both from this region.

This may be the most white-collar region in the United States. When District of Columbia residents did not have access to its State university system, it hurt the entire economy of the region because it meant the critical core of the region could not provide the same State university systems that are very beautifully provided in Maryland and Virginia. So one part of the region could not contribute to the economic viability of the region.

Mr. Speaker, I appreciate particularly their work in understanding how vital the District's contribution was and is, and that it cannot be made except through higher education of the kind that is expected through this region.

Finally, a word about the Chair. This bill was finally passed in the Senate only in the lame duck session. It has been passed here because the chairman had smoothly led its passage in the House. It did not have a bit of controversy here. There were some changes made after some consultation with the House with the Senate, and all was well; and at the last minute a very small problem arose in the Senate. But when one person raises a problem in the Senate, that can mean the end of an entire bill. So I do want to say right here on this floor that the work of the chairman when we brought this to his attention that all efforts in the Senate to solve this one problem with one Member had failed for reasons no one could put their finger on, that his own creative sense of compromise is what rescued the bill in the Senate.

I want to express my deep appreciation for his work in the midst of the lame duck session, to think of what might be done, and then to speak with the Member in the Senate who raised an issue, and then to come forward with a compromise that has proved acceptable to all. We are very grateful for that, because without that work on the part of Chairman DAVIS, we would not be here.

□ 1530

This bill would not be authorized, and we would not be able to get the full amount which has already been passed by the appropriation committees on both sides into the President's budget when it comes here in January.

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

Mr. TOM DAVIS of Virginia. Mr. Speaker, I yield myself such time as I may consume.

I thank my colleagues for their kind words and their efforts in working together on this legislation, and I would urge all Members to support the Senate amendments to H.R. 4012.

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

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the motion offered by the gentleman from Virginia (Mr. TOM DAVIS) that the House suspend the rules and concur in the Senate amendments to the bill, H.R. 4012.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendments were concurred in.

A motion to reconsider was laid on the table.

## AMENDING INTERNAL REVENUE CODE TO MODIFY TAXATION OF ARROW COMPONENTS

Mr. RYAN of Wisconsin. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5394) to amend the Internal Revenue Code of 1986 to modify the taxation of arrow components.

The Clerk read as follows:

H.R. 5394

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

**SECTION 1. EXCISE TAX ON ARROWS.**

(a) REPEAL.—Subsection (b) of section 332 of the American Jobs Creation Act of 2004, and the amendments made by such subsection, are hereby repealed; and the Internal Revenue Code of 1986 shall be applied as if such subsection and amendments had never been enacted.

(b) TAX ON ARROW SHAFTS.—Paragraph (2) of section 4161(b) of the Internal Revenue Code of 1986 (relating to arrows) is amended to read as follows:

''(2) ARROWS.—

''(A) IN GENERAL.—There is hereby imposed on the first sale by the manufacturer, producer, or importer of any shaft (whether sold separately or incorporated as part of a finished or unfinished product) of a type used in the manufacture of any arrow which after its assembly—

''(i) measures 18 inches overall or more in length, or

''(ii) measures less than 18 inches overall in length but is suitable for use with a bow described in paragraph (1)(A),

a tax equal to 39 cents per shaft.

''(B) ADJUSTMENT FOR INFLATION.—

''(i) IN GENERAL.—In the case of any calendar year beginning after 2005, the 39-cent amount specified in subparagraph (A) shall be increased by an amount equal to the product of—

''(I) such amount, multiplied by

''(II) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year, determined by substituting '2004' for '1992' in subparagraph (B) thereof.

''(ii) ROUNDING.—If any increase determined under clause (i) is not a multiple of 1 cent, such increase shall be rounded to the nearest multiple of 1 cent.''.

(c) ARROW POINTS.—Clause (ii) of section 4161(b)(1)(B) (relating to archery equipment) of such Code is amended by striking ''quiver or broadhead'' and inserting ''quiver, broadhead, or point''.

