



United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 106th CONGRESS, FIRST SESSION

Vol. 145

WASHINGTON, WEDNESDAY, SEPTEMBER 22, 1999

No. 124

House of Representatives

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. EWING).

DESIGNATION OF THE SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
September 22, 1999.

I hereby appoint the Honorable THOMAS W. EWING to act as Speaker pro tempore on this day.

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

PRAYER

The Chaplain, Reverend James David Ford, D.D., offered the following prayer:

We pray, O gracious God, that all the good values of daily living will come to us and nurture us along the way. While we pray for the wonders of faith and hope and love, our prayer is that our lives will be encouraged by the marvelous gifts that have come from You, our creator and redeemer, and from the lives of those near to us.

May we, O God, so live our lives in response to these blessings that our words and deeds will be marked by a spirit of thanksgiving and praise, of appreciation and adoration for all the wondrous benedictions we have received and for the kindness and generosity of our colleagues, our family and our friends.

In Your name we pray. Amen.

THE JOURNAL

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

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

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentlewoman from California (Ms. LEE) come forward and lead the House in the Pledge of Allegiance.

Ms. LEE led the Pledge of Allegiance as follows:

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

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain 15 one-minutes on each side.

WORLDWIDE HEROIN CRISIS

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

Mr. GILMAN. Mr. Speaker, the world is now awash in deadly heroin. Last week, the New York Times reported that Afghanistan now produces three-quarters of the world's supply of opium, the basic ingredient for heroin. Production is soaring under Taliban control, and another 270 tons of heroin may be available from the coming bumper opium crop in Afghanistan.

In addition, we have Burmese heroin aplenty, and here at home we are awash in Colombian heroin that is purer, cheaper, and ever more deadly than we all have seen in the past.

Today, the United States heroin market, especially along the East Coast, is dominated by this Colombian heroin, while Europe is facing the massive Asian flood of heroin; and with a recent new twist, our European friends are also seeing more and more Colombian cocaine as well.

All of this opium and heroin production flourishes, especially where there is no government or weaker, ineffec-

tive government unable or unwilling to control illicit narcotics. This is a collective challenge for the international community which must and has an obligation to face collectively for the benefit of our children.

NEW WORLD BILL COLLECTORS

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

Mr. TRAFICANT. Mr. Speaker, the U.N. says we owe them a billion dollars and if we do not pay we will lose our vote. The U.N. also said they accepted three new member countries. All three are smaller than the hometowns of my colleagues. One has 8,000 people.

Now, if that is not enough to tax our peacekeeping, check this out. These three countries will have three votes. We will still have one vote.

Beam me up, Mr. Speaker. The truth is the United Nations owes Uncle Sam \$6 billion for saving their international assets year in and year out.

I say it is time for Congress to tell these New World bill collectors to shove their debt up their charter. Think about that.

I yield back the big vote we will lose at the United Nations.

BROAD-BASED TAX RELIEF IS BEST ANSWER

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

Mr. GIBBONS. Mr. Speaker, the average working family in Nevada toiled until May 14 of this year just to pay their tax bill. Now, this seems not only unbelievable but unconscionable, as well. However, it is true, and here is why:

Mr. Speaker, Americans are paying a record-high 21 percent of their gross

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



Printed on recycled paper.

H8471

domestic product in taxes, the highest since World War II according to the Congressional Budget Office.

The average U.S. household will pay approximately \$5,307 more in taxes to their Government than it needs over the next 10 years according to the Congressional Research Service.

The typical American working family pays more than 38 percent of its income in total taxes, more than it spends on food, clothing, and shelter combined. The average household pays \$9,445 in federal income taxes alone, which is twice what it paid in 1985.

Is it any wonder that Americans feel as though they are working harder than ever but cannot seem to get ahead?

Broad-based tax relief is the best answer. Working families should not be working for Washington. Rather, Washington should be working for families.

I yield back any change we have in our pockets.

GUN SAFETY LEGISLATION

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

Ms. DeLAURO. Mr. Speaker, another week in America, another mass shooting. Seven people killed at Ft. Worth, Texas, four of them children. Every day 13 children are killed by guns in America. Yet, this Congress does nothing.

Opponents to gun safety laws say that no law could have prevented the Ft. Worth tragedy. They may be right. But just because we cannot save all of the children does not mean we should not try to save any of our children.

Hundreds of children have died since the tragedy at Columbine High School, when Congress promised to act.

Today I join my colleagues to pay tribute to some of those children and to urge the congressional leadership to pass gun safety legislation in their memory.

April Bonita Turner, age 18, killed by gunfire on April 20, 1999, Washington, D.C.; Courtney Bradley, age 18, killed by gunfire on April 22, 1999, St. Louis, Missouri; James Walton, age 16, killed by gunfire on April 22, 1999, St. Louis, Missouri; Pierre David, age 18, killed by gunfire on April 28, 1999, Detroit, Michigan; Sheldon Jones, age 17, killed by gunfire on April 28, 1999, Washington, D.C.; Tonetta Smith, age 16, killed by gunfire on April 29, 1999, Washington, D.C.

NATIONAL MINORITY ENTREPRENEURS OF THE YEAR

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

Mrs. WILSON. Mr. Speaker, tonight in Washington, D.C., the country will recognize nine national minority entrepreneurs of the year. Of those nine, two come from Albuquerque, New Mexico.

Miguel Rios started Orion International Technologies in 1985 and has grown that company to 140 employees and \$9 million in revenue providing engineering and systems integration services for lasers at White Sands Missile Range and Air Force Research Laboratory. He is one of the Nation's top Hispanic high-tech firms.

Tito Bonano started Beta Corporation in 1993 to provide radioactive waste management services and has branched into computer services, as well. Both of these national minority entrepreneurs of the year formerly worked at Sandia National Laboratories in Albuquerque, and Tito has also had his business named as one of the top 10 of New Mexico's Flying 40, the fastest growing high-tech firms.

We are all proud of them as Americans and as New Mexicans and we honor them today.

YOUTH VIOLENCE PLAGUES OUR INNER CITIES

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

Ms. LEE. Mr. Speaker, youth violence has plagued our inner cities for years. Legislators, community activists, parents, and teachers have all called for a comprehensive solution.

Homicide is the leading cause of death among black males age 15 to 24. Unfortunately, now gun violence is now happening everywhere. We must pass gun safety legislation now. Access to guns by children and criminals should end.

Let us remember all children who have been killed by gunfire. I call to the attention of my colleagues those who have been killed since the Columbine tragedy:

Pablo Vega, age 18, killed by gunfire on May 4, 1999, Detroit, Michigan; Ernest Troche, age 17, killed by gunfire on May 8, 1999, Bridgeport, Connecticut; Salvador Galimoto, Jr., age 13, killed by gunfire on May 9, 1999, Milwaukee, Wisconsin; Tyquan Miller, age 9, killed by gunfire on May 16, 1999, Richmond, Virginia; Brad Crouse, age 15, killed by gunfire on May 19, 1999, Hillsboro, Wisconsin; Edward Belton, age 18, killed by gunfire on May 21, 1999, St. Louisiana, Missouri; George Camacho, age 14, killed by gunfire on May 22, 1999, San Bernardino, California.

PRESIDENT RELEASES FALN TERRORISTS

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

Mr. PITTS. Mr. Speaker, last week the President of the United States released the FALN terrorists from prison onto the streets. These terrorists committed heinous crimes and were convicted of robbery, sedition, and con-

spiracy. We even have pictures of them actually making bombs. The President somehow trusts these terrorists that they will now do the right thing.

Mr. Speaker, when it comes to the American taxpayers deciding for themselves how to spend their own money, the President does not trust them. The President prefers to continue letting the bureaucracy in Washington dictate how Americans' hard-earned money is spent.

This is what President Clinton said earlier this year: "So the question is, what do we do with the surplus? We could give it all back and hope you spend it right."

How about that? The President can only hope the American people would do the right thing. That is outrageous, Mr. Speaker. The President trusts FALN terrorists. He trusts the federal bureaucracy here in Washington. But he does not trust the American people with their own money.

What is next? The Unabomber on the street?

GUN SAFETY LEGISLATION

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

Ms. SCHAKOWSKY. Mr. Speaker, in my hometown of Evanston, Illinois, I have been to three funerals in recent months. I have cried with grieving parents bearing their children because of senseless gun violence. To honor the memories of those children, I pledge my support for gun safety legislation and continue the roll call of names of children who have been killed by gunfire since Columbine:

Susie King, age 11, killed by gunfire on May 23, 1999, West Lampeter, Pennsylvania; Lee Brown, age 16, killed by gunfire on May 27, 1999, Forest Park, Georgia; Armando Garcia, age 16, killed by gunfire on May 28, 1999, San Bernardino, California; Angela Yglesias, age 18, killed by gunfire May 28, 1999, Detroit, Michigan; Antonio Munoz, age 17, killed by gunfire on May 30, 1999, Providence, Rhode Island; Iris Turull, age 3, killed by gunfire on May 31, 1999, Bronx, New York; Daron Mitchell, age 18, killed by gunfire on May 31, 1999, Akron, Ohio; Allen Darrington, age 17, killed by gunfire on June 1, 1999, Kansas City.

ELIMINATION OF THE MARRIAGE TAX PENALTY

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

Mr. WELLER. Mr. Speaker, is it right, is it fair that under our tax code married working couples pay more in taxes just because they are married? Is it right, is it fair that 21 million married working couples pay higher taxes than identical couples with identical incomes who live together outside of marriage? Of course it is wrong.

Let me introduce to my colleagues Michelle and Shad Hallihan, public school teachers from Joliet, Illinois. They suffer the marriage tax penalty. Twenty-one million married working couples pay an average \$1,400 more in higher taxes just because they are married.

Now, \$1,400 in Joliet, Illinois, where Shad and Michelle live, is one year's tuition at Joliet Junior College. It is 3 months of day-care at a local child care center. It is also several months' worth of car payments.

This Republican Congress believes we should eliminate the marriage tax penalty. We passed legislation as part of the Financial Freedom Act, our tax cut, to eliminate the marriage tax penalty for a majority of those who suffer it, people like Michelle and Shad Hallihan.

My colleagues, the question is will the President join with us? Does he want to spend the money here in Washington, or does he want to eliminate the marriage tax penalty?

Mr. President, sign the tax cut. Let us eliminate the marriage tax penalty for Michelle and Shad Hallihan.

HOW MANY MORE CHILDREN'S LIVES WILL END BY GUNFIRE?

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

Mrs. LOWEY. Mr. Speaker, how many more children's lives will be ended by gunfire? How many more tears will parents shed?

□ 1015

Mr. Speaker, it is time to act. We must pass gun safety legislation now.

Mr. Speaker, I am here to continue the roll of names of children who have been killed by gunfire since Columbine:

Dominic E. Johnson, age 16, killed by gunfire on June 1, 1999, St. Louis, Missouri;

A.J. Flores, age 13, killed by gunfire on June 2, 1999, Grand Prairie, Texas;

William Floyd, age 18, killed by gunfire on June 2, 1999, Washington, D.C.;

Ricky Salizar, age 12, killed by gunfire on June 2, 1999, Roswell, New Mexico;

Rodney Nelson, age 17, killed by gunfire on June 3, 1999, Detroit, Michigan.

DEFEAT H.R. 1402, CONSOLIDATION OF MILK MARKETING ORDERS

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

Mr. GUTKNECHT. Mr. Speaker, for 62 years dairy farmers in the upper Midwest have been placed at a competitive disadvantage. For 62 years we have received less for our milk simply because we are closer to Eau Claire, Wisconsin. No other product in America is priced based on where it comes from and what it goes into, only milk.

In response to this, a couple of years ago Congress authorized the Secretary of Agriculture to come up with modest reforms. Dairy farmers have spoken. They voted in a plebiscite to endorse Secretary Glickman's modest proposal.

Mr. Speaker, out in the Midwest we have an expression: A deal is a deal; and a bargain is a bargain.

The farmers have spoken, but unfortunately we are going to have a great debate today to undo those modest reforms.

Mr. Speaker and colleagues, please as we listen to this debate today, we should vote our consciences, not the special interests, defeat H.R. 1402.

THIS CONGRESS WILL NOT PASS REAL GUN SAFETY LEGISLATION

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, today I stand here to offer the names of dead children, the names of children who were killed by guns since Columbine. I represent the mothers whose tears will not dry and the fathers who have broken hearts because of the loss of their children because this Congress will not pass real gun safety reform.

So this morning, Mr. Speaker, I am here to continue the roll of our dead children:

Robert J. Prough, age 13, killed by gunfire on June 4, 1999, Beaver Dam, Wisconsin;

Maurice Jiles, age 18, killed by gunfire on June 5, 1999, Gary, Indiana;

Joseph Sweeney, age 18, killed by gunfire on June 5, 1999, Washington, D.C.;

Lawanza Robinson, age 18, killed by gunfire on June 16, 1999, Detroit, Michigan;

Blaine Reeves, age 15, killed by gunfire on June 9, 1999, Atlanta, Georgia;

Raphael Rivera, age 14, killed by gunfire on June 10, 1999, Harrisburg, Pennsylvania;

Shannon Smith, age 14, killed by gunfire on June 14, 1999, Phoenix, Arizona;

Brandon Williams, age 3, killed by gunfire on June 15, 1999, Hollywood, Florida.

PORKER OF THE WEEK AWARD

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

Mr. HEFLEY. A study from the General Accounting Office reveals that President Clinton's trips last year to Africa, China, and Chile cost more than \$72 million. The President's six-nation tour of Africa required advanced, 10 separate advance, trips to arrange the itinerary, 1300 military and civilian officials, more than 200 White House aides, 13 helicopters and enough equipment to require 98 air cargo missions, all at a cost of \$43 million. A 10-day

trip to China costs nearly \$19 million, and a 4-day regional summit in Chile had a \$10.8 million price tag. Of the 72.1 million total for these three trips, 84 percent was charged to the Defense Department.

At a time when Bill Clinton is gutting defense budgets and asking for military personnel to do more with less it is offensive that he draws tens of millions of dollars for presidential trips that yield very little. Instead of perpetuating the 13-year downward defense spending cycle this administration has continually promoted, Clinton should build up America's military that he so readily uses.

Does not it appear excessive to pin \$72 million on three trips billed as goodwill tours? Bill Clinton gets my "Porker of the Week Award."

WHO WOULD HAVE THOUGHT THERE WOULD EVER BE A CONGRESS LIKE THIS ONE?

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

Ms. NORTON. Mr. Speaker, who would have thought that our country would ever see so much gun carnage? Who would have thought that the killings would spread from districts like mine to districts of all my colleagues? Who would have thought there would ever be a Congress like this one who would have done nothing about the killing of children like those whose names I read killed since Columbine?

Lee Martindale, age 14, killed by gunfire on June 17, 1999, St. Louis, Missouri;

Roshon Hollinger, age 5, killed by gunfire on June 20, 1999, Atlanta, Georgia;

Darryl Hall, age 13, killed by gunfire on June 22, 1999, Jacksonville, Florida; Khari Bartigan, age 18, killed by gunfire on June 23, 1999, Boston, Massachusetts;

Deslond Glenn, age 17, killed by gunfire on June 24, 1999, Fort Worth, Texas;

Fred Warren, age 18, killed by gunfire on June 25, 1999, Miami-Dade County, Florida;

Chau Tran, age 17, killed by gunfire on June 26, 1999, Lansing Michigan;

Richard Rogers, age 16, killed by gunfire on June 29, 1999, Fort Wayne, Indiana.

PUTTING EVERYDAY AMERICANS AHEAD OF BIG GOVERNMENT

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

Mr. SCHAFFER. Mr. Speaker, government confiscates too much money from the American family. In my view, the Republican tax relief package currently sitting on the President's desk improves the fairness of the Tax Code.

For example, it reduces the marriage tax penalty which seems to me an obvious step in the right direction. It also

gets rid of the estate tax, or as it is commonly known, the death tax. It will also make it easier for people to keep the family farm or the family business when an owner dies. It also makes it easier for people to obtain health insurance, a measure that will make a real difference in the lives of millions. It will also make it easier for families to save for their children's education, certainly something that should warm the hearts of those who wanted greater fairness in a tax code.

The Tax Code is unfair, but the President has threatened to veto our tax relief package maybe even today. I hope he will reconsider, Mr. Speaker, and put the everyday Americans ahead of big government.

WHILE REPUBLICANS ARE TAKING CARE OF BILLIONAIRES, WHO IS TAKING CARE OF OUR CHILDREN?

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

Ms. WOOLSEY. Mr. Speaker, there are other ways to take care of our children as well as gun control. The Republicans have tried for the past month to sell their \$792 billion tax package to the American people, but American people are smarter than that. They know that the Republican tax plan is designed mainly to take care of billionaires. What American people want to know is: Who is taking care of our children?

They also know that our Republican colleagues are not taking care of our children. Our children do not need tax breaks for the wealthiest 1 percent of Americans, they do not need corporate tax breaks. Our children need the surplus invested in their future by protecting Medicare, Social Security, and paying down our national debt. They also need gun control for their safety.

So I ask my Republican colleagues, while they are taking care of billionaires, who is taking care of our children?

THEY TALK ABOUT GUN CONTROL BUT CONSISTENTLY REFUSE TO DO ANYTHING ABOUT CRIME CONTROL

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

Mr. ROGAN. Mr. Speaker, first I want to say to my friends on the other side of the aisle who have been reading a list of names: I think that is entirely appropriate that we remember the names of children who died by gun violence at the hands of criminals. But that tells part of the story. Perhaps it would be appropriate today if we also read the names of liberals in this Chamber who have consistently voted against building more prisons to house violent criminals; the names of liberals

who consistently vote against tough-on-crime measures, the names of liberals who today support a President of the United States who grants clemency to terrorists.

We ought to read the names of innocent victims who have defended themselves against gun violence over the years. Let us read the names of women who have defended themselves against rape, or defended children in their home. Let us remember the names of the Founding Fathers who intended every law-abiding American to have that right of defense against gun violence. Let us hold people accountable for illegal actions, and let us hold politicians accountable that talk about gun control out of one side of their mouth, then consistently refuse to do anything about crime control.

MOO DOO ECONOMICS

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

Mr. KIND. Mr. Speaker, I am pleased to announce today the creation of a new Federal program that will subsidize aqua farmers that raise lobsters to sell to consumers, and the amount of the subsidy will depend on the distance these lobster farmers are from Boston and Maine. Sound silly and ridiculous? Well, it is of course, but welcome to the world of our Federal dairy policy. Milk is the only product produced in this country that faces price discrimination based on where it happens to be produced and what it is used for, and that distance is based on a city in the heart of my congressional district, Eau Claire, Wisconsin.

But today, Members of Congress have the ability to allow reform, much needed, long overdue reform, of that antiquated, depression-era policy to go forward by voting no on 1402 and saying good-bye finally to the "old moo-doo" economics that we have been operating under since the great depression.

AMERICANS WANT THEIR CHANGE BACK

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

Mr. TIAHRT. Mr. Speaker, recently I was in Wichita, Kansas, at a fast food restaurant, and the person in line ahead of me ordered \$4 worth of food. He handed over a \$5 bill to the cashier, and they expected their change back, as would every American. They overpaid their food order, and they expected their change.

Mr. Speaker, America has overpaid the cost of government, and they expect their change. What the Republicans have done is pay for the cost of the Federal Government, lock up all Social Security payments, protect Medicare payments, pay down the publicly-held debt, and after we have spent

all that money and set aside all that money we still have overpaid the cost of government.

Mr. Speaker, America deserves their change back, and that is exactly what our tax relief package does. It gives America back their change.

Mr. Speaker, I hope the President will not veto Americans right to get their change back, from their overpaid bill.

MORE TAX RELIEF FOR THE RICH

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

Mr. WYNN. Mr. Speaker, I rise today to support the President's veto of the Republican tax proposal because it is a disgrace.

We hear the Republicans come up and say we want tax relief for Americans, but when we look at the facts and when we go behind the rhetoric, what we find is that this is more tax relief for the rich. Over 60 percent of the benefits in this tax package go not to the average American, not to the school teachers and the policemen, but they go to the very wealthy. They go to the people who are already doing very well in this society, the people who are making a killing on the stock market. The 20 percent of the wealthiest Americans in this country will get the lion's share of the benefits. That is not right.

We will hear my Republican colleagues talk about the marriage penalty, and we should not penalize married couples. Mr. Speaker, I agree with that, but what about the tax relief for the rich and the estate tax? Only 2 percent of Americans pay estate taxes, the wealthiest 2 percent in America. They have to have an estate over a million dollars in order to get estate tax relief, and that is who they want to give a tax break to.

Look further. What do we find? More special interest tax breaks throughout this \$800 billion monstrosity.

We can have reasonable tax relief, but we should pay down the debt, improve Medicare, provide prescription drugs, and invest in education not give more tax relief for the rich.

□ 1030

ILLEGAL DRUGS SHOULD REMAIN ILLEGAL, EVEN IN OUR NATION'S CAPITAL

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

Mr. BARR of Georgia. Mr. Speaker, some are urging President Clinton to veto the fiscal year 2000 D.C. appropriations bill, not because it spends too little, not because it spends too much, but, get this, because it simply contains a provision that says the District of Columbia can take no steps to legalize mind-altering drugs.

Now we know that about 70 percent of D.C. voters want to legalize drugs, including the current and, of course, the former mayor. That comes as no surprise. What would come as a surprise is if President Clinton vetoes this bill because it simply says illegal drugs remain illegal in our Nation's capital. Hopefully, the President, rather than listen to these folks, will listen to America's parents, police officers and his own drug policy head, General Barry McCaffrey; sign this D.C. appropriations bill and remind the District of Columbia that it remains part of the Union and subject to federal antidrug laws.

EMERGENCY FARM ASSISTANCE

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

Mr. HAYES. Mr. Speaker, over the past several months, I have traveled my district, the 8th District of North Carolina, and spent dozens of hours listening to farmers and ranchers tell me about the state of the farm economy.

In February, I, with the help of the gentleman from Illinois (Mr. EWING) and the Committee on Agriculture, hosted a field hearing in Laurinburg to learn farmers' concern about the current crop insurance program and what changes they felt needed to be implemented to achieve meaningful reform.

The Committee on Agriculture took the comments of my farmers and the comments from other farmers around the country and passed a bill which addresses their concerns and will strengthen crop insurance and provide better risk management tools for farmers and ranchers.

Crop insurance is just one recent example of how the Committee on Agriculture takes a grass-roots approach in learning about a problem and then, with a bipartisan effort, efficiently works to solve it.

Congress is once again being called upon to listen to what is going on in farm country and respond in a timely and effective manner. After hearing from my farmers, I introduced a bill last week, H.R. 2843, the Emergency Assistance for Farmers and Ranchers Act of 1999. In addition, I call on Members to help pass the emergency spending bill necessary for flooding and drought in crop areas this week.

WHEN TAX DOLLARS ARE USED FOR MORE GOVERNMENT PROGRAMS, THE LIBERALS ARE SILENT

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

Mr. WELDON of Florida. Mr. Speaker, if Republicans want to provide tax relief to American families, the liberals are outraged. What about the national debt, they shout? But when it

comes to more Washington spending, suddenly, the liberals are silent. Not a word is spoken by the liberals about the debt when more spending and bigger government is being debated. Suddenly, it is as if the national debt never existed.

This feigned concern about fiscal discipline and the national debt by the same people who have spent the past 40 years expanding government and accumulating that debt is obviously insincere. Tax relief never, but more government spending, sure. That is the pattern and we see it day in and day out. The less revenue the Government takes in, the less social engineering, the less redistribution of wealth and the fewer new Government programs the left can oversee. That is why they hate tax relief so much.

THE GOVERNMENT SHOULD NOT KOWTOW TO SPECIAL INTERESTS, INCLUDING DAIRY CARTELS

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

Mr. ROYCE. Mr. Speaker, the price Americans pay for a gallon of milk is dependent upon how far they live from Eau Claire, Wisconsin. Now, this is moodoo economics. In 1996, Congress passed and I supported the Freedom to Farm Act, which directed the Department of Agriculture to create a more market-oriented dairy program. Yet today some in Congress want us to take a step backwards away from reform.

Today's bill would create a costly, burdensome bureaucracy. Dairy cartels are economically inefficient. They are protectionist. They are unfair. They cost the consumer \$1 billion a year. Government should not be subsidizing businesses. We do not do it for computer chip factories or convenience stores. So instead of protecting dairy cartels, we ought to protect America's 250 million American taxpayers and consumers, and I urge my colleagues to oppose H.R. 1402. Stop milking our taxpayers. Do not kowtow to special interests.

IF THE PRESIDENT VETOES THE REPUBLICAN TAX BILL, HE RAISES THOSE TAXES BACK TO THE LEVEL THEY WERE BEFORE

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

Mr. COLLINS. Mr. Speaker, I ask, Is today the day the President is going to raise taxes on married couples, increase the income tax rates, tax educational savings, tax families who want to keep family members in their home who are now of senior age, those who want to purchase health insurance, those who want to purchase long-term care insurance? Is today the day he is

going to reinstate the death tax, the alternative minimum tax?

That is right, Mr. Speaker. The Congress has lowered the tax burden on American families, American workers and American business by \$792 billion. If the President vetoes that tax bill, he raises those taxes back to the level they were before the Congress lowered taxes on American workers, American families, and American businesses.

CONSOLIDATION OF MILK MARKETING ORDERS

The SPEAKER pro tempore (Mr. EWING). Pursuant to House Resolution 294 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1402.

□ 1036

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1402) to require the Secretary of Agriculture to implement the Class I milk price structure known as Option 1A as part of the implementation of the final rule to consolidate Federal milk marketing orders, with Mr. HASTINGS of Washington in the Chair.

The Clerk read the title of the bill.

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

Under the rule, the gentleman from Texas (Mr. COMBEST) and the gentleman from Texas (Mr. STENHOLM) each will control 30 minutes.

The Chair recognizes the gentleman from Texas (Mr. COMBEST).

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

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

Mr. COMBEST. Mr. Chairman, as all Members know, dairy policy debates are contentious and are characterized more often than not by regional as opposed to ideological differences.

The House Committee on Agriculture has endeavored to provide Members on all sides of this issue ample notice and a fair process in which to debate their views and represent the interests of their constituents.

H.R. 1402, as reported, addresses several perceived weaknesses of the final decision of the U.S. Department of Agriculture as well as current law. During committee consideration, several amendments were included to deal with concerns over price volatility, manufactured product formula pricing, and price support.

Mr. Chairman, I know Members are split on dairy policy. I am also aware that there is no great sense of camaraderie within the industry on this issue. This is a modest bill which makes some modest changes in the federal dairy program. I urge all Members to support this legislation.

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

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

Mr. Chairman, I rise in strong support of H.R. 1402.

Mr. Chairman, we have a considerable variety of federal programs meant to guarantee a healthy agricultural sector for our Nation. Year after year, Congress has reaffirmed its commitment to build, redesign and improve policies that promote it. The more I think about these different programs and their purposes, the more I come to the conclusion that the key to a strong system for farming and ranching is the maintenance of policies that support cooperative effort.

I am very excited that we have the opportunity to debate this issue today. Because whether we are talking dairy or cotton or sheep or hogs or corn, the problem is price. We have to find ways for our producers to get more of the agricultural dollars, and the long-term solution from the producer standpoint is cooperation, cooperation in the traditional sense of cooperatives and cooperation now soon to be in a nontraditional sense in which corporate America recognizes it is in their best interest to do whatever is necessary to see that more of the consumer dollars go to the producer's pocket.

Mr. Chairman, dairy farmers are extremely vulnerable as stand-alone price-takers. Being a highly perishable commodity, raw milk can be kept on the farm for only so long before it becomes worthless. This fact is what has given rise to the need for a federal pricing system. The federal milk marketing order system promotes the opportunity for dairy producers to get a fair deal from the processor and does so without setting strict, unaltered minimums. Instead, regulated prices fluctuate each month according to changes in the market. The key benefit of the program then is not in price enhancement but in the promise of uniformity that takes away the processor's opportunity to play one producer off against another.

Mr. Chairman, this program promotes producer cooperation. Without that cooperation, the producer has little chance of bargaining for a fair deal with a processor who can wait while the milk deteriorates in the tank. With cooperation, we have a shot at a healthy dairy sector and we will continue to have a safe, abundant and reliable supply of milk.

While most processors would not choose to conduct business in that way, and do not, the program then and the enhanced cooperation that results from situations in which some do is the problem we attempt to address today. The program then, and the enhanced cooperation that results, works to the benefit of the processor and of the consumer, as well as of the men and women who go out to the barn two and three times a day to get the cows milked.

Mr. Chairman, in marking up this bill, the committee adopted an amendment to require forward pricing under the order program. While I opposed that amendment, it has become even more clear to me, since the committee acted, that the provision is a very fundamental challenge to the milk marketing system, and one that will undermine cooperative effort at the very time that we should be promoting it. At the appropriate time, I will offer an amendment to limit the program in a way that will allow forward contracting to go forward without crippling the system.

Mr. Chairman, discussions of federal milk marketing orders nearly always divide along regional lines, and the rulemaking we debate today is no exception. The gentleman from Texas (Mr. COMBEST), and the gentleman from California (Mr. POMBO), chairman for the Subcommittee on Livestock and Horticulture, have done an excellent job of facilitating a fair debate on this matter; and I am grateful for their leadership in bringing the bill to the floor.

Mr. Chairman, USDA did a great deal of work in developing the rule on milk marketing order reform. The farm bill required little more than a consolidation of orders, a reform which by itself was considered to be an important step at the time. In addition to providing for order consolidation, the Department has used this rulemaking as an opportunity to base manufacturing class prices on milk components rather than on Grade B prices, and it establishes several surplus production regions as basing points for determining minimum prices.

H.R. 1402 is designed to preserve all of these reforms and to make reasonable adjustments to Class I price differentials. It represents responsible progress towards an improved system and should be viewed as such against the backdrop of our current program.

I want to thank the chairman for allowing me the time to address the committee regarding this important legislation, and I am grateful for his assistance in helping move this bill forward.

In spite of these accomplishments, there are two areas where USDA badly missed the mark. We need to pass H.R. 1402 to complete the reform process in a manner that does not adversely affect our nation's existing milk marketing system.

Mr. Chairman, this bill is supported by dairy farmers from much of the United States because it is so important to ensuring a successful completion of the milk marketing order reform process directed by the 1996 Farm Bill. By requiring USDA to use Option 1A price differentials in implementing order reform, H.R. 1402 will fulfill the Farm Bill's mandate. It is clear that important portions of the Final Rule issued by the Administration lack the Congressional and public support needed to be sustainable.

Mr. Chairman, this point was made abundantly clear by communications from Congress and public views filed during the comment period. Last year, nearly 240 Members

of the House wrote to USDA expressing their support for Option 1A. According to USDA documents of the 4,217 public comments that were received regarding the Class I pricing structure, 3,579 of them were in favor of Option 1A.

In spite of these overwhelming expressions of public sentiment, USDA did not listen. Its decision gives rise to the need for Congress to act further.

Mr. Chairman, in understandable efforts to simplify a complex issue, many have characterized Option 1B—the option chosen by the Department—as reform, and Option 1A as the status quo. This characterization is simply incorrect.

Mr. Chairman, Option 1A is not the status quo. For many years, it was a goal of Upper Midwest dairy organizations to encourage a consolidation of milk marketing orders—so much so that the Farm bill's requirement for consolidation was that region's main accomplishment in the Dairy section of that bill. Option 1A would accomplish that goal to the same degree as Option 1B. Under the old rhetoric then, even with Option 1A, the Final Decision would be a significant accomplishment. But apparently the debate has shifted and we are faced with a new measure of success.

It was also a goal of the Upper Midwest to bring an end to the accepted notion that each Order's Class I differential is related to its distance from Eau Claire, Wisconsin. Option 1A recognizes three surplus zones as the basis for determining Class I prices. In Texas, this result itself means a significant lowering of the differential and therefore of prices received by producers. Option 1A will reduce income for Texas Producers as well as producers in many other parts of the nation. So, again, under the old rhetoric and the old standards of success for the Upper Midwest, Option 1A represents a significant victory and a change from the status quo.

Mr. Chairman, producers who are supporting Option 1A were prepared to accept these changes in Federal Orders that would have made the system more equitable for the Upper Midwest. The Final Decision, however, will result in a substantial negative impact on dairy producer income in Texas and in many other areas. In short, the Final Decision goes too far and unduly threatens the value of dairy farm investment in the United States.

Mr. Chairman, in addition to focussing on Class I differentials, I have devoted considerable attention to another controversy relating to the Final Rule: the manufacturing milk pricing formulas. Several witnesses at the Subcommittee on Livestock and Horticulture's hearings this year raised concern that these formulas will have a significant negative impact on all producer prices. For this reason, I offered an amendment that was adopted by the Agriculture Committee to provide an interim solution to this problem. Section 2 of the Committee substitute requires that USDA initiate a new rulemaking for developing Class III (cheese) and Class IV (butter & nonfat) pricing formulas. While that rulemaking is pending, the Final Decision's formula is modified in a manner that will partially ease the negative impact of the Final Rule's formula on dairy farmer income.

Mr. Chairman, for many years, a problem with the Federal order system has been its incompatibility and risk management tools

known as forward contracts. Such contracts are often used by producers of other agricultural commodities. In an effort to maintain a sensitivity to market forces, Federally regulated milk prices are reset each month in response to market movements. Finding a way to allow producers and handlers the option to enter into long-term price relationships without undermining that system has been a great challenge.

During the Committee's consideration of H.R. 1402, Mr. DOOLEY offered an amendment that was adopted by the Committee to require USDA to allow forward pricing. I opposed the amendment at the time because I did not feel it contain sufficient safeguards, however I have been working closely with Chairman POMBO to develop improvements. To that end, we have developed an amendment that will allow forward pricing to go forward on a limited basis. Under the amendment, the forward pricing program would expire as of December 31, 2004, and would apply only to non-Class I milk. The amendment also requires USDA to submit an interim report to Congress on the operations of the program.

Mr. Chairman, USDA did a great deal of work in developing the rule on milk marketing order reform. The farm bill required little more than a consolidation of orders—a reform which, by itself, was considered to be an important step at the time. In addition to providing for order consolidation, the Department has used this rulemaking as an opportunity to base manufacturing class prices on milk components rather than on Grade B prices, and to establish several surplus production regions as basing points for determining minimum prices. H.R. 1402 is designed to preserve all of these reforms and to make reasonable adjustments to Class I price differentials. It represents responsible progress towards an improved system and should be viewed as such against the backdrop of our current program.

Again, Mr. Chairman, thank you for allowing me the time to address the Committee regarding this important legislation. I am grateful for your assistance in helping move this bill forward.

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

Mr. COMBEST. Mr. Chairman, I yield 2½ minutes to the gentleman from California (Mr. POMBO), chairman of the subcommittee which has jurisdiction over dairy policy.

Mr. POMBO. Mr. Chairman, I thank the gentleman from Texas (Mr. COMBEST) for yielding me this time.

Mr. Chairman, I would like to just take a couple of minutes to hopefully try to explain to my colleagues how we arrived at the position that we are in in terms of this legislation. A couple of years ago when we passed the Freedom to Farm Act, as part of that legislation, as part of the farm bill, we directed USDA to go in and look at the dairy program, to redo the milk marketing orders and the rules that we play by, and they spent a considerable amount of time in public hearings, in internal work, to try to come up with a plan that they felt would work.

I think all of my colleagues realize that the current dairy program is extremely complicated. A lot of times it does not make a lot of sense to a lot of

Members, and to those of us that have spent a huge amount of time working on dairy policy it does not make a lot of sense to us either. It has been extremely difficult to work our way through 60 years of dairy policy and try and come up with something that is going to operate, something that is going to work and something that will be a transition period for America's dairy farmers to go away from a command-and-control, government-knows-best dairy policy into a more free-market policy, which I believe is the majority of our goal that we would like to achieve.

□ 1045

That transition that we are in the middle of right now, USDA came out with their recommendation, and some people cheered it and others were extremely opposed to it because of the changes that they made. What the Committee attempted to do was to come up with a compromise piece of legislation, legislation that would give us the ability to transition away from the government-run dairy policy into a more free market dairy policy.

The bill that we will have before us today is part of that transition. I do not like everything that is in the legislation. In fact, there are many things in there that I dislike. But I do believe it is a reasonable transition.

One of the important things in our part of this legislation that the gentleman from Texas (Mr. STENHOLM) talked about before was the ability to do forward contracting. I do believe that this is part of the future of dairy in this country, and it is an important tool that our dairy farmers ought to be able to use. Mr. Chairman, with the gentleman from Texas (Mr. STENHOLM), I am introducing an amendment that I believe puts safeguards into that particular part of the legislation. I urge my colleagues to support that amendment.

Mr. PETERSON of Minnesota. Mr. Chairman, I ask unanimous consent to control the time previously controlled by the gentleman from Texas (Mr. STENHOLM).

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. PETERSON of Minnesota. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, following the gentleman from California (Mr. POMBO), I am one of those that has been down on the Subcommittee on Livestock and Horticulture working on this issue over the last number of years, and it has been frustrating, to say the least. I would just like to say to my colleagues, I understand they are getting a lot of pressure from farmers and co-ops and so forth, but for those that believe in the free market and believe in free trade and pushed the GATT and NAFTA, I would just say to them, how can they continue to defend a system whose time has passed.

There was a good reason back in 1937 why we set up the system we have now, because we wanted to keep fluid milk close to the population centers, but times have changed. We have interstate highways, we have refrigeration, we have a lot of things that we did not have back in 1937, and because of that, it is time to change this policy.

The Department has done a good job, they have gone out across the country, listened to everybody, put together a program that I do not like completely because it does not go far enough, but it is a step in the right direction, and that is what we asked them to do back in 1996. So we ought to follow through on that commitment, and we ought to not pass this bill and let the work that the Department put together become the law of the land.

The other thing that people ask me all the time is why is it that it looks like Minnesota and Wisconsin against the rest of the country on this. Well, people need to understand that this bill focuses on the class I differentials, which are just part of the picture in dairy farming. In the Midwest, 85 percent of the milk that we produce goes into manufacturing. The reason that we are concerned about this current policy is that it is not based on economics.

The current Class I differentials were put in place when Tony Coelho, who was the head of the Dairy Subcommittee, legislated them and basically locked all of the dairy industry in a room in 1985 and forced them to come up with these legislative Class I differentials that are in the statute. What we are trying to do here is to change those differentials so that they require more what the economics of the dairy industry are.

What our concern in the Midwest is that we are a manufacturing market and when the government pushes people to produce more because of government policies, that excess milk gets dumped into our manufacturing market and it affects our price, and that is why we are concerned about this.

The other thing that is an issue in all of this is that California has had their own system, which is similar to a compact that was set up in the northeast area, and they have entered into this because this new system is going to make the manufacturing price of milk closer to what their price is, and they have been using this as an advantage to lure some of the manufacturing industry to their State because of the way the Federal policies have been set up in the past, and they are outside of that Federal system.

So what we are trying to do with this is get the whole industry more on a level playing field, get it to more mirror economics, and it is the right direction to go. I understand where some of the co-ops and farmers are coming from because the economics of the current situation favors their business structure, but it is not the right thing for the country. Again, I say to people,

if they are supporting this, if they believe in the free market and free trade, how can we set up a system where we are going to put up barriers within this country and favor one farmer over another, or price milk based on how it is going to be used at one price or another. This is what the Soviet Union tried, it did not work, and it is not the best thing for this country.

So I urge that we defeat this bill.

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

Mr. COMBEST. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. BOEHNER).

Mr. BOEHNER. Mr. Chairman, I thank my colleague from Texas for yielding me this time.

I would say to my colleagues that the gentleman from Minnesota (Mr. PETERSON) and I have spent 9 years almost on the Committee on Agriculture, on the Subcommittee on Livestock and Horticulture, trying to make some sense and bring this order to the Federal milk market order system; trying, we believe, to allow farmers to have the chance to succeed by getting the Federal Government out of their way. But, for 62 years, we have had this program that sets up milk cartels, 34 of them currently, around the country, and part of the reform that is going into place in the next couple of weeks will reduce the number of marketing orders to 11. As we get into this process, there are certainly changes that will occur in the differential.

Mr. Chairman, H.R. 1402, which we are debating today, seeks to derail these long overdue reforms to the milk market order system. But let me be honest, these are the most modest of reforms that are being blocked today. For decades, the U.S. dairy policy has discriminated against some dairy producers based on their distance from Eau Claire, Wisconsin. I think it is time to say enough is enough.

We looked at data, the Committee on Agriculture did, to show that some 60 percent of dairy producers in this country would benefit from the reforms the USDA is about to put in place, and there are all types of numbers around, but this is a consensus of the numbers. So why do we want to stand in the way of some 60 percent of U.S. producers who are likely to gain from this change in this order?

As we, most of us, believe in free trade, asking countries around the world to tear down trade barriers, we in this country have one of the largest trade barriers within our own country, and that is this Federal milk market order system. I just cannot understand how my colleagues can continue to defend this depression-era system that says that milk is going to be priced based on its distance from Eau Claire, Wisconsin, and that we are going to pay producers a different amount of money, depending upon how the milk that they sell is used.

So today we will have a chance to debate this, and I am looking forward to a healthy debate.

Mr. PETERSON of Minnesota. Mr. Chairman, could I inquire as to how much time we have remaining on our side?

The CHAIRMAN. The gentleman from Minnesota (Mr. PETERSON) has 21 minutes remaining.

Mr. PETERSON of Minnesota. Mr. Chairman, I yield 3½ minutes to the gentleman from Wisconsin (Mr. KIND), who has been a leader on this issue.

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

I rise to urge my colleagues to oppose H.R. 1402 on final passage. This is a debate, quite frankly, that I am sure no one has looked forward to. It seems to be a perennial thing that goes through this United States Congress, and it is unfortunate in many respects. I think this is bad legislation based on policy reasons, but also based on procedural reasons.

First, the procedure, Mr. Chairman. Back in 1996, my predecessor, Steve Gunderson, who was then chairing the Dairy Subcommittee, was going to write some legislation in the Freedom to Farm bill to reform this depression-era milk-pricing system that exists in this country. But there was an agreement reached, an understanding reached back then that instead of having legislation go forward under Freedom to Farm, they were going to let the regulatory and rule making process at the Department of Agriculture take its course. Over the next few years, the Department of Agriculture held countless hearings across the country, took testimony from experts in the field, from dairy producers, and proposed a reform that is due to take effect on October 1.

This is a very small, gradual reform, but a reform that heads in the right direction in leveling the playing field and creating a fair and more equitable dairy policy for all of the producers in this country. But now, here we are in the eleventh hour, just a few short days before that reform is to take effect, with this legislation that would effectively stop that reform. This is unfortunate, because I believe people's words in this House should stand for something, and agreements should count for something. I am afraid that if we cannot rely on each other's promises and agreements that are reached, I shudder to think what the environment is going to be like in this chamber on a whole host of other issues.

But there are policy reasons to oppose this as well. Milk is the only product that faces price discrimination in this country based on where it is produced and what it is used for. There is no other product that faces this same type of discrimination, and under the current policy, that subsidized rate is based on distance from a beautiful city in the heart of my congressional district, Eau Claire, Wisconsin. It does not make any sense.

For those Members, especially rural Members, who constantly complain about the disparity in reimbursement

rates under the Medicare formula, how can they continue to defend a dairy program that effectively does the same thing, based on geography in this country. For those Members who are strong advocates of fair trade with other countries around the world, how can they continue to defend a dairy policy that effectively creates trade barriers within our own country. It is comparable to setting up a new Federal program that would subsidize aqua farmers for raising lobsters based on distance from Boston and Maine or farmers that are growing oranges and get a higher subsidized rate based on how far they are from Florida or even high-tech companies, giving them a competitive advantage because they are further away from the Silicon Valley.

The point is that under our current economic system, there are going to be comparative advantages for producers, especially in agriculture, that the government should not interfere with.

Mr. Chairman, if my colleagues cannot vote "no" on H.R. 1402, I am going to be offering an amendment today which will stop pitting region against region, farmer against farmer, family against family. It is a pooling program where the Class I differentials, what the farmers get for the milk they produce for drinking purposes, would be pooled and then distributed equally and fairly to all of the producers around the country, regardless of where they happen to be producing that milk. I think that is a fair, equitable and a common sense approach which would finally end this constant regional fighting and civil war over dairy policy that we have in this chamber all too often.

Mr. COMBEST. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota (Mr. GUTKNECHT), who is very involved in agriculture policy.

Mr. GUTKNECHT. Mr. Chairman, I thank the Speaker for allowing us to have time to debate this on an equal footing.

Mr. Chairman, today we are engaged in a great debate on a Federal policy that defies rational economic policy and just plain common sense just as Anton Scalia a couple of years ago described the Federal milk marketing order system as "byzantine."

I doubt if there are more than a handful of Members on the floor of this House, in fact, I think if we had a quiz, I suspect all would fail if we were asked to describe in detail exactly how the milk marketing order system works. But we do know that it defies any logical or economic sense.

Currently, the gentleman from Wisconsin (Mr. KIND) and myself, as well as some other Members, have Russians who are visiting in our districts, and we are going to be hearing today about the milk marketing order system being almost a Soviet-style price scheme.

But it is interesting that even in Russia today they are allowing markets to set the price of milk, and yet

we are engaged in this debate today as to whether or not we will allow some modest reforms that Secretary Glickman came up with to go into effect.

□ 1100

Mr. Chairman, we are going to hear some interesting things today. Among them, some people are claiming this is going to cost the milk industry \$200 million. That is not what the USDA said. That is not what the consensus of economists who have looked at that have said. They say at maximum it is going to cost dairy farmers \$3 million. That is the worst it is going to be.

Let me read a quote from the USDA. If the modest reforms the Secretary wants to put in place October 1 were in effect this year, let me read this quote, "Over all Federal orders, the average blend price would have averaged 15 to 20 cents per hundred weight higher if Federal Order reform had been in place over the last 12 months and nearly all farmers would have been better off."

Mr. Chairman, we are not talking about making bold changes that are going to drive dairy farmers in some parts of the country out of business, we are talking about modest reforms we are going to allow to go into place. The current policy is indefensible. We should defeat H.R. 1402. We should allow the reforms to go into effect.

Mr. PETERSON of Minnesota. Mr. Chairman, I yield 2 minutes to the gentlewoman from Wisconsin (Ms. BALDWIN), a new Member who has been a real leader on this issue.

Ms. BALDWIN. Mr. Chairman, for nearly 6 decades Wisconsin dairy farmers have been victims of a discriminatory pricing system that devalues their product, destroys their economic well-being, and threatens their very way of life. There are literally thousands of dairy farmers that I could tell Members about, but I would like to tell Members a little bit about one family farm, Dwayne and Janet.

Dwayne and Janet operate a family farm in northern Green County in my congressional district. Dwayne's family has operated a dairy farm for four generations, over 100 years. Dwayne, Janet, and their sons work hard to manage their herd of 45 cows. They work between 90 and 100 hours per week. They do not take vacations.

They are very worried about their future. Dwayne and Janet have watched farming decline in their township for the last 20 years. The number of dairy farmers in their township has declined from 55 to now 29. All Dwayne and Janet want is a level playing field. Dwayne and Janet know that other dairy farmers in other parts of the Nation are getting more for their milk simply by virtue of how far they live from Eau Claire, Wisconsin.

Dwayne and Janet still count themselves as lucky so far, but because they have seen their neighbors go out of business, they wonder if they are next.

H.R. 1402 is bad for Dwayne and Janet and all other Wisconsin dairy farmers.

The Department of Agriculture has offered a fair reform plan. It is not everything we want, but it is a step in the right direction toward a more fair system, a system which can offer some hope for family farms and to people like Dwayne and Janet.

Mr. COMBEST. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri (Mr. BLUNT), the original author of H.R. 1402.

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

Mr. Chairman, I am glad we are dealing with this issue today. It clearly is an issue that the House has been divided on for some time, but it has been overwhelmingly divided in favor of H.R. 1402. Last year, 238 Members of the House and 62 Senators wrote the Secretary and asked the Secretary to stay with the Option 1A pricing structure. The Secretary ignored that and came back with a different structure.