(d) EFFECTIVE DATE.—The amendments made by subsections (b) and (c) shall apply to articles sold by the manufacturer, producer, or importer after March 31, 2005.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. RYAN) and the gentleman from North Dakota (Mr. POMEROY) each will control 20 minutes.

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

GENERAL LEAVE

Mr. RYAN of Wisconsin. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the subject of H.R. 5394, the bill under consideration.

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

There was no objection.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield myself such time as I may consume.

(Mr. RYAN of Wisconsin asked and was given permission to revise and extend his remarks.)

Mr. RYAN of Wisconsin. Mr. Speaker, I briefly just want to describe what this bill does.

I, along with the gentleman from Utah (Mr. MATHESON), introduced H.R. 5394, which will correct an unintended new tax on arrows. The American Jobs Creation Act closed the loophole that allowed imported arrows to avoid the excise tax paid on domestically produced arrows. Unfortunately, the IRS identified an unintended consequence that will require 8,000 retailers to collect and remit a small part of this excise tax.

The provision of this bill designed to protect the double taxation of arrows inadvertently moves the incidence of a very small part of the tax on arrows from manufacturers to retailers. This language will require every retailer to determine the difference between the tax paid on the components that they buy and the tax due on arrows that they assemble and sell. Therefore, 8,000 retailers will be required to file and remit the excise tax quarterly for an amount of about $100,000.

Clearly, Congress did not intend to impose a new tax on thousands of small businesses and retailers. This legislation fixes that. It amends the archery excise provision to impose a flat fee on the first sale of all arrow shafts. This legislation protects thousands of retailers by keeping the incidence of the tax on manufacturers, not on retailers; treats domestic and foreign manufacturers equally; and protects the Federal Aid in Wildlife Fund.

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

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

Mr. Speaker, I want to commend my colleague the gentleman from Wisconsin (Mr. RYAN). He has worked very diligently on this issue. I know he personally is an avid sportsman and takes, therefore, more than passing interest in these matters. He also does very well representing the constituents involved in the domestic manufacture of arrows.

This has been a hard one to get right. We first passed it in 1997, trying to address this issue. The language in the FST bill that passed just a few weeks ago we thought took care of it. We had the joint tax and Treasury Department involved in getting that language correct, and only now we are finding that it is going to be a new tax to be collected by about 10,000 sports retailers.

Mr. Speaker, we want to fix this, and we want to fix this one right, quick. So I am going to ask for support on this motion today.

I would like to, in the course of my remarks, however, address an issue raised by the gentleman from New York (Mr. RANGEL), the ranking member of the Committee on Ways and Means, and his statement will be made a part of the RECORD.

He had offered for the chairman a deal to bundle in a unanimous consent package the bow and arrow fix, plus a provision to address the circumstances of the Virgin Islands and other territories under the corporate tax reform bill, the FST bill mentioned earlier, as well as something to address the devastation in Haiti, and so I would just read a couple of paragraphs from his statement because I think it is appropriately before the body.

The ''Ways and Means Committee Chairman THOMAS knows that the bows and arrows correction could have been handled by unanimous consent.'' There had been a request that a correcting provision from the FST/ETI bill also be included to assist the Virgin Islands and some attention provided to the devastation affecting the people of Haiti.

''The recently enacted FST/ETI legislation contains a provision that will adversely affect the economic development programs of the Virgin Islands and other possessions.

''The provision denies the Virgin Islands the ability to provide economic incentives to companies doing business in the Virgin Islands if they have some U.S. source income.''

It is also clear that House leadership is unwilling to provide assistance to poverty-stricken Haiti. ''Obviously, our neighbor in this hemisphere is not viewed as so urgent that it cannot wait. I am talking about a country that is so poor they bake clay and pretend it is bread.

''It is unclear to me why'' the Haiti trade preferences bill could not have been brought up by year end.

I agree that, to summarize the ranking member's feelings, it is fine to address this bow and arrows provision, absolutely fine. We have some issues we also wanted addressed, circumstances about possession under FST/ETI and something to be done to address the pathetic circumstance of Haiti, and that would have been our preference also at year end.