This year 228 Members have joined me as cosponsors of this legislation. This House is overwhelmingly supportive of commonsense dairy policy for American farming families.

My good friend, the gentleman from Minnesota, just said, I believe, that the USDA estimates that there would be maybe a \$3 million loss to American farming families. The estimates that I see are \$200 million, and in fact, in my district alone, the Seventh District of Missouri, in southwest Missouri, most of our milk is marketed on the fluid market. The Secretary's rule would reflect a 49 cent per hundred weight decrease in fluid milk. This means that in the Seventh District, there would be a \$4 million loss. If we have a \$4 million in the Seventh District of Missouri, which is not any longer in the top 10 dairy-producing districts of the country, even though for years and for generations it was, there is no way we are going to have a \$3 million loss nationwide.

Mr. Chairman, this is the difference in farming families continuing to farm in the majority of our States. Forty-five States are negatively affected. An average dairy farm in those 45 States, a small dairy farm of around 100 cows, would lose between \$6,000 and \$15,000 a year, depending on the other market factors.

On dairy farm after dairy farm, the difference in \$6,000 a year to \$15,000 a year is the difference in whether they continue to maintain that farm, whether their family continues to be in this business, whether there is a fresh supply of milk produced reasonably close to consumers.

There is a reason that every bottle of milk has a date on it. The reason is that this is a highly perishable product. It does not have tremendous shelf life. It needs to be produced close to the people that consume it. Option 1A continues that policy that continues that kind of production. I urge my colleagues to support this bill.

Mr. PETERSON of Pennsylvania. Mr. Chairman, I yield 2 minutes to the gen-

tleman from Pennsylvania (Mr. HOLDEN), a member of the Committee on Agriculture and the Subcommittee on Livestock and Horticulture, and a leader on this issue.

Mr. HOLDEN. Mr. Chairman, I rise today in support of H.R. 1402, legislation to mandate the implementation of Option 1A of the Federal Milk Marketing Order System.

In Pennsylvania, dairy is the largest agricultural enterprise, representing a \$1.5 billion industry. Pennsylvania is the fourth largest dairy State in the country. Dairy is important to Pennsylvania and the entire Northeast because of the particular contribution it makes in both dollars and jobs.

Over the past 2 years, I have worked with a majority of my colleagues in support of replacing the Federal Milk Marketing Order System with what is known as Option 1A. That is why I strongly opposed the rule proposed by the Secretary, a modified Option 1B. If implemented, it penalizes dairy producers to the tune of at least \$200 million per year. In Pennsylvania alone, that loss will be about \$20 million a year, based on a reduction in Class 1 differentials.

It discriminates in providing a fair and equitable price to dairy farmers in most regions of the country. In both the short and long run, it will hurt consumers by reducing supplies of locally-produced fluid milk and drive up prices at supermarkets.

The bill before us today will implement a widely-supported Option 1A which will provide equitable pricing for fluid milk, ensure affordable dairy products to consumers, and prevent the further erosion of the economic well-being of many small communities. It will ensure that our Nation's dairy farmers receive a fair pricing system and consumers have an adequate supply of fresh dairy product.

I encourage my colleagues to join the 229 cosponsors and vote in support of H.R. 1402.

Mr. COMBEST. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. CALVERT), a member of the committee.

Mr. CALVERT. When I was in the restaurant business, Mr. Chairman, I had to work hard to get the lowest prices, the best workers, and the most bang for my buck. If I was not competitive I risked going out of business, plain and simple. This is the American way. H.R. 1402 would revert us back to a dairy market system that is quite simply anti-American, anti-business, and anti-consumer.

I have some of the most efficient and successful dairy farmers in this country, probably the largest dairy district in the United States. They watch their expenses, they make a great product, and if given the chance, they would be highly successful in an unregulated market.

We are just talking about a modest change here today, Mr. Chairman. We are just trying to change a system that

prices milk based upon the distance from Eau Claire, Wisconsin. What business in America would do that? I would encourage all Members to take a close look at this.

With current technology and transportation, it has changed this country and we no longer need to run a system that way. Oppose H.R. 1402 and let us get back to the American way.

Mr. PETERSON of Minnesota. Mr. Chairman, I yield 3 minutes to the gentleman from Vermont (Mr. SANDERS), who has also been a leader in dairy policy.

Mr. SANDERS. Mr. Chairman, I thank my friend, the gentleman from Minnesota, for yielding time to me.

Mr. Chairman, I rise in strong support of our Nation's dairy farmers, in strong support of H.R. 1402, and in strong opposition to the poison pill amendments that have been offered.

This legislation is critical for the survival of dairy farms in the State of Vermont and all over this country. It would implement the Class 1 milk price structure known as Option 1A as part of the final rule to consolidate Federal Milk Marketing orders. It would protect family farmers all over America who in recent years have seen a significant drop in the price that they get for their milk.

In fact, today in terms of inflation-accounted for prices, farmers today are receiving 35 percent less in real dollars than they received 15 years ago, which explains why all over America we are seeing family farms going out of business, we are not seeing young people getting into farming, and we are seeing the industry becoming dominated by larger and larger agribusiness corporations, rather than small family-owned farms.

Option 1A is supported by 229 Members of the House. The reason for that is that the economics is very clear that Option 1A will help 45 out of the 50 States.

Let me suggest to Members the options that we have. If present trends continue, in my view, what dairy agriculture will look like 10 years from today is that a handful of agribusiness corporations will control the production and distribution of dairy products. The alternative is to maintain, as best we can, family-owned farms all over this country who protect our environment, who protect our rural economies, who provide fresh product to the people in the various communities.

Does America really want a handful of corporations to determine the price of dairy product? Does America really want to lose family farms all over the country and see our green land converted into parking lots, or are we going to fight as hard as we can to protect family farmers, who provide us with fresh, high quality product?

I would urge Members of the House, the 229 who are supporting this excellent legislation, to stand firm against the amendments that are being offered which would ultimately undermine the

goals of this legislation. Let us stand with the family farmers who work 7 days a week, 12 hours a day, producing the quality of food that we desperately want and need to maintain.

Mr. COMBEST. Mr. Chairman, I yield 1½ minutes to the gentleman from Michigan (Mr. SMITH), a member of the committee.

(Mr. SMITH of Michigan asked and was given permission to revise and extend his remarks.)

Mr. SMITH of Michigan. Mr. Chairman, I am a dairy farmer from Michigan. I am supportive of H.R. 1402. It implements one of USDA's proposals known as Option 1A.

Briefly, let me try to explain to our nondairy Members roughly what we are talking about. We started pricing milk back in 1937 because there was unfair bargaining between dairy farmers and the processors of milk. The processors of milk had the bargaining advantage and could rip off those dairy farmers simply because milk is perishable and is lost if not purchased. They could do anything they wanted to with you because your milk will spoil if not picked up, so the dairy processor had monopoly power over the individual dairy farmer. So government became involved in pricing milk.

It is interesting that today there are still about 200 dairy farmers producers for every one processor as there was in 1937, so some pricing structure needs to stay in place if we are to continue producing an adequate supply of milk in this country. These two changes USDA came up were their two top proposals on how to involve the government; namely, Option 1A and Option 1B. Option 1A has less change from the current system; Option 1B has a more dramatic change.

But I would suggest to Members, there are already very dramatic changes that include going from 31 milk marketing orders to 11 orders in this country. Also both proposals dramatically change the way we price milk and change the way we classify milk. It is very important, I think, in making this transition that we go with the less drastic change that is Option 1A.

Members ask why roughly 87 percent of our milk is sold through cooperatives. It is because dairy farmers are over the barrel and do not have the ability to bargain effectively as individuals. They do have cooperative bargaining rights that will be helped with the passage of this bill. I think it is very important that we pass this bill and go with Option 1A.

Mr. PETERSON of Minnesota. Mr. Chairman, I yield 2 minutes to the gentleman from Mississippi (Mr. SHOWS).

□ 1115

Mr. SHOWS. Mr. Chairman, our dairy farmers are not numbers and statistics to be shuffled around like a spreadsheet without care and concern. Our dairy farmers are part of the American farm family. They are men and women

who work hard every day. Farming is not as much a career as it is a way of life. It is a way of life that touches every life in America.

In my district, in the 4th District of Mississippi, we have over 300 dairy farmers, more than 24,000 dairy cows, and a total value of agricultural crops and livestock products of over half a billion dollars. Dairy farming matters to the communities and towns and lives of Mississippians.

All Americans, whether in the big cities, main streets of our towns, or roads of the countryside are touched by the hard work and care given to supplying fresh and wholesome milk to our tables.

Milk does not just appear on the refrigerator shelves of our markets. It gets there through hard work.

The American Government is wrong in attempting to enact policy that is not fair and equitable to all our dairy farmers. It is wrong to suggest some places matter more than others. All our farmers work hard, pay their dues, and give back to their communities and supply us with the highest quality, safest, best, and most economical food supply on the planet.

Fairness across the board must prevail. Let us pass H.R. 1402 today and move forward as one American farm family serving one America.

I would like to remember the 1-A and 1-B. 1-B stands for bad. Let us remember 1-A.

Mr. COMBEST. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota (Mr. RAMSTAD).

Mr. RAMSTAD. Mr. Chairman, I thank the gentleman from Texas for yielding me this time.

Mr. Chairman, I rise in common sense tripartisan opposition to the bill before us today.

Mr. Chairman, we need to cut to the chase and listen to Minnesota's governor, Jesse Ventura, who body slammed this bill during recent testimony before the House Committee on Agriculture.

Governor Ventura, in his common sense, no-nonsense direct way put it best when he said, "What we need, without question, is to end the nonsense that has the price of milk tied to how far the cow is from Eau Claire, Wisconsin. Now that there are refrigerated trucks" in America, "it makes sense to abandon 50-year-old thinking and find a new way to look at the 'millennium' dairy industry, one that reflects today's economic realities and is at least fair."

Governor Ventura is absolutely right, and we all know it. If H.R. 1402 passes, it would derail long-overdue reforms to our Nation's Depression-era milk pricing regulations. As Governor Ventura further explained, and as we all know, Secretary Glickman has come up with a plan to correct some of the 50-year-old problems, but H.R. 1402 would torpedo that plan.

The current system, as has been said today, is based on outdated realities of

milk production, consumption, and transportation; and it has caused drastic distortions in milk production in this country.

I urge my colleagues to be fair, use Norwegian horse sense on this dairy policy, use Jesse Ventura common sense. Vote for a level playing field across America. Vote no on H.R. 1402.

Mr. PETERSON of Minnesota. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. DOOLEY), a member of the Subcommittee on Livestock and Horticulture, and a real leader on this issue.

Mr. DOOLEY of California. Mr. Chairman, I rise in strong opposition to H.R. 1402, and I do so because it is time for us to move in a direction that takes us away from a program that was developed during the depths of the Great Depression.

As I have often said, it was Secretary of Agriculture Henry Wallace that introduced this program, many our farm programs, as a temporary solution to deal with an emergency. We no longer have an emergency in the dairy industry.

We have some of the highest milk prices that we have seen in history, yet, we are still trying to promulgate and continue a policy that is not going to allow this industry to become increasingly competitive so we can provide consumers with a lower cost product and allow U.S. dairy farmers to become more competitive internationally.

When we get right down to it, the issues are very simple. When we look at the cost of production of milk in the United States, there is a great disparity. If we look in the southeast of this country, it costs about \$17.50 a hundred-weight to produce milk. We go to the northeast, it is in the \$14, \$14.50 a hundred-weight. We go to Wisconsin and Minnesota, they can produce milk at \$12.25 a hundred-weight. We go to the Pacific Coast, they can produce it out there for a little over \$11 a hundred-weight.

We have in the United States, family farmers, dairy farmers that are able to produce milk at a third of the cost as other parts of the country. Yet, we are continuing a policy that is not going to allow those dairy farmers in those areas where they have a relative advantage to realize that advantage and opportunity.

There is no other sector of our economy, no other agriculture commodity that we are growing that we have a farm policy that dictates that we are going to require consumers and processors to pay more for milk that does not have any direct correlation to market prices. That is what we are doing here.

If we do not oppose H.R. 1402, we are going to ensure a policy where the Government is dictating what consumers and processors are going to have to pay for milk. When we are moving into a world which we understand and we have to become increasingly market

oriented, we ought to allow the marketplace to dictate where milk is going to be produced.

We should not have a federal policy that is going to ensure that we are going to have cows in the southeast where it is a very high cost of production when we know that there are family farmers in other regions of the country that can provide the same product at a lower price that can deliver that product to consumers through transportation of other means.

Government should not be prejudicing whether or not a producer, a dairy farmer, is going to be supplying milk to a particular market because of the fact of how far they live from Eau Claire, Wisconsin.

This policy is out of date; it is time to move on. It is time to allow the dairy farmers of this country which had the greatest opportunity and ability to produce milk at the lowest prices to realize that advantage, to realize that opportunity, and allow the marketplace to work.

Mr. COMBEST. Mr. Chairman, I yield 1½ minutes to the gentleman from Pennsylvania (Mr. SHERWOOD).

Mr. SHERWOOD. Mr. Chairman, I rise in strong support of H.R. 1402 which would direct the Secretary of Agriculture to implement the Class I milk marketing structure known as Option 1-A that will put some sense back in the system that they are trying to change that has worked for so long.

If my colleagues look at my diagram, they will see what bleeds red, almost the whole part of the country, except some parts of California and the upper Midwest. Although I have great respect for my colleagues on the other side of the debate, in this case, they are dead wrong.

This map was made by the Department of Agriculture. The red part of the map, which is the vast majority of the country, shows the farmers that get hurt. If we do not pass H.R. 1402, we will have all the milk in this country produced in a couple areas.

The next thing they will be asking us to do is reconstitute it so they can ship it. Mr. Chairman, do my colleagues know the difference between fresh orange juice and concentrate? That is where we are going in the milk business if we do not pass H.R. 1402.

We have had in my area one hauler that went from 140 stops to 40 stops. That is what is happening to the family farm. Option 1-A of H.R. 1402 will help us delay that.

I had a lady come into a meeting that I was at a while ago and she said, I came and I had to go home. Her son sent me a little letter. His mom had told him I could vote on this. He said, "Mr. Voter, my mom says you can help us. Please help my Grandpa Jack's cows."

The CHAIRMAN. The Chair would advise Members that the gentleman from Texas (Mr. COMBEST) has 14 minutes remaining. The gentleman from

Minnesota (Mr. PETERSON) has 6½ minutes remaining.

Mr. PETERSON of Minnesota. Mr. Chairman, I yield 3 minutes to the gentleman from Maine (Mr. BALDACCIO), a member of the Committee on Agriculture.

Mr. BALDACCIO. Mr. Chairman, there are a lot of formulas, there is a lot of gobbledegook, and a lot of things that maybe a lot of people have a hard time understanding. But the basic fact is that this legislation would preserve the present system. Under the alternative that the Department has promulgated and that the detractors of this legislation are presenting, it would take \$200 million out of the pockets of dairy farmers. It would take \$200 million out of those dairy farmers pockets.

It would be there to help people who are further up the chain other than the dairy farmer in the family farms that are spread throughout this country.

So one thing is very clear. If my colleagues support the current level of funding that is going on and the arrangements that are in place right now, then they will support this legislation. If they want to support taking \$200 million away from those dairy farmers and further jeopardizing their livelihoods, because we all know whatever we want to call it, people are working off the farm to stay on the farm. They are trying to raise their kids in a quality of life situation that not too many people have an opportunity for.

In our State of Maine, \$95 million a year is coming from dairy revenues. We are down to 600 small farms now. We used to have twice that number. Most people are telling me, John, the only thing that is constant in the business is how much we get for our milk. Everything else is going up by telegraph. Everything that we get is staying flatline, and we are having a hard time struggling to stay there.

That is where most of the dairy farmers are in our State of Maine and throughout the northeast. Nobody is getting rich at the present formula that is put in place.

But one thing is very clear. If my colleagues want to take \$200 million, which is what the Department has estimated would come from the implementation of their policies, would reduce farm income by \$200 million, then vote against this legislation.

If my colleagues support the small dairy farmers throughout this country and they support family farms, then they are going to vote for this legislation which has over 228 Members that are supporting this in a bipartisan fashion to support the implementation of the 1-A program that has been supported by over three quarters to almost 80 percent of the dairy farmers throughout this country. That has been the support that has really registered here in Washington and something that we need to reinforce.

So I am proud to be one of the co-sponsors of this legislation, and I encourage my colleagues to support this.

Mr. COMBEST. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin (Mr. GREEN).

Mr. GREEN of Wisconsin. Mr. Chairman, I thank the gentleman from Texas (Chairman COMBEST) for so graciously providing this opportunity for balanced debate.

I would ask those watching today and listening to remember three points as this debate takes place: number one, we are going to hear a lot today about how family farms in general and dairy farmers in particular are hurting. No one knows that better than I. In the district that I represent, we have seen a massive decline in dairy farming. By this time tomorrow, Wisconsin will have lost five dairy farms. We have lost more dairy farms in the last 10 years than nearly every other State ever had.

I understand that our farmers are hurting. But as we hear about how dairy farmers are hurting, do not forget that they are hurting under the current system, the system which the supporters of H.R. 1402 seek to reimpose. It will not help them one iota.

Point number two to remember, we are going to hear a lot about numbers and about losses. The supporters of H.R. 1402 are going to have their charts. Remember this: the USDA has debunked every one of those numbers. The USDA just recently came out with a report which shows what would have happened if the Secretary's proposed reforms had been in effect over the last year. The doomsday scenarios that we are hearing about are false. They are badly misleading.

Point number three, we are going to hear a lot about the coalition of Members who support this bill, and it is broad, and it is bipartisan. It is 229 Members. Would this be the first time that people inside the Beltway have been wrong? I ask my colleagues, just because they have 229 Members does not make them right.

I do not put my faith inside the Beltway. I put my faith in a different coalition, a broad coalition, a coalition that spans every part of the spectrum. Those standing against H.R. 1402 range from Americans for Tax Reform to the AFL-CIO, Citizens Against Government Waste to the Consumer Federation of America, the Teamsters, the Caucus of Black State Legislators, the Grocers Association, the Food Marketing Institute.

We have had newspapers from every part of the country opining against raising the price of milk which is what H.R. 1402 would do.

□ 1130

We have heard from the Washington Post, The New York Times, the Chicago Tribune, paper after paper, group after group outside the beltway is saying do not do this. Do not raise the price of milk that consumers have to pay. Do not push farmers out the door.

I urge my colleagues to stand today not within the beltway but with groups outside the beltway opposed to 1402.

Mr. PETERSON of Minnesota. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina (Mr. ETHERIDGE), a member of the committee.

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

Mr. ETHERIDGE. Mr. Chairman, I thank the ranking member for yielding me this time.

This morning I am proud to join my colleagues in this final push to pass legislation that will allow dairy farmers to survive and to ensure that consumers have access to a fresh milk supply, a fresh supply of milk at the local level.

Enough is enough. It is time that Congress do what a majority of the Members have demonstrated they want done, and that is pass Option 1-A. Every step of the way we have proven that we have the support to do the right thing for the dairy farmers of this country and the consumers of America by passing Option 1-A.

Folks, we are at a crossroads in America today for agriculture. Consolidation is killing the American farmer, and enough is enough. Consumers are going to feel the pain when a few corporations control agricultural production in this country. Too many people today think that food comes from the grocery store. They fail to realize that whatever the product may be, it is produced by a farmer somewhere in this country.

I know that I speak for many Members of this House when I say we are committed to ensuring that these hard-working Americans and their children have an opportunity to succeed in agriculture in the 21st century. But, first, we must bring stability to the national dairy policy.

Option 1-A provides a modest reform for the national system of pricing fluid milk that is fair both to the producer and to the consumers throughout this country. The Department's proposal, on the other hand, would, in my opinion, substantially lower prices for farmers that they get for their fluid milk in about 41 States in this country, forcing many of the dairy farmers out of business. No matter what we hear, that is true. And when farmers go out of business, competition declines and consumers pay. That is a fact, no matter how we want to change it.

Option 1-A is fair both to consumers and to the farmers. And I am tired of folks who keep telling me to let the free market system work. It is not working for the farmer. They are going broke. We have just heard my colleague from Wisconsin saying they are going out of business, and that is a State that has a lot of dairies. In my State we have so few left we can hardly find them. We have to do something to stop it, and this morning we have an opportunity to do something.

We are probably going to pass a \$10 billion relief package in some form for our farmers before this year is out, I trust.

But folks, dairy compacts and option 1-A is the disaster relief package my dairy farmers need to survive, and that's a relief package that won't cost the taxpayers one dime.

I want to commend the gentleman from Missouri and the Chairman and the Ranking Member of the Agriculture Committee for their hard work in bringing this bill to the floor, and I urge my colleagues to support this important bill for our nation's dairy farmers.

Mr. COMBEST. Mr. Chairman, I yield 1 minute to the gentleman from Alabama (Mr. RILEY).

Mr. RILEY. Mr. Chairman, we have heard more rhetoric today about everything that is going on here. I have heard one of my colleagues get up this morning and say that if we all took a quiz on this that we would all fail. This is probably one of the more simple things that I have had to deal with since I have been up here.

We have a program in place today that allows most of the producers of milk in this country to receive essentially the same price, but there is a wide variance in the cost of production. So what we are trying to do today is overturn a program that says if it costs, as my friend from California said a moment ago, \$17 to produce milk in the Southeast and \$12 to produce it in the upper Midwest, what we are trying to do is overturn a program that says that the place that has the cheapest cost of production, we are going to give a dollar per hundred-weight raise; and where it costs more to produce it, we are going to ask for a decline in the price. It makes absolutely no sense to do what we are doing.

Mr. COMBEST. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin (Mr. RYAN).

Mr. RYAN of Wisconsin. Mr. Chairman, a lot of folks have been calling our office, other Members that do not represent dairy States, asking what is going on here. Well, I would like to give Members who do not represent dairy States a little insight as to what this whole pricing formula is all about. If Members think our Tax Code is complicated, wait until they look at dairy.

Out of the Code of Federal Regulations the method for determining the basic formula price for milk and the blend price is as follows:

The basic formula price for milk equals last month's average price paid for manufacturing grade milk in Minnesota and Wisconsin plus current grade AA butter price times 4.27 plus current nondry milk price times 8.07 minus current dry-buttermilk price times 0.42 plus current cheddar cheese price times 9.87 plus current grade A butter price times 0.238 minus last month's grade A butter price times 4.27 plus last month's nondry milk price times 8.07 plus last month's dry-buttermilk price times 0.42 minus last month's cheddar cheese price times 9.87 plus last month's grade A butter price times 0.238 plus present butter fat minus 3.5 times current month's butter price times 1.38 minus last month's price of manufacturing grade A milk in Minnesota-Wisconsin times 0.028.

That is the basic formula price. Now let us go to the blend price, which gets us closer to what the farmer actually gets.

The blend price is the basic formula price plus .12 times percent of milk used for cheese and powder and butter plus basic formula price plus .30 times percent of milk used for ice cream and yogurt plus the basic formula price plus 1.04 plus .15 times the distance from Eau Claire, Wisconsin, divided by 100 times the percent of milk used for fluid milk.

My colleagues, this is the pricing formula set in law 62 years ago; and this is what we are living under now. The USDA is proposing very modest reforms toward a market-based system so that farmers can farm based on their own merit, not based on where the heck they live in proximity to Eau Claire, Wisconsin.

This is the formula. This is how they determine how a farmer basically gets the price for milk. This is more complicated than our U.S. Tax Code, yet the proponents of H.R. 1402 want to keep this price system in place. That is what this debate is about. When we listen to these numbers about \$200 million being lost, those are bogus numbers. The USDA, the Food and Agricultural Policy Research Institute concluded on consensus numbers that, at worst, farmers are going to lose \$2.8 million a year but, on average, 60 percent of America's dairy farmers are going to do better under the USDA's plan.

So this \$200 million figure, Members should not believe the hype. At worst they are going to lose \$2.8 million. The decimal point needs to be moved a couple slots to the left.

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

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

Mr. GOODLATTE. Mr. Chairman, I thank the chairman for yielding me this time, and I rise in strong support of H.R. 1402. It is a Federal response to a national problem, and it reflects what Congress had intended when it required milk market order reform.

In 1996 through the Freedom to Farm Bill, Congress voted to reform the milk marketing order program. Congress directed the Secretary to reduce the number of marketing orders and phase out the Federal product purchase without compromising the basic pricing structure on which dairy farmers depend.

Again in 1998, a majority of Members from the House and Senate signed letters to Secretary Glickman appealing to him to implement a Federal milk pricing policy that did not significantly lower milk producer prices. Unfortunately, the administration ignored the will of Congress and the desire of the majority of dairy producers and announced the final dairy plan that drastically phases down the Fed-

eral pricing program, costing producers nationwide millions in lost farm revenue.

Dairy producers are expected to lose \$200 million or more annually when the administration's plan, the modified Option 1-B Class I price differential is enacted. I urge my colleagues to support the 1-A option and to support this bill.

Today, Congress has the opportunity to show support for agriculture and an interest in improving farm income during a time of financial turmoil for farmers by voting for H.R. 1402.

Simply put, Option 1-A reforms the milk marketing order system, reduces volatility, and continues to assure there will be enough fresh milk in all markets of our nation. It does so by keeping in place transportation differentials, a system that has worked for many years, guaranteeing us an adequate supply of fresh, wholesome milk. As the government withdraws from the purchase of dairy products to balance the market, we need to leave in place those mechanisms that assure us a continued supply.

Some may argue that the producers themselves voted for the Administration's plan through the producer referendum in August and we should honor their wishes. In no way should the producers affirmative vote be considered as support for the lower Federal Order Class prices proposed by Secretary Glickman. It was a vote under duress. The Secretary gave the producers no choice. It was either his way or no way at all. Producers voted for his plan in efforts to keep the Federal Order system intact as producers await the enactment of H.R. 1402.

Farmers from across the country are counting on our support. More than 225 members of the House have promised their dairy farmers their support in Congress. Don't be fooled by misleading tactics. This is simply a bill to keep our farmers in business. I urge every member to support H.R. 1402.

Mr. COMBEST. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. SWEENEY).

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

Mr. SWEENEY. Mr. Chairman, I thank the gentleman for yielding me this time, and in this short time I have, Mr. Chairman, we have heard a lot of comment on what support there is and what expert evidence there is and support for Option 1-A.

I just want to point out four simple facts, and they are this: That since the passage of the 1996 farm bill, the Secretary of Agriculture has ignored all of the experts, and has been on a biased march to debunk the dairy marketing process in the United States.

Consider that USDA took public comments on many proposals it put forth; and, in the final analysis, comments filed by the dairy industry and dairy experts ran better than 8 to 1 in favor of Option 1-A. The Department empowered a price structure committee composed of many industry experts to make recommendations to the Secretary. This committee recommended Option 1-A. They were ignored.

The Department's own internal dairy division experts recommended Option 1-A. They were overruled. Option 1-B was then advanced. Three hundred Members of the House and Senate sent a letter, concerned about the path USDA was pursuing, wrote to the Secretary and told him that they supported Option 1-A. They were ignored as well.

Experts in the industry and out of the industry know that Option 1-A is the fair and equitable way.

Mr. COMBEST. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. BOEHLERT).

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

Mr. BOEHLERT. Mr. Chairman, I have been here 17 years. If I am here 1700 years, I will not be able to explain the complexities of dairy pricing. But I can tell my colleagues this, the supporters of 1402 are not willing to stand idly by while others would relegate the family farm to the status of forgotten Americans.

Let me tell my colleagues about the consumers, because we are all vitally interested in the consumers. If we do nothing, if we allow this present trend to continue, pretty soon we will have the production of milk concentrated in the hands of just a very few. And when that happens, just watch what happens to the price.

We have an obligation in this House, in this Congress, to provide some assistance to the family dairy farms, and Option 1-B would rob them of \$200 million of income. That is totally unacceptable.

Let me give my colleagues another twist on this. Why is the environmental community so sensitive to the plight of the family dairy farms? It is not just because they are an endangered species, which they are, but it is because if we witness the demise of the family dairy farms, we will have more of that scourge of America urban sprawl, and that is not healthy for anybody.

This bill is about protecting our struggling family farmers and ensuring that they get a fair price for the milk they produce for the benefit of us all.

USDA's modified Option 1-B would reduce what return dairy farmers see for their investment at a time when many dairy farmers are already struggling. The dairy farmers' share of consumer dollars spent for milk has been decreasing since 1980. In fact, the percent of the consumer milk dollar going to farmers dropped approximately 20% from 1980 to 1997.

Dairy farmers nationwide stand to lose \$200 million a year if the Agriculture Department's Modified Option 1-B pricing plan is for fluid milk is adopted. While farmers would see a reduction in income under the modified Option 1-B plan, this change would have little effect on the price consumers pay for milk because processors and grocery stores are unlikely to reduce prices.

The number of dairy farms and farmers has been declining over the last several years. New York has lost approximately 6,000 dairy

farms in the last ten years. Any reduction in farmers' incomes will mean that more producers leave the farm.

Farmers are vulnerable to volatile market conditions because milk is perishable; farmers can't just tell the cows to stop producing milk in order to wait out low prices. Option 1-A gives dairy producers more stability and helps to ensure that they receive a fair price for milk.

Milk prices under the modified Option 1-B will be insufficient to cover the cost of producing milk on many family-sized farms, forcing many of these farmers out of business and leaving few producers with control of the dairy market. This will result in greater concentration of the dairy industry in the hands of a few and higher prices for the consumer.

I urge my colleagues to vote for Option 1-A and H.R. 1402.

Mr. PETERSON of Minnesota. Mr. Chairman, I yield 30 seconds to the gentleman from Minnesota (Mr. OBERSTAR), the dean of the Minnesota delegation and a leader on dairy issues.

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

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

The existing policy is doing exactly what the preceding speaker said, driving the family farm out of existence. We have lost half of the dairy farms of East Central Minnesota in the last 10 years because of policies that are in place, and that would be changed by the Secretary's order.

It is time to end the milk cartels, the regional dairy compacts. It is time to free up the most productive dairy farmers in America, those in the Minnesota-Wisconsin milksheds. It is time to reduce the milk marketing orders from 31 to 11, as USDA proposes. It is time to vote for fair trade at home in the dairy sector and preserve the family dairy farm.

Mr. COMBEST. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. MCHUGH).

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

Perhaps some very troubling but, I think undeniable, important facts. As my colleague, the gentleman from New York (Mr. SWEENEY) suggested, the Department had hearings but the Department did not listen. Of the 4,217 comments placed into the hearing record, 3,579, nearly 85 percent of them, supported 1-A. Again, as my colleague so correctly noted, the industry, the Ag Department's own internal price structure committee accepted and recommended 1-A.

□ 1145

As well, the Congress has voted on this time and time again. During the 1996 farm bill, we considered proposals that would have dramatically altered the price structure and the market order system, but we rejected each and every one of those.

To my friends that say that Congress is now reneging on the deal, let me

read the report language from the 1996 farm bill: "The minimum price for class I fluid milk shall be the same or substantially similar to those set forth in the 1985 farm bill." This 1402 is totally consistent with congressional intent.

Let me just make a couple of other points. I am pleased to let Governor Ventura know that, under 1402, or 1-B, neither uses Eau Claire, Wisconsin, as the sole basing point for Class I differentials. So he can go to bed happy tonight.

Also, when we talk about market orientation, both 1-B, the Department's plan, and our bill, 1402, use the market price of cheese as the driving force for class I. So that my opponents here and other opponents can continue not to worry about that, as well.

Also, the Ag Department's analysis, the Secretary's analysis, was totally debunked by every reputable economist and organization that analyzes the dairy industry. They used a totally false premise with respect to class III prices when they came up with the calculation of \$2.2 million. I wish it were true, quite honestly. Otherwise, we would not have to be here.

1402 is consistent with congressional intent. It is good for dairy farmers across this country. The House needs to adopt the bill today.

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

Mr. Chairman, I just would say to my colleagues one more time, we have got a pretty good debate here today, but for those of my colleagues that have supported free trade, that believe in the free market, I just say to them, how can they defend a system where we are benefiting one farmer in America over another farmer? We are setting up barriers in this country where we are saying we should take them down in the world. So I would say, how can they defend a program that does that?

The second thing I would say, we have had a lot of talk today about how we are losing family farmers. And that is true. We are leaving them in every area of this country. But we need to understand that we have been losing those farmers under the existing program which House File 1402 continues. So how in the world are we going to save family farmers if we are going to keep the same program that has caused us to lose them up to this point?

Mr. COMBEST. Mr. Chairman, I yield the balance of our time to the gentleman from Minnesota (Mr. GUTKNECHT).

Mr. GUTKNECHT. Mr. Chairman, I thank the chair of the Committee on Agriculture for yielding me the time.

Mr. Chairman, earlier the gentleman from Pennsylvania (Mr. SHERWOOD) had a chart and he said, if this thing is defeated, these areas are going to be bleeding red. But if we think about it, what it really says is that for 62 years they have had an advantage and our farmers in the upper Midwest have been bleeding red.

The gentleman from Alabama (Mr. RILEY) said that in some areas it costs more to produce milk and so we have to have big differentials. But in some areas of the country it costs more to grow wheat. In some areas it costs more to grow corn. And if it costs too much, they do not produce corn in those areas. But in no other area does the Federal Government step in and artificially try to set the prices.

Mr. Chairman, I want to thank the gentleman from Wisconsin (Mr. RYAN) because I think what he read just made my point. In fact, I rest my case. Can anyone in this room, can anyone in this body, can anyone in this country say that they honestly understand the way milk marketing orders are set? Can anyone honestly say that it makes any sense, either economic or policy or politically, can anyone honestly defend this price-fixing cartel?

Shortly after the Soviet flag came down for the last time over the Kremlin, an editorial was written here in the United States and the headline was "Markets are more powerful than armies." What a beautiful line.

Let us take a small step away from this Soviet-style pricing scheme. Let us listen to common sense. Let us listen to our farmers, not to special interests. Let us defeat H.R. 1402.

Mr. GILMAN. Mr. Chairman, I commend Mr. BLUNT for bringing this legislation to the floor today, and giving me the opportunity to speak on behalf of our Nation's dairy farmers, in support of H.R. 1402.

In my home State of New York, agriculture is the largest industry with an annual farm value of products over \$3 billion. The State's dairy industry, over 8,000 farmers, accounts for approximately 60 percent of the farm receipts.

With abundant rainfall, productive soil, and proximity to the Nation's largest markets, the outlook for the future of New York's dairy farmers is one of great potential.

However, in a recent meeting with Brian Ford, a dairy farmer from Orange County, NY, it was once again made clear to me, that our Nation's farmers continue to struggle; a struggle made even harder by the inability of the Department of Agriculture to respond to their needs, by moving forward with a plan that reduces farm income in 45 States.

Although our Nation's dairy farmers overwhelmingly support reform, the present class 1 pricing formula will force them to lose at least \$200 million annually.

Accordingly, H.R. 1402 will require the Secretary of Agriculture to implement the class 1 milk price structure known as option 1-A, as part of the implementation of the final rule to consolidate Federal milk marketing orders.

A strong agricultural industry is not only beneficial to the farm and food industry, but to the economy of every State, hundreds of local communities, and our consumers. America's small family farms rely on us to provide them with a strong foundation. Since 1993, the United States has lost 25 percent of its domestic dairy operations; a trend that must be stopped.

Accordingly, I urge my colleagues to support H.R. 1402.

Mr. HAYES. Mr. Chairman, over the past few months, I have traveled around my district

and listened to farmers and ranchers tell me about the state of the farm economy—low commodity prices, drought, hurricanes. I also heard from my dairy farmers telling me of their dwindling dairy industry in North Carolina. A business which once thrived with as many as 400,000 milk cows, is now down to 75,000 cows—losing 5,000 in the last 3 years alone.

I tell you these things about our dairy industry in North Carolina to give you some insight into our current situation. I want you to know, however, that while it is becoming increasingly difficult for our dairy farmers, there are still 478 farms employing hundreds of people and providing consumers in North Carolina with fresh milk every day.

I come to the floor today to voice my strong support for H.R. 1402. Option 1-A is not only vital to the survival of the dairy industry in many regions, it is also good for consumers. Economic studies show that locally produced milk is cheaper for consumers because they don't have to pay the cost of shipping milk from surplus areas. Option 1-A is also good for consumers because it ensures that milk will get quickly from the cow to the consumer; therefore, it will have a longer shelf-life.

The bottom line here is that North Carolinians want and deserve fresh milk. I, along with 230 of my colleagues, believe that the freshest milk is the milk that doesn't have to travel a thousand miles to get to our constituents. By voting against option 1-A, Members would be voting to put hundreds of more dairy farmers out of business—ensuring that milk will indeed have to be transported in year-round from farms all over the United States.

I urge you to vote in favor of option 1-A and in favor of fresh milk and the family farm.

Mr. VENTO. Mr. Chairman, I rise in vigorous opposition to H.R. 1402. This legislation threatens to keep this Nation's dairy system shrouded in an antiquated, Depression-era policy that discriminates against our Nation's dairy farmers because of the area in which they produce milk products.

Mr. Chairman, this bill should not have reached the floor today. It flies in the face of a commitment that we made in the 1996 Freedom to Farm bill that granted the Secretary of Agriculture limited authority to develop a market based policy for our Nation's dairy farmers. Since the majority failed to let this House address this issue legislatively, we left it upon the Secretary of Agriculture to replace the current 70-year-old pricing structure whose original goal was to facilitate milk production across the nation when the United States lacked the intricate transportation network and modern refrigeration technology that we possess today.

Because this Nation lacked the ability to reach all areas of the country within a day, it was necessary to guarantee dairy farmers a minimum price within 31 regions for the fluid milk they produced in order to encourage milk production in regions that otherwise would not have a regular milk supply. The minimum milk prices paid to producers were based on the producers distance from Eau Claire, WI. This curious pricing scheme accounted for the regional inequities experienced by producers. If it ever made any sense, events and developments have long rendered this law useless for achieving equity.

This may have worked for farmers 70 years ago, but today this Byzantine dairy policy is punishing our small dairy farmers. Under cur-

rent law and under this legislation, small dairy farmers who live in an area of traditionally high milk production are being put out of business because of a government requirement that other dairy farms must be paid a higher price for the same identical product based on their geographic location. I find it incomprehensible that the greatest nation on earth, the center of freedom and democracy, is maintaining such a market place disparity to farm producers, the very family farmers who are responsible for allowing us to put food on our tables.

H.R. 1302 not only forces more dairy farmers out of business, it also places the United States at a disadvantage at the upcoming World Trade Organization Ministerial meeting in which the United States hopes to achieve its trade objectives during multilateral trade negotiations. At a time when the U.S. trade deficit is at an all time high, the United States cannot afford to extend this competitive disadvantage that our farmers already experience at home to markets abroad. How can we as a nation negotiate with our trading partners for free and open markets when we persistently refuse free trade between regions within our own country? Our farmers and our Nation cannot afford to maintain this protectionist method of structuring the milk market in this progressive era of global trade. A vote for this legislation means stunting the growth and development of this nation all in the name of regionalism and money for parochial interests.

This should not be a regional issue. This should be an issue of equity. Equity for all our dairy farmers. Times are tough in the agricultural industry today, and we are only exacerbating these problems by following the creed of divide and conquer. It is my sincere hope that Members today can show a degree of fairness, look at this issue as it affects the Nation as a whole and vote against this legislation.

Mr. NUSSLE. Mr. Chairman, I rise today in strong opposition to H.R. 1402. This legislation would deny dairy farmers in my congressional district and throughout the Upper Midwest much-needed, free-market-oriented reforms and would continue to threaten their ability to do business while giving an unfair advantage to other dairy farmers throughout the country.

Reforms of this Nation's Depression-era milk pricing regulations are long overdue. The current system, which H.R. 1402 would preserve, is based on outdated realities of milk production, consumption, and transportation, and has caused drastic distortions in milk production, as a result.

Currently, U.S. dairy policy discriminates against Upper Midwestern Dairy producers based on the region where they produce their milk. Specifically, federal pricing regulations dictate the price of fluid milk based on distance from Eau Claire, WI. In the days before modern refrigeration, interstate highway systems, and other innovations, this policy made sense. Those days are gone, and today, this policy makes about as much sense as Microsoft pricing computers based on how far an individual resides from its corporate headquarters in Redmond, WA.

The USDA's final rule makes modest steps toward pricing equity and toward a system that would allow producers to compete more fairly in the domestic marketplace. The nation's leading dairy economists, at the request of the House Agriculture Committee, conducted an

analysis of USDA's pricing reforms and showed that about 60 percent of the nation's dairy producers would fare better under USDA's final rule than they would under the status quo, which would be mandated by H.R. 1402.

Additionally, H.R. 1402, if enacted, would cost consumers as much as \$1 billion annually in higher milk and dairy product prices. That cost is regressive, falling most heavily on low-income consumers, who use more of their income for food and more of their food budget for dairy products. USDA estimates that the federal nutrition programs, such as WIC, Food Stamps, and the School Lunch Program will take at least a \$190 million hit over 5 years under H.R. 1402, and likely more.

Further, while the United States continually encourages the World Trade Organization to open agricultural markets to increased competition, our domestic dairy policies are being attacked as anti-competitive and trade-distorting.

In summary, I believe there are numerous reasons to oppose this bill. H.R. 1402 continues a system that props up dairy farmers in some regions of the country at the financial expense of efficient dairy farmers in Iowa and the Upper Midwest in a pricing manner that does not exist for any other product in the United States. This legislation is an added burden to taxpayers and a regressive tax increase on low-income families. Finally, this legislation represents a twisted one-size-fits-all federal mandate and a pro-isolationist trade policy which could lock U.S. dairy farmers out of the world market. For all of these reasons, I oppose H.R. 1402 and I hope my colleagues will vote to allow dairy farmers to produce for the market, and not for government programs.

Mr. LARSON. Mr. Chairman, I rise today in strong support of H.R. 1402, which would require the Secretary of Agriculture to implement the new Federal Milk Marketing Order proposal known as Option 1-A.

As you know, the 1996 Farm bill mandated the Department of Agriculture to reform the Federal Milk Marketing Orders, which determine the price of most dairy products. In response, USDA issued two proposed reforms, known as option 1-A and option 1-B. During consideration of this rule, USDA heard directly from more than 200 members of this body supporting the implementation of option 1-A. Their Final Rule published on March 28, 1999, noted that the 4,217 comments received since the change was proposed, more than 3,500 of them were in support of option 1-A.

We are here today because despite clear and overwhelming support for option 1-A, USDA has chosen to move forward and implement a plan that would devastate small dairy farmers throughout the country. The proposal put forward by USDA would specifically cost dairy farmers in my district more than \$360,000 per year, representing a loss of 66 cent per hundredweight on class I fluid milk and a loss of 24 cents per hundredweight on class III milk. In Connecticut, and in most of New England, our dairy farms are small family run businesses, and vital to our region's economy.

In New England, we have even banded together to form the Northeast Interstate Dairy Compact, twice approved by this body, to foster this shrinking industry and to address the unique problems of dairy production in the region. Protecting these small family businesses

has also been an integral part of protecting open space and local communities' conservation and environmental reclamation programs. Many other states in the Mid-Atlantic, Southeast, and Southwest have followed New England's lead and begun ratifying their own compacts. If USDA moves forward and implements option 1-B, few if any of these dairy producers would survive.

I have heard repeatedly from other members and the USDA that there was overwhelming support among dairy producers for their reform proposal in their recently conducted referendum. But I have also heard from the dairy community that they felt cornered into that vote, forced to support the Federal Order system at the risk of termination rather than the proposed change.

So I rise in support of this bill, to protect small American farmers, and in support of the Stenholm/Pombo amendment, which would clarify language about forward contracting for dairy producers. I urge my colleagues to support this bill, and oppose any poison pill amendments that may be offered as attempts to prevent fair and meaningful dairy reform.

Mr. SENSENBRENNER. Mr. Chairman, I rise in opposition to H.R. 1402. Frankly, I find it ridiculous that we are even discussing this bill here today. We all know that free markets are far preferable to out-dated government price control schemes, yet we are discussing a bill to block even modest market-oriented dairy policy reforms.

The free market has served American producers and consumers exceptionally well. Car prices are not determined according to the distance that they are manufactured from Detroit, software prices are not set by the distance that they are produced from Silicon Valley, and orange prices are not established according to the distance from Florida to where they are grown. Instead, the free market is allowed to determine the prices for these products. Not coincidentally, these industries are thriving. Conversely, milk prices are determined by the distance of the producer from Eau Claire, Wisconsin, and small dairy farmers across the country are struggling to survive. It should be clear that the free market provides the best system for determining prices in America, no matter the product.

The Department of Agriculture's milk marketing order reforms, though certainly less market-based than I had hoped, represent a common-sense step toward simplifying the pricing of milk. Dairy farmers across the country voted in support of this reform by 97 percent. Ignoring this vote, H.R. 1402 would essentially maintain the status quo in milk pricing and force dairy farmers to continue to struggle under the current antiquated government restraints. For the sake of farmers and consumers, I urge you to oppose H.R. 1402 and support market-oriented dairy reforms.

Mr. BALLENGER. Mr. Chairman, today we will have the unique opportunity to cast a vote which will save the family dairy farmer, while ensuring that Americans continue to enjoy the highest possible quality of milk. H.R. 1402, which would require the Secretary of Agriculture to implement the Class I milk price structure known as Option 1-A, will ensure that tens of thousands of American family dairy farms are not put out of business. Option 1-A does this by extending for one year the dairy price support program, as well as maintaining current minimum prices for fluid-use

farm milk. H.R. 1402 will enable the American family dairy farmer to survive and hopefully prosper in the years ahead.

While most industry in the United States continues to ride the wave of the largest economic boom in history, in my district, many family dairy farmers have been forced to give up their 4th and 5th generation farms. This is deplorable. Without the enactment of this legislation, more will go out of business—and for what reason—so all the milk produced in this nation will be produced by large Midwestern dairies. Fewer producers will mean less competition and higher prices. Don't believe the numbers that are being circulated by our upper Midwestern colleagues—Option 1-B will cost consumers in quality and price down the road.

Let me give you some numbers which point to the huge significance of this legislation for my state. Last year in North Carolina, the dairy industry generated an estimated \$572 million in economic activity. North Carolina has 10 Grade A milk processing plants. The total milk produced in the state last year amounted to 146 million gallons. As of July 1, 1998, there were 478 commercial dairy farms in the state. Cash receipts for the sale of milk by dairy farmers amounted to \$187 million. Last year, there were 75,000 milk cows in the state, each producing an average of 1,947 gallons of milk. And Iredell county, which is part of my congressional district, has 71 farms which produced almost 5 million gallons of milk in the month of December last year, making it far and away the largest milk producing county in the state.

Without H.R. 1402, the economy of North Carolina faces a loss of over half a billion dollars in economic activity, a loss of almost 500 dairy farms, and the devastation of commercial and family farming. Don't vote to devastate the livelihoods of these farmers by opposing H.R. 1402. Please support H.R. 1402 to ensure more low cost, high quality milk production in North Carolina and in the United States.

Mr. MCGOVERN. Mr. Chairman, I rise today in support of H.R. 1402—a bill which requires the Secretary of Agriculture to implement the Class I milk price structure. This price structure, known as Option 1-A, is important to dairy farmers in Massachusetts, and I am proud to cosponsor this legislation. While the volume of dairy production in Massachusetts does not come close to equaling the production of some of the Midwestern states, dairy is an important industry in my state and district, and I fully support this effort to provide a stable pricing structure for this volatile industry.

The U.S. Department of Agriculture will soon issue a final Class I milk price structure. The USDA proposed price structure, Option 1-B, will cost dairy farmers at least \$200 million annually, placing an even greater burden on an industry that is already reeling from drought. H.R. 1402 would keep the Class I differentials at levels similar to those today. These levels were established to assure an adequate supply of milk for fluid use and guarantee a minimum price for producers based on supply and demand conditions. Despite overwhelming support from dairy pro-

ducers and the Members of Congress who represent these farmers, USDA has continued with its planned implementation of Option 1-B. This bill will ensure that our dairy producers are not forced into bankruptcy because of a flawed price structure dictated by the large farms in Midwestern America.

At this point, I would like to insert into the record a letter from Massachusetts State Representative Michael J. Rodrigues, who represents the Fall River/Westport region. This letter documents the importance of the Option 1-A pricing structure to the dairy producers in Massachusetts.

Mr. Chairman, this bill is important not only to dairy farmers in Massachusetts, but also to those throughout the Northeast and Southeast. Without the stability of this pricing structure, dairy production in these areas will decline until the business is unprofitable and ceases to exist except on large dairy farms in the Midwest. H.R. 1402 will help prevent these closures by setting a minimum price for milk for these regions. This bill gives dairy farmers a chance to succeed and prosper. I urge my colleagues to support H.R. 1402 and vote for this important bill.

COMMONWEALTH OF MASSACHUSETTS,
HOUSE OF REPRESENTATIVES,
Boston, MA, September 20, 1999.

Congressman JAMES MCGOVERN,
Cannon Building,
Washington, DC.

DEAR CONGRESSMAN MCGOVERN: The dairy industry is moving through a period of great change. The 1996 FAIR Act has been the key impetus to this change and is the result of fundamental changes in the agricultural sector of the economy. A significant part of these changes is the greater volatility in milk prices farmers receive.

Volatility in prices creates difficulties not only for dairy farmers but also for those who purchase milk for manufacturing product. From a business perspective, price volatility presents difficulties in financial planning. If a farmer or a company cannot depend on a stable price, financial planning becomes much more difficult.

Often not considered in the debate is the impact on manufacturers of dairy products such as ice cream, cheese, and butter. Massachusetts has a considerable amount of dairy product manufactures. For example, Massachusetts consistently ranks second or third in the country in the manufacture of ice cream. Part of the reason for this high ranking is a stable milk supply, which is the result of stable milk prices to dairy farmers. Of course, the other reason is that Baystaters enjoy a good bowl of high quality ice cream.

With one of the highest costs of production in the country, Massachusetts dairy farmers, and indeed, Northeastern dairy farmers, face an uncertain future. The Northeast Dairy Compact has offered that safety net which, for many farmers, is the make-or-break factor in whether or not to sell out to developers. If the Northeast Dairy Compact is not reauthorized, many Massachusetts dairy farmers will likely sell out. As the local supply of milk declines, dairy product manufactures will likely move to areas of more available milk supplies and with this move, jobs will move as well.

Your support of the Northeastern Dairy Compact is critical to the viability of the dairy product manufacturing industry not to

mention the vitality of the dairy farmers in Massachusetts, who work so hard not only to produce milk, but also to maintain the open space and aesthetic qualities that are so important to the character of Massachusetts as a New England state.

Sincerely,

MICHAEL J. RODRIGUES,
State Representative.

Mr. CRANE. Mr. Chairman, having spent quite some time on a farm in my earlier years, I can certainly understand the concerns of those who are advocating enactment of H.R. 1402. With all the risks and uncertainties agricultural producers face on a regular and not-so-regular basis, it is hardly surprising that dairy farmers would rather not add another unknown quantity to the list of things with which they must concern themselves. Also, there is a natural tendency to fear the unknown simply because it is unfamiliar.

But while it may be tempting to think that the devil you know is preferable to one that you don't, there is a problem with that line of reasoning in this instance. Should it prevail today, members of this body may have a devilishly difficult time explaining, much less justifying, it in the future. That being the case, I would urge my colleagues to consider some facts and figures before they cast their vote on H.R. 1402.

Most obvious, not to mention significant, is the fact that our current system of milk marketing orders and price differentials is over 60 years old, a relic born long before the interstate highway system came into being or refrigeration trucks made their presence felt. Back then, the argument went as follows: for America's children to be able to drink wholesome fresh milk every day, dairy farmers had to be in business nearby. But now the circumstances are entirely different. Not only can milk be shipped safely over long distances but, in many cases, it can be obtained from out-of-state more cheaply than from neighboring sources. As a consequence, what once may have benefited youngsters now adds to the price their parents pay for their milk.

Estimates of the cost of the present milk pricing system to consumers start at \$674 million per year, with several approaching or even exceeding \$1 billion annually. Not only that, but if milk price supports are extended for another year, as H.R. 1402 now provides, and the existing milk pricing system is essentially retained, America's taxpayers will be adversely affected as well. Because those provisions of H.R. 1402 will keep the price of milk consumed by participants in this nation's food stamp, child nutrition and supplemental feeding programs, they will not realize approximately \$53 million a year in savings that should result from implementation of the USDA's Final Rule on milk marketing orders and price differentials. Also, there is evidence that dairy farmers themselves would not benefit as much as they might expect if H.R. 1402 becomes law. According to a recent estimate extrapolated from data developed by the University of Iowa's Farm and Agricultural Policy Research Institute (FAPRI), 59% of America's dairy farmers would fare better if the USDA's Final Rule takes effect.

That last figure, in particular, is a telling statistic. But it is by no means the only reason it would be best to reject H.R. 1402 for the sake of America's dairy farmers. Even more compelling, to my way of thinking, is the potentially negative impact enactment of H.R. 1402 could

have on the prospects for enhancing the export of American agricultural products in the years ahead.

As I need hardly remind my colleagues, this nation's agricultural producers have been disproportionately disadvantaged by foreign trade barriers for many years now. That being the case, a key objective in the next round of trade negotiations is to achieve greater market access for all United States exports of agricultural commodities and value-added foods. But how successful can we be in achieving that objective if we are perceived to be asking other nations to do things we are unwilling to do ourselves?

Let me be a bit more specific. From my vantage point as chairman of the Trade Subcommittee of the House Ways and Means Committee, it appears that the provisions of H.R. 1402 run directly counter to the negotiating objectives of the United States in those upcoming trade talks which get underway in Seattle on November 30th of this year. Instead of telling our would-be trading partners that we practice what we preach, those provisions would give them ammunition they could use to resist opening their markets to our exports. In the past, countries with the most troublesome trade barriers have tried to shield their unfair trade practices by continuing to define them as being within the "blue box" category of export subsidies that are beyond the reach of multilateral disciplines. If we insist on maintaining market distorting pricing mechanisms and commodity subsidies of our own, as H.R. 1402 would do, those countries will see little reason—and have no incentive—to change their position. The result: markets for American agricultural products will not open up as we would like, the promise of the 1996 Freedom to Farm Act will not materialize as we have hoped, and American farmers will not be as well off as they have expected.

Mr. Chairman and colleagues, I trust we will not make that mistake. For the sake of the consumer, the taxpayer and, yes, the dairy farmer himself or herself, I hope we will not go down the antiquated, out-of-date, inconsistent with the free market path that H.R. 1402 would take us. Rather than cling to a past that was not all that kind to dairy farmers anyway, let us look to the future and to the prospect of larger, more efficient markets, not just for dairy products, but for all the exportable agricultural goods produced in this country.

We have the land, the skill, the experience and the technology to feed not just ourselves, but people all over the world at prices, few, if any others, can match. Indeed, we are truly blessed and it would be a shame if we did not count our blessings and put them to the best possible use, not exclusively to serve the interests of agricultural producers, but also to benefit those who process, distribute, sell, prepare and/or consume all kinds of agricultural commodities.

Mr. Chairman, I urge my colleagues to vote "no" on H.R. 1402 so that the USDA's Final Rule on milk marketing orders can take effect on October 1st of this year. That Rule may not be perfect, but compared to status quo alternative contemplated by H.R. 1402, it is a significant step in the right direction.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the committee amendment in the nature of a substitute printed in the bill, modified by

the amendments printed in Part A of House Report 106-324, is considered as an original bill for the purpose of amendment and is considered read.

The text of the committee amendment in the nature of a substitute, as modified, is as follows:

H.R. 1402

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

SECTION 1. REQUIRED USE OF OPTION 1A AS PRICE STRUCTURE FOR CLASS I MILK UNDER CONSOLIDATED FEDERAL MILK MARKETING ORDERS.

(a) *USE OF OPTION 1A.*—In implementing the final decision for the consolidation and reform of Federal milk marketing orders, as required by section 143 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7253), the Secretary of Agriculture shall price fluid or Class I milk under the orders using the Class I price differentials identified as Option 1A "Location-Specific Differentials Analysis" in the proposed rule published in the Federal Register on January 30, 1998 (63 Fed. Reg. 4802, 4809), except that the Secretary shall include the corrections and modifications to such Class I differentials made by the Secretary through April 2, 1999.

(b) *EFFECT ON IMPLEMENTATION SCHEDULE.*—The requirement to use Option 1A in subsection (a) does not modify or delay the time period for actual implementation of the final decision as part of Federal milk marketing orders specified in section 738 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105-277; 112 Stat. 2681-30).

(c) *IMPLEMENTATION OF REQUIREMENT.*—

(1) *EXPEDITED IMPLEMENTATION.*—The Secretary of Agriculture shall comply with subsection (a) as soon as practicable after the date of the enactment of this Act. The requirement to use the Option 1A described in such subsection shall not be subject to—

(A) the notice and hearing requirements of section 8c(3) of the Agricultural Adjustment Act (7 U.S.C. 608c(3)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, or the notice and comment provisions of section 553 of title 5, United States Code;

(B) a referendum conducted by the Secretary of Agriculture pursuant to subsections (17) or (19) of such section 8c;

(C) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(D) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(2) *EFFECT ON MINIMUM MILK PRICES.*—If the Secretary of Agriculture announces minimum prices for milk under Federal milk marketing orders pursuant to section 1000.50 of title 7, Code of Federal Regulations, before the date on which the Secretary first complies with subsection (a), the minimum prices so announced before that date shall be the only applicable minimum prices under Federal milk marketing orders for the months for which the prices have been announced.

SEC. 2. NECESSITY OF USING FORMAL RULE-MAKING TO DEVELOP PRICING METHODS FOR CLASS III AND CLASS IV MILK; MODIFIED MANUFACTURING ALLOWANCE FOR CHEESE.

(a) *CONGRESSIONAL FINDING.*—The Class III and Class IV pricing formulas included in the final decision for the consolidation and reform of Federal milk marketing orders, as published in the Federal Register on April 2, 1999 (64 Fed. Reg. 16025), do not adequately reflect public comment on the original proposed rule published

in the Federal Register on January 30, 1998 (63 Fed. Reg. 4802), and are sufficiently different from the proposed rule and any comments submitted with regard to the proposed rule that further emergency rulemaking is merited.

(b) FORMAL RULEMAKING.—

(1) REQUIRED.—The Secretary of Agriculture shall conduct rulemaking, on the record after an opportunity for an agency hearing, to reconsider the Class III and Class IV pricing formulas included in the final decision referred to in subsection (a).

(2) IMPLEMENTATION.—A final decision on the formula shall be implemented not later than 10 months after the date of the enactment of this Act.

(3) EFFECT OF COURT ORDER.—The actions authorized by this subsection are intended to ensure the timely publication and implementation of new pricing formulas for Class III and Class IV milk. In the event that the Secretary is enjoined or otherwise restrained by a court order from implementing the final decision under paragraph (2), the length of time for which that injunction or other restraining order is effective shall be added to the time limitations specified in paragraph (2) thereby extending those time limitations by a period of time equal to the period of time for which the injunction or other restraining order is effective.

(c) FAILURE TO TIMELY COMPLETE RULEMAKING.—If the Secretary of Agriculture fails to implement new Class III and Class IV pricing formulas within the time period required under subsection (b)(2) (plus any additional period provided under subsection (b)(3)), the Secretary may not assess or collect assessments from milk producers or handlers under section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, for marketing order administration and services provided under such section after the end of that period until the pricing formulas are implemented. The Secretary may not reduce the level of services provided under that section on account of the prohibition against assessments, but shall rather cover the cost of marketing order administration and services through funds available for the Agricultural Marketing Service of the Department.

(d) EFFECT ON IMPLEMENTATION SCHEDULE.—Subject to subsection (e), the requirement for additional rulemaking in subsection (b) does not modify or delay the time period for actual implementation of the final decision referred to in subsection (a) as part of Federal milk marketing orders, as such time period is specified in section 738 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (as contained in section 101(a) of division A of Public Law 105-277; 112 Stat. 2681-30).

(e) MODIFIED MANUFACTURING ALLOWANCE FOR CHEESE.—

(1) MODIFICATION OF ALLOWANCE.—Pending the implementation of new pricing formulas for Class III and Class IV milk as required by subsection (b), the Secretary of Agriculture shall modify the formula used for determining Class III prices, as contained in the final decision referred to in subsection (a), to replace the manufacturing allowance of 17.02 cents per pound of cheese each place it appears in that formula with an amount equal to 14.7 cents per pound of cheese.

(2) EXPEDITED IMPLEMENTATION.—The Secretary of Agriculture shall implement the modified formula as soon as practicable after the date of the enactment of this Act. Implementation and use of the modified formula shall not be subject to—

(A) the notice and hearing requirements of section 8c(3) of the Agricultural Adjustment Act (7 U.S.C. 608c(3)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, or the notice and comment provisions of section 553 of title 5, United States Code;

(B) a referendum conducted by the Secretary of Agriculture pursuant to subsections (17) or (19) of such section 8c;

(C) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(D) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(3) EFFECT ON MINIMUM MILK PRICES.—If the Secretary of Agriculture announces minimum prices for milk under Federal milk marketing orders pursuant to section 1000.50 of title 7, Code of Federal Regulations, before the date on which the Secretary first implements the modified formula, the minimum prices so announced before that date shall be the only applicable minimum prices under Federal milk marketing orders for the months for which the prices have been announced.

SEC. 3. ONE-YEAR EXTENSION OF CURRENT MILK PRICE SUPPORT PROGRAM.

(a) EXTENSION OF PROGRAM.—Subsection (h) of section 141 of the Agricultural Market Transition Act (7 U.S.C. 7251) is amended by striking "1999" both places it appears and inserting "2000".

(b) CONTINUATION OF CURRENT PRICE SUPPORT RATE.—Subsection (b)(4) of such section is amended by striking "year 1999" and inserting "years 1999 and 2000".

(c) ELIMINATION OF RECOURSE LOAN PROGRAM FOR PROCESSORS.—Section 142 of the Agricultural Market Transition Act (7 U.S.C. 7252) is repealed.

SEC. 4. DAIRY FORWARD PRICING PROGRAM.

The Agricultural Adjustment Act (7 U.S.C. 601 et seq.), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended by adding at the end the following new section:

"SEC. 23. DAIRY FORWARD PRICING PROGRAM.

"(a) IN GENERAL.—Not later than 90 days after the date of enactment of this section, the Secretary of Agriculture shall establish a program under which milk producers and cooperatives are authorized to voluntarily enter into forward price contracts with milk handlers.

"(b) MINIMUM MILK PRICE REQUIREMENTS.—Payments made by milk handlers to milk producers and cooperatives, and prices received by milk producers and cooperatives, under the forward contracts shall be deemed to satisfy all regulated minimum milk price requirements of paragraphs (A), (B), (C), (D), (F), and (J) of subsection (5), and subsections (7)(B) and (18), of section 8c.

"(c) APPLICATION.—This section shall apply only with respect to the marketing of federally regulated milk (regardless of its use) that is in the current of interstate or foreign commerce or that directly burdens, obstructs, or affects interstate or foreign commerce in federally regulated milk."

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

The Chairman of the Committee of the Whole may postpone a request for a recorded vote on any amendment and may reduce to a minimum of 5 minutes the time for voting on any postponed question that immediately follows an-

other vote, provided that the time for voting on the first question shall be a minimum of 15 minutes.

It is now in order to consider Amendment No. 1 printed in Part B of House Report 106-324.

AMENDMENT NO. 1 OFFERED BY MR. GREEN OF WISCONSIN

Mr. GREEN of Wisconsin. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Part B Amendment No. 1 offered by Mr. GREEN of Wisconsin:

Page 3, beginning line 3, strike section 1 and insert the following new section:

SECTION 1. REQUIREMENTS APPLICABLE TO REFERENDA REGARDING FEDERAL MILK MARKETING ORDERS.

(a) NATIONAL BASIS OF REFERENDUM.—Section 8c(19) of the Agricultural Adjustment Act (7 U.S.C. 608c(19)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended by adding at the end the following new sentence: "In the case of the issuance or amendment of an order relating to milk or its products, the referendum required by this subsection shall be conducted on a nationwide basis among all milk producers operating in areas covered by Federal milk marketing orders and the results of the referendum shall be tallied on a nationwide basis."

(b) TERMINATION OF BLOC VOTING.—Section 8c(12) of the Agricultural Adjustment Act (7 U.S.C. 608c(12)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended by adding at the end the following new sentence: "In the case of a referendum relating to milk or its products, a cooperative association of producers may not vote in the referendum on behalf of milk producers who are members of, stockholders in, or under contract with, such cooperative association of producers."

(c) APPLICATION OF AMENDMENTS.—The amendments made by subsections (a) and (b) shall apply with respect to the referendum required by subsection (d) and any other referendum relating to milk or its products commenced under section 8c(19) of the Agricultural Adjustment Act (7 U.S.C. 608c(19)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, on or after the date of the enactment of this Act.

(d) REFERENDUM ON USE OF OPTION 1A OR OPTION 1B.—

(1) REFERENDUM REQUIRED.—As soon as practicable after the date of the enactment of this Act, the Secretary of Agriculture shall conduct a referendum among dairy producers whose operations are located within areas covered by Federal milk marketing orders to determine whether producers would prefer that the Secretary price fluid or Class I milk under the orders using the Class I price differentials identified as Option 1A or Option 1B in the proposed rule published in the Federal Register on January 30, 1998 (63 Fed. Reg. 4802, 4809), including such corrections and modifications to such options made by the Secretary through April 2, 1999.

(2) IMPLEMENTATION OF RESULTS.—The Secretary shall implement the favored option in the referendum as part of each Federal milk marketing order (other than any order covering the State of California).

The CHAIRMAN. Pursuant to House Resolution 294, the gentleman from Wisconsin (Mr. GREEN) and the gentleman from Texas (Mr. STENHOLM) each will control 10 minutes.

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

Mr. GREEN of Wisconsin. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, one of the problems with the debate that we are going to have today is that, as my colleagues may have already heard, we are going to be dealing with a very complex, very difficult subject, milk marketing orders. A lot of terms and a lot of images are going to be tossed around, and a lot of Members and a lot of interest groups are going to be arguing that they know what is in the best interest of a family dairy farm.

This amendment, the amendment that I offer today, will ensure that, whatever we do today, it is supported by the dairy farmers themselves, not co-ops, not manufacturers, not associations, not Members of Congress, not inside-the-beltway interests, but the dairy farmers themselves.

As we will also hear reference to today, back in August, dairy producers all across America were asked to vote up or down on the modest, very modest reform plan offered by Secretary Glickman. Overwhelming results: over 95 percent of the dairy producers today and over 90 percent in each region of the Nation said that they favor the Glickman reform.

So why are we here? I would argue that farmers have spoken loud and clear. They want reform. Well, my colleagues, we are here because the large co-ops and some regional money interests do not like the results, and they seek today to overturn those results and overturn what the farmers I believe really want.

Now, to cover themselves they offer a weak excuse. They say that the vote that they cast in August was not a true vote and it was not a true vote because they did not have a choice between 1-A and 1-B. Instead, it was up or down on the Glickman reform, it was either the Glickman reform or termination of milk marketing orders.

Well, where have they been for the last 6 decades? That has been the system in place since 1937. Those of us who oppose 1402 did not create it. These are not our rules. These are the rules that we have had to play by for 60 years. The votes have always been cast in such a fashion.

But today we have an opportunity through this amendment to take the anti-reformers at their word. This amendment that I offer creates democracy. It asks dairy farmers their opinion. It turns to them for votes.

This amendment says that before this all-seeing, all-wise Congress overturns the result of the August referendum and reimposes its Soviet-style dairy system, we must have a real vote of dairy farmers.

What a radical idea, no taxation without representation.

Secondly, this amendment turns the vote over to dairy farmers themselves, all the dairy farmers covered by milk

marketing orders. Instead of having an order-by-order vote, which is patchwork voting, this amendment recognizes that all dairy farmers, and we are going to hear this over and over again, all dairy farmers, all consumers have an interest, have a national stake in what we do today.

Third, this terminates block voting. A dirty secret in this process is that farmers actually do not have the vote. Instead, co-ops do. Co-ops have the right to vote their members. Just like feudal lords had the right for centuries to vote their tenants, husbands had the right to vote for their wives, co-ops have the right to vote for their member farmers. Lord forbid that our dairy farmers get to express their own opinion.

Fourth, this amendment does precisely what the supporters of 1402 say they want, a true choice, a true vote. We allow dairy farmers, under this amendment, to choose either 1-A or 1-B.

We have heard a lot of rhetoric about dairy farmers not getting a real vote in August. Today, with this amendment, we have the opportunity to give them a real vote, a real choice.

I do not rely on the Members out here, the 229 Members inside the Beltway, to make these choices. I put my faith in dairy farmers. I ask my colleagues to support this.

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

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

Mr. Chairman, we have heard some statements made that are not very factual. To suggest that dairy farmers have not already voted on this because their cooperatives have expressed themselves totally ignores two main facts. One, of all of the milk produced in the United States, 82 percent of it is produced by farmers who belong to cooperatives.

It is very true that there are a few cooperatives that differ with this legislation, and they happen to be mostly from one region of the country; and I understand that. I hate to hear people continue to suggest that we are maintaining Soviet-style legislation because that is not true either under 1-A or 1-B, which is the argument today. That is not a true statement.

Is it a Government program? Absolutely. Has it worked perfectly? Absolutely not. But it is the overwhelming consensus of opinion by those who commented on this some 4,217 dairy farmers and their organizations, 3,579 supported 1402.

Mr. GREEN of Wisconsin. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin (Mr. RYAN) who has had a major effect in this debate, and been a major force.

Mr. RYAN of Wisconsin. Mr. Chairman, it really comes down to this: proponents of H.R. 1402 are saying that the vote that happened in August was a cooked vote, that it was not an honest vote, that they did not get all the choices to vote on what they wanted.

Well, that is what we are trying to give. Let us be very clear about what 1402 does with the latest self-executing amendment. It denies the farmer any choice as to their fate. It says that H.R. 1402, the status quo, will be crammed down their throat with no say-so, no plebiscite, no choice from the farmer.

What this amendment simply does is it lets every individual farmer, not the co-ops, not the processors, not the big businesses, the farmers get to choose do they want it.

Well, the vote that took place in August was one that passed with overwhelming majority. It was a choice between the USDA's rule and Option 1-B. I understand the proponents of 1402 disregard this vote, so we are coming to them with another vote.

If 1402 is what my colleagues think all the farmers in this country want, then they should not be afraid of letting them decide themselves whether they want it. Let us move this debate beyond the Beltway, beyond the co-ops and go directly to the people.

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

Mr. Chairman, I believe the gentleman from Wisconsin (Mr. RYAN) unintentionally misspoke concerning the vote that occurred. The farmers had a choice of the Secretary's proposal of 1-B or nothing was the choice that was voted on.

Mr. Chairman, I yield to the gentleman.

Mr. RYAN of Wisconsin. Mr. Chairman, yes. I apologize. I thought that is what I had said.

The point is it is understandable that the proponents of H.R. 1402 disregard the vote that just took place by the farmers in August. So what we are simply saying is, okay, let us have a real vote; let us have a vote with the dairy farmers to choose whether or not they want 1402 before it is implemented, before it is passed down on to the farmers with no say-so.

□ 1200

Mr. STENHOLM. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. SWEENEY).

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

Mr. Chairman, as my colleagues know, I find the arguments of the sponsors of this amendment to be a little suspect. These gentleman, I believe, have every good intention, but they will also speak today on behalf of the Boehner amendment, an amendment which the dairy farmers have voted on. The dairy farmers overwhelmingly, 90 percent of them, in August rejected that proposal which would gut the milk marketing order; so, I am very skeptical of their position on this.

But let me say this: At a time when we should be empowering farmers to work together through cooperatives to

get better prices, this amendment directly undercuts cooperative bargaining. This amendment would implement Option 1-B while another referendum is conducted by the Department of Agriculture.

Farmers join cooperatives to increase the size and effectiveness of their voice, and block voting on the part of cooperatives is representative democracy at its best. In a time of agricultural crisis, we should not be advocating ways to limit the ability of cooperatives to speak for its members, whether it be in the marketplace or in the regulatory impacts. This amendment would be a bad precedent, and I urge a "no" vote on Green-Ryan.

Mr. GREEN of Wisconsin. Mr. Chairman, I yield myself as much time as I may consume.

Mr. Chairman, this amendment seeks to pull the mask off the antireformers, and we are hearing a bit of that in the rhetoric of my colleague from New York. Either my colleagues respect the overwhelming vote of dairy farmers in August, those that we all say we are here to serve, or they should change that voting system to get the real voice of dairy farmers. This amendment seeks to do that. It seeks to give us what many of us here are calling for, a real choice.

As my colleagues know, so many of us here pay lip service to the family farm. We say we want to save it, we want to save Americana, we want to protect the family farm as a part of our economy and our culture; and yet apparently, we do not trust those same family farmers we say we want to protect. We do not trust them to have a voice. Instead we take the voice away from them.

One wonders if perhaps those who do not support this amendment are afraid of what they might hear. They are afraid of what the farmers may tell them.

This is the moment of truth, this amendment: Who lines up for dairy farmers and who lines up for others, for special interests? Who really wants to hear from dairy farmers and give them the opportunity to decide what is best for them, and who believes that they know better?

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

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

Mr. Chairman, let me attempt to make it as clear as we possibly can what that vote was in August, approved by from 90 percent to 100 percent of those who were voting in various referenda. Dairy farmers voted to impose upon themselves the Federal market order system. That was the vote, because if they had voted no, they would have joined with those who will later today and in some of the rhetoric already today are suggesting that dairy farmers do not want a Federal milk marketing order system.

What most of this discussion is about is whether we have 1-A or 1-B, and I

readily admit that the intricacies and the complexity of dairy market order makes for great fun on the floor of the House, but it does work for the purpose of which it was intended and that is to provide a stabilizing force for dairy products all over the United States.

Now the issue of whether to have another vote, I hope we will not forget for a moment somebody will have to pay for that and that the people that will pay for that will again be dairy farmers through the system of which we will be asking to vote. Under normal circumstances, I would be in favor of that; but we have already voted. This is an amendment by those who oppose 1402, attempting to muddy the waters somewhat in a very sincere way, and I would just say to my colleagues:

I hope that they will oppose this amendment, it is well-intended, it is unnecessary, it is costly, and it is being slightly misrepresented by those who advocate it from the standpoint of that vote in August because dairy farmers were confronted there with a vote of approving 1-B and the recommendation of USDA or having no Federal order in their region. Given that choice, they voted for the Federal order and support us in our endeavor to pass 1402 today.

Mr. GREEN of Wisconsin. Mr. Chairman, I yield myself such time as I may consume.

I find it interesting that my esteemed colleague is against this amendment because holding a referendum of dairy farmers would prove costly, and yet my colleague and the supporters of 1402 seek to overturn a referendum we have already paid for. Apparently that one was not so costly; it was worth throwing away to them. My colleagues cannot have it both ways. Either we are going to turn to our dairy farmers or we are not. Either we are going to respect the results of a referendum or we are going to change the referendum to get a true vote.

Remember this: 1402 not only reverses the results of the August referendum, but it would take away the right to vote by dairy farmers before this change takes place.

Dairy farmers have had the right to vote on the Federal order system since 1937. We are taking the step, those who support 1402 and vote against this amendment, they are taking the step for the first time in 62 years imposing a system without giving dairy farmers the right to vote. I think that is outrageous.

Wherever one stands on 1402, wherever one stands on 1-A, 1-B, Glickman reform, to take away the right to vote before we do so is wrong. It is antifarmer, it is anti-family farmer, it is a slap in the face of family farms all across this Nation, those who would benefit and those who would be hurt by 1402.

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

Mr. STENHOLM. Mr. Chairman, I yield 1 minute to the gentleman from

California (Mr. POMBO), the chairman of the Subcommittee on Livestock and Horticulture.

Mr. POMBO. Mr. Chairman, I thank the gentleman for yielding this time to me. I rise in opposition to the amendment. Even though I agree with many of the arguments of my colleague from Wisconsin (Mr. GREEN) makes, his amendment is not all that simple. There are many major changes that are made in the system by this particular amendment that I do not agree should be done by an amendment on the House floor without the full knowledge and without the hearing process, without everything that it takes to rewrite dairy policy.

This has been a very difficult bill to get through because it does make major changes and has been very hard because there are so many different ideas region to region across the country. One of the most difficult things in all this is to hear from people, to get the members educated on that so they understand what they are voting on. This particular amendment makes major changes in dairy policy in a so-called simple amendment that is being added onto this bill. Because of that, I rise in opposition to this amendment.

Mr. STENHOLM. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. COMBEST), chairman of the full House Committee on Agriculture.

Mr. COMBEST. Mr. Chairman, I understand very much the gentleman's concerns about the dairy policy, the proponents of this amendment, and I would say that the committee, now the full House, is considering basically whether to implement 1-A or not. I believe we know where our constituents stand on this issue, I believe we know how they have spoken with us. I do not believe it is necessary to implement what we believe is a strong majority of the House by holding another referendum. Either Members support 1-A or they do not. It is not necessary to go through some bureaucratic procedure in order to get to the end point.

So, Mr. Chairman, I would oppose the amendment.

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

I would urge our colleagues to strongly oppose this amendment. Listen to the chairman of the full committee, the chairman of the subcommittee, me as the ranking member of the committee. The committee has acted on this. We recommend very strongly 1402, an overwhelming vote, not a unanimous vote. So I would urge the opposition to this amendment.

Mr. Chairman, I yield back the balance of our time.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Wisconsin (Mr. GREEN).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. GREEN of Wisconsin. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 294, further proceedings on the amendment offered by the gentleman from Wisconsin (Mr. GREEN) will be postponed.

It is now in order to consider amendment No. 2 printed in part B of House Report 106-324.

AMENDMENT NO. 2 OFFERED BY MR. STENHOLM

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Part B Amendment No. 2 offered by Mr. STENHOLM:

Page 7, strike line 19 and all that follows through line 10 on page 8, and insert the following:

"SEC. 23. DAIRY FORWARD PRICING PILOT PROGRAM.

"(a) PILOT PROGRAM REQUIRED.—Not later than 90 days after the date of enactment of this section, the Secretary of Agriculture shall establish a temporary pilot program under which milk producers and cooperatives are authorized to voluntarily enter into forward price contracts with milk handlers.

"(b) MINIMUM MILK PRICE REQUIREMENTS.—Payments made by milk handlers to milk producers and cooperatives, and prices received by milk producers and cooperatives, under the forward contracts shall be deemed to satisfy—

"(1) all regulated minimum milk price requirements of paragraphs (B) and (F) of subsection (5) of section 8c; and

"(2) the requirement of paragraph (C) of such subsection regarding total payments by each handler.

"(c) MILK COVERED BY PILOT PROGRAM.—The pilot program shall apply only with respect to the marketing of federally regulated milk that—

"(1) is not classified as Class I milk or otherwise intended for fluid use; and

"(2) is in the current of interstate or foreign commerce or directly burdens, obstructs, or affects interstate or foreign commerce in federally regulated milk.

"(d) DURATION.—The authority of the Secretary of Agriculture to carry out the pilot program shall terminate on December 31, 2004. No forward price contract entered into under the program may extend beyond that date.

"(e) STUDY AND REPORT ON EFFECT OF PILOT PROGRAM.—

"(1) STUDY.—The Secretary of Agriculture shall conduct a study on forward contracting between milk producers and cooperatives and milk handlers to determine the impact on milk prices paid to producers in the United States. To obtain information for the study, the Secretary may use the authorities available to the Secretary under section 8d, subject to the confidentiality requirements of subsection (2) of such section.

"(2) REPORT.—Not later than April 30, 2002, the Secretary shall submit to the Committee on Agriculture, Nutrition and Forestry of the Senate and the Committee on Agriculture of the House of Representatives a report containing the results of the study."

The CHAIRMAN. Pursuant to House Resolution 294, the gentleman from Texas (Mr. STENHOLM) and a Member opposed each will control 20 minutes.

The Chair recognizes the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Chairman, I ask unanimous consent that the gentleman from California (Mr. POMBO) be permitted to control 10 minutes of the time in support of the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

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

Mr. Chairman, the amendment Mr. POMBO and I offer today represents a step into forward contracting for dairy industry producers and handlers. At the outset, I want to point out to my colleagues that if the Pombo-Stenholt amendment is not adopted, then forward pricing will not likely come soon to the dairy industry. The committee's bill provision allows for a wide experiment where a more modest effort is justified. With the modifications we offer producer acceptance for the program can be secured. If the Pombo-Stenholt modifications are not adopted, producers will abandon forward pricing, and there will be no program.

Mr. Chairman, by failing to make special account of the coordination challenges, the provisions reported by the Committee on Agriculture fails to fully take account of the milk marketing order system and the need of dairy producers to rely on cooperative effort to maximize their income.

Mr. Chairman, dairy farmers are extremely vulnerable as stand alone price takers. Their product is uniquely perishable, and the system we have has grown out of the fact that the processing industry has the unique advantage where negotiations with producers are concerned. While one can say what they want about the appropriateness of the particulars of the milk market order system, one fact is clear, that milk marketing orders give dairy farmers an opportunity they would otherwise lack to engage in mutually beneficial cooperative action for price.

Mr. Chairman, much of the debate of this bill focuses on the class 1 differentials. While the differentials matter in terms of promoting geographically diverse milk production, the key to the success of the milk marketing order program is it is focused on uniform prices. The idea that the orders promote the establishment of market-based prices that are paid uniformly to each producer regardless of the use to which his or her milk is put.

Mr. Chairman, put quite simply, the committee's bill's provisions regarding forward pricing represents a fundamental threat to the uniform pricing feature of the Federal milk marketing order system. This development is troubling to me because without uniform pricing, producers will have little choice but to abandon the cooperative effort that has sustained the dairy production industry.

Consider the situation where dairy producers have a choice between selling to a producers' cooperative or sell-

ing to a proprietary fluid milk processor. With the marketing system we have today, the producer can make a rational choice given the best opportunities available considering the farm's location and the location of the facilities. Because of uniform pricing there is an inducement to join the cooperative, consolidating with other producers in a manner that gives them the strength of common marketing. As a co-op, they together bear the additional costs of being prepared to process milk into a storable form by building plants, of finding new markets, and of creating opportunities in other ways.

□ 1215

If a fluid plant were permitted to use the forward-pricing provisions, however, then it could begin to offer prices that are below the Class I price required under the order system but above the price the cooperative pays, the cooperative which bears those costs which make it effective in strengthening the producer's market position.

Mr. Chairman, it is easy to see what happens next. The rational producer has to do what is best for his or her operation, processors are restored to the position of being able to play each producer off against the other, and our system's effectiveness in promoting cooperative effort collapses.

Mr. Chairman, I agree that forward pricing can be an important risk management tool. Our amendment is designed to allow its use by producers and handlers on milk other than Class I for 5 years. We believe this is a reasonable compromise. I urge my colleagues to oppose the Dooley amendment and support the Stenholt-Pombo amendment.

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

Mr. RYAN of Wisconsin. Mr. Chairman, I rise to claim the time in opposition to the amendment.

The CHAIRMAN. The gentleman from Wisconsin (Mr. RYAN) is recognized for 20 minutes.

Mr. RYAN of Wisconsin. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. ROYCE).

Mr. ROYCE. Mr. Chairman, I thank the gentleman from Wisconsin (Mr. RYAN) for yielding me this time.

Mr. Chairman, the issue is one of free markets, in my view. Will we allow producers on a volunteer basis to enter into a private contract with a private processor? The Stenholt amendment says that if one happens to be a producer selling to a fluid milk bottler, the answer to that question is no.

The underlying bill, H.R. 1402, would increase the power basically of dairy cartels and, in the long run, the underlying bill not only would hurt producers because of over-supply, in my view, but it also hurts consumers, and it would do so through higher prices, and it would do so through higher price volatility.

Subsidies create excess production. Creating surplus dairy products eventually will create products that will be

dumped into the markets and ultimately the Government will be asked to step in and buy surplus dairy products, and Congress did just that over a decade ago in the 1980s; and it cost Americans \$17 billion, causing many to say that we should stop milking our taxpayers.

The Dooley amendment, if adopted, would help alleviate basically this situation by allowing producers and processors to contract for price and supply. Under that type of an arrangement, in my view, everyone is a winner, including the consumer. So let us work to implement free market reforms.

There is a reason why Citizens Against Government Waste, why groups like Americans for Tax Reform and Taxpayers for Common Sense oppose the underlying legislation, and I urge my colleagues to do the same and to oppose this amendment as it is currently drafted.

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

Mr. Chairman, this amendment has been put together as an effort to bring forward contracting as a tool, as an option, to America's dairy farmers. The original bill that was introduced to allow forward contracting for dairy farmers in this country was a bill that we introduced, and I have always been a big supporter of that because I believe that forward contracting is an extremely important tool that our Nation's dairy farmers should have.

They should have the ability to contract with someone on the outside, some corporation, some business, some processor out there, to contract for the sale of their milk over a long period of time to manage their risk on their particular operation. I believe that very strongly. I think the future for America's dairy farmers will include the ability to do forward contracting.

As we move forward with this particular bill, it became very apparent that a number of our producers, a number of our dairy farmers throughout the country, were dead set opposed to doing forward contracting. They did not want that tool, they did not want that ability, and our opportunity to bring forward contracting to America's dairy farmers, I believe, was very threatened.

I salute the gentleman from Texas (Mr. STENHOLM) for working with me over the past couple of months to come up with this amendment that is, in some ways, a compromise that allows us to bring forward contracting to two-thirds of the dairy producers that are out there, to give them the opportunity to manage their risk with doing forward contracting.

It is not perfect. It is a pilot program. It gives us the ability to try this over the next couple of years and prove that it will work. I believe it will work, but without this amendment passing we will not have forward contracting as part of the ultimate bill; and I believe that that will be a bigger risk for America's dairy farmers.

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

Mr. RYAN of Wisconsin. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. DOOLEY).

Mr. DOOLEY of California. Mr. Chairman, I rise in opposition to the Stenholm-Pombo measure and would also like to speak in support of my amendment to theirs.

What we are trying to do here is to provide dairy farmers with a risk-management tool, a tool that will allow them to manage some of the wide fluctuations in milk prices that occur throughout a year. This is an important opportunity that would allow a dairy farmer to voluntarily enter into a contract with a private processor.

Now that sounds like something that is very reasonable, because as a farmer myself that is something I do almost every day, is I enter into a contract with someone that is going to purchase my cotton, my alfalfa, or whatever else I might be producing. It is somewhat remarkable that in our dairy laws today we have a prohibition that actually makes it illegal for a dairy farmer to enter into a private contract voluntarily in order to set a price.

This amendment that we are dealing with at the current time is one that is a step in the right direction because it allows us to have a pilot program that will allow dairy farmers to contract forward on the milk that they are going to sell for manufacturing purposes. If we are, in fact, going to have a legitimate and comprehensive pilot program, we ought to expand it to all classes of milk. Why should we limit it solely to that milk that is going to be used for cheese or other manufacturing purposes? We ought to also be allowing the dairy farmer the option to manage his risk, if he is going to sell his milk to be used for fluid purposes; and that is what is at stake here, and that is why we ought to oppose Stenholm-Pombo, because I think it is important that as policymakers that we really do define what the appropriate role of Government is.

How can we, in good conscience, say that the appropriate role of Government is to preclude dairy farmers from voluntarily entering into a contract with a processor of their choice? It just does not make any sense.

So for all my colleagues that do not know a lot about dairy policy, that are listening, this is a very simple amendment. I ask my colleagues to oppose Pombo-Stenholm and support my amendment.

I would also say that this is a measure that makes so much sense that all the dairy cooperatives in the United States already are using forward contracting. In fact, I have some letters here that are put out by Dairy Farmers of America that talk about the benefits of forward contracting. They say that the benefits of forward contracting is to protect profit margins. It establishes a known price for future production. It allows management of income in volatile markets.

Now, if we have the dairy cooperatives of the United States that are already promoting to their producers the use of forward contractors why, again, would we as Members of Congress decide that it is inappropriate and it in fact should be illegal to allow dairy farmers to enter into a forward contract for the sale of fluid milk to a private processor? That makes no sense.

Vote against Stenholm-Pombo. Vote for the Dooley substitute.

Mr. POMBO. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan (Mr. SMITH).

Mr. SMITH of Michigan. Mr. Chairman, I thank the gentleman from California (Mr. POMBO) for yielding me this time.

Mr. Chairman, let me start out by saying if one supports co-ops, and most all of the dairy farmers in this country sell their milk through co-ops, then you should support the Stenholm-Pombo amendment.

Eighty-seven percent of our milk in this country is sold through the cooperative system. The reason buyers of milk from the farmers would like us to vote down the Stenholm-Pombo amendment is simply because they can undercut the effectiveness of the cooperative to help farmers. What this amendment helps correct is an amendment passed in committee on a vote of 20 to 23, with 6 Members absent. A very close vote in committee. Some were convinced by the philosophical debate that the gentleman from California (Mr. DOOLEY) puts forward.

It sounds good on the surface but what it does, is undercut the effectiveness of the co-ops by letting the manufacturers and the purchasers of the milk go around the co-op, to buy milk directly from the farmers. Thus they have better negotiating power with the co-op, by getting several farmers to leave the co-op and sell directly to the dairy by promises of benefits. A dairy that does not have to deal directly with the co-op for a significant amount of milk increases their bargaining power and reduces the co-op's ability to serve the majority of the people that they represent in getting a fair price for their milk.

Help keep farmer cooperatives strong and vote against the Dooley secondary amendment and for Pombo-Stenholm.

Mr. RYAN of Wisconsin. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin (Mr. GREEN).

Mr. GREEN of Wisconsin. Mr. Chairman, I thank the gentleman from Wisconsin (Mr. RYAN) for yielding time.

Mr. Chairman, I rise in opposition to the Pombo amendment and in favor of the Dooley amendment. I believe that my dairy farmers should have the right to forward contracting with the processors. I believe that they have to have this tool to manage the risks of fluctuating prices. Those who support this amendment seek to, as my colleague just alluded to, reverse the results of the Committee on Agriculture.

Secondly, I find it interesting that those who are supporting the Pombo

amendment say that farmers are vulnerable with respect to processors. That is interesting because farmers in Classes II, III, and IV can already engage in forward contracting. Apparently they are not vulnerable but somehow those in Class I are.

It is also interesting that farmers are suddenly vulnerable with respect to the processors, but they are not vulnerable with respect to the co-ops. We heard in the debate on the previous amendment that they were not vulnerable with the co-ops; they had strengths with the co-ops in their bargaining. Suddenly they are vulnerable.

Quite frankly, in response to the previous speaker, I am not worried about the large co-ops. I think the votes today prove that the large co-ops can take care of themselves very well. They do not need our protection. Our dairy farmers do.

I think the ones who are really vulnerable today are the dairy farmers, not vulnerable with respect to the co-ops, not vulnerable with respect to the processors, but vulnerable with respect to us here inside the beltway as we seem poised to overturn the results of the August referendum and reimpose a Soviet-style system.

Mr. STENHOLM. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN. The gentleman from Texas (Mr. STENHOLM) has 6 minutes remaining.

Mr. STENHOLM. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I want to repeat some of what the gentleman from Michigan (Mr. SMITH) mentioned a moment ago because he was right on target. If we ask any farmer today, and we are going to talk a lot about this over the next several days and weeks, about the problem we are having with the price we are receiving, now I have done a lot of analyzing of what can farmers do to enhance price and it comes down to a pretty simple question.

Either we farmers, whether it is dairy we talk about today or whether it is fruit, vegetables, beef producers, hog producers, the only thing that producers can do is to bind themselves together in order that they might become an economic unit that can have market power in this tremendously changing marketplace.

My dairymen at home are telling me, the large dairies are saying, if the Dooley amendment should pass, we will have no choice but to do what the advocates of this amendment want done: allow a few producers to go cut their own deals to the expense of everybody else. That can already be done. That is the American system. But why should we make it the legal system more than it already is? That is the fundamental question.

The proponents of this amendment really honestly believe that is what they want to do and I respect that. I respect that, but then I come back to the problem of which we are going to be called on to spend billions of dollars in

a few days supplementing the income of corn producers, rice producers, cotton producers, wheat producers. Why? Because the price is too low.

□ 1230

That is the fundamental choice; and why I point out to my colleagues, to those that want to forward contract under current law, they can already do so and they will be able to do so. It is called the future's market. Any producer that believes they would like to forward price because it is better may do so every day today. If one chooses to do that as an individual because one believes one can get a better price, one may do so.

The problem with allowing one to do as this amendment suggests ignores the fact that our cooperatives play a very vital role for their dairy community that often gets overlooked by those who choose to contract out. It is called market balancing. Whenever one gets short-term surpluses of milk in any given regional order, somebody has to take that and move it some place at whatever cost it takes. That is what gets overlooked if this amendment should pass in the form in which they propose it to those who oppose the amendment. It will do irreparable harm to the dairy industry's quest at price enhancement, of taking what we now have and allowing dairy farmers to work with the processors, not against them, to get more of the consumers' price into the dairy farmers' pockets.

Mr. RYAN of Wisconsin. Mr. Chairman, I yield 2½ minutes to the gentleman from Wisconsin (Mr. KIND).

Mr. KIND. Mr. Chairman, I thank my friend from Wisconsin for yielding me this time.

Mr. Chairman, I rise today in opposition to the Stenholm amendment and in support of the Dooley amendment. I truly believe that if we really want to do everything we can to enable our dairy farmers to survive in current market conditions, we need to do two things, one of which is to allow us to move forward this reform from USDA that moves us to a more market-oriented pricing system rather than a government price-controlled system. Even though it is very incremental, it is a step in the right direction.

The other important thing, we can do is to do everything within our power to empower the individual producer with more risk-management tools so that they have more control over their own destiny. There is a very important risk-management tool that is available to farmers that have the luxury of dealing with co-ops and that is called forward contracting. In fact, we have a pilot options program taking place right now in a variety of counties throughout Wisconsin that allow producers to enter into options or future contracts. The concept is simple. If they can lock in on a predictable price and a revenue return that they can rely upon, then they will not be subject to the vagaries of the marketplace and

the wild, cyclical ride that we have seen throughout the dairy industry and throughout most of the agriculture industry, with drastic price fluctuations. This risk-management tool gives those individual producers who are willing to crunch their own numbers and determine what their individual cost of production is, to enter into private contracts placed on future prices.

Now, if they know that their cost of production is say 11 bucks per hundred-weight and they can lock in on a future contract of 12 bucks per hundred-weight, they are going to be making a buck profit per hundred-weight. And that is a tool that our farmers in the region are just now starting to utilize. That is why I am in favor of the Dooley amendment. It would expand future contracting beyond cooperatives.

I think we should be empowering these farmers regardless of the access they have to co-ops. There are many producers around the country that do not have access to co-ops. In Wisconsin, we have roughly a little more than 80 percent of our dairy farmers that do have co-ops that they can forward contract with. But there are roughly 20 percent that want to be able to do this with private entities, and that is more true in other parts of the region that do not have a lot of co-ops to join and forward contract with.

So if we are really going to help our family farmers today, I would encourage my colleagues to oppose the Stenholm amendment, support the Dooley amendment, and allow forward contracting for producers, regardless of where they happen to be producing and regardless of whether or not they can join a co-op or deal directly with a private entity.

Mr. RYAN of Wisconsin. Mr. Chairman, may I inquire as to the time remaining.

The CHAIRMAN pro tempore (Mr. GILLMOR). The gentleman from Wisconsin (Mr. RYAN) has 10½ minutes remaining; the gentleman from California (Mr. DOOLEY) has 6½ minutes remaining; the gentleman from Texas (Mr. STENHOLM) has 3 minutes remaining.

Mr. RYAN of Wisconsin. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia (Mr. GOODLATTE).