Having now stated what our preferences would have been, let me again summarize the minority position on this bill. It needs to be corrected. We want it corrected. We do not think it should have taken three times to get right, but here we are. We are willing to get it right this time.

I again salute the gentleman from Wisconsin's (Mr. RYAN), my colleague, efforts who have been untiring and in the end will today prevail in getting this right.

Mr. Speaker, I yield back my time.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield myself such time as I may consume.

I first want to just thank my colleague from North Dakota, a wonderful State I have enjoyed hunting in, and his archers, I think, will be pleased with his support today.

We are finally getting this thing fixed. We thought the tax experts figured it out the last time. That was not necessarily the case. We have got this fix in place. So, again, we are not going to be pushing jobs overseas. We are not going to be draining precious resources from the Pittman-Robertson Fund. We are fixing that loophole.

Mrs. CHRISTENSEN. Mr. Speaker, today the House is considering H.R. 5394, a bill

sponsored by my colleague PAUL RYAN of Wisconsin to amend a section of the recently passed American Jobs Creation Act of 2004 as it relates to the Federal excise tax on the sale by a manufacturer, producer or importer of any bows or arrows of a certain weight.

While I do not expressly support or oppose H.R. 5394, I rise to express my disappointment that the people of my district, the U.S. Virgin Islands, are not afforded a similar opportunity to address certain changes to the provisions of the Jobs Act as they relate to the residence and source rules applicable in U.S. possessions.

It is the longstanding policy of the United States, as reaffirmed in the Tax Reform Act of 1986, to promote the economic development of the U.S. Virgin Islands through tax policies that grant the Virgin Islands exclusive taxing jurisdiction over its residents and the right to tax the income of non-residents that is either sourced in the Virgin Islands or attributable to Virgin Islands businesses.

The American Jobs Creation Act of 2004, which was signed into law on October 22, 2004, significantly changed the Federal tax rules that form the foundation of Virgin Islands economic incentive program, the Economic Development Commission (EDC). Unless the changes made to this program by the Jobs Act is amended or appropriately modified by regulation, they have the potential to cause substantial damage to the Virgin Islands EDC program and cause significant losses to the Government of the Virgin Islands beyond those attributable to the EDC program.

While the statement of the managers accompanying the conference report for the Jobs Act indicates that Congress was concerned about U.S. citizens inappropriately claiming benefits as residents of a possession while continuing to live and work in the United States, the provisions of the new IRS Code section 937 would have much broader impact, affecting individuals who never resided in the United States and also place restrictions on the different economic development programs that go far beyond identified abuses.

It is for these reasons Mr. Speaker, that the government of the Virgin Islands sought to have these changes narrowed and clarified through legislation similar to H.R. 5394, but we were unsuccessful in our efforts to date. Accordingly, I beseech my colleagues, the chairman of the Ways and Means Committee and you, Mr. Speaker, to work with me when we return next Congress to address these concerns and avert a potential economic catastrophe for the Government and people of the Virgin Islands.

Mr. RANGEL. Mr. Speaker, H.R. 5394 is the Republican's third attempt to provide correct statutory language for the purpose of providing domestic and foreign manufacturers and retailers of bows and arrows with a level playing field.

The original provision was enacted into law in 1997. A correction to that language was included in this year's Foreign Sales Corporation/Extraterritorial Income Replacement, FSC/ETI, which resulted in another needed correction—as provided in H.R. 5394. Apparently, the most recent drafting error would cause about 10,000 new retailers to begin collecting excise taxes on a quarterly basis due to an unintended new point of tax collection created for arrow components costing less than a dollar. I hope that this time the Republicans got it right.

PRIORITIES

What really concerns me today is not bows and arrows. Rather, I question the priorities of the Republicans in the House.

The Republicans enjoy talking about their values—but their actions simply do not meet their words. According to Republican values, tax breaks for makers of bows and arrows are an urgent matter that must be addressed today.

Of course, Ways and Means Committee Chairman THOMAS knows that the bows and arrows correction could have been handled by unanimous consent last month. At that time, I asked that a correcting provision from the FSC/ETI bill also be included to assist the Virgin Islands—as it is for the arrow component manufacturers—and that some attention be provided to the devastation facing the people of Haiti.