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

I rise in strong opposition to the Stenholm amendment and in support of the Dooley amendment. The Stenholm amendment is a bad idea. It takes away something that we just put into this legislation to give every dairy farmer in the country something they badly need to do.

Farmers across the country complain about their inability to manage risk, to deal with the fluctuation in prices. Forward contracting allows them to do that. It allows processors to offer producers or their cooperatives a predetermined price for their milk over a specified period of time. Producers can voluntarily accept a price based on the

processor's offer or continue to pay prices based on Federal milk order prices set each month in their order. This is simply another risk-management tool that should be offered to all farmers. There is nothing that says a producer must take a processor's offer or that he cannot continue to be paid for his milk the way his grandfather's father was paid. The forward contracting provisions in this bill are completely voluntary.

The amendment to exclude fluid milk from the forward contracting provisions of this bill will leave the majority of my dairy-producing constituents without the same risk-management tools that others have. I represent a heavy Class I utilization area. I hear my farmers' complaints about price volatility very frequently. If they are not offered the same ability to forward contract as other dairy producers, they will be severely disadvantaged in their ability to manage their risk and lock in a price for their product.

Dairy cooperatives can offer their producers forward contractors, but the Agriculture Marketing Agreements Act of 1937 severely limits proprietary processors from offering producers forward pricing. This legislation is necessary to enable all dairy processors, cooperative and proprietary alike, to offer forward contracts.

Class I milk must be included in this bill's forward contracting provisions if we are to put the entire industry on an equal footing in helping farmers manage their operations profitably.

Oppose the Stenholm amendment and support the Dooley amendment.

The CHAIRMAN pro tempore. The Committee will rise informally.

The SPEAKER pro tempore (Mr. GUTKNECHT) assumed the Chair.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate agrees to the report of the Committee of Conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1059) "An Act to authorize appropriations for fiscal year 2000 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes."

Mr. RYAN of Wisconsin. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota (Mr. GUTKNECHT), a champion in the milk marketing reform debate.

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

I want to see if I can put this into terms that more Members can understand. Last year, I was at the Houston County Fair, and I have done this at other fairs, but this was a specific example where I was meeting with some

dairy farmers and we were talking about dairy prices and I asked some of them, well, how much was your milk check last month. If you ask the farmers themselves, many times they do not know. But if you ask the farm wives, they can tell you. They know how much that milk check is month to month. What this debate is about is are we going to allow some of those people to take some of the bumps out of the road.

The reason I tell the story is last year and then again this year, we have seen prices go from \$20 a hundred-weight down to about \$12 a hundred-weight, and depending on the circumstances, either side of those two numbers. They are happy when the price is \$20 a hundred-weight, but they are all hurting when the price is \$12. We have seen this roller coaster ride.

What we are talking about is a risk-management tool whereby the dairy farmers, and let us talk about those farm wives, the ones who get the checks, who pay the bills, they are the ones who really know what is happening with the business end of most dairy farms; let us let them have that option, whether they go to the co-ops or whether they go to a for-profit producer or processor. Let us let them have the option of contracting.

So I rise in opposition to the Stenholm amendment; I rise in support of the Dooley language, because all we are saying is whether one sells their milk to a co-op or whether one sells their milk to a for-profit, they ought to have the option of taking some of those bumps out of the road. I say to my colleagues, the co-ops, in my opinion, have done a miserable job of advancing this basic notion. I think if people begin to understand it is available and if there is a competitive pressure out there, both the co-ops and the for-profits are going to move to help farmers utilize this risk-management tool.

Mr. RYAN of Wisconsin. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. DOOLEY).

Mr. DOOLEY of California. Mr. Chairman, once again, I just want to touch on a few of the arguments that some of the supporters of this amendment have made in terms of it undermining the ability of farmers to participate in cooperative efforts.

I think as a Member of Congress, I probably am a member of more agriculture cooperatives than any other member of the 435 in our body. I market my cotton through a cooperative. We market a whole host of other products through cooperatives. I believe in the cooperative system.

But I also believe very strongly that as a farmer, I should have the right to voluntarily enter into a contract to market my product. And when we talk about this is undermining the cooperative system, there is nothing in the proposal that I am advancing that would undermine that.

What we are undermining, if we pass the Stenholm-Pombo legislation, is we

are undermining the right of a farmer; we are undermining the right of a farmer to voluntarily enter into a contract in order that they may be better able to manage the risks associated with the volatility in milk prices.

Now, that makes so much common sense that I, quite frankly, am surprised we are even having a debate on this issue. Why should we think that it is the appropriate role of government, once again, to deny farmers the right to enter into a contract. Could we imagine going into another sector of our industry and saying that we are going to deny the producer of orange juice or oranges the ability to enter into a forward contract with Sunkist who is a cooperative or Minute Maid and say, it is your right to enter into a forward contract if your oranges are going to be used for a fruit cocktail mix or something like this, but it is against the law for you to enter into a forward contract if you are going to sell your oranges for juice that is going to end up in the bottle for fluid consumption.

That is absolutely absurd. But yet, that is what we are trying to do with this amendment is that we are going to say that it is all right for a farmer to voluntarily contract to sell their milk for cheese or butter or powder but if they want to enter into that same contract to sell their milk as fluid production to end up in a bottle, we are saying it is against the law.

The Federal Government has no right to intercede in the affairs of a private entity and a farmer from entering into voluntarily a contract.

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

Mr. Chairman, how much time do I have remaining?

The CHAIRMAN pro tempore. The gentleman from California (Mr. DOOLEY) has 30 seconds remaining.

Mr. DOOLEY of California. Mr. Chairman, I yield the balance of my time to the gentleman from Wisconsin (Mr. RYAN).

Mr. RYAN of Wisconsin. Mr. Chairman, I yield 1 minute to the gentleman from Ohio (Mr. BOEHNER).

Mr. BOEHNER. Mr. Chairman, if I could follow along from the conversation of my colleague from California was having. Understand that under current law, dairy farmers cannot go out and sell their milk, because the Federal program, the Federal milk market order system says that one can only sell one's milk within a particular region for a particular price to a particular buyer. That is the first problem.

Then, with the amendment that we have on the floor currently we are saying that if one wants to have forward contracting, one can have it if one has Class II or III milk, but if one has fluid milk, one cannot forward contract. So we are forcing dairy farmers into a position where they only have one place to sell their milk and that is through their co-ops.

I am a big supporter of co-ops. I think they do an awful lot to help farmers of all different types. But we have corn producers, soybean producers, vegetable producers all over this country who do what every single day? They forward contract with buyers for their commodities.

Now, if it is good enough for all of these other commodities, why is it not good enough to allow dairy farmers the freedom to go out and contract on their own?

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

Mr. Chairman, I would have to agree with the statement that the gentleman from Ohio (Mr. BOEHNER) just said, but I think it needs to be expanded upon a little bit so that all of my colleagues can understand the problem that we have.

Right now, it is not possible for a dairy farmer to go out and forward contract their milk with anyone except for their co-op.

□ 1245

What this amendment is doing is it is saying that two-thirds of the milk that is being produced, they will be able to go out and forward contract with anyone that they want.

The debate that we are having, and the Dooley amendment will bring up later, is whether or not to make it 100 percent of the milk or two-thirds of the milk. The problem that we have is that we do have a 60-odd-year-old law that the dairy farmers have become used to, that they have become dependent upon, and a certain amount of dependency has grown up around that current law that is on the books, so obviously there is a lot of fear when we get into any major change in the way milk is marketed.

If Members truly believe that forward contracting is part of the future for marketing milk in this country, then they have to support this amendment, because by doing it as a pilot program, by doing it on a somewhat limited scale is the only way we are going to be able to use this program, prove it works, prove to the dairy farmers that it is a tool that they need, that they should use for the future.

I believe that the only way we are going to see forward contracting in the future is if Members support this amendment and if they oppose the Dooley amendment later.

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

Mr. Chairman, let me address some of the points my colleague, the gentleman from California, just mentioned. The current law we have, which has been in place for 62 years, has been the primary reason why we have lost 11,000 dairy farmers in Wisconsin since 1990.

We have heard a lot over the last few months about giving farmers the ability to manage their own risk. Farming is a very volatile industry. There are ups and there are downs, and we need

to help farmers have the ability to manage their own risk, to make sure that they can survive from year to year.

This is what it comes down to. The coops can forward contract, so a farmer in a coop has that ability. The coops have a government-sanctioned competitive advantage over all other processors: They can forward contract. If we look at the coop literature, we will see they promote forward contracting as a wonderful tool of risk management.

What the Stenholm-Pombo amendment seeks to achieve is to stop anybody else from offering forward contracts. The coops want to keep their competitive advantage, so they are the only ones who can give forward contracts to the dairy farmer. What we are trying to achieve by defeating the Stenholm-Pombo amendment and by passing the Dooley amendment is simply this: Let the farmer decide if they want to or who they want to forward contract with.

If for one reason or another a farmer does not join a coop, a right they have today, why should we be denying them the ability to forward contract, which is the best management tool they have in their arsenal? What we are doing if we pass the Stenholm-Pombo amendment and defeat the Dooley amendment is basically telling that dairy farmer who for one reason or another is not in a coop, you are out of luck. You cannot forward contract. Forward contracting, as I think everyone is acknowledging here on the floor debate, is an excellent tool of risk management.

The coops are very big and they are getting bigger. I support coops. I have many in my district that I represent. However, as we are going to discuss in a future amendment, coops are not required to pay the minimum price for milk to their producers. So we have a system whereby the coops have a competitive advantage, being the only ones who can offer forward contracting, but it is also very interesting to note that the coops do not have to pay the minimum price of milk to their own producers.

So our farmers are being put into a catch-22. If they want this risk management tool, they have to join the coop. If they join the coop, they very well will not get the minimum price of milk. They might get prices below the minimum prices.

What we are trying to do is liberalize and give more freedom to the dairy farmer, give them the chance to self-contract, forward contract, on their own.

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

Mr. Chairman, the gentleman from Wisconsin is accurate in one aspect, and that is that current dairy policy is responsible for, one, putting a lot of dairy farmers out of business, and two, for keeping a lot of dairy farmers in business. It is inefficient. It has, I be-

lieve, all of the bad elements of what happens when government gets involved with regulating private business.

But having said that, I believe that it is extremely important that we continue on with the transition between a government-run, regulated dairy industry into a free market industry. One of the ways of doing that is by allowing forward contracting, by allowing individual dairy farmers to go out and contract for the future how much they are going to get for their milk.

I truly believe that the only way that we are going to advance that debate further, that we are going to advance the ability for dairy farmers to have the chance to forward contract on their milk, is by passing this amendment.

Having said, I ask my colleagues to support the Stenholm-Pombo amendment and to oppose the Dooley amendment.

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

Mr. Chairman, I think one key point needs to be made. To all of those who oppose my amendment because of the complexities, because of the continuation of the Federal Market Order System, to those who also were interested in another referendum in the previous vote that we will be taking in just a moment, let me remind all of our colleagues, if they are concerned about what dairy farmers want us to do today, dairy farmers voted 90 percent plus in August to support the Federal Milk Marketing Order System, warts and all.

I repeat, if Members are concerned about what dairy farmers want us to do today, they preferred Option 1B with the Federal order system versus nothing, which the advocates will have an amendment to eliminate all of the dairy program as the last amendment today.

But the relevant point on this amendment, if Members are concerned about what dairy farmers in all regions of the country have already spoken loudly and clearly on in a referendum, in a vote, in which every dairy farmer, through their cooperative, had a chance to vote, they said, we prefer the Federal Market Order System versus nothing. That was the choice that was made.

That point needs to be indelibly in our minds today because a lot of the rhetoric we have heard today is talking about something that somebody other than dairy farmers would like to see done. That is something that I hope we will keep in mind as we support my amendment.

Personally, I am very nervous about even my amendment, the effect, but I am willing to try. That was the deal that I made with the gentleman from California (Mr. DOOLEY). I was willing to have an experiment, time-limited, to see whether or not we could use, in all milk other than Class 1, we could use forward contracting to enhance producer income.

I am still willing to try that. I hope my colleagues will join with me in support of my amendment, oppose the Dooley amendment, and let us get on with passing H.R. 1402, which is the overwhelming opinion of the overwhelming majority of dairy farmers in the United States what we should do today.

The CHAIRMAN pro tempore (Mr. GILLMOR). All time has expired.

AMENDMENT NO. 3 OFFERED BY MR. DOOLEY OF CALIFORNIA TO AMENDMENT NO. 2 OFFERED BY MR. STENHOLM

Mr. DOOLEY of California. Mr. Chairman, I offer an amendment to the amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment to the amendment.

The text of the amendment to the amendment is as follows:

Part B amendment No. 3 offered by Mr. DOOLEY of California to Part B amendment No. 2 offered by Mr. STENHOLM:

On page 2 of the amendment, beginning line 3, strike "that—" and all that follows through "is in" on line 6 and insert "that is in".

The CHAIRMAN pro tempore. Pursuant to House Resolution 294, the gentleman from California (Mr. DOOLEY) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from California (Mr. DOOLEY).

Mr. DOOLEY of California. Mr. Chairman, I yield 1½ minutes to the gentleman from Texas (Mr. COMBEST), chairman of the Committee on Agriculture.

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

Mr. Chairman, this is a simple matter of fairness. The authority in the bill reported by the Committee on Agriculture for dairy farmers to enter into private contracts with processors is completely voluntary. If the farmer decides they want to enter into a contract, it is agreeable to both sides, they can do so, completely voluntary.

According to the experts within the Department of Agriculture, it may be impossible to implement a forward contracted program if fluid milk is excluded. Therefore, I do support the Dooley amendment to the Stenholm-Pombo amendment.

Specifically, Mr. Chairman, the amendment that was offered by my colleague, the gentleman from Texas, seeks to make the authority to forward contract a pilot study. I can support that. Unfortunately, the amendment also says that unlike the farmers who sell their milk for manufactured dairy products, if they sell their milk to a bottler, fluid milk bottler, they cannot negotiate for a better price.

If the goal is to establish a pilot, I do not believe that it is wise to prohibit the farmer participation based on how that product will be sold. The authority for a farmer to contract for the sale of their product guarantees their income and ultimately reduces price vol-

atility that has plagued this industry and consumers. I do support the Dooley amendment, and if it passes, I support the underlying amendment.

Mr. Chairman, I believe it is responsible for us to give all of the possible options of marketing to all of our farmers to best provide them the best risk management they can possibly have in times of very depressed agricultural conditions.

The CHAIRMAN pro tempore. Does any Member seek time in opposition to the amendment offered by the gentleman from California (Mr. DOOLEY)?

Mr. STENHOLM. Mr. Chairman, I claim the time in opposition to the amendment.

The CHAIRMAN pro tempore. The gentleman from Texas (Mr. STENHOLM) is recognized for 5 minutes.

Mr. STENHOLM. Mr. Chairman, I yield myself such time as I may consume. Let me make another point for all of our colleagues here. There is nothing in my amendment that precludes any dairy farmer or any cooperative from negotiating a better price for fluid milk. Nothing in the amendment keeps them from doing that. What they cannot do is negotiate a price that is less than, less than the order price. That is why I oppose the Dooley amendment.

I will make a few observations. This is interesting to me, because California dairy producers do not vote in Federal referenda because they have a much better referendum in California, or at least that is what California dairy farmers say. Again, we have a very divided industry, and we have been through this for a long time. It is split almost fifty-fifty, between dairy farmers in California that have a different opinion.

But it is interesting, when we heard a moment ago that the price of milk can be produced for \$11 in California, and we talk about consumers, well, the consumer price for milk in Los Angeles is \$2.99 as of September 22, 1999. In Dallas, Texas, it is \$2.50. In Minneapolis, Minnesota, it is \$2.99.

Again, we have been hearing all about this profit, the pricing, and what we can and cannot let dairy farmers do. But the bottom line from the consumer standpoint, we cannot make a logical argument that the consumer is benefiting from the California price to the dairy farmer, but the dairy farmers in California that object to their system because they feel like they are being penalized is a valid one.

Again, let me remind my colleagues that the order and the rules of the Federal order that we are discussing were overwhelmingly approved in every region of the country. California did not vote because they are not a part of the Federal order system.

□ 1300

But every other region, 90 percent of the dairy farmers agreed that the federal order system, as imperfect as most of them believe it is, under the bill

that we attempt to correct today or the order of the USDA recommendation, 96 percent, 98 percent in the southeast, in the northeast 90.5 percent, 93.1 percent of the producers all across the Nation agree. They agree with the basic tenet of the amendment that I offer of a pilot project. As the chairman said, we are willing to try this to see whether or not it might work, but to do it in a limiting way.

To the argument of suggesting that this does not make sense, separating Class I and other classes, let me again remind my colleagues that the purpose of which I offer my amendment and the purpose of which the gentleman from California (Mr. DOOLEY) offers his are diabolically opposed.

I feel very strongly that if we allow individuals to contract in dairy, which is much different than we have in cotton, and I belong to a few cooperatives myself, but in dairy, if one has a large number who choose to contract out for another extra nickel, and one has a balancing problem in one's region in which suddenly one has milk that has to be moved somewhere at a loss, the folks that have made the contract benefit from this, and every other dairy farmer within the cooperative will be hurt accordingly.

Now, maybe that is not right. Some would say, and I guess the argument of those today and the proponents to my amendment say, that is the way it ought to be. But it is a fundamental change. I would submit to my colleagues, if they are concerned about dairy farmers, they cannot ignore the vote in August in which they said overwhelmingly we accept the warts of this because we believe doing without the program will do us more harm.

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

Mr. DOOLEY of California. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio (Mr. BOEHNER).

Mr. BOEHNER. Mr. Chairman, I thank the gentleman from California for yielding me this time.

Mr. Chairman, as has been pointed out earlier in this conversation, one of the real needs for farmers of all types in the current economic environment is better risk-management tools. One of the things we tried to do over the last couple of years and we will consider before this year is over is an expanded crop insurance package.

But what we are talking about in this amendment is empowering dairy farmers by giving them risk-management tools so that they can better manage the risk and the fluctuations in price on their own farm.

Now, the gentleman from Texas (Mr. STENHOLM) and the gentleman from California (Mr. POMBO) who have the underlying amendment are saying, well it is okay if one sells one's milk for cheese or for powder. We are going to allow one to forward market and contract that particular product. But if one is going to sell one's milk for fluid consumption to a bottler, let us say a

supermarket down the street, that is not okay.

Now, it defies me to understand why it is okay to have forward marketing for cheese and powder but not for fluid milk.

Now, we happen to be in a situation today where farmers last year, the dairy farmers, got probably, overall, the highest prices they ever received. This year, they are likely to get the second highest prices they have ever received.

What we are saying with this amendment is, even though we have got high prices, and maybe a dairy farmer would like to go out and lock in that higher price with his local supermarket, he is unable to do that under current law and under the underlying amendment.

That is why the amendment being offered by the gentleman from California (Mr. DOOLEY) I think makes all the common sense in the world. At a time of higher prices, why do we not empower dairy farmers themselves to go out and lock in a price for a substantial length of time if they want?

What we are basically saying with the underlying amendment is that dairy farmers are not capable of doing this on their own. Well, I think they are. They have done a marvelous job in surviving under a complex system for 62 years. If we begin to unleash the shackles that the Federal Government has put around them, my guess is that dairy farmers are going to have a great opportunity to succeed even more.

So I rise in support of the Dooley amendment and congratulate the gentleman from California (Mr. DOOLEY) for offering it, along with the chairman of the committee, in saying that let us empower farmers, let us make this common-sense reform that allows a dairy farmer to go out and protect himself and his family and most importantly his farm.

The CHAIRMAN pro tempore (Mr. GILLMOR). The gentleman from California (Mr. DOOLEY) and the gentleman from Texas (Mr. STENHOLM) each have 30 seconds remaining. The gentleman from Texas (Mr. STENHOLM) has the right to close.

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

Mr. Chairman, I urge the strongest opposition to the Dooley amendment. It is basically whether my colleagues are going to vote with dairy farmers, as they have already told us by a 90 percent vote that they agree with my basic amendment, they oppose the Dooley amendment. I hope my colleagues will stick with the dairy farmers of America all across this Nation overwhelmingly. Ninety percent say let us stick with my amendment. Oppose the Dooley amendment. Support H.R. 1402.

Mr. DOOLEY of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, in closing, I just ask my colleagues just to apply a little

common sense in their votes on this amendment. All we are asking for is to allow dairy farmers the ability and the right to enter into a voluntary contract to sell their fluid milk.

One cannot have a more compelling argument than was put in the information that was put out by the Dairy Farmers of America, one of our largest co-ops, when they were promoting forward contracting. They said, "For the first time in history, you can manage future price risks on your dairy using the same proven tools that have been available to other commodities for many years."

This amendment, the Dooley amendment, is going to provide those tools, those risk-management tools to dairy farmers. Let us give them the ability to manage prices in a volatile market.

The CHAIRMAN pro tempore. All time has expired.

The question is on the amendment offered by the gentleman from California (Mr. DOOLEY) to the amendment offered by the gentleman from Texas (Mr. STENHOLM).

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

Mr. STENHOLM. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to House Resolution 294, further proceedings on the amendment No. 3 offered by the gentleman from California (Mr. DOOLEY) to the amendment No. 2 offered by the gentleman from Texas (Mr. STENHOLM) will be postponed.

The point of no quorum is considered withdrawn.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN pro tempore. Pursuant to House Resolution 294, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: Part B Amendment No. 1 offered by the gentleman from Wisconsin (Mr. GREEN), Part B Amendment No. 3 offered by the gentleman from California (Mr. DOOLEY), and Part B Amendment No. 2 offered by the gentleman from Texas (Mr. STENHOLM).

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 1 OFFERED BY MR. GREEN OF WISCONSIN

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on amendment No. 1 offered by the gentleman from Wisconsin (Mr. GREEN) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 102, noes 323, not voting 8, as follows:

[Roll No. 430]

AYES—102

| | | |
|--------------|--------------|---------------|
| Armey | Hyde | Pascrell |
| Baldwin | Jackson (IL) | Payne |
| Barrett (NE) | Johnson, Sam | Peterson (MN) |
| Barrett (WI) | Kaptur | Petri |
| Becerra | Kasich | Pomeroy |
| Bereuter | Kind (WI) | Portman |
| Berkley | Kleczka | Pryce (OH) |
| Biggart | Kolbe | Ramstad |
| Blagojevich | Kucinich | Rogan |
| Blumenauer | LaHood | Rohrabacher |
| Boehner | Largent | Roybal-Allard |
| Boswell | Latham | Royce |
| Brown (OH) | LaTourette | Rush |
| Calvert | Leach | Ryan (WI) |
| Carson | Linder | Sabo |
| Chabot | Lipinski | Sanchez |
| Cox | Luther | Sanford |
| Crane | Maloney (NY) | Sawyer |
| Davis (IL) | Manzullo | Schakowsky |
| Davis (VA) | Markey | Sensenbrenner |
| Delahunt | Matsui | Sessions |
| DeMint | McDermott | Shays |
| Dooley | McIntosh | Shimkus |
| Dreier | Meehan | Souder |
| Evans | Menendez | Spratt |
| Ewing | Miller (FL) | Strickland |
| Frank (MA) | Minge | Stupak |
| Ganske | Moakley | Sununu |
| Goss | Napolitano | Tancredo |
| Green (WI) | Nethercutt | Thune |
| Gutknecht | Nussle | Vento |
| Hall (OH) | Oberstar | Visclosky |
| Hobson | Obey | Weller |
| Hostettler | Pallone | Wu |

NOES—323

| | | |
|-------------|---------------|----------------|
| Abercrombie | Combest | Gonzalez |
| Ackerman | Condit | Goode |
| Aderholt | Conyers | Goodlatte |
| Allen | Cook | Goodling |
| Andrews | Cooksey | Gordon |
| Archer | Costello | Graham |
| Bachus | Coyne | Granger |
| Baird | Cramer | Green (TX) |
| Baker | Crowley | Greenwood |
| Baldacci | Cubin | Gutierrez |
| Ballenger | Cummings | Hall (TX) |
| Barcia | Cunningham | Hansen |
| Barr | Danner | Hastings (FL) |
| Bartlett | Davis (FL) | Hastings (WA) |
| Barton | Deal | Hayes |
| Bass | DeFazio | Hayworth |
| Bateman | DeGette | Hefley |
| Bentsen | DeLauro | Heger |
| Berman | DeLay | Hill (IN) |
| Berry | Deutsch | Hill (MT) |
| Bilbray | Diaz-Balart | Hilleary |
| Bilirakis | Dicks | Hilliard |
| Bishop | Dingell | Hinchey |
| Bliley | Dixon | Hinojosa |
| Blunt | Doggett | Hoefel |
| Boehlert | Doyle | Hoekstra |
| Bonilla | Duncan | Holden |
| Bonior | Dunn | Holt |
| Bono | Edwards | Hooley |
| Borski | Ehlers | Horn |
| Boucher | Ehrlich | Houghton |
| Boyd | Emerson | Hoyer |
| Brady (PA) | Engel | Hulshof |
| Brady (TX) | English | Hunter |
| Brown (FL) | Eshoo | Hutchinson |
| Bryant | Etheridge | Inslee |
| Burr | Everett | Isakson |
| Burton | Farr | Istook |
| Buyer | Fattah | Jackson-Lee |
| Callahan | Filner | (TX) |
| Camp | Fletcher | Jefferson |
| Campbell | Foley | Jenkins |
| Canady | Forbes | John |
| Cannon | Ford | Johnson (CT) |
| Capps | Fossella | Johnson, E. B. |
| Capuano | Franks (NJ) | Jones (NC) |
| Cardin | Frelinghuysen | Jones (OH) |
| Castle | Frost | Kanjorski |
| Chambliss | Gallegly | Kelly |
| Chenoweth | Gejdenson | Kennedy |
| Clay | Gekas | Kildee |
| Clayton | Gephardt | Kilpatrick |
| Clement | Gibbons | King (NY) |
| Clyburn | Gilcrest | Kingston |
| Coburn | Gillmor | Klink |
| Collins | Gilman | Knollenberg |

Kuykendall Owens Snyder
 LaFalce Oxley Spence
 Lampson Packard Stabenow
 Lantos Pastor Stark
 Larson Paul Stearns
 Lazio Pease Stenholm
 Lee Pelosi Stump
 Levin Peterson (PA) Sweeney
 Lewis (CA) Phelps Talent
 Lewis (GA) Pickering Tanner
 Lewis (KY) Pickett Tauscher
 LoBiondo Pitts Taylor (MS)
 Lofgren Pombo Taylor (NC)
 Lowey Porter Terry
 Lucas (KY) Price (NC) Thomas
 Lucas (OK) Quinn Thompson (CA)
 Maloney (CT) Radanovich Thompson (MS)
 Martinez Rahall Thornberry
 Mascara Rangel Thurman
 McCarthy (MO) Regula Tiahrt
 McCarthy (NY) Reyes Tierney
 McCollum Reynolds Toomey
 McCrery Riley Towns
 McGovern Rivers Traficant
 McHugh Rodriguez Turner
 McInnis Roemer Udall (CO)
 McIntyre Rogers Udall (NM)
 McKeon Ros-Lehtinen Upton
 McKinney Rothman Velazquez
 McNulty Roukema Vitter
 Meek (FL) Ryan (KS) Walden
 Meeks (NY) Salmon Walsh
 Metcalf Sanders Wamp
 Mica Sandlin Waters
 Millender Saxton Watkins
 McDonald Schaffer Watt (NC)
 Miller, Gary Scott Watts (OK)
 Miller, George Serrano Waxman
 Mink Shadegg Weiner
 Mollohan Shaw Weldon (FL)
 Moore Sherman Weldon (PA)
 Moran (KS) Sherwood Wexler
 Moran (VA) Shows Whitfield
 Morella Shuster Wicker
 Murtha Simpson Wilson
 Myrick Siskisky Wise
 Nadler Skeen Wolf
 Neal Skelton Woolsey
 Ney Slaughter Wynn
 Northup Smith (MI) Young (AK)
 Norwood Smith (NJ) Young (FL)
 Olver Smith (TX)
 Ortiz Smith (WA)

NOT VOTING—8

Coble Fowler Tauzin
 Dickey Ose Weygand
 Doolittle Scarborough

□ 1331

Messrs. FARR of California, GEORGE MILLER of California, RILEY, QUINN, BUYER, DIXON and CANADY of Florida changed their vote from "aye" to "no."

Messrs. ROGAN, RUSH and EWING changed their vote from "no" to "aye." So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated against:

Mr. OSE. Mr. Chairman, I was inadvertently detained and was therefore not present to vote today for rollcall No. 430. Had I been present, I would have voted "no."

PARLIAMENTARY INQUIRY

Mr. COMBEST. Mr. Chairman, parliamentary inquiry.

The CHAIRMAN pro tempore (Mr. GILLMOR). The gentleman will state his inquiry.

Mr. COMBEST. Mr. Chairman, I just wanted to make sure because there is some confusion. The next vote occurs on the Dooley amendment to the Stenholm amendment?

The CHAIRMAN pro tempore. The gentleman is correct. The next vote occurring will be a vote on the Dooley amendment to the Stenholm amendment.

AMENDMENT NO. 3 OFFERED BY MR. DOOLEY TO
 AMENDMENT NO. 2 OFFERED BY MR. STENHOLM

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on Amendment No. 3 offered by the gentleman from California (Mr. DOOLEY) to Amendment No. 2 offered by the gentleman from Texas (Mr. STENHOLM) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 155, noes 270, not voting 8, as follows:

[Roll No. 431]

AYES—155

| | | |
|--------------|----------------|---------------|
| Archer | Gutierrez | Pascrell |
| Armey | Gutknecht | Paul |
| Baldwin | Hefley | Payne |
| Barrett (NE) | Hilleary | Pease |
| Barrett (WI) | Hobson | Peterson (MN) |
| Barton | Hostettler | Petri |
| Becerra | Hyde | Porter |
| Bereuter | Inslee | Portman |
| Berman | Istook | Pryce (OH) |
| Biggart | Jackson (IL) | Ramstad |
| Bilbray | Johnson, E. B. | Regula |
| Blagojevich | Johnson, Sam | Rogan |
| Blumenauer | Jones (OH) | Rohrabacher |
| Boehner | Kaptur | Rothman |
| Boswell | Kasich | Roybal-Allard |
| Buyer | Kind (WI) | Royce |
| Callahan | Klecza | Rush |
| Calvert | Kolbe | Ryan (WI) |
| Campbell | Kucinich | Ryun (KS) |
| Canady | LaHood | Sabo |
| Capps | Largent | Salmon |
| Carson | LaTourette | Sanchez |
| Chabot | Leach | Sanford |
| Clay | Linder | Schaffer |
| Clement | Lipinski | Schakowsky |
| Combest | Luther | Sensenbrenner |
| Conyers | Maloney (NY) | Sessions |
| Costello | Manzullo | Shaw |
| Cox | Markey | Shays |
| Crane | Martinez | Sherman |
| Cummings | Matsui | Shimkus |
| Davis (IL) | McHugh | Smith (NJ) |
| Davis (VA) | McInnis | Smith (WA) |
| DeGette | McIntosh | Souder |
| DeLahunt | McKeon | Stupak |
| DeLay | Meehan | Sununu |
| DeMint | Menendez | Tancredo |
| Dixon | Miller (FL) | Terry |
| Doggett | Minge | Thune |
| Dooley | Moakley | Tierney |
| Dreier | Moore | Traficant |
| Duncan | Moran (KS) | Vento |
| Ehlers | Moran (VA) | Visclosky |
| Evans | Nethercutt | Wamp |
| Ewing | Ney | Waters |
| Frank (MA) | Northup | Waxman |
| Gallegly | Nussle | Weller |
| Ganske | Oberstar | Wilson |
| Goodlatte | Obey | Wu |
| Goss | Ose | Wynn |
| Granger | Oxley | Young (AK) |
| Green (WI) | Pallone | |

NOES—270

| | | |
|-------------|-----------|------------|
| Abercrombie | Barr | Boehlert |
| Ackerman | Bartlett | Bonilla |
| Aderholt | Bass | Bonior |
| Allen | Bateman | Bono |
| Andrews | Bentsen | Borski |
| Bachus | Berkley | Boucher |
| Baird | Berry | Boyd |
| Baker | Bilirakis | Brady (PA) |
| Baldacci | Bishop | Brady (TX) |
| Ballenger | Bliley | Brown (FL) |
| Barcia | Blunt | Brown (OH) |

| | | |
|---------------|----------------|---------------|
| Bryant | Hoekstra | Pitts |
| Burr | Holden | Pombo |
| Burton | Holt | Pomeroy |
| Camp | Hoolley | Price (NC) |
| Cannon | Horn | Quinn |
| Capuano | Houghton | Radanovich |
| Cardin | Hoyer | Rahall |
| Castle | Hulshof | Rangel |
| Chambliss | Hunter | Reyes |
| Chenoweth | Hutchinson | Reynolds |
| Clayton | Isakson | Riley |
| Clyburn | Jackson-Lee | Rivers |
| Coburn | (TX) | Rodriguez |
| Collins | Jefferson | Roemer |
| Condit | Jenkins | Rogers |
| Cook | John | Ros-Lehtinen |
| Cooksey | Johnson (CT) | Roukema |
| Coyne | Jones (NC) | Sanders |
| Cramer | Kanjorski | Sandlin |
| Crowley | Kelly | Sawyer |
| Cubin | Kennedy | Saxton |
| Cunningham | Kildee | Scott |
| Danner | Kilpatrick | Serrano |
| Davis (FL) | King (NY) | Shadegg |
| Deal | Kingston | Sherwood |
| DeFazio | Klink | Shows |
| DeLauro | Knollenberg | Shuster |
| Deutsch | Kuykendall | Simpson |
| Diaz-Balart | LaFalce | Sisisky |
| Dicks | Lampson | Skeen |
| Dingell | Lantos | Skelton |
| Doyle | Larson | Slaughter |
| Dunn | Lazio | Smith (MI) |
| Edwards | Lee | Smith (TX) |
| Ehrlich | Levin | Snyder |
| Emerson | Lewis (CA) | Spence |
| Engel | Lewis (GA) | Spratt |
| English | Lewis (KY) | Stabenow |
| Eshoo | LoBiondo | Stark |
| Etheridge | Lofgren | Stearns |
| Everett | Lowe | Stenholm |
| Farr | Lucas (KY) | Strickland |
| Fattah | Lucas (OK) | Stump |
| Filner | Maloney (CT) | Sweeney |
| Fletcher | Mascara | Talent |
| Foley | McCarthy (MO) | Tanner |
| Forbes | McCarthy (NY) | Tauscher |
| Ford | McCollum | Taylor (MS) |
| Fossella | McCrery | Taylor (NC) |
| Franks (NJ) | McDermott | Thomas |
| Frelinghuysen | McGovern | Thompson (CA) |
| Frost | McIntyre | Thompson (MS) |
| Gejdenson | McKinney | Thornberry |
| Gekas | McNulty | Thurman |
| Gephardt | Meek (FL) | Tiahrt |
| Gibbons | Meeks (NY) | Toomey |
| Gilchrest | Mica | Towns |
| Gillmor | Millender- | Turner |
| Gilman | McDonald | Udall (CO) |
| Gonzalez | Miller, Gary | Udall (NM) |
| Goode | Miller, George | Upton |
| Goodling | Mink | Velazquez |
| Gordon | Mollohan | Vitter |
| Graham | Morella | Walden |
| Green (TX) | Murtha | Walsh |
| Greenwood | Myrick | Watkins |
| Hall (OH) | Nadler | Watt (NC) |
| Hall (TX) | Napolitano | Watts (OK) |
| Hansen | Neal | Weiner |
| Hastings (FL) | Norwood | Weldon (FL) |
| Hastings (WA) | Olver | Weldon (PA) |
| Hayes | Ortiz | Wexler |
| Hayworth | Owens | Weygand |
| Herger | Packard | Whitfield |
| Hill (IN) | Pastor | Wicker |
| Hill (MT) | Pelosi | Wise |
| Hilliard | Peterson (PA) | Wolf |
| Hinchee | Phelps | Woolsey |
| Hinojosa | Pickering | Young (FL) |
| Hoefel | Pickett | |

NOT VOTING—8

Coble Fowler Scarborough
 Dickey Latham Tauzin
 Doolittle Metcalf

□ 1340

Mr. BENTSEN changed his vote from "aye" to "no."
 So the amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

Stated for:

Mr. LATHAM. Mr. Chairman, on rollcall No. 431, I was inadvertently detained. Had I been present, I would have voted "yes."

AMENDMENT NO. 2 OFFERED BY MR. STENHOLM

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Texas (Mr. STENHOLM).

The amendment was agreed to.

The CHAIRMAN pro tempore. It is now in order to consider Amendment No. 4 printed in Part B of House Report 106-324.

□ 1345

AMENDMENT NO. 4 OFFERED BY MR. GUTKNECHT

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

The CHAIRMAN pro tempore (Mr. GILLMOR). The Clerk will designate the amendment.

The text of the amendment is as follows:

Part B Amendment No. 4 offered by Mr. GUTKNECHT:

Add at the end the following new section:

SEC. ____ . LIMITATION ON BLENDING OF PROCEEDS FROM THE COLLECTIVE SALES OR MARKETING OF MILK AND MILK PRODUCTS.

Notwithstanding section 8c(5)(F) of the Agricultural Adjustment Act (7 U.S.C. 608c(5)(F)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, or the consolidation of Federal milk marketing orders pursuant to section 143 of the Federal Agricultural Improvement and Reform Act of 1996 (7 U.S.C. 7253), effective beginning on the date of the enactment of this Act, the Secretary of Agriculture shall prohibit a cooperative marketing association referred to in such section 8c(5)(F) from blending the net proceeds attributable to Federal minimum prices of all sales or marketings of milk and its products in all markets in all use classifications in order to make distributions in accordance with the contract between the association and its producers. The prohibition does not prohibit the blending of market-based premiums.

The CHAIRMAN pro tempore. Pursuant to House Resolution 294, the gentleman from Minnesota (Mr. GUTKNECHT) and a Member opposed to the amendment each will be recognized for 20 minutes.

Does the gentleman from Maine (Mr. BALDACCI) seek the time in opposition?

Mr. BALDACCI. Yes, Mr. Chairman.

The CHAIRMAN pro tempore. The gentleman from Maine will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota (Mr. GUTKNECHT).

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

The amendment that I am offering, I think the short title we should use: The Truth in Milk Marketing Amendment, and I do not think most Members, and I know that speaking for myself, I was not aware until just a few months ago that in fact, even though we have a milk marketing order system, that many dairy farmers around the United States, and I have a chart here, and this is a chart provided by the USDA; this is not a chart that we made up, but it talks about the average 1998 Federal order in the mailbox prices by the Federal milk marketing order system, and what it shows is, for example, in places like the Southeast and

the Southwest, even though the FMMO blended price was supposed to be one thing, the actual price, the average price, that dairy farmers in those regions was something less.

Let me just share with my colleagues some of the numbers. For example, in the middle Atlantic States, the price was supposed to be an average of \$15.17, but actually was only \$14.90. In Carolina, it was supposed to be \$16.14, but the price they got in the mailbox was \$16.08. Go down into the Southeast, and we start to see the real differences. For example, in the Southeast the FMMO price was supposed to be \$16.13, but actually the dairy farmers in that area got an average mailbox price of only \$15.36.

Now, Mr. Chairman, I think that that is evidence that there is something wrong with the system, and let me explain what is wrong with the system. In effect the co-ops are exempt from paying the minimum milk marketing order price.

All I am saying with my amendment is that whether one is a for-profit or they are a co-op, they have to pay the minimum blend price, and I think this is a consummately fair amendment. In fact, I would say not only do most Members not know that this is happening, I suspect that most dairy farmers do not know. I think if those of my colleagues are from different regions, if they ask their dairy farmers are they getting what the milk market order price is, most of them would say, well, of course. But in truth in their mailbox they are not actually getting it.

Reblending is not transparent. Producers do not know what happens to the money, how it is used, or what costs underlie the reblending amount.

Mr. Chairman, this is an important amendment. If my colleagues really care about the dairy farmers in our areas, then they ought to at least vote for this amendment and say that we are going to have truth in milk marketing whether they sell their milk to a co-op or they sell their milk to a for-profit processor.

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

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

Mr. Chairman, this amendment takes away the right of farmer-owned cooperatives to re-blend net revenues before distributing the proceeds of sales to cooperative members.

Dairy producers who join cooperatives do so in order to have a secure, reliable market for their milk 365 days a year. They look to the cooperative to market their milk and to build whatever facilities are needed to accomplish this, whether it be cheese, butter, or powder plants. The facilities either manufacture the farmers' milk into products or receive and store the milk for a day then ship to bottlers when it is needed. These facilities are part of the total marketing plan of cooperatives.

Mr. Chairman, dairy producers own these cooperatives lock, stock and barrel, expect the cooperatives to pay them what is left after the marketing and processing costs are covered both monthly and the milk check and any profits derived are paid at the end of the year in a thirteenth check. This sometimes is called reblending, meaning the cooperative may not always pay above the Federal order price in a given month but does pay out the dividends after all the marketing costs are covered.

Farmers give the right to reblend their cooperative because they want the cooperative to be a financially sound and viable business entity that can guarantee that market year round in times of surplus production as well in times that are tight. This right of reblending is vital to the type of cooperative dairy supply marketing and other entities. Mr. Chairman, taking away the right of the cooperatives to reblend, which this amendment does, severely restricts and limits the ability of the cooperative to assure the members of a secure market for their product.

This amendment interferes with the ability of a cooperative to run its business and pay its members. A similar proposal was defeated by a three to one ratio in the Committee on Agriculture during the markup of 1402.

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

Mr. GUTKNECHT. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota (Mr. MINGE).

Mr. MINGE. Mr. Chairman, I am pleased to join my colleague on a bipartisan basis in supporting this amendment. This amendment illustrates one of many very complex, Byzantine features of dairy policy in the United States. There is probably no other area of Federal agricultural policy which has the flawed fundamental unfair characteristics that exist in the dairy programs. It is archaic, it flows from economic conditions that existed 65 years ago, it flows from problems that we had with refrigeration and transportation 65 years ago that do not exist today.

How can we in America be urging the rest of the world to engage in a market-oriented, free trade policy when we fail to recognize this policy in the dairy sector in our own country? It is absolutely crazy, it is shameless, and we have the same people in this Chamber that have been strong advocates and supporters of programs ranging from NAFTA, to GATT, to opening up trade with China, normal trade relationships with that country, even with Cuba, that are staunchly defending archaic dairy policies that are a throwback to almost the last century.

The time has come that we have to forthrightly address the problems of dairy policy in the United States, and when we tried to do that in Congress, we were told wait, let us give the administration the chance to do this, it

would not be as political, we would not be forced to vote on the basis of our constituencies.

So we gave the administration this option, and what has happened? The administration has come back with a policy, and now in this bill we are trying to defeat that policy.

Again, it is crazy, and what else is crazy about this? We see Members of Congress representing dairy farmers. The gentleman from Minnesota (Mr. GUTKNECHT), myself from Minnesota, the gentleman from Maine (Mr. BALDACCI) representing dairy farmers; we are squabbling with one another. And at the same time, people throughout this country know that American agriculture is in deep trouble; and this includes our dairy farmers.

Mr. Chairman, the economics of farming are destructive. They are consuming tens of thousands of American families every year, and here we are forced to scrap over the scraps.

If we expect to have a dairy policy and a food policy that serves the best interests of this Nation, Mr. Chairman, it is time to get rid of this archaic program, it is time to take amendments like that from the gentleman from Minnesota (Mr. GUTKNECHT) and pass them in this Chamber.

Mr. BALDACCI. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Michigan (Mr. SMITH), a member of the committee.

(Mr. SMITH of Michigan asked and was given permission to revise and extend his remarks.)

Mr. SMITH of Michigan. Mr. Chairman, things are seldom what they seem. I mean everybody talking from both sides of the aisle wants to help our dairy farmers. Sometimes we see a difference between different areas of the country. That is why we argue about 1A and 1B.

On this amendment I would like to suggest that it may be well intentioned but what it does in effect is to prohibit co-ops from subtracting their cost of doing business as a co-op from the proceed of total co-op milk sales and then take what is left and distribute it to farmers.

So when the gentleman from Minnesota (Mr. GUTKNECHT) suggests we should have an amendment that forces every co-op to pay the Federal order price, then the question must be asked: How are the co-ops going to manage their affairs; how are they going to pay for the expenses of that cooperative? The effect on co-ops that do not enjoy an over-order price, (those co-ops that have not been able to negotiate a higher price than the Federal order price), would be to disallow the co-op from paying for their cost of doing business from milk sale receipts.

So by passing this amendment, we are going to put some co-ops out of business or otherwise jeopardize the co-op operation. The way it has been working for the last 40 years is to allow these co-ops to subtract their cost of doing business, and then divide up

what is left to their members. It is a reasonable way for these co-ops to continue to operate efficiently. I hope we vote down the amendment and keep co-ops strong.

Mr. GUTKNECHT. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin (Mr. GREEN).

Mr. GREEN of Wisconsin. Mr. Chairman, I thank my colleague for yielding time.

In response to the gentleman who spoke just before me, he pleaded with Members to keep co-ops strong; I think co-ops are doing just fine. I think that has become very clear today.

My colleagues are hearing a few recurring themes today. One of them is they are hearing over and over again through the amendments that are being brought forward, they are seeing a distinction between those who choose to stand up for family dairy farms and those who choose to stand up for large dairy interests.

Earlier today, we took away from dairy farmers the right to vote on this change in milk marketing orders, a right that they have had for 62 years. Today we took that away.

□ 1400

Just a little while ago, we denied to farmers, with respect to Class I fluid milk, the right to forward contract, the risk-management tool that so many other businesses have, that nearly every other commodity has. We have done that.

Today, with this amendment, what we are learning is that some co-ops, not all by any means, I am a supporter of co-ops, but at least some co-ops are underpaying family dairy farmers. That is the dirty little secret.

In fact, according to USDA, I am reading from a USDA publication here, farmers from New England, southeast Texas, and the Southwest plains were paid on average 80 cents less than the minimum milk price in their respective regions, solely because their co-ops are not required to pay producers the minimum price for their milk.

So what we are seeing today, at a time when we are all talking about how much family dairy farms are hurting, we are seeing that we have an opportunity to help them, to protect them.

Now those who sponsor and support 1402, they say that family farmers are in need of protection from food processors. They say that family farmers are in need of protection. The supporters of 1402 also say that family farmers need protection from the right to vote for themselves, but apparently they do not need protection from a few large co-ops which by every reasonable measure are underpaying them.

Mr. Chairman, if there were a movie theme to this vote today, it would be the Empire Strikes Back, because a few large interests are thwarting the needs, the concerns and the wishes of family dairy farms all across America.

Mr. BALDACCI. Mr. Chairman, how much time is remaining?

The CHAIRMAN pro tempore (Mr. GILLMOR). The gentleman from Maine (Mr. BALDACCI) has 16 minutes remaining.

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

Mr. Chairman, I will just take a few minutes of that 16 minutes and basically discuss the value of a cooperative. We have placed market forces in the world economy on top of small farmers. We have allowed small farmers to group together in terms of being able to get into a cooperative where similar farmers can pool their resources to be able to add value to their natural resources so that they can come up with additional resources so that they can stay on the farms and stay in farming. Those are the cooperatives that are giving small farms an opportunity to stay in business. Those cooperatives are not the empire strikes back. Those cooperatives are small, family independents getting together to pool their resources and to try to be able to compete in a processing world where they are adding value to those natural resources, something that we support.

We just had a small farms commission report come back and tell us that a lot of our policies that have been a part of our Federal Government over the years have encouraged farms to get bigger and bigger and bigger or get out of business.

This is one of the few areas in the recommendations, of 146 recommendations, that they said to work with farmer-owned cooperatives, to give them the tools and resources so that they can band together to add value to their natural resources, so they are not just dependent on fluid milk, so that they can try to process, add value to it; to compete in a global world market force and not just to allow individual farmers to go out on their own; to be able to negotiate prices with a dairy interest and large corporations, in some cases multinational corporations; to think that they are somehow going to get a fair deal and to purport that the small cooperatives, farmer-owned cooperatives, are somehow going to destabilize those market forces is not being accurate.

What we are referring to here is more like a credit union, in the international finance world, in allowing them to be able to have at least some opportunities to take care of the small farmers and be able to allow them to group together. That is what is being attacked today. The ability of them to be able to group together, to band together in cooperatives, to improve their marketing position is being attacked.

Milk receipts are the only source of revenue for farmer-owned dairy cooperatives; and under the amendment cooperatives would be unable to make investments such as milk trucks and milk processing equipment. This similar amendment was dealt with in the

committee, and I wish that the House would concur and vote down this amendment.

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

Mr. GUTKNECHT. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin (Mr. RYAN).

Mr. RYAN of Wisconsin. Mr. Chairman, this amendment does not seek to do anything against the co-ops. It is not an anti-co-op amendment. It is a pro-farmer amendment. Since 1995, since we have been reporting mailbox prices, the following areas have consistently received less than the federal order blend price; the Southeast, the Southwest plains, Texas and the Great Basin regions. In most cases of these underpayments, they occur in an area where there is little competition for milk. In other words, there is basically one predominant cooperative. This is especially the case in the Southeast, in Texas and the Southwest plains where producers have few, if any, alternative markets.

Now, as cooperatives continue to consolidate there is a greater likelihood that dairy producers will receive less than the blended price, less than the price at the minimum. Now, this is the case. The gentleman from Maine (Mr. BALDACC) is right in saying that sometimes farmers do not have any choice but to go to a co-op.

Well, that monopoly and the ability to pay less the minimum price is precisely what is going on at the bottom line of American dairy farmers who are in the co-ops. So what we have in place today is a system where the beautiful irony of this bill, where we are trying to raise differentials for the very farmers in these co-ops, we have the co-ops who are paying below the minimum prices. It is because the farmers have nowhere else to go but to the co-op.

All we are saying with this amendment is, make sure the farmer who is in the co-op, who has nowhere else to go but the co-op, gets at least the minimum price for the milk they produce.

Now, the co-ops will say they need to pay below minimum prices for other needs, for other expenditures. Well, that is a very fuzzy, very gray area. We do not know where that money is going. We do know that that money is not going to the farmers who are enrolled in these co-ops.

The beautiful irony is this: this debate is about trying to fight for more money, more differentials, for dairy farmers in the co-ops. Yet we are supporting a system today that allows them to get less than the minimum price in the co-ops.

Mr. GUTKNECHT. Mr. Chairman, I yield an additional 2 minutes to the gentleman from Wisconsin (Mr. GREEN).

Mr. GREEN of Wisconsin. Mr. Chairman, I thank the gentleman from Minnesota (Mr. GUTKNECHT) for yielding additional time.

Mr. Chairman, in just a few days, or a week or two, this Congress will likely

pass a multibillion dollar bill designed to intervene and help struggling farmers. Yet, we have right before us, right now, an amendment that is a simple way to intervene on behalf of some farmers, those who have relatively weak bargaining power with respect to their large co-op. This is a simple, easy way to intervene and to make their lot better. It does not cost billions. It is not going to grab headlines, but it is a way that we can help out, a direct way, a simple way.

Let me also return to a discussion or a focus on the vote itself on this amendment. This is one of those amendments, in my view, that dairy farmers all across America will be watching closely when they see the results, because this is one of those amendments that really distinguishes a voting Member on which side they are on.

This one says whether one is on the side of a small dairy farmer with relatively weak bargaining power or whether or not one is on the side of a large co-op. In many cases, as my colleague from Wisconsin has pointed out, where they essentially have a monopoly, it cannot be both ways. My colleagues are for one or for the other, and when this vote is cast, dairy farmers will know.

Mr. BALDACC. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Chairman, oftentimes when we get into discussions like we have been going through on this amendment, I am reminded of the infamous words of Will Rogers when he observed that it ain't people's ignorance that bothers me so much. It is them knowing so much that is the problem.

When we start talking about the advantages and disadvantages of various dairymen in various regions, the numbers just do not hold up.

Several times today we have had it pointed out that the problem is with the Class I differentials. In the average mailbox price, which is what farmers put in their pockets every week, the average mailbox price last year for the whole year of 1998, in the upper Midwest, was \$15.29 in the region where the gentlemen who offered this amendment do reside, \$15.29; in the area of Texas where they object to the system of which we have a different advantage, \$14.82, 47 cents less.

Now, there are all kinds of different reasons for this. The complexities of the federal order have been discussed and quite amusedly because it is very complex, designed to be so because it is designed to do one thing and one thing only and that is price milk fairly, component by component, so that the farmers and the consumers within an order are treated fairly by something that can be repetitive week after week, month after month, year after year.

I am well aware that there will always be some of us farmers that will

feel like that we are being wronged by our cooperative, and that is true. Sometimes cooperative management is like individual farm management in which they do not make all the right decisions; but I really question, and I guess my opposition to this amendment as to most of the amendments today and something that we offer, as the gentleman said, when this vote is cast dairy farmers will know and recognize who is on their side.

Most of the dairy farmers in the region in which the gentlemen are talking have already spoken loudly and clearly in a referendum that they prefer the federal order system, works and all, they prefer 1-B over 1-A; but the bottom line is if farmers anywhere, any time, in the future, are going to do anything about price, it is going to have to come through cooperative effort, in the traditional sense in which cooperatives will do a better job of working for our dairy farmers than they currently are and in a nontraditional sense in which those of corporate America who have opposed parts of this legislation today are going to have a change of heart and to realize that cooperative effort can also mean them working with dairy farmers in order to see that the efficiencies of the marketplace will reward the producers as it does the consumers today.

That is what this is all about. I hope we will oppose this amendment, as we did the previous Dooley amendment, and we will continue in the quest of passing 1402.

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

Mr. Chairman, this amendment is just about basic fairness. If everyone has to play by the same rules and the rules are known upfront, business practices will change, and everyone will play by the rules. The problem with the system as it is today, we have one set of rules for the for-profits and another set of rules for co-ops. I do not know of any other game in America, baseball, football, pick the game, where some of the participants play by one set of rules and other participants play by a different set of rules. I think that is just unfair.

I do not care who is right or who is wrong. What I am just simply saying is that this is wrong, and I have to say to my friend and colleague, the gentleman from Maine (Mr. BALDACC), I do not know how anyone can go back to their constituents and say last year the federal milk marketing order price that should have been received was \$15.61 on average; but if milk was sold to a co-op, it was only \$14.89. I do not know how that is explained. I cannot explain that.

The same is true in Texas. I would say to the gentleman from Texas (Mr. STENHOLM), last year the average Texas milk producer should have received \$15.37; but because of a different set of rules, they received an average of only \$14.72. That is a difference of 65 cents per hundred-weight. Now, that may not

seem like much to those of us here in Washington, D.C.; but I will say if someone is out there milking 60 cows and getting up every day 365 days a year, 65 cents on average over an entire year is a lot of money, and that is the difference.

□ 1415

It gets even worse. In some parts of the country, the difference is as much as \$1.07 per hundred-weight of milk. Now, maybe people can go home and explain that. Maybe we can go home and say well, I know you are getting less for your milk than you should be under the milk marketing order system, but maybe one day you will get even, maybe one day you will get fair.

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

Mr. GUTKNECHT. I yield to the gentleman from Texas.

Mr. STENHOLM. Mr. Chairman, it is the marketplace that makes the difference between Texas and the upper Midwest. It is the marketplace. It is not the Federal order that does that.

Mr. GUTKNECHT. Mr. Chairman, reclaiming my time, we are not talking about the difference between Texas and the upper Midwest. That is the big issue. We are talking about what the milk marketing order price is supposed to be in Texas as opposed to what actually farmers got in their mailbox.

The gentleman from Maine (Mr. BALDACC) made the comment, well, we are talking about small, farmer-owned co-ops. I just want to disabuse people of that notion. We are talking about very large co-ops. We are talking about co-ops with 40,000 plus members, co-ops that have assets of billions and billions of dollars. So we are not talking about small little creameries operating in the Midwest, we are talking about big businesses, and they are not paying the farmers the price that they are supposed to.

Mr. Chairman, the co-ops today control 82 percent of all of the milk processed in America today. This is not small business, this is big business.

This is really about fairness. It is about truth. It is about truth in milk marketing; and if we really believe in the milk marketing order system, I cannot understand why one could not vote for this amendment to make certain that every farmer, whether one lives in Texas or Maine or Minnesota, whether one sells their milk to a for-profit processor or whether one sells their milk to a co-op, one is going to get at least the minimum milk marketing order price.

It is basic fairness. It is saying the rules are going to be the same and that everybody is going to play by the same set of rules.

Mr. Chairman, I hope people will support this amendment.

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

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

Just to go over the points that were made earlier in the debate, a cooperative is farmers banding together so that they have a place in the marketplace. Farmers individually do not have the strength that they do collectively. If farmers are going to be able to stay on their farmland and continue to do what they are going to be doing, all of the research shows us that we have to encourage farmer-owned opportunities of value-added in processing their products for a world marketplace. And we have to encourage farmers to band together and form cooperatives, so that they have an opportunity very similar to a credit union. The strength of the cooperatives is in the individual members.

This amendment seeks to destabilize that relationship and allow each member to fractionalize and go off on their own, and they are destabilizing the cooperative relationships and the financial soundness of that cooperative. We want to strengthen cooperatives. They are not forcing farmers to join them. Farmers do not have to join them if they do not want to join them. It only seeks to weaken the cooperatives, and this is the one opportunity that farmers have to stay on the farm and be able to raise their families in a quality of life that is second to none. This is something that farmers want to be able to do. This amendment seeks to weaken that.

I would encourage the membership in this body to vote down this amendment.

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

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Minnesota (Mr. GUTKNECHT).

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

Mr. BALDACC. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to House Resolution 294, further proceedings on the amendment offered by the gentleman from Minnesota (Mr. GUTKNECHT) will be postponed.

It is now in order to consider Amendment No. 5 printed in Part B of House report 106-324.

AMENDMENT NO. 5 OFFERED BY MR. KIND

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

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Part B Amendment No. 5 offered by Mr. KIND:

Add at the end the following new section:
SEC. — NATIONAL POOLING OF CLASS I RECEIPTS UNDER FEDERAL MILK MARKETING ORDERS.

Notwithstanding the terms of Federal milk marketing orders issued under section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, the Secretary of Agriculture shall provide for the national pooling of receipts from fluid or Class I milk.

The CHAIRMAN pro tempore. Pursuant to House Resolution 294, the gentleman from Wisconsin (Mr. KIND) and a Member opposed each will control 10 minutes.

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

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

Mr. Chairman, I am offering an amendment that is very common sense and straightforward. None of us here today relishes having a debate where we have to pit region against region in this country, farmer against farmer, family against family. It should not be that way.

My amendment would establish a different way of approaching our national dairy policy, recognizing that there is going to be a need for support for small family farmers because of the volatility of the current marketplace. But it also recognizes there is no economic justification for a price differential based on any location of the country, and also based on what the milk is used for.

So what I am proposing in my amendment is a national pooling of the Class 1 differentials, what farmers receive for the milk they produce for consumption purposes. Class I differentials would be pooled and then equitably and fairly distributed to all of the producers, regardless of what region of the country they happen to be producing in. That would eliminate the need for this regional conflict, the constant struggle that we face perennially here in this Congress, of pitting farmer against farmer, and I think it is probably the fairest and most practical approach.

Mr. Chairman, I understand why the system was created during the Great Depression in 1937, to deal with milk shortages in other regions, but now with the interstate transportation system and refrigerated cars, we can transport milk across the country with relative ease so there is no further economic justification to continue the depression-era, government-controlled policy.

So, in an attempt to try to eliminate this regional conflict as it exists today and to treat all producers equitably and fairly, I am offering this amendment.

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

Mr. WALSH. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN pro tempore. The gentleman from New York (Mr. WALSH) is recognized for 5 minutes.

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

Mr. Chairman, I rise in strong opposition to this amendment which would do even further damage to farmers across the Nation than the Option 1-B does. It ignores one of the most important benefits of the milk marketing order program, and that is to ensure a stable supply of locally produced milk. This is an important aspect of dairy

policy since milk is very difficult to preserve over long periods of time, to ship over long distances, so the idea is to incent farmers in areas throughout the country where there is a need for Class I fresh fluid milk. Milk is very bulky, very expensive to ship long distances. Shipping milk over 1,000 miles would add approximately 30 cents a gallon to the cost, 25 percent of the average raw milk cost.

Also, it is important to note that regions of the country with the lowest Class I milk differentials like the upper Midwest have the highest farm milk prices, so that while, when we look at the price that the farmer receives throughout the country, on paper, it looks like the Northeast, Southeast receive higher differentials, and they do. The actual mailbox price that the farmer receives is highest in the Midwest. So this would further skew the payment to the farmer and to the detriment of farmers throughout the country.

So I would urge my colleagues to oppose this amendment, to stay with the base bill. It is a good approach to this issue. It has been demonstrated with the other amendments and the other votes we have had earlier today, there is strong support for H.R. 1402, and I would urge my colleagues to reject this amendment, stay with the main bill.

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

Mr. KIND. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota (Mr. GUTKNECHT).

Mr. GUTKNECHT. Mr. Chairman, I just want to refer to the comments of my colleague from New York just a few moments ago. I agree with virtually every point he made except the last one, and I do want to make a slight correction there. Let me also say at the outset, it is unfortunate that at the time when we really need dairy farmers working together to find new markets, new opportunities and more revenue, at the very time we should be working together, we have region pitted against region.

I just want to point out, the gentleman made mention of the fact that the average mailbox price in the upper Midwest is the highest in the country. That is not exactly correct. Our average price last year in the mailbox in the upper Midwest was \$15.27. In some areas, for example in Florida, the average mailbox price was \$17.43.

So there are differences. But here is what we are talking about, and this gets very complicated, and I am not sure I completely understand it. But we have 4 different classifications for milk. Class I milk is fluid milk that goes into bottles or containers that is milk for drinking. Class II is spoonable milk. That goes into ice cream and yogurt. Class III is cheese, and Class IV is powdered milk.

Now, we talked earlier today about why many of us think the system is unfair because it still is based on how far it comes from Eau Claire, Wisconsin. I

mean we can argue about that, but when we look at the chart, that is basically the way that the various categories come out. Worse than that, it is also priced on what it goes into. Now, because 85 percent of the milk we produce in the upper Midwest ultimately goes into Class III or cheese, we get a lower price. So we are closer to Eau Claire, Wisconsin and it goes into cheese, so we are punished twice.

Now, we are very efficient and the demand in the competition is higher in the upper Midwest, so in terms of mailbox we come out a little better than we would under the milk marketing order price system. But this is really about saying whether one's milk goes into cheese or whether it goes into yogurt or whether it goes into fluid milk, one ought to reblend those prices nationwide so that everybody gets the benefit of being next to a large market and the fluid market.

I think this is a fair amendment. I think it is reasonable, and I hope that we will adopt it.

Mr. WALSH. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. STENHOLM), a member of the Committee on Agriculture.

Mr. STENHOLM. Mr. Chairman, here again, it is important that we stay focused on the bill. When we talk about one basing point, Eau Claire, Wisconsin, in the bill in both 1-A and 1-B, we change that, for the reasons of which the gentleman has accurately expressed that it no longer is applicable. That is done. That is what the Secretary recommended. We are changing the basing point to 3 in order that the Federal order and the manner in which it, as the gentleman has just accurately described, Class I, II, III, IV milk is priced fairly region-to-region, with some consideration being given to distances in order that the market system may work fairly for each of our 50 States. That is what this is all about.

The amendment of the gentleman from Wisconsin is another what we call a gutting amendment, because it attempts to undo that. It attempts to say that we are going to have one giant, big order, and for those that believe that that is the way it ought to be, I respect that. It is a very logical feeling from those that somehow believe that they are being unfairly treated with the current system.

But I would encourage the dairy farmers in the upper Midwest to listen carefully to their leadership, to look carefully as to whether or not if they should win, would they truly be better off? I think the answer is a clear no, a clear no. But, those who offer the amendment believe that it is a clear yes, and that is why we have votes on this floor.

I remind my colleagues again, particularly those from the upper Midwest, your dairy farmers voted 96.1 percent to accept the Federal order. Now, many of them perhaps prefer 1-B over 1-A, and that is a perfectly logical po-

sition for some to have in that region, given what they think they believe. But I will submit to you that there is very little proof anywhere that individual dairy farmers anywhere in the United States will do better if we vote this system out or particularly if we support this amendment.

□ 1430

So I would encourage a "no" vote on this amendment. The base bill takes into consideration most of what is being discussed and desired by this amendment, but not all. I would urge a no vote.

Mr. KIND. Mr. Chairman, I yield 2 minutes to the gentlewoman from Wisconsin (Ms. BALDWIN), a freshman Member of this House and someone who has distinguished herself as a real champion of family farmers.

Ms. BALDWIN. Mr. Chairman, the Kind amendment could end the regional fighting that we have endured for too long in dairy pricing. It would help every dairy farmer in every region of the country equally.

The amendment is simple. It would take all of the different prices that dairy farmers receive for their milk, depending on how far away they are from Eau Claire, Wisconsin, and combine those different prices into a pool. That pool would then be divided in equal parts and provided to each dairy farmer who participates in milk marketing orders.

Debate on this underlying bill has been painful. Every Member is trying to do what is right for the dairy farmers that they represent. I certainly respect that. We are pitted region against region in what could be called a dairy Civil War.

I sympathize with my colleagues whose States have seen their dairy farmers go out of business. My farmers are no different. In Wisconsin, we have lost 7,000 dairy farms in the last 6 years.

I have strong interest in assisting those from the Northeast, those in the South, fighting for the survival of the family dairy farm, but this underlying bill helps their farmers and harms mine, and that is simply wrong. The Kind amendment would end the unfairness of the underlying bill, allowing all dairy farmers, no matter where they live, to benefit equally in the Federal milk market order program.

We are the United States. We should not be the divided States when it comes to dairy policy. I urge support of the Kind amendment.

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

Mr. Chairman, I listened closely to the gentleman from Texas (Mr. STENHOLM), who I had the pleasure of serving with on the Committee on Agriculture when he chaired the Subcommittee on Livestock and Horticulture. He understands this issue as well as anyone does.

He is right, the underlying bill does not benefit the rest of the country at

the expense of the upper Midwest. This is basically a status quo bill that allows each section of the country to continue to garner the price for milk that they are receiving.

I do not understand how we got to this point, quite frankly. Regionalism has always been an aspect of dairy policy, because the cost of making milk in one part of the country is different from the other, so we try to overlay a Federal policy, and the same policy affects everyone differently, so this regionalism has always been there.

But what we have been reduced to this time around is that we have 48 States or at least 40 States being harmed to the benefit of two, if we do not accept the underlying bill. It makes no sense. It makes no sense at all. We have been interested in perhaps allowing compacts to be created. Thus far we have the Northeast compact, and no States have been allowed to join. The Southeast would like to form a compact, but that is not law.

We hear this cry of cartels, that they are collaborating to fix prices and harm the consumer. That is not true. The idea is to keep the price down in those areas with the consumers involved making the decisions, as opposed to two or three or four large processing companies setting the price of milk in a region. The idea is to provide that there is a fresh supply of fluid milk so that all areas of the country can grow their own, produce their own, and have it available on a fresh basis.

For years, for years the Northeast and the Southeast and West and Southwest suffered under a policy that allowed a small group, I refer to them as the Green Bay cabal, a small group of cheesemakers, to set the price. Every year we would get or every month we would get our farm report, and we would have to look to see what the MW price is to determine what the price of milk was going to be.

I asked somebody, this MW price, how is it created? Well, it was created when a group of five or six cheese manufacturers got together for coffee and doughnuts in Green Bay, Wisconsin, once a month, and set the price. How fair is that? So the idea here is to make sure that each area of the country has their own supply of milk. I do not think this amendment helps it.

I would urge my colleagues to support the underlying bill and reject this amendment.

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

Mr. KIND. Mr. Chairman, I think it is altogether appropriate that I yield 2 minutes to my friend and colleague, the gentleman from Green Bay, Wisconsin (Mr. GREEN).

Mr. GREEN of Wisconsin. Mr. Chairman, I appreciate my colleague yielding me the time.

Mr. Chairman, with reference to the cheese exchange, the interesting thing is, guess what, we did away with the cheese exchange, something that the supporters of H.R. 1402 will not do. We

agree with them, that system was unfair. We ended it. I challenge the supporters of H.R. 1402 to do the same today, to join us in reforming this system.

This place is locked in a time warp. This place is using a milk marketing order system that was created in the era of the manual typewriter. This place is voting on a system that ignores any modern technology since then: the interstate highway system, refrigerated trucks, for Lords' sakes. Times have changed out in the marketplace, except with respect to dairy policy.

Nowhere in this country are dairy farmers hurting more than in Wisconsin and in Minnesota. But what we recognize is the system that pits farmer against farmer, State against State, region against region, cannot be the answer ever to America's challenges, America's problems. Those who seek to turn back the clock to 1937 belong to the Flat Earth Society. They fear the marketplace. They are afraid of competition. They are afraid of breaking down the Soviet-style pricing system.

Members are right, we did have a cheese exchange. We ended the cheese exchange. I would say here today that the supporters of H.R. 1402 should do the same thing, end this outdated system. Let the marketplace rule. We in Wisconsin do not fear it, we welcome the marketplace.

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

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

Mr. Chairman, I believe my amendment accurately reflects the position that the dairy farmers in the upper Midwest have on this whole issue. They are not looking for any special advantage. They are not looking for any competitive advantage over the rest of the country. They certainly do not want to visit any additional hardship on family farms, regardless of what region they happen to be living and working, breathing, and dying in.

But they have not heard to this day any economic justification for maintaining this Depression era policy which, as this map shows, is based solely on geography and distance from Eau Claire, Wisconsin, which is a beautiful city located in the heart of my congressional district. With today's modern transportation system, we can ship fluid milk around the country with relative ease.

That is what this amendment is meant to do, to end the regional fighting, to end the constant struggle where we pit farmer against farmer and family against family in this country, when it does not have to be that way.

We should support this amendment and have a national pooling mechanism in which the Class 1 differentials will be pooled and then distributed fairly and equally to each producer in the country, regardless of where they happen to be living and producing the

milk. That is why I brought this amendment forward, Mr. Chairman. I think it really gets to the crux of the whole debate that we have been having here. It certainly speaks to our producers' position back home, where they are not looking for an advantage anywhere, just the level playing field and the ability to compete fairly in our own domestic market without these artificial trade barriers prohibiting a free flow of goods within our own border.

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

The CHAIRMAN pro tempore (Mr. GILLMOR). The question is on the amendment offered by the gentleman from Wisconsin (Mr. KIND).

The amendment was rejected.

The CHAIRMAN pro tempore. It is now in order to consider amendment No. 6 printed in Part B of House Report 106-324.

AMENDMENT NO. 6 OFFERED BY MR. RYAN OF WISCONSIN

Mr. RYAN of Wisconsin. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Part B amendment No. 6 offered by Mr. RYAN of Wisconsin:

Add at the end the following new section:
SEC. . MAXIMUM CLASS I MILK PRICE DIFFERENTIAL.

Notwithstanding the consolidation and reform of Federal milk marketing orders issued under section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, effective October 1, 1999, the Class I milk price differential for all Federal milk marketing orders may not exceed \$2.27 per hundredweight.

The CHAIRMAN pro tempore. Pursuant to House Resolution 294, the gentleman from Wisconsin (Mr. RYAN) and a Member opposed each will control 10 minutes.

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

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

Mr. Chairman, I would like to thank the gentleman for saying this is a status quo bill. That is exactly right, this is a status quo bill. I would like to briefly explain what my amendment seeks to accomplish.

What my amendment does, it would simply limit the amount of disparity between the highest and the lowest-paid producers in this country. This legislation would say that no producers would be entitled to a differential of more than \$2.27 per hundred-weight Class 1 fluid milk. This amendment would try to restore some of the fairness and equity of the USDA's proposed reforms. The \$2.27 is a simple average differential in the final rule proposed by the others, which is supposed to become effective October 1, 1999.

Now, while I cannot support forcing dairy farmers in my State and nationwide to live with the status quo, as H.R. 1402 would do, I believe that this

amendment would make an inequitable system more livable for the dairy farmers of the upper Midwest.

The farmers in the State of Wisconsin and the Midwest have lived far too long under a system that rewards inefficiency in low productive regions and discourages production in regions that are best-equipped to produce dairy products. It is a nonsensical system that served a purpose during the Depression era, when we had the horse and buggy, but does not work in today's era, when we actually have a car.

If we are going to ask farmers in my State and other upper Midwest States to continue living with this antiquated system, we have to give them some glimmer of hope that their hard work that went into reforming this system is not all for naught. These dedicated individuals should not be told that the work of the farmers in other parts of the country matters more than the work that they do.

Wisconsin has seen the departure of 11,000 dairy farms between 1990 and 1998. I was talking to a colleague of mine just at the last vote who was from New York who was complaining that over the last 8 years that person lost 20 dairy farmers. Well, Mr. Chairman, in Wisconsin we lost 20 dairy farmers in the last 5 days. Family farms are at stake here more than ever in Wisconsin and Minnesota.

Mr. Chairman, this amendment sends basically a strong message. It sends the message that farmers throughout this country should be rewarded with reasonable, equitable differentials. Currently, producers in Florida are rewarded with the differential payments that are twice as much as producers, say, in Minnesota are being paid.

How can this kind of a system be justified? A farmer in, say, south Florida, outside of Miami, is going to get twice the differential that a farmer doing the same job, having the same kind of herd, is doing in Minnesota?

If we really believe that in Florida it costs twice as much to milk a cow than it does in Minnesota, we owe it to the consumers of America to explain why this Congress would support paying a farmer in Florida twice as much to stay in business. This makes about as much sense as it would paying farmers in my district four times as much as the Florida orange growers to raise oranges. But we do not grow oranges in Wisconsin because we know we have tough winters, and it would not be a good idea. It makes about as much sense as paying Wisconsin farmers \$3 extra per pound over the growers in Georgia for peanuts.

Out of fairness and equity, I would ask my colleagues to support my amendment. It does not completely throw out the order system, it simply provides reasonable limits for differential payments set at the average differential of \$2.27, so there will be differences. There will be more in some regions, versus in others. It is just not an incredible amount.

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

□ 1445

The CHAIRMAN pro tempore (Mr. GILLMOR). Does the gentleman from Alabama (Mr. RILEY) seek to claim the time in opposition to the amendment?

Mr. RILEY. Mr. Chairman, I do.

The CHAIRMAN pro tempore. The gentleman from Alabama (Mr. RILEY) is recognized for 10 minutes.

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

Mr. Chairman, here we go again. We have debated this same proposal over and over and over again today. I do not know that anyone is going to add anything new and exciting to this debate. But this debate literally comes down to, last year, in the upper Midwest, farmers got in their mailbox a price of \$15.38 cents per hundred-weight for their milk. In Alabama, they got \$15.34. Under this proposal, we would take a 43 cent per hundred-weight reduction in addition to a 98 cent reduction.

Mr. Chairman, if we want to tell all of the Southeastern producers, all of the Texas producers that we are literally going to put them out of business, that this amendment would cause all of the farmers in the Southeast over the next year or so to die a very slow and agonizing death, then it would be much more simple just to say we are going to produce all of the milk in the upper Midwest and ship it all over the country. That is essentially what this legislation is trying to do.

I appreciate the attempt of the gentleman from Wisconsin (Mr. RYAN) and the gentleman from Wisconsin (Mr. GREEN) to help their dairy farmers in their State, but they are doing it at the expense of every other dairy farmer in the United States.

My next-door neighbor is in the dairy business. I cannot go home and tell this man that we are going to reduce his price and allow the people in the upper Midwest to have an increase in price even though his cost is almost 30 to 40 percent more than theirs. It makes no sense.

I appreciate the gentlemen's attempt, but this amendment is a poison pill. We need to concentrate again on the base bill. This would destroy that bill. It makes no sense to do it.

Of everything that I have dealt with since I have been in Congress, I do not know of a single issue where regions are pitted against each other to the point that we are going to tell a full region of the country that we are going to put them out of business; and that is essentially what this amendment does.

So I would urge all my colleagues to concentrate on the base bill and reject this amendment.

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

Mr. RYAN of Wisconsin. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin (Mr. GREEN).

Mr. GREEN of Wisconsin. Mr. Chairman, first, in response to the previous

speaker, he complains that Secretary Glickman's reform might put some farmers out of business. Again, we have heard it over and over again: by this time tomorrow, five farmers in Wisconsin will be put out of business by the system that this legislation would reimpose.

He says it would be a terrible thing if one region of the Nation might produce most of the milk. I hope he will support me in my legislation to create a mandated government-supported citrus industry in northern Wisconsin. After all, we should not have citrus all coming from one or two regions.

Let me boil things down here. I am not going to tell my colleagues that this bill or the Secretary's reforms are going to make a huge difference to the dairy farmers in any region of the Nation because they will not, and those who would suggest that I think are probably misreading this.

Our farmers are not expecting favoritism. They are hard working. They have an uphill battle. They face Wisconsin winters. They face losing football seasons. They are a tough lot, absolutely. They are not looking for favoritism.

But my farmers look at this; and they say that, if they cannot get the very, very modest reforms that are shown by Secretary Glickman, then perhaps they will lose all hope. Maybe that is why the Ag commissioner from Minnesota, when testifying before the Committee on Agriculture, said recently that people of Minnesota have given up hope on Congress. They have said that they actually have considered trying to physically relocate the city of Eau Claire to the West Coast, because it might be easier to do than to get a reform done here in Congress. Well, we will see today. They may well be right.

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

Mr. Chairman, in response to the gentleman from Wisconsin (Mr. GREEN), the last speaker, and again I appreciate his concern, but 50 percent of the dairy farmers in Alabama have already gone broke. This will reduce the remaining 50 percent to zero. I think that applies all across this country in different regions.

We cannot destroy an industry to benefit a few States. Let me give an example of what happens. Dairy farmers in the Southeast will lose \$42 million, States like Alabama, Georgia, Tennessee, Mississippi, Louisiana, and Arkansas; \$23 million to the dairy farmers in Texas; \$22 million will be lost by the dairy producers in North Carolina and South Carolina; \$24 million in New York, New Jersey, and Delaware; \$22 million with all of the New England States; \$16 million a year loss in Maryland, Virginia, and in eastern Pennsylvania.

Mr. Chairman, this is bad policy, and this amendment fully guts the underlying bill. This is not something that I think most of the proponents of small

farms that are throughout this country could begin to attempt to support.

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

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

Mr. Chairman, I would like to just add a correction to the gentleman from Alabama (Mr. RILEY). The Southeast mailbox price is higher than the upper Midwest mailbox price. The Southeast mailbox price is \$15.36, and the Midwest mailbox price is \$15.27. Also, with due respect to the farmers in Alabama, we have already lost 50 percent of our farmers in Wisconsin. This has already gone.

Mr. Chairman, I yield 2 minutes to the gentlewoman from Wisconsin (Ms. BALDWIN).

Ms. BALDWIN. Mr. Chairman, I rise in strong support of the Ryan amendment. This amendment would cap milk market differentials at \$2.27. That means that the maximum that any dairy farmer in any region of the country could receive under market orders would be \$2.27 above the basic formula price for milk.

This amendment may not increase the differential for the upper Midwest dairy farmers who receive the lowest price for their milk compared to every other region of the country. But the amendment would bring more fairness to a very unfair bill.

For example, under current milk marketing orders, dairy farmers near Miami, Florida receive \$4.18 per hundred-weight of milk above the basic formula price. In comparison, the dairy farmers I represent in Wisconsin only receive \$1.20 per hundred-weight of milk above the basic formula price. That means, for every 8 gallons of milk, my dairy farmers receive nearly \$3 less than dairy farmers near Miami, Florida.

The Ryan amendment would make this foolish system a little less foolish. Instead of giving dairy farmers that live the farthest away from Eau Claire, Wisconsin, the most money for their milk, the amendment would take the average of all differing orders, milk marketing orders, \$2.27, and cap the maximum at that. Although this would still allow some differences in regional milk prices, it would greatly improve a very flawed system.

Mr. Chairman, I know that my dairy farmers do not want to hurt other dairy farmers in this country. But for over 60 years they have been receiving less for their milk than any other farmers in the Nation. They just want fairness, and this amendment brings us one step closer to fairness.

Mr. RYAN of Wisconsin. Mr. Chairman, I yield 30 seconds to the gentleman from Wisconsin (Mr. GREEN), the other cosponsor of this amendment.

Mr. GREEN of Wisconsin. Mr. Chairman, a lot of numbers are getting tossed around here today. I have something very interesting that we just got.

These are the USDA figures just released for the month of October. This is what they use to send out paychecks to farmers.

What it says is the loss here, if this goes forward, is 57 cents nationwide. The gloom and doom that my colleague and friend puts forward is just not borne out by the numbers. Again, changes that we are pushing for are extremely modest. H.R. 1402, contrary to what it said, we will lose. Farmers everywhere will lose.

Mr. RILEY. Mr. Chairman, how much time do we have remaining?

The CHAIRMAN pro tempore (Mr. THORNBERRY). The gentleman from Alabama (Mr. RILEY) has 5½ minutes remaining. The gentleman from Wisconsin (Mr. RYAN) has 1 minute remaining.

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

Mr. Chairman, just in response to the last two speakers, in 1998, Chicago had a mailbox price of \$15.38 cents. Alabama had \$15.34. Under option 1-B, Alabama would be reduced by 38 cents. Chicago's mailbox prices would go up by 60 cents. That is 98 cents per hundred-weight.

Now, if that is not disproportionate, I do not know what would be. Under this amendment, we would take another further reduction of 43 cents per hundred-weight.

There has been testimony brought forward time and time again today about the efficiencies of the upper Midwest. I agree. They do produce milk much cheaper than we can in the Southeast. But it makes absolutely no sense when one looks at it logically for a national program, this is not to remove the program, this is to adjust the program, that we are going to take the high-cost areas and reduce their price to increase the price in low-cost production areas.

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

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

Mr. Chairman, I will be very brief since I have 1 minute. The States that will not be affected by this amendment which fall at or below the \$2.27 differential are California, Colorado, Iowa, Idaho, Illinois, Indiana, Kansas, Kentucky, Michigan, Minnesota, Missouri, Montana, North Dakota, Nebraska, New Mexico, Nevada, much of New York, Ohio, Oregon, much of Pennsylvania, South Dakota, Utah, Washington, Wisconsin, West Virginia, and Wyoming.

Now, the point is this, Mr. Chairman: what this amendment seeks to do is get a little bit of fairness in the system. If H.R. 1402 is going to pass, it will perpetuate the status quo, a system based on horse-and-buggy 1937 economics. We are simply saying let us at least put a little limit on the damage because one lives far away from Eau Claire, Wisconsin, one is going to get a higher price. One is still going to get a higher

price the farther away from Wisconsin under my amendment; it is just going to cap it at the national average of the differential.

The USDA said the national average under the USDA's plan will be \$2.27. That is what this amendment seeks to achieve. Differences will still exist; they just will be limited.

Mr. RILEY. Mr. Chairman, I yield 3 minutes to the gentleman from Texas (Mr. STENHOLM), the ranking member on the Committee on Agriculture.

Mr. STENHOLM. Mr. Chairman, in understandable efforts to simplify a complex issue, many continue to characterize Option 1-B, the option chosen by the Department, as reform and Option 1-A as the status quo. This characterization is simply incorrect. Option 1-A is not the status quo.

For many years, it was the goal of the upper Midwest dairy organizations to encourage a consolidation of milk marketing orders, so much so that the farm bills requirements for consolidation was that region's main accomplishment in the dairy section of that bill.

Option 1-A would accomplish that goal to the same degree as Option 1-B. Under the old rhetoric, then, even with Option 1-A, the final decision would be a significant accomplishment.

But apparently the debate has shifted, and we are faced with a new measure of success. It was a goal of the upper Midwest to bring an end to the accepted notion that each order's Class I differential is related to its distance from Eau Claire, Wisconsin.

Option 1-A recognizes three surplus zones as the basis for determining Class I prices. In Texas, this result itself means a significant lowering of the differential and, therefore, prices received by producers. Option 1-A will reduce income from Texas producers as well as producers in many other parts of the Nation.

□ 1500

So, again, under the old rhetoric and the old standards of success for the upper Midwest, Option 1-A represents a significant victory and a change from the status quo.

Now, the gentleman from Alabama is totally correct. The intent of this amendment is, for some reason, the folks in the upper Midwest continue to believe that it will help them to take away something from producers in the South or other regions of the country. I do not understand the logic of that because it will not work that way. Even if they should be successful, the marketplace will not allow that to happen.

So I would encourage our colleagues to vote down this amendment, another amendment, well-intentioned, and the representatives from the upper Midwest are doing an excellent job of representing that particular interest. The rest of the dairy industry in the whole United States happens to differ and disagree with them, but that is what this

floor is for. That is what we are here for. That is what the Committee on Agriculture did, we debated this amendment and we defeated it overwhelmingly in the Committee on Agriculture.

Mr. RYAN of Wisconsin. Mr. Chairman, will the gentleman yield?

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

Mr. RYAN of Wisconsin. Mr. Chairman, here is some fresh data we have from the USDA. Looking at the entire country, on average, if the USDA reforms go through, comparing the USDA reforms to the current status quo, they gain 57 cents, so the country, on average, not just the upper Midwest.

Mr. STENHOLM. Reclaiming my time, Mr. Chairman, I would ask the gentleman who gains?

Mr. RYAN of Wisconsin. Almost all regions in this country gain. On average, in this country, according to the fresh data we just got 15 minutes ago, we gain as a Nation.

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

I do not know how much more can be said in this debate that has not already been said, but let me just close by saying we have farmers who have invested a lifetime of work that are struggling every day throughout this country just to keep their heads above water. If we are going to do anything that will push their heads under and hold them under, this amendment will do it.

This body has already spoken today and said that we want to go back to Option 1-A. I think that is a clear mandate of this Congress. This amendment would gut that. This is a poison pill amendment, and I would encourage all of my colleagues to vote against it.

The CHAIRMAN pro tempore (Mr. THORNBERRY). The question is on the amendment offered by the gentleman from Wisconsin (Mr. RYAN).

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

Mr. RYAN of Wisconsin. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to House Resolution 294, further proceedings on the amendment offered by the gentleman from Wisconsin (Mr. RYAN) will be postponed.

It is now in order to consider Amendment No. 7 printed in Part B of House Report 106-324.

AMENDMENT NO. 7 OFFERED BY MR. MANZULLO

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

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Part B amendment No. 7 offered by Mr. MANZULLO:

Add at the end the following new section:
SEC. ____. **CONDITIONAL IMPLEMENTATION OF ACT.**

(a) EFFECTIVE DATE; ROLE OF UNITED STATES TRADE REPRESENTATIVE.—This Act and the amendments made by this Act shall take effect on the date of the enactment of this Act, except that the Secretary of Agriculture may not carry out this Act or imple-

ment any amendment made by this Act unless and until the United States Trade Representative notifies the Secretary that this Act and the amendments made by this Act present no risk of interference with any international trade negotiation to which the United States is currently a party or with the achievement of the trade policy objectives of the United States.

(b) CONTINUING ASSESSMENT OF EFFECT ON TRADE.—If this Act and the amendments made by this Act are implemented as provided in subsection (a), the United States Trade Representative shall periodically assess the effect of the implementation of this Act and the amendments made by this Act on international trade negotiations to which the United States is a party and the trade policy objectives of the United States.

(c) TERMINATION.—If, as a result of an assessment under subsection (b), the United States Trade Representative determines that this Act or any amendment made by this Act presents a risk of interference with any international trade negotiation to which the United States is a party or with the achievement of the trade policy objectives of the United States, the United States Trade Representative shall notify the Secretary of Agriculture of the determination. Upon receipt of the notification, the Secretary shall cease to carry out this Act and amendments made by this Act.

The CHAIRMAN pro tempore. Pursuant to House Resolution 294, the gentleman from Illinois (Mr. MANZULLO) and a Member opposed each will control 20 minutes.

The Chair recognizes the gentleman from Illinois (Mr. MANZULLO).

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

Mr. Chairman, we have filed an amendment to this bill for the purpose of trying to infuse the free trade system into this incredible archaic system of dairy marketing orders. The Manzullo-Dooley amendment has as its goal that when we leave the House of Representatives and the bill passes the Senate and is signed by the President that the USTR, the United States Trade Representative, would have the ability to review the language and pass upon whether or not it complies with our ability to compete internationally and meet the requirements of Nunn subsidies and the relief thereof in the WTO.

This is important. It is extremely important for the following reasons. We cannot have it both ways. Either we support free trade for our farmers or we do not. Every agricultural interest group has come to my office saying that they want to thank me for my votes on free trade. And it is extremely important in the new rounds that are coming up in Seattle that when we are there as a representative of Congress, which I will be, along with several other Members from this body and the other body, that we are going to be pressing the issue of making sure that overseas subsidies and Nunn tariff barriers are taken away so that our farmers can be on a more even playing field and, thus, be more able to export our agricultural commodities.

Illinois exports about 47 percent of its agricultural commodities. The en-

tire farming industry nationwide is in trouble; and one of the ways to bring it out of this incredible recession, if not depression, is to bust open the foreign markets to make it easier for us to sell the fruit of the labor of the American farmer overseas.

It is amazing. The American Farm Bureau Federation says technical trade barriers hold up \$5 billion worth of U.S. commodity sales to 63 countries. The U.S. Department of Agriculture estimates that free farm trade would mean about 25 to 30 percent higher commodity prices for U.S. farmers and ranchers, and some speculate it could go as high as 50 percent. Yet I see where the American Farm Bureau is part of a coalition opposing the Manzullo-Dooley amendment which would ensure free trade for our farmers.

That is what this amendment is about. It is very simple.

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

The CHAIRMAN pro tempore. Does the gentleman from Texas (Mr. COMBEST) claim the time in opposition?

Mr. COMBEST. I rise to claim the time in opposition, Mr. Chairman.

The CHAIRMAN. The gentleman is recognized for 20 minutes.

Mr. COMBEST. Mr. Chairman, I yield myself such time as I may consume. I would like to join those many others who thanked the gentleman from Illinois (Mr. MANZULLO) for his votes on free trade, however, I do rise in opposition to the amendment.

The Manzullo amendment would prevent the Secretary of Agriculture from carrying out the provisions of H.R. 1402 and thereby the United States dairy policy once it was approved by Congress and signed into law. The amendment says that the Secretary of Agriculture may not implement the law passed by Congress unless the U.S. Trade Representative says that this law does not present a risk of interference with international trade agreements or trade policy objectives of the United States. If this amendment is adopted, the House of Representatives will be allowing the USTR to set U.S. dairy policy.

The amendment of the gentleman from Illinois (Mr. MANZULLO) sets no time frame for consideration by the USTR, which could delay indefinitely its determination of the dairy policy compliance with trade agreements. The USTR evaluation of H.R. 1402 could take years, and U.S. dairy farmers will suffer while other countries continue their subsidies unchecked.

Additionally, the Manzullo amendment requires the USTR to evaluate U.S. dairy policy to determine whether there is a risk of interference with international trade agreements or with the trade policy objectives of the United States which has no force of law. The risk that should be evaluated is whether the European Union or the Canadian dairy policy is in accord with international trade rules.

Right now, the European Union spends over \$40 billion in domestic support to subsidize its farmers. That is

eight times as much as is spent by the United States for its farmers. On top of that, the European Union spends \$8 billion on export subsidies, keeping the U.S. agriculture out of many markets around the world. And that is a representation that is 16 times as much as is spent by the United States on export subsidies.

I would urge Members to oppose the Manzullo amendment. The Congress should determine dairy policy with the concurrence of the President. Unchecked bureaucrats should not determine what U.S. dairy policy is.

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

Mr. MANZULLO. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin (Mr. GREEN).

Mr. GREEN of Wisconsin. Mr. Chairman, I thank my colleague for yielding me this time.

This amendment points to, I think, a broader question, and I ask this question only somewhat seriously. Do not Members of this institution feel at least a little hypocritical here today? At the very time that we are urging, no, insisting that nations around the world open up their economies and tear down trade barriers, at the very time we do that, we seek to reimpose and reinforce those very trade barriers between the States in this country.

We are holding press conferences, special orders, we are even holding strikes when nations try to do precisely what 1402 seeks to do. We send trade missions all around the world. We send representatives from the IMF, from the World Bank, all over as missionaries of trade and capitalism, yet in this House we practice a very different religion. Maybe we should put together a letter directing the U.S. Trade Representative to come back home, to come to Congress, the flat Earth society, to come back here and try to preach the gospel of capitalism and trade.

Some time ago, I reluctantly voted for NTR for China. I was very reluctant; had some misgivings about it. But I voted for it, because I believed at the very time that we are trying to tell our farmers to move to market-based, to management-style policies that we cannot deny them potentially the largest market in the world. Yet, I am ashamed to say that today a majority is going to go one step further and close off some markets here at home. Today, much of the logic behind NTR comes crashing down as far as I am concerned.

Let me plead with my colleagues from around the Nation. Do not be afraid to compete. Do not be afraid to compete with the dairy farmers of the upper Midwest or anywhere. Do not be afraid to compete. Do not reerect trade barriers because of the large co-ops and trade organizations. Do not.

This is a defining moment. We are either going to be a pro-trade Congress or we are not. Up to now, I thought we were a pro-trade Congress. I was wrong.

At least I believe that I will be shown wrong later on today.

Mr. COMBEST. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. POMBO), the subcommittee chairman.

Mr. POMBO. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise in opposition to this amendment.

I believe that it does what the gentleman from Illinois (Mr. MANZULLO) wants it to in terms of the way it is drafted, but I believe it does a whole lot more than quite simply making this abide by current international trade agreements.

If we read the actual amendment, it says the U.S. Trade Representative has to notify the Secretary that the act and amendments made by the act present no risk of interference with any international trade negotiation to which the United States is current a party or the achievement of trade policy objectives.

So not only do we have to agree with international agreements but any trade negotiation that we are currently negotiating with anyone or that we achieve someone's trade policy objectives. And the U.S. Trade Representative's office has the ability to look at this and decide whether or not it meets these, what I believe are very fuzzy goals, and has the ability to stop this legislation from being implemented.

Now, we have already, as a Congress, many times, abdicated our responsibility when it comes to trade agreements, but this goes even one step further than that. We are now going to abdicate our responsibility in terms of dairy policy. We are now going to give that to the U.S. Trade Representative.

And I would like to ask the sponsor of the amendment or either of the sponsors of the amendment a question. If the United States Trade Representative's office decides this is somehow not with the achievement of the trade policy objectives of the United States, and this does not become law, what then becomes the law in terms of dairy policy in this country? Do we go back to the 1937 generic act, do we go back to the 1995 act, or do we go back to the 1985 act?

Exactly what becomes law in this country if the new secretary of agriculture at the U.S. Trade Representative's office decides that this does not meet somebody's objectives?

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

Mr. POMBO. I yield to the gentleman from Illinois.

Mr. MANZULLO. It would be 1-A modified that would go into effect on October.

Mr. POMBO. Reclaiming my time, Mr. Chairman, I would have to say that I believe the gentleman is inaccurate to say it would be 1-A modified. Because after this has passed and become the law, what the gentleman is doing is going back to whatever was the law underneath the generic law.

I believe what this legislation would do, if the U.S. Trade Representative decided that we were not achieving somebody's trade policy objectives, that we would then go back to the 1937 act as the generic act. I do not think, in fact, I know there is no one in this place that can explain what the 1937 act is because nobody can explain what the 1996 act is.

Mr. MANZULLO. Mr. Chairman, If the gentleman will continue to yield, what we can explain is the fact that we have regional socialism that is destroying the American dairy industry, and that is exactly what this amendment is about.

Mr. POMBO. I will not debate the gentleman on the merits of the current dairy policy in this country.

Mr. MANZULLO. But that is exactly why we are here.