VIRGIN ISLANDS

It is obvious that the House Republican Leadership and Chairman THOMAS are unwilling to provide a little helping hand to the Virgin Islands and the other U.S. possessions. The recently enacted FSC/ETI legislation contains a provision that will adversely affect the economic development programs of the Virgin Islands and other possessions.

The provision denies the Virgin Islands the ability to provide economic incentives to companies doing business in the Virgin Islands if they have some U.S. source income. There are many circumstances where companies engaged in business activities in the Virgin Islands can have U.S. source income, even though they engage in no activities in the United States.

Everyone recognizes that the FSC/ETI legislation overreached. The provision was adopted without any hearings in either House, and without a serious examination of what it does. So the simple solution is to fix the problem. The Republicans' response is to wait for Treasury to address the situation. There is no guarantee when, or if, Treasury will do so.

The provision in the bill already took effect, and is currently creating a problem for the Virgin Islands economic development program. This is a time-sensitive issue, that could be easily resolved with a delay in the effective date to permit the Treasury to act.

This House has found time today to correct an error for arrow component retailers. I had hoped that at the same time we could have corrected the provision harming the Virgin Islands. It is obviously a question of the Republicans' priorities.

HAITI

It also is obvious that the House and committee Republican leadership are unwilling to provide a little assistance to a poverty stricken Haiti. Obviously, our neighbor in this hemisphere is not viewed as so urgent that it cannot wait. I am talking about a country that is so poor that they bake clay and pretend it is bread.

It is still unclear to me why—other than pure meanness, stinginess and a lack of real values—that a Haiti trade preferences bill could not be brought up before the end of the year. Chairman THOMAS and I reached agreement on a compromise bill—a bill that did not present any threat to the U.S. industry but that would have meant the world to the people of Haiti.

House Democrats were prepared to support our bill—and I know we had ample Republican support for it, thanks to the efforts of my friend CLAY SHAW, and my long-time friend and colleague, PHIL CRANE. I also know that Senators BOB GRAHAM and MIKE DEWINE would have been able to get passage in the Senate—had we sent them something. They had already passed a much better, more generous bill.

I want everyone to understand that our failure to act on Haiti today has real consequences for a country already devastated by natural disasters, years of domestic political turmoil, and foreign interference.

At the end of this year global textiles and apparel quotas terminate. Everyone expects China to dominate, taking market share and jobs not just from workers in the U.S., but also from workers in poor, vulnerable developing countries. And there is no country so threatened or so dependent on access to our market as Haiti.

Apparel is the only thing these people make—it is 90 percent of what the Haitians send to us. And because we are not acting, those exports are threatened. And you know what will replace those exports of sweaters and pants? Exports of people.

I will fight again for Haiti next year, and I pray it will not be too late.

CONCLUSION

I want to compliment my colleague, Representative PAUL RYAN, for his diligence in correcting the drafting error for the 1997 bows and arrow tax relief provision and, again today, for correcting the correction in the FSC/ETI bill. One would have thought that drafting a simple bill, like bows and arrows, could be handled right the first time. But, I understand that things happen.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. RYAN) that the House suspend the rules and pass the bill, H.R. 5394.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

## PASS THE 9/11 COMMISSION RECOMMENDATIONS IMPLEMENTATIONS ACT

(Mrs. MALONEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks and include therein extraneous material.)

Mrs. MALONEY. Mr. Speaker, I rise in strong support of the bipartisan 9/11 Commission bill. This past week I joined relatives of victims of 9/11 at Ground Zero. It was one of the places that we held vigils across this country to remind Members of Congress of the human cost of the terrorist attack. Vigils were held in Washington, D.C., New York, Buffalo, Boston, Los Angeles.

We are hopeful that a vote will be taken tomorrow. It will move forward this bill that will make Americans safer.

We ask people to sign a petition and present that petition to the Speaker of the House of Representatives. I will place in the RECORD the text of that petition at this point.