□ 1515

I believe that the current policy is wrong. I believe the current policy is not good policy. And it was not my bill. It was not the bill of the Committee on Agriculture. It was a creation of a lot of the people that are pushing this stuff right now.

Mr. MANZULLO. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. DOOLEY), the cosponsor of this amendment.

Mr. DOOLEY of California. Mr. Chairman, I rise in support of this amendment. I do so because, as a farmer and as a Member of Congress, and certainly as a member of the Committee on Agriculture, when I look to the future and where the market opportunities for U.S. agriculture are, they are certainly outside our borders. I mean, it is no secret that when we start looking at world demographics, the world's population, that we only have 4 percent of it which lives within the United States. Ninety-six percent of the consumers live outside of our borders.

So it has been appropriate that this administration and past administrations have been diligent in trying to expand our opportunities to access those markets. But if we are going to make that one of our highest priorities, it is also very important that we have our domestic agriculture programs be consistent with achieving that outcome.

I mean, already today we have over a third of our acreage which is devoted to the production of commodities which are exported, and that is going to increase. When we look at the potential opportunity in the developing countries and others, over 50 cents of every dollar in every developing country, every 50 cents of every dollar increase in per capita income goes to the purchase of food stuffs.

That is the opportunity for U.S. dairy farmers, for U.S. cotton farmers, grain and wheat also. So it is important for us when we pass any type of policy that pertains to our domestic agricultural policy that it in fact be

consistent with the trade agreements that we have entered into and have negotiated.

The objective of the Manzullo-Dooley amendment is very simple. It is to ensure that USTR has the opportunity to review it, to ensure that it does in fact maintain a consistency with the trade agreements that we have already negotiated.

I would say in terms of the trade objectives that our trade objectives are to reduce domestic interference and markets, whether they be with our trading partners or internally. We think that is important. Because if we are going to try to make our good-faith arguments in a consistent manner when we are bringing issues in front of the WTO and other trade dispute panels, resolution panels, we have to make sure that we are on the moral high ground too.

If we are in fact putting forth a dairy program that is in fact interfering or is inconsistent with trying to move in a more market-oriented direction that is ensuring that there is not undue Government interference in the marketplace, we are in fact being inconsistent with the same policies that we are trying to advocate and trying to see implemented internationally.

This measure I think is an important amendment. It is one which I think can just provide an additional level of oversight to ensure that we are advancing policies in Congress that are consistent with our overall international trade objectives and ensuring, too, that our domestic policies are going to ensure that we are rewarding those dairy families and farming families that have the relative advantage in our country to produce the highest quality product at the least cost.

I urge support of this amendment.

Mr. COMBEST. Mr. Chairman, I yield 3 minutes to the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Chairman, I thank the gentleman for yielding me the time, and I join in the chairman's opposition to this amendment.

It is interesting that we have those who support free trade who stand here and say we are for free trade and fair trade but also who consistently fight that Congress might have a determination over whether or not our policy mixes or matches with what other countries are doing suddenly come with an amendment that says that the ultimate judge of this will be the U.S. Trade Representative. I find that very interesting.

But my opposition to the amendment stems from the practical side of the argument that they make. If in fact we are somehow calling this bill that we have today an anti-trade agreement, it would have already been discussed in the House Committee on Agriculture. Because, to the best of our ability, we bring no legislation to this floor that is not consistent with laws which we support. Because just as the chairman of the subcommittee, myself, the gen-

tleman from California (Mr. DOOLEY), and the gentleman from Illinois (Mr. MANZULLO) support free trade, that is not the argument today.

The argument on this amendment and why it ought to be opposed is who are we going to allow to make that determination. If we in fact were concerned about the spirit of this amendment, what we ought to have done is pass Fast Track so we could be negotiating in Seattle in a few weeks because this House has chosen not to do that, not the President, not the Senate. This House has voted we do not want to negotiate.

Now, my feelings are very, very strong on trade. I would like to see freer and fairer trade. I want to see it negotiated at Seattle. I want to be part of it. We will be part of it. Under the chairman's leadership, the House Committee on Agriculture will be part of it. And we in fact will see that whatever is negotiated that we conform to it. But we are going to do it a little differently this time I hope.

I hope that at this time that instead of us waiting to see or negotiating first and then adjusting to it that we do it a little bit differently; that whatever is negotiated this time, I hope we will conform our legislation to the spirit of that so that our producers, in this case our dairy producers, will have our Government standing shoulder to shoulder with them.

To those that make the argument that somehow this bill is anti-free trade or hypocritical, have they taken a look at the Canadian dairy system, their neighbors just to the north, and see what they do, and then suggest that what we are doing today is anti-free trade? They are aiming their guns at the wrong target.

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

Mr. STENHOLM. I yield to the gentleman from Illinois.

Mr. MANZULLO. Mr. Chairman, the United States filed a complaint and a panel was installed on the Canadian dairy system, and we won that round. It is being appealed by Canada right now.

Mr. STENHOLM. Mr. Chairman, reclaiming my time, that is my point.

Mr. MANZULLO. Mr. Chairman, if the gentleman would further yield, that is the whole point. We have got something just as ridiculous and we are suing the Canadians because of theirs.

Mr. STENHOLM. Mr. Chairman, reclaiming my time, I beg to differ with the assessment of the gentleman of the bill that we have in this country.

Mr. COMBEST. Mr. Chairman, I yield myself 1 minute to engage the ranking member for a moment, if I might.

Is it not true that in all other agricultural policy in regards to what is compliant or noncompliant with U.S. and international trade rules that the Department of Agriculture makes the ruling on those?

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

Mr. COMBEST. I yield to the gentleman from Texas.

Mr. STENHOLM. Mr. Chairman, that is certainly my understanding, and that is the way in which I believe this body would have wanted us to progress.

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

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

Mr. Chairman, it is interesting here that we are talking about the U.S. Department of Agriculture having authority over trade and their wanting to keep that, but the ones making the argument are the same ones that are saying the U.S. Department of Agriculture should not have the ability to pass 1-a modified and let the farmers choose for themselves.

Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin (Mr. RYAN).

Mr. RYAN of Wisconsin. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, I am going to do something that is fairly rare here on the House floor, and that is read a passage of the U.S. Constitution.

Now, the gentleman from Illinois (Mr. MANZULLO) in his amendment is raising a very, very valid point. Let us go back to the Constitution. Everybody who is here in this body swore an oath to protect the Constitution.

So in Article I, section 9, "No tax or duty shall be laid on articles exported from any State. No preference shall be given by any regulation of commerce or revenue to the ports of one State over those of another. Nor shall vessels bound to or from one State be obliged to enter, clear, or pay duties in another."

The point is this: this is unconstitutional. We are already setting up protectionist barriers within this country based on this antiquated dairy system.

Now, the question about export, world trade with other countries, is a very, very valid question. But that goes to the heart of the issue, which is, we are already doing things that seem extraordinarily contrary to the Constitution that we are here to uphold.

Now, I know I am a new Member, and I know it is very novel that we bring this to the floor, but the point is this: what we are already doing is, in many people's opinion, including my own, is unconstitutional. What we are doing is violating the very principles we try to export to other countries.

Mr. MANZULLO. Mr. Chairman, I yield 15 seconds to the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Chairman, let us assume for a moment the gentleman is correct. I am not a constitutional lawyer myself, but I will assume for a moment that he is correct.

Would it not be the proper forum to determine that at the Supreme Court and not the United States Trade Representative?

Mr. RYAN of Wisconsin. Mr. Chairman, will the gentleman yield?

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

Mr. RYAN of Wisconsin. Mr. Chairman, that is a very, very good question.

In my opinion, I think Members of Congress, who swear to uphold the Constitution, should do that as well. We should debate the constitutionality of the bill as we try to propose so we do not logjam the courts heaping the responsibility over there. We should be the first check on the Constitution here in the legislative branch of the Government.

Mr. COMBEST. Mr. Chairman, would the Chair inform the Members as to the amount of time remaining.

The CHAIRMAN. The gentleman from Illinois (Mr. MANZULLO) has 8½ minutes remaining. The gentleman from Texas (Mr. COMBEST) has 11½ minutes remaining.

Mr. COMBEST. Mr. Chairman, I yield 2 minutes to the gentleman from Arkansas (Mr. HUTCHINSON).

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

Mr. Chairman, I rise in opposition to this amendment and certainly in support of H.R. 1402.

I come from Arkansas. We have a rich dairy tradition in northwest Arkansas. I have heard from my dairy farmers, and they need help; they need assistance. This is designed to give some relief and a flow of milk for our consumers in the United States.

But the amendment that is being offered I think does raise a serious constitutional question, and I appreciate my good friend from Wisconsin reading from the Constitution. I think he should be here frequently and reading from the Constitution. But one thing I hear from my constituents is that this body assigns too much authority to other agencies of Government.

What this amendment does is it delegates the United States Trade Representative and gives so much authority and power to that body to override, in essence, what we believe is important in setting policy for our dairy farmers and this industry.

So I think that this takes us in totally the wrong direction. We look at the issue of trade, and I believe we need to expand trade and do everything that we can to move in that direction. But as the gentleman from Texas was discussing, other countries always have some type of program to help their agricultural community or some different industry that they are concerned about. And our responsibility overall is to make sure that our support system is at a minimum that does not interfere substantially with our trade.

What we are doing is we will be singling out the dairy farmer and telling the United States Trade Representative that they have got to watch this particular element, they have got to watch our dairy farmers, they have got to watch the flow of milk here, and it

puts us in a weak position in negotiating trade agreements with our other countries.

I do not believe that this in any way would undermine our trade policy of the United States, but it would undermine our negotiating position. And there is a huge distinction there.

So I fully support the bill. I would ask my colleagues to oppose the amendment.

Mr. MANZULLO. Mr. Chairman, I yield 3 minutes to my colleague, the gentleman from Illinois (Mr. CRANE), the distinguished chairman of the Subcommittee on Trade of the Committee on Ways and Means.

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

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

Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from Illinois (Mr. MANZULLO), my friend and my next-door neighbor, and the gentleman from California (Mr. DOOLEY).

A little more than 2 months from now, the U.S. will host a ministerial meeting of the World Trade Organization, the first of its kind to be held in this country.

A primary goal for American farmers is the successful launch of a new round of multilateral trade negotiations at this important meeting. The United States possesses the most efficient and competitive agriculture sector in the world. Agricultural goods accounted for \$88 billion in total two-way trade during 1998, up 14 percent from 1993. U.S. agricultural exports alone stood at about \$52 billion in 1998.

Because domestic food consumption is projected to remain relatively stable, the further elimination of trade barriers and development of new export opportunities is essential to the economic health of American farmers.

United States objectives for the next round of trade negotiations are to abolish export subsidies, phase out tariffs, and reform and eliminate domestic support programs.

It is never easy to achieve liberalization of agricultural trade because farming is the most sensitive and politically powerful sector in almost every country. But this difficult objective becomes impossible if the United States, the avowed champion of open trade and agriculture, takes additional steps to distort markets and increase protection for our own favored commodities.

□ 1530

H.R. 1402 increases market-distorting subsidies, penalizes consumers, and invites our trading partners to take similar steps. H.R. 1402 enables the European Union to justify and maintain its protectionist agricultural policies which represent the single largest impediment to expanded agricultural trade worldwide.

The Manzullo-Dooley amendment requires USTR to assess whether implementation of H.R. 1402 would undermine the trade negotiating objectives of the United States. Implementation of the bill's market-distorting subsidies, Mr. Chairman, would end if USTR made an affirmative finding.

Mr. Chairman, as the important WTO meeting in Seattle approaches, it is completely counterproductive to U.S. negotiating objectives to pass legislation like H.R. 1402. The United States must stand foursquare for free market reforms and for free trade policy, a policy rather that benefits our farmers, processors and our consumers. We must continue to provide the international leadership for free markets that has traditionally come from America.

Mr. Chairman, I urge a yes vote on the Manzullo-Dooley amendment, and I urge a no vote on H.R. 1402.

Mr. COMBEST. Mr. Chairman, I yield 30 seconds to the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Chairman, I thank the gentleman for yielding this time to me, and my colleague, the gentleman from Wisconsin (Mr. RYAN) a moment ago, speaking of the constitutional authority, I am sure has forgotten that the rules of the House determine that every committee that brings a bill to the floor of the House must determine that the act is constitutional before it is eligible under the rules to come to the floor of the House, and on page 16 of the report the committee, the Committee on Agriculture, finds the constitutional authority for this legislation in Article I, clause 8, section 18, that grants Congress the power to make all laws necessary and proper for carrying out the powers vested by Congress.

So we have made that determination in the committee bringing the bill to our colleagues so they can feel a little better about their concerns.

Mr. COMBEST. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland (Mr. GILCHREST).

Mr. GILCHREST. Mr. Chairman, I thank the gentleman for yielding this time to me, and to add on to the gentleman from Texas' explanation for the constitutional provision which allows the U.S. Congress to do what we are doing now, which is basically a more equitable distribution of the funds, not an inequitable distribution of the funds, and I will quote from Oliver Wendell Holmes. I was going to make this comment to the gentleman from Wisconsin who originally brought up the idea of the Constitution. Oliver Wendell Holmes, chief justice, said that the Constitution was made for people with fundamentally differing views. And what we see here today is a reflection of people on this House floor with fundamentally differing views. And at this particular point, my colleague with whom I have great respect, the gentleman from Illinois (Mr. MANZULLO), I would oppose his amendment.

We talked about free and open markets. We need to have access to foreign

markets. Well, in the state of the world today, especially when we consider the agricultural community in the United States, who are we going to sell our agricultural products to in the near term?

Is it going to be Russia? I do not think so.

Is it going to be China? I do not think so.

Is it going to be Japan? So our markets right now with the international situation are somewhat restricted.

Can the agricultural community in the United States wait until the Russian economy improves, or China opens its markets, or Japan opens its markets, or Canada opens its markets? I do not think so. We are talking about a free market system.

What I would like to remind my colleagues who are in favor of this particular amendment is, Mr. Chairman, that if they look at General Motors, they operate whether it rains or whether it does not rain. They can operate in a free, open-market economy without much interference from anybody. They do not have to worry about floods; they do not worry about droughts; they do not worry about disease; they do not worry about insect infestation. But the U.S. agricultural community worries about all of those things every single day of the year, and the U.S. agriculture industry operates on a very slim weather margin.

So I would ask my colleagues to oppose this amendment.

Mr. MANZULLO. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin (Mr. KIND).

Mr. KIND. Mr. Chairman, I thank my friend from Illinois for yielding this time to me.

Let us come back to the spirit in which this amendment is offered, and that is to highlight the trade implications that this amendment is meant to address, and there are many.

If our dairy farmers, farmers generally across the country, are to survive in the future, it is going to depend in large part on the ability to export products beyond our borders. Agriculture already is our number one export industry. We have an opportunity south of our border to take advantage, if we position ourselves correctly, of an emerging dairy market. That has proved more and more difficult because of policies of outside nations, especially the European Union. If anyone today is under the illusion that what we do on 1402 does not have an effect on our trade policy in the agricultural sector, Mr. Chairman, they do not understand how other countries are viewing what we are doing here today.

Last December, I had an opportunity along with the gentleman from California (Mr. DOOLEY), Senator PAT ROBERTS, a few other representatives, to go over to Brussels and speak with members of the European Commission and European Parliament in regards to the reforms that they are looking at over their common agricultural policy. I

raised the issue that in the European Union they have some of the highest state-subsidized dairy policies in the world, and they have a competitive advantage over us because of that high state subsidy. They turned to me and said: "Listen. Until you are able to get your own house in order, who are you to come over here and lecture to us about lowering trade barriers and moving to a more free trade market system?"

That is what is at stake here.

We have another round of WTO discussions coming up this fall. If we are incapable of tearing down trade barriers that exist domestically over in the dairy policy, it is going to be very difficult for our trade representatives to have the moral authority and the credibility to engage in those WTO talks to convince other countries to move to a more free trade market system around the globe and give our farmers the opportunity to compete fairly and effectively.

That ultimately is going to determine the success or the failure of our family farmers.

Mr. COMBEST. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. SWEENEY).

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

Mr. Chairman, as my colleagues know, we all are interested in ensuring that the agriculture industry grows and becomes healthy. But granting veto authority to our trade representative in domestic policy issues is a terrible precedent that relinquishes our congressional role in oversight of trade agreements.

This amendment would essentially put our dairy programs on the trading block. That is not good for our family farmers. That cannot be good for our family farmers.

As my friend and colleague, the gentleman from Arkansas (Mr. HUTCHINSON) pointed out, we always should question the wisdom of delegating veto authority to Federal agencies. That is what we are elected to do here. Agriculture has been compromised too many times already by our trade representatives, and all agricultural sectors have been effected by the shortcomings of those agreements.

I urge my colleagues to vote "no" on what is another amendment intended to bust 1402, a strong bipartisan measure.

Mr. MANZULLO. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota (Mr. GUTKNECHT).

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

This amendment is leading by example.

Now right now dairy products, the amount that we export into international markets of dairy products, represents about only 2 percent of the dairy product we produce. So it is not a big item, Mr. Chairman, but it is an example.

Now go to soybeans, for example, and one out of every two rows of soybeans grown in the State of Minnesota ultimately winds up in export markets.

As my colleagues know, the fundamental fact about agriculture in America today is that we cannot eat all that we can grow. If we do not have export markets, do my colleagues know what happens? Prices drop like a rock. The biggest reason that we have a farm crisis in America today is that we have lost \$11 billion worth of exports. That is \$11 billion that has come right out of the pockets of our farmers whether they produce milk or whether they produce pigs or whether they just grow corn or beans, whatever they grow. We have to export if we are going to have a strong agricultural economy.

Now several years ago, the Reverend Jesse Jackson said something that I think is very important, and it really underscores what the gentleman from Wisconsin (Mr. KIND) just said. He said, "If you want to change the world, you got to first change your neighborhood, and if you can't change your neighborhood, at least be a good example."

This is an amendment about being a good example. If we are going to lead the world in exports, if we are going to get back that \$11 billion of lost export markets, at least let us be a good example.

This is an important amendment, Mr. Chairman. I hope my colleagues will join me in supporting it.

Mr. COMBEST. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. MCHUGH).

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

The more I listen, the less I learn. There are things being said here on the floor today with respect to this amendment that I think draws two conclusions:

Number one, that somehow a Federal order system for milk is an improper and illegal restraint of trade. In fact, my colleagues, Mr. Chairman, that is an issue that has been well adjudicated. It was an issue that was extensively discussed during the last trade negotiations under GATT. It was an issue that was determined in the trade negotiations under GATT that Federal orders have no effect on trade. So, Mr. Chairman, that is not the core issue here.

The second assumption or the second claim that is being made is that something in H.R. 1402 or something in the current law and current dairy policy restricts any farmer from exporting in America today. That is totally false. It is totally incorrect. If my friends in Wisconsin want to export, go ahead, they can do that. The current world price for milk is about \$9 a hundred-weight. I do not think many farmers in America, be they in Wisconsin or any other part of the country, would want to export into that kind of market because it would be unaffordable, it would cause even wider bankruptcies.

What we have here is a difference of not what should be done, but who should benefit. Every single Member who is in support of this amendment today voted earlier to try to impose and to keep a system that preserves the market order structure. What it does not do in their mind is direct enough money to them.

So I think we have to keep reality in focus here, Mr. Chairman. We need to explore trade opportunities. There is nothing in H.R. 1402 that would prohibit that. There is nothing in the Federal order system that in any way precludes that. It is common sense; it is constitutional; and it is something that has been discussed time and time again.

So when we go to the floor and vote on this amendment, I hope we keep reality in mind because it is rather important.

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

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

As my colleagues know, it is really interesting, the statement was just made by the gentleman from New York (Mr. MCHUGH) that nothing is to stop the people in the Midwest from exporting. Well, it is interesting because, if the dairy farmers try to export their product to the northeast dairy compact, they have to pay a special tax on it. I cannot think of anything that is more trade distorting than that. And let me finish, and, if I have time, I will be glad to yield on that, but that is what this is about.

This is about regionalism in this country. It is also about fairness. It is also about the ability of this body to come together and to come up with a fair solution, and we had something several years ago when nobody could determine in this body how to close down the military bases, so the Military Base Commission was established in order to do the right thing for America. The Members of Congress said let us appoint somebody, an independent panel, to do an evaluation as to determine exactly what is the best thing to do, and that is exactly how that commission works.

Well, Mr. Chairman, in the Freedom to Farm Act that took place in this body several years ago, this body voted to allow the U.S. Department of Agriculture to come up with a solution to the socialism that has been going on in this country since 1937, and they did. They came up with a final rule, and the very people who embodied the U.S. Department of Agriculture now say:

"Whoa, we don't like the solution that we gave you the authority to come up with; so now therefore we're going to come back into this body again and impose regional socialism on this country."

Mr. Chairman, that is outrageous. It is outrageous for farmers from one part of this country to send their products to another part of this country and end

up paying the equivalent of a tariff or a duty. It is outrageous when farmers in this country, based upon their geographic location to Eau Claire, Wisconsin, that determines the price they get for their milk. That is pure insanity. That does not make sense, Mr. Chairman. There is not anything, anything in the laws of this country, that give any justification to having that type of a system.

Mr. Chairman, our amendment simply tries to make this unfair system a little bit more fairer under the circumstances.

Mr. COMBEST. Mr. Chairman, I yield 30 seconds to the gentleman from New York (Mr. MCHUGH).

Mr. MCHUGH. Mr. Chairman, my friend, the gentleman from Illinois (Mr. MANZULLO), number one, he will be delighted to hear, and apparently he was not on the floor earlier when I noted that H.R. 1402, as the modified one, B, also does, no longer uses Eau Claire, Wisconsin, as its basing point in determining class I differentials; so, we have taken care of that for him.

Number two, New York is not part of the northeast dairy compact, but the gentleman's statement that farmers have to pay a tax is absolutely incorrect. Any farmer can ship into the northeast, as my farmers do. What it does require, that farmer receives the same equitable prices as every other member.

□ 1545

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

Mr. Chairman, I would like to make a few points, if I could, about trade policy since the trade policy and subsidization of our domestic producers and domestic producers in other countries has been brought up.

All of the subsidies, supports or whatever we may call them, fit within the trade laws. There is a process by which if that is questioned that can be adjudicated; but I would just say and remind people what I said in my opening statement, the European Union spends eight times as much in domestic support for their farmers as the United States does. It spends 16 times as much in export subsidies as does the United States.

Mr. Chairman, our farmers can compete with any farmers in the world, but our farmers should not be forced to compete with other governments. I will be with my friend from Wisconsin and others when we begin to lead the fight worldwide to reduce subsidization and supports; but the idea that we should set an example and unilaterally disarm the American farmer, I think, is a ludicrous statement.

I will be with everyone else when we do this worldwide, but I will be the last to suggest that we start it in this country when all other countries are still doing it at many levels above what we are doing it.

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

The CHAIRMAN pro tempore (Mr. THORNBERRY). All time has expired.

The question is on the amendment offered by the gentleman from Illinois (Mr. MANZULLO).

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

Mr. MANZULLO. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to House Resolution 294, further proceedings on the amendment offered by the gentleman from Illinois (Mr. MANZULLO) will be postponed.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN pro tempore. Pursuant to House Resolution 294, proceedings will now resume on those amendments on which further proceedings were postponed in the following order:

Amendment No. 4, printed in part B, offered by Mr. GUTKNECHT of Minnesota; Amendment No. 6, printed in part B, offered by Mr. RYAN of Wisconsin; and Amendment No. 7, printed in part B, offered by Mr. MANZULLO of Illinois.

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 4 OFFERED BY MR. GUTKNECHT

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on Amendment No. 4 offered by the gentleman from Minnesota (Mr. GUTKNECHT) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 112, noes 313, not voting 8, as follows:

[Roll No. 432]

AYES—112

| | | |
|--------------|----------------|---------------|
| Armey | Ganske | Linder |
| Baldwin | Goss | Lipinski |
| Barrett (WI) | Green (WI) | Luther |
| Becerra | Gutierrez | Manzullo |
| Biggart | Gutknecht | Markey |
| Bilbray | Hall (OH) | Matsui |
| Blagojevich | Hefley | McDermott |
| Blumenauer | Hill (IN) | Meehan |
| Boehner | Hobson | Menendez |
| Boswell | Hoekstra | Miller (FL) |
| Buyer | Hostettler | Minge |
| Calvert | Hyde | Nussle |
| Capps | Jackson (IL) | Oberstar |
| Carson | Johnson, E. B. | Obey |
| Chabot | Johnson, Sam | Ose |
| Conyers | Jones (OH) | Pallone |
| Cox | Kaptur | Pascarell |
| Crane | Kasich | Payne |
| Davis (IL) | Kilpatrick | Peterson (MN) |
| Delahunt | Kind (WI) | Petri |
| DeMint | Kingston | Pomeroy |
| Dixon | Kleczka | Porter |
| Dooley | Kolbe | Portman |
| Dreier | LaHood | Pryce (OH) |
| Ehlers | Largent | Ramstad |
| Evans | Latham | Regula |
| Ewing | LaTourette | Rogan |
| Frank (MA) | Leach | Rohrabacher |

Rothman
Roybal-Allard
Royce
Rush
Ryan (WI)
Sabo
Sanchez
Sanford
Sawyer
Schakowsky

NOES—313

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Bachus
Baird
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berkley
Berman
Berry
Bilirakis
Bishop
Bliley
Blunt
Boehlert
Bonilla
Bonior
Bono
Borski
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Callahan
Camp
Campbell
Canady
Cannon
Capuano
Cardin
Castle
Chambliss
Chenoweth
Clay
Clayton
Clement
Clyburn
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Coyne
Cramer
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeFazio
DeGette
DeLauro
DeLay
Deutsch
Dicks
Dingell
Doggett
Doolittle
Doyle
Duncan
Dunn
Edwards
Ehrlich
Emerson

Sensenbrenner
Sessions
Shaw
Shays
Smith (WA)
Souder
Strickland
Stupak
Sununu
Tancredo

Engel
English
Eshoo
Etheridge
Everett
Farr
Fattah
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gooding
Gordon
Graham
Granger
Green (TX)
Greenwood
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Hooley
Horn
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Inslee
Isakson
Jackson-Lee
Rahall
Rangel
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers
Ros-Lehtinen
Roukema
Ryun (KS)
Salmon
Sanders
Sandlin
Saxton
Schaffer
Scott
Serrano
Shadegg
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter

Terry
Thune
Tierney
Vento
Visclosky
Waxman
Weller
Wu

Coble
Diaz-Balart
Dickey

Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Stump
Sweeney
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)

NOT VOTING—8

Fowler
Herger
Istook

Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thurman
Tiahrt
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vitter
Walden
Walsh
Wamp

Moore
Scarborough

Kasich
Kind (WI)
Klecza
Kolbe
LaHood
Largent
Latham
LaTourette
Leach
Lipinski
Lofgren
Luther
Maloney (NY)
Manzullo
Markey
Matsui
McDemott
McIntosh
Meehan
Menendez
Miller (FL)
Minge

Nussle
Oberstar
Obey
Pallone
Pascrell
Paul
Payne
Pease
Peterson (MN)
Petri
Pomeroy
Portman
Pryce (OH)
Ramstad
Rogan
Rohrabacher
Rothman
Roybal-Allard
Royce
Rush
Ryan (WI)
Sabo

NOES—318

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Bachus
Baird
Baker
Baldacci
Ballenger
Barr
Bartlett
Barton
Bass
Bateman
Bentsen
Berkley
Berman
Berry
Bilirakis
Bishop
Bliley
Blunt
Boehlert
Bonilla
Bonior
Bono
Borski
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Callahan
Camp
Canady
Cannon
Capps
Capuano
Cardin
Castle
Chambliss
Chenoweth
Clay
Clayton
Clement
Clyburn
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Coyne
Cramer
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Deal
DeFazio
DeGette
DeLauro
DeLay
Deutsch

Diaz-Balart
Dicks
Dingell
Doggett
Doolittle
Doyle
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Etheridge
Everett
Farr
Fattah
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gooding
Gordon
Graham
Granger
Green (TX)
Greenwood
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Hooley
Horn
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Inslee
Isakson
Jackson-Lee
Deal
DeFazio
DeGette
Jenkins
John
Johnson (CT)

Salmon
Sanchez
Schakowsky
Sensenbrenner
Sessions
Shaw
Shays
Sherman
Souder
Stupak
Tancredo
Terry
Thune
Tierney
Upton
Vento
Visclosky
Waxman
Weller
Wu

Jones (NC)
Jones (OH)
Kanjorski
Kelly
Kennedy
Kildee
Kilpatrick
King (NY)
Kingston
Klink
Knollenberg
Kucinich
Kuykendall
LaFalce
Lampson
Lantos
Larson
Lazio
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lowe
Lucas (KY)
Lucas (OK)
Maloney (CT)
Martinez
Mascara
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meek (FL)
Meeks (NY)
Metcalf
Mica
Millender-
McDonald
Miller, Gary
Miller, George
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Oliver
Ortiz
Owens
Oxley
Packard
Pastor
Paul
Pease
Pelosi
Peterson (PA)
Phelps
Pickering
Pickett
Pitts
Pombo
Price (NC)
Quinn
Radanovich
Rangel
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers
Ros-Lehtinen
Roukema
Ryun (KS)
Salmon
Sanders
Sandlin
Saxton
Schaffer
Scott
Serrano
Shadegg
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter

□ 1609

Messrs. SMITH of Texas, WYNN, and BATEMAN changed their vote from "aye" to "no."

Ms. EDDIE BERNICE JOHNSON of Texas and Messrs. KINGSTON, HEFLEY, and ROTHMAN changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. THORNBERRY). Pursuant to House Resolution 294, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on each additional amendment on which the Chair has postponed further proceedings.

AMENDMENT NO. 6 OFFERED BY MR. RYAN OF WISCONSIN

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on Amendment No. 6 offered by the gentleman from Wisconsin (Mr. RYAN) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 109, noes 318, not voting 6, as follows:

[Roll No. 433]

AYES—109

Armey
Baldwin
Barrett (NE)
Barrett (WI)
Becerra
Bereuter
Biggart
Bilbray
Blagojevich
Blumenauer
Boehner
Boswell
Buyer
Calvert
Campbell

Carson
Chabot
Cox
Crane
Davis (IL)
Davis (VA)
Delahunt
DeMint
Dixon
Dooley
Dreier
Eshoo
Evans
Ewing
Frank (MA)

Ganske
Goss
Green (WI)
Gutierrez
Gutknecht
Hefley
Herger
Hobson
Hoekstra
Hostettler
Hyde
Jackson (IL)
Johnson, E. B.
Johnson, Sam
Kaptur

Phelps Shimkus Thurman
 Pickering Shows Tiaht
 Pickett Shuster Toomey
 Pitts Simpson Towns
 Pombo Sisisky Traficant
 Porter Skeen Turner
 Price (NC) Skelton Udall (CO)
 Quinn Slaughter Udall (NM)
 Radanovich Smith (MI)
 Rahall Smith (NJ)
 Rangel Smith (TX)
 Regula Smith (WA)
 Reyes Snyder Wamp
 Reynolds Spence Waters
 Riley Spratt Watkins
 Rivers Stabenow Watt (NC)
 Rodriguez Stark Watts (OK)
 Roemer Stearns Weiner
 Rogers Stenholm Weldon (FL)
 Ros-Lehtinen Strickland Weldon (PA)
 Roukema Stump Wexler
 Ryan (KS) Sununu Weygand
 Sanders Sweeney Whitfield
 Sandlin Talent Wicker
 Sanford Tanner Wilson
 Sawyer Tauscher Wise
 Saxton Taylor (MS) Wolf
 Schaffer Taylor (NC) Woolsey
 Scott Thomas Wynn
 Serrano Thompson (CA) Young (AK)
 Shadegg Thompson (MS) Young (FL)
 Sherwood Thornberry

NOT VOTING—6

Coble Fowler Scarborough
 Dickey Istook Tauszin

□ 1619

The amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 7 OFFERED BY MR. MANZULLO

The CHAIRMAN pro tempore (Mr. THORNBERRY). The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Illinois (Mr. MANZULLO) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 113, noes 315, not voting 5, as follows:

[Roll No. 434]

AYES—113

Archer Dooley Latham
 Arney Dreier LaTourette
 Baldwin Eshoo Leach
 Barrett (NE) Evans Linder
 Barrett (WI) Ewing Lipinski
 Berman Frank (MA) Lofgren
 Biggert Goss Luther
 Bilbray Green (WI) Maloney (NY)
 Blagojevich Gutierrez Manzullo
 Blumenauer Gutknecht Matsui
 Boehner Hefley McDermott
 Boswell Herger McClinnis
 Buyer Hostettler McIntosh
 Calvert Hyde Meehan
 Campbell Istook Menendez
 Capps Jackson (IL) Miller (FL)
 Carson Johnson, E. B. Minge
 Chabot Johnson, Sam Northup
 Cox Kaptur Nussle
 Crane Kasich Oberstar
 Davis (IL) Kind (WI) Obey
 DeGette Kleczka Oxley
 Delahunt Kolbe Pallone
 DeMint LaHood Pascrell
 Dixon Largent Payne

Peterson (MN) Sabo
 Petri Salmon
 Pomeroy Sanchez
 Portman Sanford
 Pryce (OH) Schakowsky
 Ramstad Sensenbrenner
 Rogan Sessions
 Rohrabacher Shaw
 Rothman Shays
 Roybal-Allard Sherman
 Royce Shimkus
 Rush Souder
 Ryan (WI) Stupak

NOES—315

Abercrombie Ehrlich
 Ackerman Emerson
 Aderholt Engel
 Allen English
 Andrews Etheridge
 Bachus Everett
 Baird Farr
 Baker Fattah
 Baldacci Filner
 Ballenger Fletcher
 Barcia Foley
 Barr Forbes
 Bartlett Ford
 Barton Fossella
 Bass Franks (NJ)
 Bateman Frelinghuysen
 Becerra Frost
 Bentsen Gallegly
 Bereuter Ganske
 Berkley Gejdenson
 Berry Gekas
 Bilirakis Gephardt
 Bishop Gibbons
 Bliley Gilchrest
 Blunt Gillmor
 Boehlert Gilman
 Bonilla Gonzalez
 Bonior Goode
 Bono Goodlatte
 Borski Goodling
 Boucher Gordon
 Boyd Graham
 Brady (PA) Granger
 Brady (TX) Green (TX)
 Brown (FL) Greenwood
 Brown (OH) Hall (OH)
 Bryant Hall (TX)
 Burr Hansen
 Burton Hastings (FL)
 Callahan Hastings (WA)
 Camp Hayes
 Canady Hayworth
 Cannon Hill (IN)
 Capuano Hill (MT)
 Cardin Hilleary
 Castle Hilliard
 Chambliss Hinchey
 Chenoweth Hinojosa
 Clay Hobson
 Clayton Hoeffel
 Clement Hoekstra
 Clyburn Holden
 Coburn Holt
 Collins Hooley
 Combest Horn
 Condit Houghton
 Conyers Hoyer
 Cook Hulshof
 Cooksey Hunter
 Costello Hutchinson
 Coyne Inslee
 Cramer Jackson-Lee
 Crowley (TX)
 Cubin Jefferson
 Cummings Jenkins
 Cunningham John
 Danner Johnson (CT)
 Davis (FL) Jones (NC)
 Davis (VA) Jones (OH)
 Deal Kanjorski
 DeFazio Kelly
 DeLauro Kennedy
 DeLay Kildee
 Deutsch Kilpatrick
 Diaz-Balart King (NY)
 Dicks Kingston
 Dingell Klink
 Doggett Knollenberg
 Doolittle Kucinich
 Doyle Kuykendall
 Duncan LaFalce
 Dunn Lamson
 Edwards Lantos
 Ehlers Larson

Sununu
 Tancredo
 Tauscher
 Terry
 Thune
 Tierney
 Toomey
 Vento
 Visclosky
 Waxman
 Weller
 Wu

Lazio
 Lee
 Levin
 Lewis (CA)
 Lewis (GA)
 Lewis (KY)
 LoBiondo
 Lucas (KY)
 Lucas (OK)
 Maloney (CT)
 Markey
 Martinez
 Mascara
 McCarthy (MO)
 McCarthy (NY)
 Frost
 McCollum
 McCrery
 McGovern
 McHugh
 McIntyre
 McKeon
 McKinney
 McNulty
 Meek (FL)
 Meeks (NY)
 Metcalf
 Mica
 Millender-
 McDonald
 Miller, Gary
 Miller, George
 Mink
 Moakley
 Mollohan
 Moore
 Moran (KS)
 Moran (VA)
 Morella
 Murtha
 Myrick
 Nadler
 Napolitano
 Neal
 Nethercutt
 Ney
 Norwood
 Olver
 Ortiz
 Hobson
 Hoeffel
 Hoekstra
 Holden
 Holt
 Hooley
 Horn
 Houghton
 Hoyer
 Hulshof
 Hunter
 Hutchinson
 Inslee
 Jackson-Lee
 (TX)
 Jefferson
 Jenkins
 John
 Johnson (CT)
 Jones (NC)
 Jones (OH)
 Kanjorski
 Kelly
 Kennedy
 Kildee
 Kilpatrick
 King (NY)
 Kingston
 Klink
 Knollenberg
 Kucinich
 Kuykendall
 LaFalce
 Lamson
 Lantos
 Larson

Scott
 Serrano
 Shadegg
 Sherwood
 Shows
 Shuster
 Simpson
 Sisisky
 Skeen
 Skelton
 Slaughter
 Smith (MI)
 Smith (NJ)
 Smith (TX)
 Smith (WA)
 Snyder
 Spence
 Spratt
 Stabenow
 Stark
 Stearns
 Stenholm

Coble
 Dickey

Strickland
 Stump
 Sweeney
 Talent
 Tanner
 Tauszin
 Taylor (MS)
 Taylor (NC)
 Thomas
 Thompson (CA)
 Thompson (MS)
 Thornberry
 Thurman
 Tiaht
 Towns
 Traficant
 Turner
 Udall (CO)
 Udall (NM)
 Upton
 Velazquez
 Vitter

NOT VOTING—5

Fowler
 Isakson
 Scarborough

□ 1627

Mr. BECERRA changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore. It is now in order to consider amendment No. 8 printed in Part B of House Report 106-324.

AMENDMENT NO. 8 OFFERED BY MR. BOEHNER

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

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Part B amendment No. 8 offered by Mr. BOEHNER:

Strike sections 1 and 2 and insert the following new section:

SECTION 1. TERMINATION OF MILK MARKETING ORDERS ON JANUARY 1, 2001.

(a) TERMINATION.—Effective January 1, 2001, section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended by striking paragraphs (5) and (18) relating to milk and its products. On that date, the Secretary of Agriculture shall terminate all existing Federal milk marketing orders issued under such section.

(b) PROHIBITION ON SUBSEQUENT ORDERS REGARDING MILK.—Section 8c(2) of the Agricultural Adjustment Act (7 U.S.C. 608c(2)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended—

(1) by striking "Milk, fruits" and inserting "Fruits"; and

(2) by inserting "milk," after "honey," in subparagraph (B).

(c) CONFORMING AMENDMENTS.—(1) Section 2(3) of the Agricultural Adjustment Act (7 U.S.C. 602(3)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended by striking " , other than milk and its products, " .

(2) Section 8c of such Act (7 U.S.C. 608c) is amended—

(A) in paragraph (6), by striking " , other than milk and its products, " ;

(B) in paragraph (7)(B), by striking "(except for milk and cream to be sold for consumption in fluid form)";

(C) in paragraph (11)(B), by striking "Except in the case of milk and its products, orders" and inserting "Orders";

(D) in paragraph (13)(A), by striking " , except to a retailer in his capacity as a retailer of milk and its products"; and

(E) in paragraph (17), by striking the second proviso, which relates to milk orders.

(3) Section 8d(2) of such Act (7 U.S.C. 608d(2)) is amended by striking the second sentence, which relates to information from milk handlers.

(4) Section 10(b)(2) of such Act (7 U.S.C. 610(b)) is amended—

(A) by striking clause (i);

(B) by redesignating clauses (ii) and (iii) as clauses (i) and (ii), respectively; and

(C) in clause (i) (as so redesignated), by striking "other commodity" in the first sentence and inserting "commodity".

(5) Section 11 of such Act (7 U.S.C. 611) is amended by striking "and milk, and its products,".

(6) Section 715 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1994 (Public Law 103-111; 107 Stat. 1079; 7 U.S.C. 608d note), is amended by striking the third proviso, which relates to information from milk handlers.

(d) EFFECTIVE DATE.—The amendments made by subsections (b) and (c) shall take effect on January 1, 2001.

The CHAIRMAN pro tempore. Pursuant to House Resolution 294, the gentleman from Ohio (Mr. BOEHNER) and a Member opposed each will control 30 minutes.

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

□ 1630

Mr. BOEHNER. Mr. Chairman, I ask unanimous consent that the gentleman from Wisconsin (Mr. OBEY) be allowed to control 15 minutes of the proponent's time.

The CHAIRMAN pro tempore (Mr. THORNBERRY). Is there objection to the request of the gentleman from Ohio?

There was no objection.

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

Mr. Chairman, I think everybody knows, when one lets milk sit around too long, it spoils, and it goes bad. It really is not any different for U.S. dairy policy that, after 62 years of a federally government-imposed marketing system for dairy in America, that maybe it is time to take a very serious look at it.

Today we have had a very healthy debate about dairy policy, and I am sure some of our colleagues are tired of hearing about this policy. But I think we now get to the core, the real debate about what ought to happen in the future.

The gentleman from Wisconsin (Mr. OBEY) and I have an amendment that says very simply that we ought to eliminate the milk market order system for dairy farmers in America.

We all know that, over the last 5 years, the last 10 years, the last 20 years, probably over the last 20, half of the dairy farms in America have gone out of business. Mr. Chairman, there is only one constant, only one constant that has been out there over those last 20 years as dairy farmers have gone out of business, and that is a federally mandated milk market order system.

Yes, it is the Federal Government that has controlled prices, not allowed dairy farmers to succeed, and literally

pushed small farmers right out of the market. Until we get out of the way and let the market begin to set prices, fair prices for all farmers, regardless of where they are in America, I think until we do that, we are making a big mistake.

Today on the floor, we talked about the 34 marketing orders that are going to 11 marketing orders. Members probably heard about four different classes of milk depending upon how it is used. Why would the Federal Government want to decide how many different classes of milk that we have?

My colleagues have heard about four separate pricing schemes that we have for milk in our country. They have heard about differentials, the fact that we price milk based on how far it is from Eau Claire, Wisconsin. What a bizarre notion, in 1999, that the Federal Government in Washington, D.C. knows how to price milk for a farmer in Vermont or a farmer in Idaho. Why would we not let the market determine it?

We have also heard today about the USDA bureaucracy. Think of how many thousands of employees we have sitting right down the street determining how these prices should work, how these pricing schemes should work, and how it should be "fair" for all dairy farmers.

My colleagues have heard about pooling, pooling different prices from around the country so that we can determine what the fair price to the dairy farmer is. They have heard about forward contracting. We wanted to actually give farmers the ability to go out and contract on their own, if they wanted to. Why cannot we allow farmers to do it? But, no, the House said no and did not vote that way.

We have heard about the mailbox price for milk as compared with the federal milk market order blend price. Now, when we start to look at the complexity of the milk marketing order system, I point all of my colleagues to this chart, this chart that says how we price milk in America. This is how we do it: from the laws that we pass here to the bureaucracy at the USDA to the different marketing orders and the pooling and every month that we have to determine what is the fair price for our farmers.

ANNOUNCEMENT BY THE CHAIRMAN PRO
TEMPORE

The CHAIRMAN pro tempore. All persons in the gallery are here as guests of the Chamber. Quiet is requested.

Mr. BOEHNER. So why do we have all of this, Mr. Chairman? We have this because, in 1937, in the midst of the Depression, we had a serious problem affecting dairy farmers. The Federal Government decided on an emergency basis we were going to set up this program to try to ensure that we kept dairy farmers on the farm and we were able to get fresh milk to the marketplace.

Now, that was 1937. This is 1999. Interstate highways, refrigerated

trucks. My goodness, we have come a long way. I think it is time for all of us to take a big view of what has happened today, get out of the minutia of whether it is 1-A or 1-B, because either way, it is not going to make a dime's worth of difference to any dairy farmer. Then look at what we really can do to help the family farmer in America.

What we can do to help that family farmer is to get rid of this, get rid of this convoluted 62-year-old program that has failed the farmer and has failed our consumers in this country.

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

The CHAIRMAN pro tempore. Does a Member wish to claim the time in opposition to the amendment?

Mr. BLUNT. Mr. Chairman, I rise to claim the time in opposition, and I ask unanimous consent that, in my absence, the gentleman from Texas (Mr. COMBEST) be permitted to control the time.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

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

Mr. Chairman, we just saw a chart on how we price milk. What we did not see is a chart on why we price milk, why that has been seen as an important and significant role of both the Federal Government and for the health of the country for the last several years.

Market orders ensure a fresh local supply of milk. This is a perishable product, unlike most other products on the farm. I was raised on a dairy farm. I still live on a small farm. Most of the things on the farm one can have some control over. One can put them in an elevator. One can leave them on pasture a little longer. One cannot do that with what happens every day at the dairy barn. That has a very short life.

It is a hard product to recreate. If one sees people going out of the dairy business, one seldom sees them go back in. Once there are not local dairies, it is pretty hard to imagine there will ever be local production of that product again.

The 2 or 3 days of transportation does matter. In terms of what farmers would like to see, they just had the option of voting on a plan that I am convinced they did not like, 1-B or no market order at all; and they clearly said they did not want market orders.

The letters we received from farmers, the various articles that Members have seen on this issue indicated that many people voted for an option they did not like because the option that they thought absolutely would not work if one is a family farmer, if one is a dairy farmer, was the option of having no marketing system for milk in this country.

So I rise in opposition to this amendment, and I have a number of my colleagues who want to speak in opposition to the amendment.

Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. HOUGHTON).

Mr. HOUGHTON. Mr. Chairman, this is, to my infinite wisdom, parochial as it may be, not a complicated issue. I used to be in business. I produced the product. The laws of supply and demand worked. We abided by them. We did not want to have any government inference, no marketing orders, no anything. It had worked.

This is different. The laws of supply and demand simply do not work in this business. It has been proven over and over again. That is number one.

Number two, if one tries to sell something and one's customer does not want it, it is not a very good deal. As the gentleman from Missouri (Mr. BLUNT) was saying, 96 percent of the farmers voted against eliminating marketing orders. To me, that is a very clear message.

So we can sit here; we can intellectualize what is best for the American family and what is best in terms of food supply. If the customers do not want it, we should not try to sell it.

Mr. OBEY. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, I would ask Members of the House, when is the last time they have seen the gentleman from Ohio (Mr. BOEHNER) and the gentleman from Wisconsin agree on anything? It has been a long time.

The reason we are here is because of Old Bossy. Old Bossy is a Holstein cow. Now, if one is Farmer Jones, and one milks Old Bossy in Oklahoma, the Government says one gets a bonus of \$1.40 for every hundred pounds of milk one can get from Old Bossy in comparison to what one would get if one milks that same Old Bossy in the State of Illinois.

Now, if my colleagues can convince me that that makes sense, I would nominate them for the Pulitzer Prize in any field they want to name. I would nominate them for the Nobel Prize or any other prize they want. But I do not think they can convince me. I do not think they can convince the members of the press. I do not think they can convince farmers. And I do not think they can convince the general public that that system makes very much sense.

Now, the market does not dictate that difference in price; the law does. That is what makes it even crazier. Welcome back, Henry Wallace. Things have not changed since 1937, except for 1985, when this whole system got even crazier. Because in 1985, a fellow by the name of Tony Coelho, my good friend and colleague, came to this floor; and he decided that those bonuses were not big enough. He was going to make them even bigger. So he did.

Now, we could have lived, I guess, with the original differentials, as bad as they were, because they were at least determined by agricultural economists who were trying to balance the needs of all regions fairly. But in 1985 that system was changed, and it was switched to a straight decision based on raw political power.

Now, 3 years later, Steve Gunderson, then Chair of the dairy subcommittee,

tried to get reform pushed through. He was told by the leadership of this House, Sorry, you cannot have a legislative remedy. All we are going to do is give you an opportunity for an administrative remedy. Let the USDA decide what is fair. So we said okay.

That is what USDA did. They brought forth modest, and I mean modest, reforms. Now what has happened, the very folks who said we could not have a legislative remedy are now saying, oh, gee whiz, we do not like what the administrative remedy was. So we are going to overturn it through this legislation.

That is why my colleagues have the gentleman from Ohio (Mr. BOEHNER) and I united today. Because I for one have concluded that, while I prefer supply management, dairy is the only industry in the world I know of where one does not cut back supply in order to meet demand. But if one cannot get supply management, then one ought to have a reasonable government program that dictates how this is handled.

But we do not have a reasonable government program. We have a totally arbitrary program based on how many votes one can get on this floor, not based on the legitimate economic needs of every farmer in the country regardless of where they come from.

That is why I have reluctantly concluded, if we cannot get a square deal out of this Congress, then let us not have any deal at all. Let the market deal it. Then at least we will not have politicians to blame for the ridiculous situation you have across this country when it comes to dairy prices. That is why I support this amendment. I urge my colleagues to support it along with us.

Mr. BLUNT. Mr. Chairman, I yield 4 minutes to the gentleman from Vermont (Mr. SANDERS).

Mr. SANDERS. Mr. Chairman, I thank the gentleman from Missouri for yielding me this time.

Mr. Chairman, I agree with the gentleman from Wisconsin (Mr. OBEY) that what we need is strong supply management, and I am a strong advocate of a two-tier supply management system. I also agree with the gentleman from Wisconsin (Mr. OBEY) that the current system is far from perfect. But I strongly disagree with him in saying that we have got to junk the whole system because what we have now is not perfect.

The fact of the matter is that, just last month, dairy farmers all over this country had the option of essentially voting for the Boehner-Obey point of view. They had the option of saying, well, the current system is not perfect. They had the option of voting for 1-B, which, in my view, is strongly flawed, or letting the current system expire and have nothing. But farmers who knew that the current system is not perfect said overwhelmingly by 96 percent that we need to have federal milk price supports, and that is what they voted for.

□ 1645

Mr. Chairman, there is no question in my mind, none whatsoever, that at a time when all over this country, in Wisconsin, in Vermont, in the Midwest, all over, when family farmers are going out of business, when today family farmers are receiving, in terms of inflation accounted for dollars, much, much less than they received 15 or 20 years ago, when they are struggling just to keep their heads above water, there is no doubt in my mind that if we approved this measure and did away with all price supports that what we would see is a rapid acceleration in the decline of family farms all over this country, especially the small farms.

Mr. Chairman, during the last 6 years alone, we have seen a decline to the tune of 26 percent of dairy farms in this country. And what we are also seeing is that while the small farms go under, in terrible numbers, in Vermont, in Wisconsin, all over this country, that the larger farms are becoming larger and gaining a greater share of the market. For example, in 1978, farms with 50 cows or less produced 40 percent of the milk supply. By 1997, that same size farm produced only 12 percent of the milk in our country. And the trend is very clear: Fewer and fewer large farms produce more and more of the milk, while small farms are rapidly going out of business.

If the Boehner-Obey amendment were to pass, this process would rapidly accelerate, and I will tell my colleagues what this country will look like in 20 years. What we will have, literally, is a handful of giant agri-business corporations controlling the production and distribution of dairy products all over this country. And that would be a disaster not only for rural America and the economies of rural America, that would be a disaster not only for the environment and keeping our land green, it would be a disaster for consumers as well.

I have, I believe, one of the strongest pro-consumer voting records in the House of Representatives, and I will challenge anyone who thinks that the consumer benefits when a handful of giant corporations will control the production and distribution of dairy products. So if my colleagues are for the consumer, if they are for the family farmer, if they are for the environment, they will vote against this amendment and vote for final passage. Let us do what little we can to protect the family farmer.

Mr. BOEHNER. Mr. Chairman, I yield 1 minute to the gentleman from South Carolina (Mr. SANFORD).

Mr. SANFORD. Mr. Chairman, I want to refute two of the points that have come up. I grew up on a farm in South Carolina, and we raised tomatoes and shrimp. Yet we have been told in this debate so far that milk is different, it is a perishable product. How many of my colleagues want to buy spoiled tomatoes or rotten shrimp? Nobody.

So there are a lot of other goods that somehow miraculously make their way

from the farm to the grocery store without a price-fixing system in place. I would make that one point.

The second point that I would make would be if we had a price-fixing system on the farm that I grew up on for shrimp or for tomatoes, would we want to leave that system in place? Absolutely. But to say that those farmers who voted for that, those few that happened to benefit, that that should be the barometer by which we judge this amendment, I think, would be a big mistake.

Lastly, if we are going to go this route, why do we not adopt the ideas of pricing software based on its distance from Redmond, Washington, or the idea of pricing timber based on its distance from the Southeast. This does not make sense. This amendment does.

Mr. BLUNT. Mr. Chairman, I yield myself 10 seconds to point out that the USDA requires that milk be off the farm in one day. That is the case for no other product, and I am confident, I am sure it is not the case for either tomatoes or shrimp.

Mr. Chairman, I yield 2 minutes to the gentlewoman from Connecticut (Mrs. JOHNSON).

Mrs. JOHNSON of Connecticut. Mr. Chairman, I rise in strong opposition to the amendment and in support of the underlying bill.

The issue really here is about food supply and food quality, but it is also about the quality of life in America. Farms preserve open space; they provide living evidence of man's dependence on the Earth and our responsibility for sound management of our environment.

In 1996, Congress recognized that we needed to reform the milk marketing order system; not that we needed to repeal it, but that we needed to reform it. And, in fact, the Option 1-A, just as the Option 1-B, was compiled by economists and professional staff of the USDA's agricultural marketing service. It takes into account more realistically transportation costs for fluid milk, regional supply and demand issues, costs of both producing and marketing milk, and the need to assure that milk can be produced in all the regions of the United States.

It is simply a fairer option. It is real reform. The system will be simpler, but it will be also sensitive to regional issues. That is why it is in everyone's interest to support the 1-A option in the underlying bill.

Mr. OBERSTAR. Mr. Chairman, I yield 3 minutes to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. Mr. Chairman, I rise in support of the Boehner-Obey amendment and in opposition to H.R. 1402.

I do agree with many supporters of 1402 that we must do everything in our power to help small farmers who are suffering. The dairy industry is vitally important to my home State of New York, and I would be proud to support 1402 if it represented targeted relief

that would help New York's small family dairy farms. But we should not preserve an antiquated milk pricing system that punishes consumers throughout New York, both upstate and downstate, while doing little to help the farmers who need the help most.

Mr. Chairman, most of the debate today has focused on the impact of this legislation on farmers, but let us not forget how this legislation will affect consumers, including the families in my district and throughout this country. According to even the most conservative estimates, consumers will pay at least \$200 million more each year under this bill. Now, I know some of my colleagues may say that the price increases brought about by this bill may be small, but small increases in price can make a big difference to a working family struggling to get by, or to a struggling mother trying to make ends meet, or to programs such as WIC, food stamps, and the school lunch programs which are impacted tremendously by the price of milk.

Mr. Chairman, if we pass H.R. 1402, we are undoing USDA's very modest reforms and preserving a depression-era system that benefits no one. Over 300 Members of this body voted for the Freedom to Farm Bill that was based on the principle that we should have a free market for agriculture. But that bill exempted dairy and, instead, required USDA to implement the new milk marketing orders that we are here discussing today. This bill today threatens to undo even those modest reforms.

Rather than preserving this outdated system, we should continue to move to a free market for milk that is fair to both farmers and consumers. I urge my colleagues to support the Boehner-Obey amendment and to oppose 1402.

It has been noted that this will result in an increase of 22 cents a gallon by the change in the differential. That is a lot of money to a lot of people, and that will increase the price of milk.

Mr. Chairman, I yield back the balance of my time to the gentleman from Wisconsin (Mr. OBEY) to continue speaking up for consumers across this country. We should not make it harder on consumers and help big, large farmers.

Mr. BLUNT. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania (Mr. SHERWOOD).

Mr. SHERWOOD. Mr. Chairman, milk was left out of Freedom to Farm for a reason. Milk is different than wheat, and it is different than corn. As the gentleman from Wisconsin (Mr. OBEY) was talking about milking Bossie, that has to be done twice or three times a day 365 days a year. And that milk has to have a market. And no one dares to be able to take advantage of that little producer because they know he has to sell it right then.

This is a pretty good system that has been working since 1937, and the legislation here would change it greatly. I am as free market, free enterprise a

person as there is in this Congress. I never asked the government for a thing in my business. Milk is different. Dairy farming is different. What we need is a supply of fresh, wholesome milk so that WIC can have it, so poor families can have it, so we can all have it.

There is not a better system of milk distribution in the world than we have in the United States right now. The farmers voted to preserve it, it is working well, and I am in very much opposition to the amendment of my friend, the gentleman from Ohio (Mr. BOEHNER).

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

Mr. MILLER of Florida. Mr. Chairman, I rise today in support of the amendment by the gentleman from Ohio (Mr. BOEHNER) and the gentleman from Wisconsin (Mr. OBEY) and in opposition to the underlying bill.

Passage of this bill would undermine the course that Congress set just 3 years ago towards agriculture reform. In the 1996 farm bill, Congress made a commitment to allow the USDA to make modest reforms to the controversial dairy price program after 3 years of public hearing process. Now that we have the final rule on milk marketing order reforms, people are trying to renege on that original goal of trying to reform with a simple modest plan.

As far as I am concerned, the proposal is not far enough, and that is the reason I am supportive of the Boehner-Obey amendment. It does not matter whether we are talking about milk, oranges, wheat, or sugar. We need to make our agricultural programs come into the 21st century and not go back to the 19th century. We have a real opportunity for real dairy reform today and we are doing a disservice to everyone if we do not pass this amendment to go to a free market type of plan.

Mr. Chairman, we cannot open up markets to our agricultural products to advocate free trade while we maintain the barriers on dairy. I advocate the support of the Boehner amendment.

Mr. BLUNT. Mr. Chairman, I yield 3½ minutes to the gentleman from California (Mr. POMBO), the subcommittee chairman that deals with these issues.

Mr. POMBO. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise today in opposition to the amendment, not because I do not think that one day this amendment will be necessary and will come true, because I believe the gentleman from Ohio (Mr. BOEHNER) is right. I believe that this is the direction that we will ultimately end up going with American dairy.

But the problem that I have with this amendment at this time is that in 1996, when we started on the path of deregulating American agriculture, we said that there had to be a transition period, there had to be a period of time when we went from a heavy-handed,

government-regulated bureaucracy that dictated everything that happened in American agriculture to a time of free market. And I believe that that transition is taking place. It has been sometimes topsy-turvy, sometimes very difficult, but it is happening.

It is happening much slower than some people would like to see, including a dairyman that I just had lunch with not too long ago from my district. He told me that he knows that one day we will have an unregulated dairy economy, that we will not have the Federal Government setting prices. He said he knows that one day that is going to happen and that he looks forward to that day happening. But what will happen if this amendment passes today is that it would send the dairy economy into chaos immediately. And, unfortunately, we just cannot handle that right now.

I support what the gentleman from Ohio (Mr. BOEHNER) is trying to do in the aspect that the Federal Government should not be involved with how many cows somebody milks, how many pounds of milk they produce, and where they sell that. I do not want dairymen having to come back to Washington, D.C. to ask us for something, for some change on dairy policy. It should not happen. But we need an orderly transition to be able to go from this government-run bureaucracy that was handed to us before we pass a farm bill to a free market economy.

□ 1700

That transition is going to take place.

Now, the gentleman from Ohio (Mr. BOEHNER) held up a poster that had policies in place for going from the Congress to the cow and everything that had to happen in order for those prices to be set. That is the exact reason why this amendment cannot pass today.

So much dependency has grown up around that system that it is going to take some time to unwind all of that, and it is going to take some time to create a system that the American dairy farmers can understand and use, and eventually we will do that.

I would also like to say we have heard a lot of reasons why this amendment is not good, and a lot of those reasons are no longer relevant today.

American dairy farmers are the most efficient dairy farmers in the world. We have the most efficient delivery system of anywhere in the world, and we have the ability to compete with any dairy farmers in the world.

But in doing so, we need to take the time that is necessary to transition away from the dependency that has grown up around a bureaucratic government program to the free market.

I urge my colleagues to reject this amendment today. I pledge to my friend, the gentleman from Ohio (Mr. BOEHNER), to continue to work with him to see that his vision one day comes true.

Mr. OBEY. Mr. Chairman, I yield 2½ minutes to the distinguished gentleman from Wisconsin (Ms. BALDWIN).

Ms. BALDWIN. Mr. Chairman, I rise in support of the Boehner-Obey amendment.

Mr. Chairman, as my colleagues can see from this chart, eliminating milk market orders, which is what the Boehner-Obey amendment would do, would save approximately \$80 million every year.

The current, yet antiquated, milk marketing system, which would in essence remain in place under 1402, gives dairy farmers more money the farther away they are from Eau Claire, Wisconsin. This was a wise policy back in the 1930s because there were not refrigerated vehicles and there were no interstate transportation systems to ensure that all areas of the country received an adequate supply of milk.

In the 1930s, it was proper to provide incentives to farmers to milk in traditionally nondairy areas. But as we approach the new millennium, taxpayers should no longer prop up an unfair system that compensates farmers depending on where they live. It is wasteful and it makes no sense to taxpayers and consumers.

Now, let us be clear. Under H.R. 1402, more taxes would be needed to keep very important nutrition programs from having to cut needy families off their rolls. Take the WIC program for example. The Consumer Federation of America estimates that under 1402, unless additional taxes are provided, 3,700 women, infants and children could be kicked off the WIC rolls every year and more federal dollars would be needed to keep the food stamp program, the school lunch and breakfast program, and nutrition programs for the elderly at their current assistance levels.

Mr. Chairman, why should consumers and taxpayers subsidize dairy farmers based solely on where they milk their cows?

I urge support of the Boehner-Obey amendment.

Mr. BLUNT. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. SWEENEY.)

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

Mr. Chairman, we have been here all day debating this issue, and we have heard arguments on both sides and recurring arguments on both sides.

A minute ago I heard a colleague mention that what this amendment proposed by the gentleman from Ohio (Mr. BOEHNER) and the gentleman from Wisconsin (Mr. OBEY) will do is reaffirm a commitment made in 1996 by this Congress that would allow for the Department of Agriculture to modestly adjust the milk marketing orders and reflect more readily the marketplace. We refuted that a couple of hours ago when we pointed out that it is not a modest adjustment when we are going to cost dairy farmers in excess of \$2 million to \$400 million annually.

We have seen evidence presented throughout the last several years to the United States Department of Agriculture and input from all experts within the dairy community that said very clearly that Option 1-A was the option that we ought to pursue. Yet here we are with our final amendment before what I hope is final passage, and the Boehner-Obey amendment really operates under the premise that the milk marketing order system is an outdated system that does not reflect the marketplace at all, and we know that simply is not true as well.

To establish the prices that are used, the Department of Agriculture surveys the wholesale market prices of milk and milk products such as cheese and translates those prices into a fair market-based price for raw milk sold at the farm level.

We have heard throughout the day the discussions about why we need to do this with milk and why it is important, and I find it ironic that many of the same Members who are going to stand and speak and indeed vote for this amendment are the same folks who earlier today were trumpeting the results of the August daily referendum, were 95 percent of dairy farmers said they supported this system.

I urge my colleagues to support this safety net. I urge my colleagues one more time in the next vote to defeat an amendment that is intended to gut 1402.

Mr. BOEHNER. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin (Mr. PETRI).

Mr. PETRI. Mr. Chairman, I thank my colleague from Ohio for yielding me the time.

Mr. Chairman, the managers of well-run businesses periodically survey their operations. They take a hard look at everything they are doing and they ask a simple question, and that is: If we were not already doing this, would we start it up today? If not, it should probably be stopped.

Well, let us apply that same approach to the dairy program. If we were not already running this program today, would we even consider starting anything remotely like it? Would any sane person start a dairy program like the one we have today? If the answer is, no, and I believe it is at least, heck, no, then common sense tells us we should stop it.

To my colleagues who profess a belief in market economics, this is a test. Please vote their principles and support this amendment. To my colleagues who represent urban consumers, this is also a test. Please vote their constituents' clear interest, not some special interest, and support this amendment. To my colleagues who represent dairy farmers outside the Midwest, do not fear the free market. There were dairy farmers in all regions before the dairy program began, and there will be efficient dairy farmers in all regions after we end it. There will always be an advantage in proximity to local markets for fresh milk.

It is way past time for all of us to unite and cast off this horrible relic. I urge all my colleagues to support the amendment of the gentlemen.

Mr. COMBEST. Mr. Chairman, could the Chair tell us the remaining time.

The CHAIRMAN. The gentleman from Texas (Mr. COMBEST) has 14-³/₄ minutes remaining. The gentleman from Ohio (Mr. BOEHNER) has 7 minutes remaining. And the gentleman from Wisconsin (Mr. OBEY) has 6 minutes remaining.

Mr. COMBEST. Mr. Chairman, I yield 2 minutes to the gentleman from Maine (Mr. BALDACCI).

Mr. BALDACCI. Mr. Chairman, I thank the chairman for yielding me the time.

Mr. Chairman, to restate the issues that have been before us all day is that the issue of the 1-A, 1-B option before us is a developmental plan that was put forward by the Department of Agriculture and gone across the country in 11 different regions in trying to elicit and get support and get materials presented in regards to those options.

Those options are not going to cost consumers any more money than already is into the system now. The money that is being purported in terms of coming from different departments is money that is already going to the dairy farmers right now.

What is on issue now is that the 1-B option in the elimination of this marketing program will take away \$200 million from dairy farmers. It will take this money from the dairy farmers, and it will revert back to the industries or to wherever; but it is not going to be benefiting to the dairy farmers.

The formula is based on use. It is based on a weight between those uses of whether it is milk or ice cream or butter or cheese, and then they factor into a distance the further they are away from the market for transportation costs. And those issues have all been articulated.

The Department designed the options that we have before us; and in doing so, when we passed the reforms and seeing the impact of the reforms on our farmers, we only need to look at the billions of dollars that we are spending in agricultural assistance each year for the last 2 years to recognize that the freedom to farm has not been the success that many wanted it to be and the exemption of milk in that freedom to farm may have been a blessing in disguise and allows for more cooperation and more time and thoughtfulness to develop a system which maintains a floor for the dairy farmers, at the same time giving them the tools to be able to be successful in a more market-oriented economy, which 1-A would allow, which was designed by the Department.

The Department was not charged to reduce the farm income by \$200 million to dairy farmers and what was going to dairy farmers. It was asked to reform it and to make it more market oriented, which 1-A would do.

Mr. COMBEST. Mr. Chairman, I ask unanimous consent that the gentleman

from California (Mr. POMBO) be able to manage the time in opposition.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. OBEY. Mr. Chairman, I yield 2¹/₂ minutes to the distinguished gentleman from Wisconsin (Mr. KIND).

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

Mr. KIND. Mr. Chairman, I thank my friend from Wisconsin for yielding me the time.

Mr. Chairman, I, quite frankly, am flabbergasted to understand where this \$200 million lost figure comes from because it just belies the facts.

In fact, USDA released an analysis over the past year what the basic formula price, what the producers would get through class I differentials under the reform proposals that they have announced and which will take effect on October 1.

Virtually every region in the country under the more free market-oriented pricing system actually sees more income in their pockets rather than less.

The Boston region, 38 cents per hundred-weight; Des Moines, \$1.22 more; New York 23 cents more; Philadelphia, they lost 2 cents this past year; St. Louis, 96 cents more; El Paso, 27; Atlanta, 69; Seattle, 42; Kansas City, 85; Cleveland, 87; Tampa, \$1.19 more; Louisville, 71; Boise, 82; Minneapolis, \$1.27.

In fact, the figures just released for the month of October this year, the first month when the reform takes effect, shows that on a national average the producers get 57 cents more per hundred-weight class I than they would under the 1402.

So the issue is simple. We can vote for passage of 1402 and by doing so we would be taking money out of, rather than putting more money into, the pockets of the producers over this past year and for the month of October.

Now, I commend my colleagues who are in support of 1402 for their desire to help the small family farmers. But if there has been one common denominator in this entire debate regardless of the region is that we can all stipulate that our family farm earnings have been suffering badly and they have been suffering for some time under the current system. But I submit that the continuation of the status quo with the government-set price differentials only encourages large corporate farms to produce for the mailbox and the Government check, rather than for basic economic principles of supply and demand.

Look at the increase of large corporate farms in these regions that see a higher price differential. They in turn put the squeeze on the small family farmers. So if we want to help the family farmers, let us support this amendment; let us have some confidence that they can compete under the principles of supply and demand, that we do believe in the marketplace,

and that we are not going to create these artificial price systems which will only encourage the larger operations to go into that because of the price differentials and ultimately hurt our small family farmers.

That is the direction that we should be going in, and that is why I support the Boehner-Obey amendment and would ask my colleagues to vote no on final passage.

Mr. BOEHNER. Mr. Chairman, I yield 1 minute to the gentleman from Illinois (Mr. MANZULLO).

Mr. MANZULLO. Mr. Chairman, I represent five of the eight top dairy counties in the State of Illinois; and they are losing 10 to 15 percent of the dairy farmers each year.

If we are to sit around and wait for all these reforms to take place that the gentleman from California (Mr. POMBO) talks about over a period of time, there will not be any dairy farmers left in northern Illinois.

Mr. Chairman, the difference really is between milk and something like peaches, for example. The price that the dairy farmer gets is based upon how far his production is from Eau Claire, Wisconsin. The price that the peach grower gets is not based upon where his farm is in relation to somewhere in the State of Georgia.

What we are asking for here under the Boehner amendment is the last opportunity for the American dairy farmer to participate in the free market system. The Boehner amendment would allow that and, hopefully, will stop the elimination of all the dairy farmers in the district that I proudly represent.

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

The CHAIRMAN. The gentleman from Ohio (Mr. BOEHNER) has 6 minutes remaining. The gentleman from Wisconsin (Mr. OBEY) has 3¹/₂ minutes remaining. The gentleman from California (Mr. POMBO) has 12-³/₄ minutes remaining.

□ 1715

Mr. BOEHNER. Mr. Chairman I yield 2 minutes to the gentleman from Wisconsin (Mr. RYAN).

Mr. RYAN of Wisconsin. Mr. Chairman, I would like to just point out, which we did earlier today, what this is about.

This is about the status quo of the market, and I would like to go through what the status quo is because a lot of Members around here do not exactly know how the price of milk is determined.

So, under the status quo, let me read how the price of milk is determined. There is the basic formula price, and there is the blended price.

Here is the basic formula price:

The BFP equals, basic formula price, equals last month's average price paid for manufacturing grade milk in Minnesota and Wisconsin plus current AA grade butter times 4.27 plus current nondry milk price times 8.07 minus

current dry-buttermilk price times .42 plus current cheddar cheese price times 9.87 plus current grade A butter price times .238 minus last month's grade A butter price times 4.27 plus last month's nondry milk price times 8.07 plus last month's dry-buttermilk price times .42 minus last month's cheddar cheese price times 9.87 plus last month's grade A butter price times .238 plus present butterfat minus 3.5 times current month's butter price times 1.38 minus last month's price of manufacturing grade milk in Minnesota and Wisconsin, times .028.

That is the basic formula price.

Mr. OBEY. Mr. Chairman, would the gentleman repeat that?

Mr. RYAN of Wisconsin. I will repeat it to the gentleman from Wisconsin (Mr. OBEY) after this, Mr. Chairman.

The blend formula price now takes that basic formula price, which I just mentioned plus .12 times the percent of milk used for cheese, powder, and butter plus the basic formula price, that formula I mentioned a second ago, plus .30 times the percent of milk used for ice cream and yogurt plus the formula price, the basic formula price, plus 1.04 plus .15 times the distance from Eau Claire, Wisconsin, divided by a hundred, all times the percent of milk used for fluid.

That is the current milk pricing system. That is the choice my colleagues are making, to perpetuate that if they vote for H.R. 1402.

If my colleagues want to scrap this 1937 abomination, Mr. Chairman, they should vote for the Boehner amendment, vote against 1402.

Mr. POMBO. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. BOEHLERT).

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

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

Mr. Chairman, I just feel like I have heard Jay Leno's monolog for about the fifth time. It was amusing the first time, but the fact of the matter is what we are doing here today is going to have a profound impact on dairy farming in America.

Talk about turning a deaf ear to the will of the very people we are trying to help, Mr. Chairman. In August, we just had a referendum. Ninety-six percent of the farmers said they want to continue milk marketing orders.

Now I know we sometimes cannot resist the temptation to create chaos out of order, Mr. Chairman, but I would suggest that if we eliminate the milk marketing orders, that is exactly what we would be doing.

I do not want to identify with that effort. I want to identify with looking realistically at the plight of dairy farmers in America, and I must admit it, being a little bit selfish, I am particularly concerned with the plight of dairy farmers in beautiful upstate New York. They are in crisis. They need

some help, and I want to help. This amendment would not help, Mr. Chairman; 1402 would.

Mr. POMBO. Mr. Chairman, I yield 2½ minutes to the gentleman from Maryland (Mr. GILCHREST).

Mr. GILCHREST. Mr. Chairman, I thank the gentleman for yielding this time to me, and what I want to try to explain up here in the 2-minute time frame that I have is what is happening with the present amendment by my good friend from Ohio (Mr. BOEHNER) and the bill that I hope all my colleagues will vote for.

If the bill, if the amendment, passes by the gentleman from Ohio (Mr. BOEHNER), it will have a significant impact on the type of farming over a period of years that we have in the United States. Right now we have a mix of farming. We have some corporate farms, we have some family farms, and we have a mix of corporate family farms. We have some really big farms that are family farms. We have mega farms that are corporate farms that take in tens of thousands, hundreds of thousands of acres whether it is poultry, dairy, grain; just name it.

Right now though, we have a relatively pretty good mix of small family farms, big family farms, and pretty big corporate farms. If we vote for the gentleman from Ohio's amendment, what will happen is the shift will go from family farms, big family farms, to corporate farms, and it will shift from being all across the United States, whether one is a dairy farmer in New York, New England, South Carolina, California, Oklahoma, Montana, Ohio. The consolidation of agriculture then will go to corporate agriculture, and a consolidation of the dairy industry will go to the Midwest.

If I could draw just very briefly a map of the United States? Now, right now the Midwest is a big producer of dairy products. We have other dairy regions in the Northeast, the mid-Atlantic States, the Southeast, virtually all across the country. But with Mr. BOEHNER'S amendment, the focus of the dairy industry, the corporate dairy industry, will be concentrated in the Midwest.

Now there are several problems with that, but one of the problems is suppose this is a severe drought in the future, a concentration of dairy in the Midwest, without it in other areas of the country. If we had a drought, if we had an increase of pests, if we had an increase of disease, if we have floods, we do not have the safety net of the diversity of agriculture that we have right now.

So I will urge my colleagues to vote against the amendment and vote for the bill.

Mr. BOEHNER. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin (Mr. GREEN).

Mr. GREEN of Wisconsin. Mr. Chairman, I thank my colleague for yielding this time to me.

I would like to just briefly shift our focus away from the family dairy farm.

If this were merely a debate between dairy interests, it would not be as bitter as it is, and it would not be as important as it is.

Make no mistake. It is important because it affects nearly every aspect of our economy.

A quick reality check looking outside the Beltway. Heard a lot about the support for 1402 in this House, but when we go outside this House, and we turn to beyond the Beltway, the coalition against 1402 and the pricing scheme, it has ranged from the National Restaurant Association to the Teamsters; yes, the Consumer Federation of America, Americans for Tax Reform, the Snack Food Association, the AFL-CIO.

There is very little that could unite such a group. They are united in their opposition to 1402 and to this outdated pricing scheme. They view it as a tax on milk. It artificially increases the price of milk to consumers. Not only a tax, but a regressive tax because it hits those who can least afford it; and if we know anything about principles of taxation, we know this regressive tax will drive down the consumption of milk.

Can we afford that as a Nation? No. We want to increase consumption of milk and healthy products.

Finally, this will also hurt many of our antipoverty programs. The WIC dollars will not go as far, food stamps will not buy as much, all caused by this outdated pricing scheme, the very pricing scheme that 1402 seeks to reimpose.

End this. End the tax on milk. Introduce market forces. Free up dairy farmers to produce and to compete. Support the Boehner amendment and oppose 1402.

Mr. POMBO. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Chairman, I thank the gentleman for yielding this time to me, and I want to respond to the last speaker for just a moment when we start talking about this as a tax. Let me give my colleagues some mailbox prices. That is what dairymen have been receiving, average, for the first 5 months of this year.

Dallas, Texas or Texas order, \$14.13; the current retail price for milk in Dallas is \$2.50. In Minneapolis, Minnesota, the mailbox price was \$13.52, which is 51 cents less than Texas. But guess what? The retail price of milk in Minnesota as of today is \$2.99. In fact, New York City today, the price of milk, \$2.79. The farmers' mailbox price, \$14.43.

We can go right down the line on any of the mailbox prices that are determined through the Federal milk market order system that can be made to sound very complicated, which it is, but it accomplishes a very important goal for the dairy industry in that it provides a stabilizing way of pricing milk.

There is no one that can say that what the price the farmer gets is affecting what the consumer pays to the

degree that the previous speaker said it.

As my colleagues know, one of the things that I have said over and over in this debate, somehow, some way we have got to get away from this idea that only the dairy farmer or the corn farmer or the cotton farmer or the rice producer or the peanut producer has to constantly produce for less in order that the consumer might pay less when everyone in between does not do that. Remember, last December, there was an article in the Washington Post that stated their commodities winners and losers, and the losers were producers and consumers. And the article there had to do with cereal, and the price of cereal went up last December by 9 percent. Why did the cereal prices go up? Because the cost of advertising and marketing for the cereal manufacturers went up. Now that means that somebody's television contract went up, and it was judged important enough for the processors of cereal to increase their price to the consumer at the same time we were seeing the lowest prices to producers of grain since the Depression.

Now the tone and tenor of the argument today, and I know the gentleman from Ohio (Mr. BOEHNER) and the gentleman from Wisconsin (Mr. OBEY) have good intentions, I know that they believe that if we can just eliminate Federal market orders that the dairy industry would be better off in their regions or in the country as a whole. And I assume it is the country as a whole.

But to that argument, let me point out again dairy farmers in their regions and in every region had a chance to vote on whether they wanted to eliminate the Federal milk order last August, and from 90 to 99 percent of the dairy producers said, no, a resounding no, to the Boehner-Obey amendment. Why did they say that? If they believe that things are going to be better for dairy farmers, did they not vote it out when they had a chance? That is a question for this body to answer.

Now my colleagues will hear, already heard, the gentleman from Wisconsin mentioned a moment ago, that the latest figures, October, show that under the new pricing system that dairy farmers are going to get more money. That is true compared to the old, but it is irrelevant to whether or not we deal with 1402 or whether we deal with 1-B.

□ 1730

It is irrelevant. We are making changes. In spite of the fact that speaker after speaker after speaker said it is a decision or a choice between status quo, it is not. We said when we passed the farm bill that we wanted to reduce the number of orders. We are going from 31 to 11. When we went from 31 to 11, that meant we had to have another vote so the dairy farmers could say they agree with what Congress told USDA to do, and they voted overwhelmingly, not because they approved of everything. They have a difference

on 1-A and 1-B, and that is what this is all about.

While it may be true that under current conditions Class I prices will be higher in the USDA decision than under the current system, this effect is the result of changes in the calculations of manufacturing milk prices that Class I differentials are added to.

In spite of the fact that we continue to talk about milk being priced in one spot, Eau Claire, Wisconsin, that is not true. I do not know how many times we have to say, those of my colleagues arguing the other, that that was changed. We are not keeping the status quo. We do recognize that this system, the federal market order system, needed to be improved and we are doing that, whether we go 1-A or 1-B.

Mr. Chairman, I hope we will all oppose very strongly this amendment and support 1402. That is what the dairy farmers of America believe is in the best interest of their futures. Then I hope that we can get on with some more serious type of discussions as to how we deal with the real problem, the fact that prices for all agricultural commodities are too low. That is what it is all about.

Mr. OBEY. Mr. Chairman, could I inquire how much time is remaining for all parties.

The CHAIRMAN pro tempore (Mr. THORBERRY). The gentleman from Wisconsin (Mr. OBEY) has 3½ minutes remaining. The gentleman from Ohio (Mr. BOEHNER) has 2 minutes remaining, and the gentleman from California (Mr. POMBO) has ¾ minutes remaining.

Mr. OBEY. Mr. Chairman, I yield 1½ minutes to the distinguished gentleman from Minnesota (Mr. PETERSON).

Mr. PETERSON of Minnesota. Mr. Chairman, I thank the gentleman from Wisconsin (Mr. OBEY) for yielding me this time.

Mr. Chairman, not to further muddy the waters but in this last speech by the distinguished ranking member he brought up an issue that I do not think has been talked about enough today and that is that we have a new way of establishing the manufacturing price of milk in the current rule that will go into effect on October 1.

What a lot of people have not focused on is in this bill we actually change what USDA recommended for the new manufacturing price. We legislate a make allowance that was done just in the committee, and then we ask them to go back to rulemaking and take another look at the manufacturing price.

One of the reasons that some of us have argued that this is a better system is because it is not just the Class I differential; it is a combination of this whole system.

I have here the prices for Class I milk that are going to be announced by the Department as determined by the rule that is going to go into effect October 1 if this Congress does not change that rule prior to that time.

In every order area, there is an increase in Class I milk over the current system. So those of my colleagues that are going to vote for 1402, they ought to take a look at this because the price of Class I milk, which is what everybody is concerned about, and I will admit that it is based on the new manufacturing price, but what the prices are going to be in southeastern Florida, for example, they are going to get \$1.32 more per hundred-weight. All through this system there is more money that is going to be available for farmers. And people ought to look at this before they vote on 1402.

Mr. OBEY. Mr. Chairman, I yield myself the remaining time.

Mr. Chairman, the question before us is very simple. Should the highest cost producers in this country get a special bonus from the taxpayers in order to drive up the overall supply of milk which drives down the price that all farmers in the country receive? That is the issue.

The USDA, in contrast to those of us who have regional biases, and that is all of us on this floor, the USDA is supposed to be neutral. What the USDA estimates is that if the modest reforms under Option 1-B had been in effect last year, over all dairy farmers throughout the country would be better off by 87 cents per hundred-weight for Class I milk and dairy earnings would be 15 to 20 cents per hundred-weight higher. That means a farmer with 50 cows, each producing 20,000 pounds of milk, would be \$1,500 to \$2,000 better off with the dairy reform preferred by USDA.

Dairy farmers nationwide, according to USDA, would have received \$300 million in additional income. They are not going to receive that if this legislation passes today. Since it appears that it is, then I would urge Members, as an alternative, to support the Boehner-Obey amendment because if Government is going to involve itself, it needs to do so in a fair manner.

It is clear that involvement is not fair in this instance, and that is why no involvement is better than unfair involvement.

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

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

Mr. Chairman, I just want to close by saying that I urge my colleagues to stick to the transition period that we all approved in the 1996 farm bill. That is the only fair way to take dairy from a regulated bureaucratic business into a free market economy, and I urge opposition to the bill.

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

Mr. BOEHNER. Mr. Chairman I yield myself the balance of the time.

Mr. Chairman, I realize that the amendment that the gentleman from Wisconsin (Mr. OBEY) and I are offering comes to the floor today with some controversy, but I do appreciate all of my colleagues on the Committee on

Agriculture that have been here all day debating this issue, and I really appreciate the fact that we have had a quality debate on the future of dairy.

Now, I have had all my colleagues down here though defending the status quo, do nothing, do not let the USDA changes go into effect; yet out of the other side of their mouths they are describing the plight of dairy farmers in their region.

Now if the plight of dairy farmers is so great in their region, why do we not do something to help them? Why do we want to come to the floor today and preserve the status quo? That is why the gentleman from Wisconsin (Mr. OBEY) and I have this amendment because, in fact, today, the co-ops, where 76 percent of the milk in this country comes from, have taken the place of the Federal Government.

The co-ops are strong entities who are well equipped to go out and negotiate on behalf of their members with processors around the country. Why do we need a dual system where we have a government system in place, a co-op system in place, where the dairy farmer himself has no ability on his own to make decisions for himself?

The amendment we offer today will in fact help those dairy farmers achieve real success, because for 62 years we have never given them the chance to succeed, never given them a chance to succeed because they can only sell their milk based on the complicated price scheme that the gentleman from Wisconsin (Mr. RYAN) pointed out earlier.

How can my colleagues defend this antiquated, Depression-era, Soviet-style socialism in dairy that traps our farmers in a system that is never going to work? The fact is, let us help our farmers. Let us give them a chance to succeed by passing the Boehner-Obey amendment.

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

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Ohio (Mr. BOEHNER).

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

RECORDED VOTE

Mr. BOEHNER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 124, noes 302, not voting 7, as follows:

[Roll No. 435]

AYES—124

| | | |
|--------------|------------|------------|
| Archer | Boswell | Delahunt |
| Armey | Brown (FL) | DeLay |
| Baldwin | Buyer | DeMint |
| Barrett (NE) | Calvert | Doggett |
| Barrett (WI) | Campbell | Doolittle |
| Barton | Capps | Dreier |
| Berkley | Chabot | Duncan |
| Biggart | Coburn | Evans |
| Bilbray | Cox | Ewing |
| Blagojevich | Crane | Frank (MA) |
| Blumenauer | Davis (IL) | Ganske |
| Boehner | Davis (VA) | Goodlatte |

| | | | | | |
|----------------|---------------|---------------|---------------|------------|---------------|
| Goss | Markey | Royce | Neal | Sanders | Taylor (NC) |
| Green (WI) | Martinez | Rush | Nethercutt | Sandlin | Thompson (CA) |
| Gutierrez | McDermott | Ryan (WI) | Ney | Sawyer | Thompson (MS) |
| Gutknecht | McIntosh | Sabo | Norwood | Saxton | Thornberry |
| Hall (OH) | Meehan | Salmon | Olver | Schaffer | Thurman |
| Herger | Meek (FL) | Sanford | Ortiz | Scott | Towns |
| Hobson | Menendez | Schakowsky | Owens | Serrano | Traficant |
| Hostettler | Miller (FL) | Sensenbrenner | Packard | Shadegg | Turner |
| Hyde | Minge | Sessions | Pastor | Sherwood | Udall (CO) |
| Istook | Moran (VA) | Shaw | Pease | Shimkus | Udall (NM) |
| Jackson (IL) | Northup | Shays | Pelosi | Shows | Upton |
| Johnson, E. B. | Nussle | Sherman | Peterson (PA) | Shuster | Velazquez |
| Johnson, Sam | Oberstar | Souder | Phelps | Simpson | Vitter |
| Jones (OH) | Obey | Stark | Pickering | Sisisky | Walden |
| Kaptur | Ose | Stupak | Pickett | Skeen | Walsh |
| Kasich | Oxley | Sununu | Pitts | Skelton | Waters |
| Kind (WI) | Pallone | Tancredo | Pombo | Slaughter | Watkins |
| Klecicka | Pascrell | Terry | Price (NC) | Smith (MI) | Watt (NC) |
| Kolbe | Paul | Thune | Quinn | Smith (NJ) | Watts (OK) |
| Kucinich | Payne | Tiahrt | Radanovich | Smith (TX) | Weiner |
| LaHood | Peterson (MN) | Tierney | Rahall | Smith (WA) | Weldon (FL) |
| Largent | Petri | Toomey | Rangel | Snyder | Weldon (PA) |
| Latham | Pomeroy | Vento | Regula | Spence | Wexler |
| LaTourette | Porter | Visclosky | Reyes | Spratt | Weygand |
| Leach | Portman | Wamp | Reynolds | Stabenow | Whitfield |
| Lee | Pryce (OH) | Waxman | Riley | Stearns | Wicker |
| Lipinski | Ramstad | Weller | Rivers | Stenholm | Wilson |
| Luther | Rogan | Wu | Rodriguez | Strickland | Wise |
| Maloney (NY) | Rohrabacher | | Roemer | Stump | Wolf |
| Manzullo | Rothman | | Rogers | Sweeney | Woolsey |

NOES—302

| | | |
|-------------|---------------|----------------|
| Abercrombie | DeGette | Hulshof |
| Ackerman | DeLauro | Hunter |
| Aderholt | Deutsch | Hutchinson |
| Allen | Diaz-Balart | Inslee |
| Andrews | Dicks | Isakson |
| Bachus | Dingell | Jackson-Lee |
| Baird | Dixon | (TX) |
| Baker | Dooley | Jenkins |
| Baldacci | Doyle | John |
| Ballenger | Dunn | Johnson (CT) |
| Barcia | Edwards | Jones (NC) |
| Barr | Ehlers | Kanjorski |
| Bartlett | Ehrlich | Kelly |
| Bass | Emerson | Kennedy |
| Bateman | Engel | Kildee |
| Becerra | English | Kilpatrick |
| Bentsen | Eshoo | King (NY) |
| Bereuter | Etheridge | Kingston |
| Berman | Everett | Klink |
| Berry | Farr | Knollenberg |
| Bilirakis | Fattah | Kuykendall |
| Bishop | Filner | LaFalce |
| Bliley | Fletcher | Lampson |
| Blunt | Foley | Lantos |
| Boehkert | Forbes | Larson |
| Bonilla | Ford | Lazio |
| Bonior | Fossella | Levin |
| Borski | Franks (NJ) | Lewis (CA) |
| Boucher | Frelinghuysen | Lewis (GA) |
| Boyd | Frost | Lewis (KY) |
| Brady (PA) | Galleghy | Linder |
| Brady (TX) | Gejdenson | LoBiondo |
| Brown (OH) | Gekas | Lofgren |
| Bryant | Gephardt | Lowey |
| Burr | Gibbons | Lucas (KY) |
| Burton | Gilchrest | Lucas (OK) |
| Callahan | Gillmor | Maloney (CT) |
| Camp | Gilman | Mascara |
| Canady | Gonzalez | Matsui |
| Cannon | Goode | McCarthy (MO) |
| Capuano | Goodling | McCarthy (NY) |
| Cardin | Gordon | McCollum |
| Carson | Graham | McCrary |
| Castle | Granger | McGovern |
| Chambliss | Green (TX) | McHugh |
| Chenoweth | Greenwood | McInnis |
| Clay | Hall (TX) | McIntyre |
| Clayton | Hansen | McKeon |
| Clement | Hastings (FL) | McKinney |
| Clyburn | Hastings (WA) | McNulty |
| Collins | Hayes | Meeks (NY) |
| Combest | Hayworth | Metcalf |
| Condit | Hefley | Mica |
| Conyers | Hill (IN) | Millender- |
| Cook | Hill (MT) | Hill (ND) |
| Cooksey | Hillery | McDonald |
| Costello | Hilliard | Miller, Gary |
| Coyne | Hinchee | Miller, George |
| Cramer | Hinojosa | Mink |
| Crowley | Hoeffel | Moakley |
| Cubin | Hoekstra | Mollohan |
| Cummings | Holden | Moore |
| Cunningham | Holt | Moran (KS) |
| Danner | Hooley | Morella |
| Davis (FL) | Horn | Murtha |
| Deal | Houghton | Myrick |
| DeFazio | Hoyer | Nadler |
| | | Napolitano |

Bono
Coble
Dickey

| | |
|-------------|---------------|
| Sanders | Taylor (NC) |
| Sandlin | Thompson (CA) |
| Sawyer | Thompson (MS) |
| Saxton | Thornberry |
| Schaffer | Thurman |
| Scott | Towns |
| Serrano | Traficant |
| Shadegg | Turner |
| Sherwood | Udall (CO) |
| Shimkus | Udall (NM) |
| Shows | Upton |
| Shuster | Velazquez |
| Simpson | Vitter |
| Sisisky | Walden |
| Skeen | Walsh |
| Skelton | Waters |
| Slaughter | Watkins |
| Smith (MI) | Watt (NC) |
| Smith (NJ) | Watts (OK) |
| Smith (TX) | Weiner |
| Smith (WA) | Weldon (FL) |
| Snyder | Weldon (PA) |
| Spence | Wexler |
| Spratt | Weygand |
| Stabenow | Whitfield |
| Stearns | Wicker |
| Stenholm | Wilson |
| Strickland | Wise |
| Stump | Wolf |
| Sweeney | Woolsey |
| Talent | Wynn |
| Tanner | Young (AK) |
| Tauscher | Young (FL) |
| Tauzin | |
| Taylor (MS) | |

NOT VOTING—7

Fowler
Jefferson
Scarborough
Thomas

□ 1802

Ms. LOFGREN and Mr. GREENWOOD changed their vote from "aye" to "no."

Messrs. JACKSON of Illinois, ROTHMAN, WAMP, and MENENDEZ, Mrs. JONES of Ohio, and Mr. MEEHAN changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. THOMAS. Mr. Chairman, on rollcall vote No. 435, I was unavoidably detained. Had I been present, I would have voted "nay."

The CHAIRMAN pro tempore (Mr. THORNBERY). The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. PEASE) having assumed the chair, Mr. Thornberry, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1402) to require the Secretary of Agriculture to implement the Class I milk price structure known as Option 1A as part of the implementation of the final rule to consolidate Federal milk marketing orders, pursuant to House Resolution 294, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the committee amendment in the nature of a substitute adopted by the Committee of the

Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

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

RECORDED VOTE

Mr. COMBEST. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 285, noes 140, not voting 8, as follows:

[Roll No. 436]

AYES—285

| | | |
|-------------|---------------|----------------|
| Abercrombie | Dingell | Kelly |
| Ackerman | Doyle | Kennedy |
| Aderholt | Duncan | Kildee |
| Allen | Dunn | Kilpatrick |
| Andrews | Edwards | King (NY) |
| Bachus | Ehrlich | Kingston |
| Baird | Emerson | Klink |
| Baker | Engel | Knollenberg |
| Baldacci | English | Kuykendall |
| Ballenger | Etheridge | LaFalce |
| Barcia | Everett | Lampson |
| Barr | Farr | Larson |
| Bartlett | Fattah | Lazio |
| Barton | Filner | Levin |
| Bass | Fletcher | Lewis (CA) |
| Bateman | Foley | Lewis (GA) |
| Bentsen | Forbes | Lewis (KY) |
| Bereuter | Fossella | Linder |
| Berkley | Franks (NJ) | LoBiondo |
| Berry | Frelinghuysen | Lowe |
| Bilirakis | Frost | Lucas (KY) |
| Bishop | Gejdenson | Lucas (OK) |
| Bliley | Gekas | Maloney (CT) |
| Blunt | Gephardt | Martinez |
| Boehrlert | Gibbons | Mascara |
| Bonilla | Gilchrist | McCarthy (MO) |
| Bonior | Gillmor | McCarthy (NY) |
| Borski | Gilman | McColum |
| Boucher | Gonzalez | McCreey |
| Boyd | Goode | McGovern |
| Brady (PA) | Goodlatte | McHugh |
| Brady (TX) | Goodling | McInnis |
| Brown (FL) | Gordon | McIntosh |
| Bryant | Graham | McIntyre |
| Burr | Granger | McKeon |
| Burton | Green (TX) | McKinney |
| Callahan | Greenwood | McNulty |
| Camp | Hall (TX) | Meeks (NY) |
| Canady | Hansen | Metcalf |
| Cannon | Hastings (FL) | Mica |
| Capuano | Hastings (WA) | Miller, Gary |
| Cardin | Hayes | Miller, George |
| Castle | Hayworth | Mink |
| Chambliss | Hill (IN) | Moakley |
| Clayton | Hill (MT) | Mollohan |
| Clement | Hilleary | Moran (KS) |
| Clyburn | Hilliard | Morella |
| Coburn | Hinche | Murtha |
| Collins | Hinojosa | Myrick |
| Combest | Hoefel | Nadler |
| Condit | Hoekstra | Napolitano |
| Cook | Holden | Neal |
| Cooksey | Holt | Nethercutt |
| Costello | Hoolley | Norwood |
| Coyne | Horn | Olver |
| Cramer | Houghton | Ortiz |
| Crowley | Hoyer | Packard |
| Cubin | Hulshof | Pastor |
| Cummings | Hunter | Pease |
| Cunningham | Hutchinson | Pelosi |
| Danner | Inslee | Peterson (PA) |
| Davis (FL) | Isakson | Phelps |
| Deal | Jackson-Lee | Pickering |
| DeFazio | (TX) | Pickett |
| DeLauro | Jenkins | Pitts |
| DeMint | John | Pombo |
| Deutsch | Johnson (CT) | Price (NC) |
| Diaz-Balart | Jones (NC) | Quinn |
| Dicks | Kanjorski | Radanovich |

| | | |
|--------------|---------------|-------------|
| Rahall | Skelton | Towns |
| Rangel | Slaughter | Traficant |
| Regula | Smith (MI) | Turner |
| Reyes | Smith (NJ) | Udall (NM) |
| Reynolds | Smith (TX) | Upton |
| Riley | Smith (WA) | Vitter |
| Rivers | Snyder | Walden |
| Rodriguez | Spence | Walsh |
| Roemer | Spratt | Wamp |
| Rogers | Stabenow | Watkins |
| Ros-Lehtinen | Stearns | Watt (NC) |
| Roukema | Stenholm | Watts (OK) |
| Ryun (KS) | Strickland | Weiner |
| Sanders | Stump | Weldon (FL) |
| Sandlin | Sununu | Weldon (PA) |
| Saxton | Sweeney | Wexler |
| Schaffer | Talent | Weygand |
| Scott | Tanner | Whitfield |
| Serrano | Tauzin | Wicker |
| Shadegg | Taylor (MS) | Wilson |
| Sherwood | Taylor (NC) | Wise |
| Shimkus | Thomas | Wolf |
| Shows | Thompson (CA) | Woolsey |
| Shuster | Thompson (MS) | Wynn |
| Simpson | Thornberry | Young (AK) |
| Sisisky | Thurman | |
| Skeen | Tiahrt | |

NOES—140

| | | |
|--------------|----------------|---------------|
| Archer | Herger | Pallone |
| Armey | Hobson | Pascrell |
| Baldwin | Hostettler | Paul |
| Barrett (NE) | Hyde | Payne |
| Barrett (WI) | Istook | Peterson (MN) |
| Becerra | Jackson (IL) | Petri |
| Biggert | Johnson, E. B. | Pomeroy |
| Bilbray | Johnson, Sam | Porter |
| Blagojevich | Jones (OH) | Portman |
| Blumenauer | Kaptur | Pryce (OH) |
| Boehner | Kasich | Ramstad |
| Boswell | Kind (WI) | Rogan |
| Brown (OH) | Kleczka | Rohrabacher |
| Buyer | Kolbe | Rothman |
| Calvert | Kucinich | Roybal-Allard |
| Campbell | LaHood | Royce |
| Capps | Lantos | Rush |
| Carson | Largent | Ryan (WI) |
| Chabot | Latham | Sabo |
| Chenoweth | LaTourrette | Salmon |
| Clay | Leach | Sanchez |
| Conyers | Lee | Sanford |
| Cox | Lipinski | Sawyer |
| Crane | Lofgren | Schakowsky |
| Davis (IL) | Luther | Sensenbrenner |
| Davis (VA) | Maloney (NY) | Sessions |
| DeGette | Manullo | Shaw |
| Delahunt | Markey | Shays |
| DeLay | Matsui | Sherman |
| Dixon | McDermott | Souder |
| Doggett | Meehan | Stark |
| Dooley | Meek (FL) | Stupak |
| Doolittle | Menendez | Tancredo |
| Dreier | Millender- | Tauscher |
| Ehlers | McDonald | Terry |
| Eshoo | Miller (FL) | Thune |
| Evans | Minge | Tierney |
| Ewing | Moore | Toomey |
| Frank (MA) | Moran (VA) | Udall (CO) |
| Gallegly | Ney | Velazquez |
| Ganske | Northup | Vento |
| Goss | Nussle | Visclosky |
| Green (WI) | Oberstar | Waters |
| Gutierrez | Obey | Waxman |
| Gutknecht | Ose | Weller |
| Hall (OH) | Owens | Wu |
| Hefley | Oxley | Young (FL) |

NOT VOTING—8

| | | |
|--------|--------|-------------|
| Berman | Dickey | Jefferson |
| Bono | Ford | Scarborough |
| Coble | Fowler | |

□ 1823

Mrs. MEEK of Florida changed her vote from "aye" to "no".

Ms. PELOSI changed her vote from "no" to "aye".

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. COMBEST. 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. 1402, the bill just passed.

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

There was no objection.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN THE EN-GROSSMENT OF H.R. 1402, CONSOLIDATION OF MILK MARKETING ORDERS

Mr. COMBEST. Mr. Speaker, I ask unanimous consent that, in the engrossment of the bill (H.R. 1402), the Clerk be authorized to correct section numbers, punctuation, citations, and cross-references and to make such other technical and conforming changes as may be necessary to reflect the actions of the House in amending the bill.

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

There was no objection.

PERMISSION FOR COMMITTEE ON AGRICULTURE TO FILE SUPPLEMENTAL REPORT ON H.R. 2559, AGRICULTURAL RISK PROTECTION ACT OF 1999

Mr. COMBEST. Mr. Speaker, I ask unanimous consent for the Committee on Agriculture to file a supplemental report to accompany H.R. 2559, the Agricultural Risk Protection Act of 1999.

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

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 1555, INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 2000

Mr. GOSS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1555) to authorize appropriations for fiscal year 2000 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida? The Chair hears none and, without objection, appoints the following conferees:

From the Permanent Select Committee on Intelligence, for consideration of the House bill, and the Senate amendment, and modifications committed to conference:

Messrs. GOSS, LEWIS of California, MCCOLLUM, CASTLE, BOEHLERT, BASS, GIBBONS, LAHOOD, Mrs. WILSON, Mr. DIXON, Ms. PELOSI, and MESSRS. BISHOP, SISISKY, CONDIT, ROEMER and HASTINGS of Florida.

From the Committee on Armed Services, for consideration of defense tactical intelligence and related activities:

Messrs. SPENCE, STUMP and ANDREWS. There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2506, HEALTH RESEARCH AND QUALITY ACT OF 1999

Mr. GOSS, from the Committee on Rules, submitted a privileged report (Rept. No. 106-328) on the resolution (H. Res. 299) providing for consideration of the bill (H.R. 2506) to amend title IX of the Public Health Service Act to revise and extend the Agency for Health Care Policy and Research, which was referred to the House Calendar and ordered to be printed.

MOTION TO INSTRUCT CONFEREES ON H.R. 1501, JUVENILE JUSTICE REFORM ACT OF 1999

Ms. LOFGREN. Mr. Speaker, I offer a privileged motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Ms. LOFGREN moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendment to the bill, H.R. 1501, be instructed to insist that the committee of conference recommend a conference substitute that—

(1) includes a loophole-free system that assures that no criminals or other prohibited purchasers (e.g. murderers, rapists, child molesters, fugitives from justice, undocumented aliens, stalkers, and batterers) obtain firearms from non-licensed persons and federally licensed firearms dealers at gun shows;

(2) does not include provisions that weaken current gun safety law; and

(3) includes provisions that aid in the enforcement of current laws against criminals who use guns (e.g. murderers, rapists, child molesters, fugitives from justice, stalkers and batterers).

The SPEAKER pro tempore. Under clause 7 of rule XX, the gentlewoman from California (Ms. LOFGREN) and the gentleman from Illinois (Mr. HYDE) each will control 30 minutes.

The Chair recognizes the gentlewoman from California (Ms. LOFGREN).

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

Mr. Speaker, 13 children a day are being killed by gun violence. Perhaps we have repeated this statistic so frequently that we do not fully feel it anymore that these are children, and that is a shame.

I ask the Members here in this Chamber and listening to this discussion in their offices, how we can possibly ignore any legislative measure that could help protect these children?

I ask the Members on all sides of this issue to agree with me that, whatever

else we do, we agree we shall not pretend we are making children safer at the same time we are building into our legislation weasel worded modifiers and exceptions that make the promised protections meaningless.

After I gave notice of this motion to instruct the conferees last night, the Associated Press was told there was a compromise being circulated by the chairman of the Committee on the Judiciary. I wish to make that A.P. article a part of this RECORD.

Since the A.P. article was received in my office this afternoon, I have asked the chairman for a copy of his proposal so I can determine for myself whether it is, indeed, a compromise I could embrace; and I am hopeful that I can get a copy of the proposal. I have had members of the press call my office about this proposed compromise, and I am all the more concerned that we not offer some proposal that might have loopholes.

□ 1830

That is why I thought it was necessary to propose this motion to instruct.

Since there has been no joint meeting of the conference or staff since early August, and I have had to read the AP wire to learn what is going on, even as a conferee, I ask the Members of this body to instruct the conference:

One, not to include loopholes that favor the wrong people getting guns, those who have been arrested, those who have restraining orders, and those who have been adjudicated mentally ill;

Two, not to weaken current gun safety laws;

And, three, not to compromise the ability of law enforcement officers to find those criminals who use guns in the crimes that they commit.

First, my colleagues may ask what loopholes I am worried about. I am worried we are going to define gun shows or gun vendors in such a way to make the Lautenberg gun show provision ineffective, if not meaningless. I am worried that we are not going to define background checks in such a way as to exclude some persons we really should be concerned about.

Second, my colleagues may wonder how we could weaken current gun safety laws. Would anyone in this chamber want to permit the interstate shipment of firearms by mail again? Do we want to repeal the Lee Harvey Oswald gun provision?

Third, my colleagues may wonder what could compromise law enforcement's ability to fine those criminals who use guns in the crimes they commit. Well, suppose the records to run the gun check on the purchaser were destroyed immediately after the check was run. And suppose the gun show vendor did not have to retain the serial number of the gun? How would law enforcement follow the trail to the bad actor who bought that gun?

There are those in this House who prefer that we do nothing. The NRA's

chief lobbyist says, and I quote, "Nothing is better than anything." That is what this House did only a few months ago. The House majority whip made his position crystal clear when he was quoted in The Washington Post as saying that killing the gun safety bill was "a great personal victory." Does the majority whip really want this House to do nothing when it comes to the safety of our children? Does the majority prefer to release its proposal to the press rather than to the conferees? In other words, does the majority really prefer to have a news story rather than a legislative solution? I hope not, and I trust not.

I ask my colleagues to support this motion to instruct as a further guarantee that this Congress does something, that it does something meaningful, that it does something soon, and that it does it in a bipartisan way, in the best interests of the mothers and children of this country.

Mr. Speaker, the Associated Press article I referred to earlier is included for the RECORD herewith.

HYDE FLOATS COMPROMISE PROPOSAL ON NEW GUN CONTROLS

(By David Espo)

WASHINGTON (AP).—The chairman of the House Judiciary Committee is circulating a proposal designed to break a months-long deadlock over the sale of weapons at gun shows, congressional officials said Tuesday night.

The officials, who spoke on condition of anonymity, said Rep. Henry Hyde, R-Ill., is proposing a two-step system of background checks. Most gun show sales could be cleared within 24 hours but others could be delayed for up to three additional business days for additional investigation.

Republican and Democratic aides said Hyde's proposal includes a ban on importing certain large capacity ammunition clips as well as a requirement for the sale of safety devices with handguns.

It also includes a lifetime ban on the purchase of a handgun by anyone convicted of a gun-related felony as a juvenile. And minors would be prohibited from possessing assault weapons.

Separately, GOP aides said any compromise juvenile crime bill would likely include a House-passed provision allowing the posting of the Ten Commandments in schools. Supporters claim that would help promote morality; critics say it is unconstitutional.

Any compromise is also expected to toughen prosecution of juvenile gun-related crimes, and provide additional federal funding for anti-crime programs.

Hyde has outlined his gun proposal to Rep. John Conyers of Michigan, the senior Democrat on his committee, as well as to Sen. Orrin Hatch, R-Utah, chairman of the Senate Judiciary Committee. It was not clear if any senior GOP leaders had yet turned their attention to the issue.

The gun control issue has been percolating in congress since last spring, when two students invaded their high school in Colorado and killed 12 fellow students and a teacher before taking their own lives.

The Senate passed a series of gun control provisions a few weeks later, but a slightly different set of proposals died in a House crossfire when Republicans complained the measures were too strong and some Democrats griped they were too weak.

Efforts at a compromise have moved fitfully since, and Hyde's proposal marked an attempt to find middle ground before lawmakers go home for the year.

The gun show issue is widely regarded as the hardest to resolve, given close votes in the House and the Senate.

Under Hyde's proposal, all gun show purchasers would be subject to a 24-hour check under the proposal. Those that hadn't been cleared by then would be subject to a wait of up to three additional business days.

Hyde's proposal defines a gun show as any gathering of five or more sellers.

The Senate-passed measure would give the government three days to complete the required background check. The House measure that was defeated called for one day, but extended that to other sales outside gun shows that now are covered by the three-day rule.

Current law regarding gun shows requires background checks only for sales by licensed dealers.

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

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

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

Mr. HYDE. Mr. Speaker, I wish to inform the gentlewoman from California that we do not have a text of a bill yet, despite the Associate Press's somewhat premature remarks. The gentleman from Michigan (Mr. CONYERS) and I have been meeting for many hours with our staffs, and we are still negotiating, so any text would be premature. I would prefer releasing a text when we have one, a final one.

I rise actually to support the gentlewoman's motion, but first I want to commend the senior Senator from Utah, who is the chairman of the Senate Committee on the Judiciary and chairman of the Juvenile Justice Conference. And he has shown tremendous leadership on this issue and has done everything in his power to bring the Senate, the House, and the administration together and hammer out a proposal that can pass both Houses of Congress and be signed into law. He and his staff have put politics aside, rolled up their sleeves and sought a solution.

I also want to thank the Speaker of the House and the leadership of this House. I have had their constant support and cooperation in finding the appropriate balance of juvenile justice, enforcement, gun safety, and cultural provisions to respond to the horrific violence that plagues our society.

And, finally, I want to commend my colleague from Michigan, the ranking member of the House Committee on the Judiciary. I have had the pleasure of working closely with him over the last few months to resolve the differences in the House over this juvenile justice provision. It is worth noting that, after 4½ years, we came to a bipartisan agreement on juvenile justice legislation early this year. Unfortunately, that proposal is now wrapped up in a larger package of much more controversial items, including gun safety measures. I respect the courage

of the gentleman from Michigan to seek a meaningful resolution to issues that others would rather exploit than solve.

Now, the gentlewoman's motion calls for background checks at gun shows without loopholes, no weakening of current law, and improved enforcement of current firearms laws. To the gentlewoman I say, consider me instructed. I can state unequivocally that I support each of these goals. Since the tragic school shooting at Columbine high school in April, the Committee on the Judiciary has been holding hearings and working on legislation to address the growing culture of youth violence. And the three goals stated in the gentlewoman's motion have been our guiding effort. And they were reflected in the legislation we brought to the House floor in June, legislation that she and many of her colleagues, unfortunately, did not support.

While I support these laudable objectives, I do not support using them as a Trojan horse for more invidious goals. I support mandatory background checks at gun shows without loopholes. I do not support eliminating gun shows. I agree we should not weaken current law. I do not agree that we should allow for a national registry of firearms.

But as I rise to support the motion, I want to make a few points that I think shed important light on the issues that the gentlewoman's motion addresses. Her motion directs that our conference report include a loophole-free system that ensures that no criminals or other prohibited purchasers obtain firearms from nonlicensed persons and federally licensed firearms dealers at gun shows.

Well, I hope the gentlewoman knows that current law already requires federally-licensed firearms dealers at gun shows to perform background checks prior to the sale of any firearm, and I trust the gentlewoman knows that H.R. 2122, the legislation the House considered on the floor back in June, that addressed gun shows, would have required that all vendors at gun shows, including nonlicensed vendors, perform background checks prior to the sale of any firearm.

I assume the gentlewoman knows that all of the persons on her list of prohibited purchasers, "murderers, rapists, child molesters, fugitives from justice, undocumented aliens, stalkers and batterers," are prevented under current law from lawfully purchasing a firearm. And does the gentlewoman know that the list of prohibited purchasers under current law is actually much longer than her list? All felons, not just the few she lists, are prohibited purchasers under current law.

Furthermore, an individual does not even have to be a felon to be prohibited, but merely needs to be under indictment for a felony to be prohibited. And the list also includes persons that have been dishonorably discharged, and persons who have denounced or renounced their U.S. citizenship. That is all under current law.

Now, I want to say that while I will vote for this motion, I am concerned about what the gentlewoman means when she calls for a loophole-free system. If by that she means mandatory background checks at gun shows prior to the sale of any firearm, with no exceptions and no loopholes, then I am with her all the way. If she means, however, to define gun shows to include every private gun transaction under the sun, then I am not with her. That would be a gross incursion of the liberties that law-abiding U.S. citizens enjoy and would represent an unprecedented degree of Big Brother.

And that is why I do not support the so-called Lautenberg gun show provision. It goes far beyond requiring mandatory background checks at gun shows. Permit me to list a few of its excesses. Its definition of a gun show is so broad that it could include a few family members or neighbors who gathered together to trade firearms. It imposed myriad new excessive regulations on gun show organizers, seemingly with the aim of driving them out of business, including criminal penalties for conduct of persons not within their control. It required federally licensed vendors to do the background checks for nonlicensed vendors at gun shows. That is for their competitors. And it would then impose new regulatory burdens on the federally licensed vendors, making it more difficult for them to stay in business.

And get this, it would further allow Federal ATF agents to search a gun show promoter or a federally licensed vendor without reasonable cause and without a warrant. And, finally, it created a new huge gun control bureaucracy with vast new authority. Indeed, the most oft repeated phrase in the Lautenberg provision is, "as shall be required by regulation from the Secretary of the Treasury."

This new gun control bureaucracy would make organizing and participating in a gun show so onerous and costly that it appears to have been designed to shut down gun shows altogether. One example is handing to every participant a copy of title 18's gun control regulations and statutes, plus a copy of the regulations. As such, it is my considered view that the Lautenberg amendment does not represent reasonable common ground as we continue to work toward reasonable gun control.

What is reasonable gun control? Well, how about a ban on importing large capacity ammunition clips; a requirement for the sale of safety devices with handguns; Juvenile Brady, prohibiting juveniles convicted of a violent offense from owning a firearm; prohibiting minors from possessing assault weapons; and, yes, mandatory background checks at gun shows before the sale of any firearm. This is what we propose.

The gentlewoman's motion also urges the conferees to, and I quote, "include provisions that aid in the enforcement of current laws against criminals who

use guns." I hope no one misses the point that the motion is concerned about the enforcement of firearms laws already on the books. Let me say that I share that concern, because the administration has been derelict when it comes to firearms enforcement.

Consider the following: In 1992, there were 7,048 Federal prosecutions of Federal firearms violations. In 1998, there were only 3,807 such prosecutions. This is a reduction of nearly one-half. Over the last 3 years, the total number of prosecutions of gun criminals has been pitiful. During that period, there were only 38 prosecutions of juveniles in possession of a handgun, that is over 3 years, even though juvenile gun violence is way up. There were only 22 prosecutions for illegally transferring a handgun to a juvenile. There were only 17 prosecutions for possession or discharge of a firearm in a school zone. And, get this, only one Brady Act violation or background check prosecution in 3 years.

Now, some can argue that the numbers fail to point out the States are doing a better job. Well, even if the States are picking up some of the slack, it does not diminish the fact that the Federal Government has been prosecuting less. And less Federal prosecutions mean less prison time by gun criminals, because the Federal system is the toughest in the Nation.

I also wonder if the gentlewoman is aware that the McCollum amendment to H.R. 1501, which passed the House in June, included the armed criminal apprehension program. This program was precisely designed to, in the words of the motion, aid in the enforcement of current laws against criminals who use guns. The program in the McCollum amendment required the Justice Department to establish an armed criminal apprehension program in each U.S. Attorney's Office. Under the program, every U.S. Attorney would designate one or more Federal prosecutors to prosecute firearms offenses and coordinate with State and local authorities for more effective enforcement.

In conclusion, let me say I wholeheartedly agree that enforcement of current gun laws has become a national problem, even a national disgrace. I am glad the gentlewoman's motion makes the point and calls for improved enforcement efforts.

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

Ms. LOFGREN. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. CONYERS), the ranking member of the committee.

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

Mr. CONYERS. Mr. Speaker, I begin my discussion by commending the gentlewoman from California. This motion to instruct is right on time. It tries to put together what the gentleman from Illinois (Mr. HYDE) and I are working on into a general picture that can lead

to a resolution that will satisfy the majority of the Members of the House of Representatives and the American people.

□ 1845

Now, if we can accomplish this difficult goal, I think that we will have a successful conclusion to a serious problem that has been neglected for far too long.

May I also say to the gentleman from Illinois (Mr. HYDE) that negotiations have been in total good faith from the beginning. It is not out of order for me to let everybody know that we are meeting on this even as the motion to instruct is being resolved here on the floor; and these meetings will go on as long, as often, as frequently is necessary if between us and the forces that we represent we can hammer out a consensus that will lead us to a position that the majority of the Members of this House can repair. If that happens, I will be very personally gratified.

Now, these discussions are in good faith. They have been productive over the last 2 months. The possibility of reaching a bipartisan agreement on reasonable and commonsense gun safety legislation is good. It is positive. It is in that spirit that I join both the gentlewoman from California (Ms. LOFGREN) and the chairman of the committee in urging that the motion to instruct be adopted by as great a majority as is possible.

It is true that the descriptions of the compromises that the chairman and I are working on have been inaccurate and incomplete. But that is not news with the press. The media has not been a party to our meetings. They do not know what we have been talking about and what agreements have been reached. But let me tell my colleagues what, in my mind, are the kind of things that we should be looking for if we are going to resolve the question of commonsense gun safety legislation.

Would it not be wonderful that there would be no exemption of a substantial number of gun shows for events where guns are sold simply because other items are sold as well? I think that is reasonable, and I hope that we will include this in our thinking on both sides of the aisle.

Would it not be wonderful if proposals for independent check registrants that will invite fly-by-night background checkers who will consummate sales that are difficult to trace may be impossible, making the enforcement of our gun laws against dangerous criminals who use guns even more unlikely, eliminating sufficient recordkeeping requirements which might tempt fraud to enter into this system?

There should be, in my view, no exclusion of coverage of domestic violence offenders and mentally disturbed individuals from the background check requirement. And hopefully, unconstitutional provisions, the Ten Commandments proposal, for example, is some-

thing that probably does not materially fit into the notion of how we achieve commonsense gun safety in America.

So personally, my colleagues, I believe that these matters are resolvable. We are still confronted with the goal of coming to a conclusion and then going into conference. After all, the meetings are not going to solve the problem. The meetings are laying the groundwork for the conference committee to come to the agreements that the chairman and I are struggling toward.

There are over 35,000 gun-related deaths in the country, and the ease with which wrongdoers can obtain semiautomatic weapons and other firearms is a national outrage.

So what we seek is to meet the modest goals established in the Senate-passed bipartisan gun violence bill. I will continue to commit to do everything in my power to see that this is accomplished.

Again, I commend the gentlewoman from California (Ms. LOFGREN).

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

Mr. Speaker, I appreciate the wise comments of the chairman and ranking member. I am concerned, however, that despite all the good will and the coming together about this motion, we met last on August 3, we gave speeches to each other as conferees; and now it is September, midterms are almost here, and we still have not gotten anything into law.

So that is a concern, and it is shared by the gentlewoman from New York (Mrs. MCCARTHY).

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

Mrs. MCCARTHY of New York. Mr. Speaker, I rise in support of the motion to instruct the conferees on the Juvenile Justice Reform Act.

The gentlewoman from California (Ms. LOFGREN) and I offer this motion to help move the conference committee forward towards approval of effective juvenile justice legislation that will help save children's lives.

I will skip part of my written testimony mainly because of what I have already heard tonight. I think what is important to realize is why did we even start this journey. It all had to do with the shooting at Columbine.

We know the gun that was used in that particular shooting was bought at a gun show. No questions asked. That is why we are dealing with the gun show loophole. That is why we are here. That is what the American people want us to do.

Our job here is to listen to the American people. Our job here is certainly not to be on an emotional fever but certainly to say we are listening and we are trying to work something out.

But I have to say, people in this chamber seem to think that we might be able to get through some sort of a gun show amendment that is not going to close the loopholes. The American

people are watching this. Being somewhat of a newer Member, I have a great deal of faith in the American people now knowing when there is a good bill and there is a bad bill, and they will judge us on that. And I think that is the important thing to remember.

Tomorrow, on the steps of this Capitol, the beginning of the yearlong procedure as far as a million women, mothers, grandmothers will be starting so they can be here next Mother's Day. They are going to be the ones that are going across this country saying that we have to do something.

I say to all of us, let us work together, let us put a good bill through, and let us not have the NRA write something up knowing that they do not want anything done.

Mr. Speaker, I rise in support of the motion to instruct the Conferees on the Juvenile Justice Reform Act. The Gentlewoman from California and I offer this motion to help move the Conference Committee forward, toward approval of effective Juvenile Justice legislation that will help save children's lives.

The motion is simple and straightforward. It contains a 3-part instruction:

(1.) The Juvenile Justice legislation should include a loophole-free system that assures that no criminals or other prohibited purchasers obtain firearms from gun shows; (2.) The Juvenile Justice bill should not include provisions that weaken current gun safety law; (3.) The Juvenile Justice legislation should include provisions that aid in enforcement of current laws.

I urge all of my colleagues to support the motion to instruct. I believe it is fundamentally important that the House overwhelmingly support this balanced motion because the American people are looking to Congress for leadership. The American people want Congress to help make our school's safer.

If we are going to make our schools safer, we have to address the issue of easy access to guns. In every one of the tragic school shootings over the last two years, it was too simple for children to get a hold of guns. In Littleton, Colorado, Eric Harris was able to purchase a TEC-9 used in the Columbine High School shooting no questions asked at a gun show. The motion to instruct includes a provision requesting that the conferees close the deadly gun show loophole.

The motion to instruct also includes a provision that states we must NOT weaken current gun law. Before Members vote on the motion, I think it is important that we remember why we are having the debate over juvenile justice. As my colleagues know, legislation regarding juvenile justice stalled last year. And the Juvenile Justice bill was moving slowly this year until the shooting at Columbine High School caused the American people to stand-up and say that Congress must do something about kids and guns.

It would be a total disaster if Congress responds to the recent outbreak of school shootings by approving a Juvenile Justice bill that actually weakens our current gun safety laws. I would warn my colleagues that the American people will not be fooled by a juvenile justice bill that responds to the deaths in our schools with NRA-drafted proposals that do not truly address the problem of children's access to firearms.

We are fighting for children's lives here. Congress must approve a bill that truly protects our kids by keeping guns out of the hands of juveniles and criminals. I urge my colleagues to support the motion to instruct and show the American people that Congress is listening to their concerns.

Ms. LOFGREN. Mr. Speaker, I yield 3 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, let me add my appreciation to the gentlewoman from California (Ms. LOFGREN) for this motion to instruct. It is constructive because it says to those of us who are conferees that, one, we still have a task to do and this is how we should do it.

In addition, let me frankly thank the chairman, the gentleman from Illinois (Mr. HYDE), and the ranking member, the gentleman from Michigan (Mr. CONYERS). It tells us, I say to the gentleman from Illinois (Chairman HYDE) that we should not believe everything we read.

I am delighted that there are ongoing discussions regarding gun safety laws in America and that, in fact, even though there are ongoing discussions, those of us conferees will be included in those discussions, for we have a great concern about gun safety but, more importantly, gun violence that needs a response.

Needless to say, our Nation leads the world in firearm deaths. Particularly as it relates to deaths, the leading cause of death in 100,000 people are firearms.

We already heard many times before, particularly this morning as many of us read, a number of children who have died from gun violence since Columbine that 13 children die every day and that firearms are the fourth leading cause of deaths among children age 5 to 14.

I would like to just simply refer my colleagues to a series that was done, "America Under the Gun." I think it is worth noting some very important factors here that talk about the number of killings that we have had, the weapons used, the Uzi semiautomatic, a .40 caliber Glock semiautomatic, a .9 millimeter pistol Glock, a .357 Magnum revolver, a Tec DC-9 handgun, .22 Ruger, a .38 caliber Smith & Wesson revolver. A number of these that were used to do a series of killings across this Nation had an automatic ammunition clip.

At this point in time, Mr. Speaker, we do not have that provision nailed down in the conference. But I am glad that our chairman has indicated, along with my support and that of the gentlewoman from Colorado (Ms. DEGETTE) and Senator FEINSTEIN that we are going to discuss and get into this bill the prohibition on automatic clips. This is important because this is what we see as one of the main causes of deaths.

In addition, Mr. Speaker, I do not know how many of us know in addition to the loopholes in gun shows that in many States children can go unaccom-

panied into these gun shows. I would be looking for the chairman to work with him to at least do as much as we do for children going into R-rated movies where children under 17 cannot go into these movies of violence without an adult; but yet we allow children randomly to go into gun shows where we found that many of the perpetrators of violent crimes have gotten their guns.

This instruction emphasizes to us that we must not weaken gun safety laws. And as well, Mr. Chairman, it emphasizes to us that we must get down to our task.

I simply close, Mr. Chairman, by saying that although the Second Amendment stands strong, guns are not relics; guns can be regulated. We must regulate guns on behalf of our children. Let us get to the conference and do our job.

Ms. LOFGREN. Mr. Speaker, I yield 1 minute to the gentleman from Illinois (Ms. SCHAKOWSKY).

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

Ms. SCHAKOWSKY. Mr. Speaker, the Chicago Tribune, September 22, 1999:

Two Fenger High School students were injured Tuesday when a gunman opened fire on a crowd of students walking home, Chicago police said.

Authorities said between 6 and 12 shots were fired, sending the students scurrying for cover. Witnesses told the police the shooter was a 17-year-old male who had been expelled from the South Side High School a year ago.

The shooting near Fenger took place about 3 p.m. A large group of students walking south on Wallace began arguing with a smaller group of at least four people near the intersection.

The gunman, who was in the smaller group, allegedly pulled out a handgun and began firing into the other crowd of students. It was unclear whether the gunman intended to hit the two injured students or whether he knew them.

"It's crazy. It's just crazy out there," said Crystal Allen, Darrell Allen's mother, as she rushed into the hospital's emergency room. "Your kids can't even walk to school without being shot. It's a shame. They have metal detectors in the schools. But what happens when they walk outside?"

Conferees, please do something meaningful to keep guns from turning school yard brawls into injury and death.

Mr. HYDE. Mr. Speaker, I am pleased to yield such time as he may consume to the gentleman from Georgia (Mr. BARR).

Mr. BARR of Georgia. Mr. Speaker, I would like to thank the distinguished chairman of the Committee on the Judiciary for his courtesy in yielding me the time and also for his leadership on these most important issues.

I think perhaps, colleagues, the best thing we could do in this debate, which will certainly not be the final word, we will debate this issue many, many days this session and the next session of Congress, is to provide a little bit of background.

All of us talk about prosecution of violent crimes, prosecution of crimes involving firearms.

□ 1900

We also talk about providing the necessary resources to our Department of Justice to enforce those federal laws that relate to violent crime. I think it is important to place this debate in context, to look at the increases in the Clinton administration Department of Justice budget that had been provided by the Congress for the administration to carry out its mandate to enforce those Federal criminal laws including, but not limited to, those that relate to the use of firearms.

One does not have to see the small print on this chart to recognize that there has been a substantial increase just over the last 6 years of the Clinton administration in the billions of dollars that have been provided to the Department of Justice for its budget increasing from 9.63 billion to 14.82, well over a 50 and close to a 55 percent increase. One would expect to see not necessarily a 55 percent increase in the prosecution of the criminal use of firearm statutes during the same period of time, but perhaps leave something close to it. Certainly one would not expect to, given the rhetoric of the Clinton-Gore administration, expect to see even a modest decrease in the prosecution of criminal use of firearms during the last 6 years.

Unfortunately, Mr. Speaker, that is, in fact, what we see. We see a substantial decrease in the prosecution of the criminal use of firearms during each year from 1992 to 1998, nearly a 50 percent decrease.

So at the same time as we have increased the budget for the Department of Justice to prosecute violent crimes by over 50 percent, we have seen a 50 percent decrease in the actual prosecutions of these cases. Therefore, those of us on this side of the aisle serving on the conference committee on this piece of legislation are concerned that we, in fact, provide something more than simply more money for the Clinton administration to prosecute violent crime, and that is in fact one of the things that we are looking at. We are looking at, for example, programs that actually work, such as Project Exile in the Richmond, Virginia area which resulted over about a 2-year period in a 40 percent decrease in the incidents of violent crimes in that jurisdiction.

The way that this came about was very simple. An Assistant United States Attorney in Richmond called the local prosecutors and law enforcement officials into his office and said, "If you bring me the gun cases, I will prosecute them. If you build it; they will come. If you bring me those cases, they will be prosecuted; I guarantee you," he told them, "and I will seek maximum penalties under the federal laws." The fact of the matter is that he did just that. He developed the credibility with local law enforcement, and the results speak for themselves. That is what we need to be doing, Mr. Speaker.

Now I understand the gentlewoman from California, and I would presume

that she agrees with us that what we ought to be looking at is more than simply providing more money to an administration that has received substantially more money to prosecute cases yet has not done so, that we ought to be looking at ways to prod the administration and future administrations to actually prosecute gun cases, to actually prosecute those who commit a felony every time they provide misleading or false information on the instant background check form. Rather than talk about so many tens, if not hundreds of thousands, of felons who have escaped, who are not able to purchase firearms because of the NICS system, let us talk also about those very, very few, .2 percent, that have actually been prosecuted for committing what amounts to about as close as one can get to an open and shut felony. They put false information on that form; the form says if they do so, they are subject to a 5-year penalty in the Federal penitentiary, and, in fact, those cases, if they were prosecuted, would send a very important message to the American people.

So in conclusion, and in support of what the chairman and us on this side of the aisle, those of us on this side of the aisle concerned with doing something that actually does more than just talk about these problems; what we are trying to do is to work with the conferees and present back to this body something that this body actually had a chance to vote on. Yet the vast majority of Democrats, even most of those who voted for the so-called Dingell amendment to tighten up on provision of background checks, national instant checks at gun shows, they turned around and then voted to kill the bill that had that provision in it.

What we are trying to do is to put politics aside and look at the substance of these issues, look at the substance of providing the guarantees insofar as we are able and the impetus for prosecuting these gun cases to provide the resources to the Department of Justice, that it needs to do so. None of us are interested in weakening current gun laws. That is a red herring. None of us are interested in doing that, and there is nothing in the bill that we are considering in the conference report that would do that.

So, Mr. Speaker, one really has to wonder when one looks at the language of the gentlewoman from California which provides for a loophole-free system, includes provisions that do not weaken current gun safety law; we are not in disagreement on those, and includes provisions that aid in the enforcement of current laws; we certainly support that. One has to wonder, since she disagrees with what we are saying what the agenda is. Is there a hidden agenda there? What is the purpose of this other than to provide a smokescreen for perhaps other legislative initiatives that the House has already voted down?

So, Mr. Speaker, I would urge my colleagues to vote against this motion

to recommit with instructions, allow the flexibility to our conferees, as provided by the House and by the Senate, to work on these matters, bring this matter back to the House and to the Senate with measures that have some actual teeth in them, that have more than sound bites, that provide our law enforcement officials and our prosecutors at the national level and at U.S. Attorneys' offices across the country the tools that they need to actually get something done.

Ms. LOFGREN. Mr. Speaker, I yield 1 minute to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. Mr. Speaker, I rise in strong support of the motion to instruct offered by the gentlewoman from California (Ms. LOFGREN), and I applaud her for her consistent leadership on this issue.

With approximately 13 young people dying each day since the Columbine massacre, almost 2,000 young people have been victims of gun violence, and yet as more and more children become statistics, this Congress continues to look the other way.

Since the beginning of this debate, opponents of tough gun safety measures have relied on the strategy of delay, delay, delay. This motion to instruct is a signal to the conference committee that delay is no longer acceptable. It tells the conferees that we cannot wait until another child falls victim to gun violence before we act.

This motion does three things.

First, it says that the bill should ensure that no criminals are able to purchase guns at gun shows; second, it says that a conference report should not weaken current law; and third, it says that we should work to strengthen enforcement of existing gun laws.

I cannot think of a single reason why anyone would oppose this motion to instruct. Please vote for the motion to instruct.

Ms. LOFGREN. Mr. Speaker, I yield 1 minute to the gentlewoman from Ohio (Mrs. JONES).

(Mrs. JONES of Ohio asked and was given permission to revise and extend her remarks.)

Mrs. JONES of Ohio. Mr. Speaker, I rise today to add my voice to the debate on juvenile justice. Mr. Speaker, the gentlewoman from California (Ms. LOFGREN) has introduced this motion to instruct conferees. Since we approved the bill in the House on June 17, and the Senate on July 28, to date there has been no motion on the conference between the House and the Senate on this legislation. In the meantime, children across America die as a result of violent crime.

My colleague has instructed the conferees that would require a loophole-free system. People keep saying, "Well, what do you mean a loophole-free system?" We are talking about the fact that under a 24-hour gun check in a gun show people whose records are not clear in records like on post cards or index cards in little communities

might get a gun because if one does not reveal it within 24 hours, they still get a gun. That is what we are talking about, loophole-free, loop-free situations.

Let me say this to my colleagues. Innocent children like those in Fort Worth, those in Columbine, and those across our country whose names unfortunately never reach the media because they die on the streets of this Nation unnoticed are worried about what is happening with this gun control legislation. I encourage all of my colleagues who are here on this floor within my voice to vote in favor of the motion.

Mr. HYDE. Mr. Speaker, I yield myself 1 minute to respond to the gentlewoman from Ohio (Mrs. JONES) who just spoke.

We are not delaying this. We are working as hard as we can. It is no easy matter to reconcile the left, the right, the center, the pro-gun, the anti-gun, the liberals, the conservatives. This is a very difficult question.

The gentleman from Michigan (Mr. CONYERS) told us earlier that we have been meeting even today, and we are going to meet tomorrow. We are working very hard, and please do not beat us over the head that we are trying to delay this. We are moving with all deliberate speed, I can assure the gentlewoman from Ohio, and if she doubts it, ask Mr. CONYERS.

Mrs. JONES of Ohio. Mr. Speaker, will the gentleman yield?

Mr. HYDE. I Yield to the gentleman from Ohio.

Mrs. JONES of Ohio. Mr. Speaker, I do not mean to point a finger. What I want to say is the people of these United States want to hear from us. If I am part of the delay, I accept the delay. I am standing here saying let us get it on.

Mr. HYDE. I understand that, Mr. Speaker, and I am here to tell the gentlewoman we are getting it on as fast as we can, believe me.

Mrs. JONES of Ohio. With all deliberate speed.

Mr. HYDE. Yes, speed. Emphasize speed, but it takes deliberation, too. We cannot do this, as my colleagues know, with a snap of the fingers.

I know the gentlewoman has had vast experience in negotiating these matters, and I want to defer to her, but I want her to know we are trying as hard as we can. Believe me.

Ms. LOFGREN. Mr. Speaker, I yield 1½ minutes to the gentlewoman from California (Ms. WOOLSEY).

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

Ms. WOOLSEY. Mr. Speaker, while we haggle over tax breaks and F-22 bombers, 13 children are dying each day in this country as a result of gun violence. While we play politics with spending caps and budget priorities, 13 children will be killed by guns. So I ask who is taking care of our children?

Nearly 5 months after the tragedy at Columbine, we have done nothing to

strengthen gun laws or to enact commonsense gun regulations, but while we have done nothing, 13 families every day are faced with burying a child. This is disgraceful that we have not passed gun safety legislation this Congress, and it would be even more disgraceful to pass a bill that actually weakened current gun laws.

This is not a game. We are talking about children's lives.

I urge my colleagues to support the Lofgren motion to instruct; and after that when we tighten gun control laws, then when we ask who is taking care of our children, the answer can be and will be:

We are.

But until then our children remain at risk.

Mr. HYDE. Mr. Speaker, I yield 5 minutes to the gentleman from Florida (Mr. MCCOLLUM).

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

Mr. MCCOLLUM. Mr. Speaker, I thank the gentleman from Illinois for yielding this time to me.

This is a motion that I rise today to support. As one of the conferees on H.R. 1501 and as the principle sponsor of the bill, I do very much want to support the gentlewoman's motion; but I want to take a few moments to speak on the motion and on the ongoing conference that is going on this bill.

First, let me address the first part of the motion, that the conference report include a, quote, loophole-free system that assures that no criminals or other prohibited purchasers obtain firearms from nonlicensed persons and federally licensed firearm dealers at gun shows, unquote.

□ 1915

I hope everybody knows that federally licensed firearm dealers now under current law are required to perform background checks prior to the sale of any firearm, whether they are making that sale in their own store or at a gun show. It does not make any difference. That is current law.

The law currently provides that it is a crime for these prohibited persons to possess a firearm of any kind. What we have been working long and hard on is a provision that will address the other sellers of guns at gun shows, ordinary citizens who do not have as their principal business the sale of guns.

I introduced a bill, H.R. 2122, to do just that, which was debated on this floor in June. Unfortunately, the bill was voted down largely because most of the Members on the gentlewoman's side of the aisle voted against it. Since that time, some of us on this side of the aisle have been working to come up with a new and different approach, one that attempts to address many of the concerns that Members of the gentlewoman's side of the aisle have expressed during the debate on H.R. 2122.

I must say that our inability to find common ground is caused by some of

the Members, including perhaps the majority on the gentlewoman's side, taking an all-or-nothing approach. We really do need to find a way to compromise this issue.

There is nothing magical in the language that passed in the other body. In fact, we have heard from thousands of our constituents that the provisions of the bill passed there would reach far beyond what its proponents represent that it would do. I know that the gentlewoman and others on her side of the aisle appreciate that there almost always are a number of ways to write a law to reach the same end. All we are asking is that she encourage the conferees on her side of the aisle to be open to a different way to accomplish the goal that I believe we all share.

I must also express some confusion at the provision of the motion that states that we should achieve a, quote, "loophole-free system," unquote. I do not think anybody intends to construct a system with a loophole and I hope that the gentlewoman is not intending to use this provision to broaden the debate on the bill. Up to this point, we have been discussing ways to ensure that no prohibited purchaser can buy a gun at a gun show, that is, nobody who is a convicted felon or has any other disability that says they are not permitted to own a gun. I am committed and I have been committed to making that a reality, but I must say that if the gentlewoman seeks to use her motion to move the debate into regulating every private gun transaction, then we part company.

I believe that it is clear the American public does not support the Government regulating private firearms transactions any more than they already do.

The gun show issue is another story, and I agree with the gentlewoman on that; and I think we should reach a common ground to resolve this.

Finally, I must point out that the gentlewoman's motion speaks to only one small part of the bill. I think it is vitally important for Members to bear in mind this bill contains a number of very important provisions. Many of them have enjoyed bipartisan support for quite some time. It would be a shame if we did not allow these other provisions to become law because Members cannot agree on a single provision.

The underlying bill is the juvenile justice bill. It is a bill that was totally bipartisan when it came out of the Subcommittee on Crime and it is, I believe, totally bipartisan today, which deals with an effort to put consequences for juveniles who commit misdemeanor crimes, the lesser crimes than the ones with violence and guns, give them consequences early on because all of the experts say that without those consequences in the law, which are not there today for a variety of reasons, but principally because we have an overworked and understaffed juvenile court system in the States,

without those consequences we see kids thinking they can get away with crime when they rob a store or they steal a car or they steal a radio out of a car or whatever, and later on then they think they can get away also with violent crime. They don't believe they are going to get punished.

I know that is a simple concept, but it is a valid concept; and it is one that all law enforcement and sociologists who deal with kids understand.

The underlying bill addresses that problem by providing a grant program to the States to allow them to improve their juvenile justice systems with more probation officers, more judges, more of all of those things they need, including diversion programs for kids, with only one caveat, and that is that every juvenile justice system in the Nation, every State, assure the United States Attorney General that they are going to punish a juvenile for the very first misdemeanor crime and every crime of a more serious nature thereafter with an increasingly greater punishment. That does not mean jail time. It does not mean lock-up time. It means community service or whatever, but some kind of punishment.

So I certainly support the motion the gentlewoman is offering, but I hope that Members on both sides will see it as a call to work more closely together to reach what I believe is a widely accepted goal and pass what is fundamentally a good bill and close the existing loophole in the gun show law.

Ms. LOFGREN. Mr. Speaker, how much time remains?

The SPEAKER pro tempore (Mr. COOKSEY). The gentlewoman from California (Ms. LOFGREN) has 10 minutes remaining. The gentleman from Illinois (Mr. HYDE) has 5½ minutes remaining.

Ms. LOFGREN. Mr. Speaker, I yield such time as she may consume to the gentlewoman from New York (Mrs. MCCARTHY) for purposes of a notification.

(Mrs. MCCARTHY of New York asked and was given permission to speak out of order.)

NOTICE OF INTENTION TO OFFER A MOTION TO INSTRUCT CONFEREES ON H.R. 1501, JUVENILE JUSTICE REFORM ACT OF 1999

Mrs. MCCARTHY of New York. Mr. Speaker, pursuant to clause 7 of rule XXII, I give notice of my intent to offer a motion to instruct conferees on H.R. 1501 tomorrow. The form of the motion is as follows:

Mrs. MCCARTHY of New York moves that the managers on the part of the House at the conferees on the disagreeing votes on the two Houses on the Senate amendment to the bill, H.R. 1501, be instructed to insist that, one, the committee of the conferees should this week have its first substantive meeting to offer amendments and motions, including gun safety amendments and motions; and, two, the committee of conference should meet every weekday in public session until the committee of conference agrees to recommend a substitute.

Ms. LOFGREN. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts (Mr. DELAHUNT), a Member of the Committee on the Judiciary.

Mr. DELAHUNT. Mr. Speaker, I rise in support of the motion to instruct. I think the motion to instruct is important to correct a deeply flawed bill, a bill that, in fact, left this House and weakened the Brady statute; therefore, has put lethal weapons, if it should be enacted, into the hands of criminals. Let me explain why.

During the past 5 years, the Brady instant-check system has prevented illegal gun purchases by more than 400,000 fugitives, convicted felons, drug addicts and others who cannot lawfully possess a firearm. If we pass this bill, we will be handing them a loaded weapon and inviting them to pull the trigger. That is because the House-passed bill denies the FBI the 3 days it needs to complete its background check on the very people most likely to have a criminal history, like a convicted rapist who traveled from Virginia to North Carolina several months ago for the purpose of buying a gun; or the man convicted of armed robbery and burglary in Georgia who drove to Missouri last March for the purpose of buying a gun; or the murderer in Texas; or the arsonist in New Jersey who went all the way to Mississippi last April for the purpose of buying a gun.

These are just a few of the thousands of criminals who tried to purchase handguns in the last 6 months and were stopped because a 3-day background check revealed their criminal history before the sale could be consummated.

If the House bill had been the law of the land 6 months ago, 9,000 of these people would have been walking the streets with a license to commit crime. I ask my colleagues to think about that before they vote. Think about the lives that could very well be destroyed because one of those 9,000 criminals got a hold of a weapon and pulled the trigger. Think about what we would have to say to the families of the victims if we allow the House bill, which weakens the Brady bill, to become law.

Ms. LOFGREN. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. CROWLEY).

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

Mr. CROWLEY. Mr. Speaker, I rise today in strong support of the Lofgren motion to instruct for juvenile justice conference. Mr. Speaker, I find it hard to believe that despite the overwhelming desire by the American people for reasonable and common sense limitations on access to guns, this Congress has still not passed and sent to the President the Senate version of the juvenile justice bill.

The parents of America are concerned, and given the tragedies that have occurred across this Nation, they have a right to be. They are concerned about the proliferation of guns, of kids gaining access to guns without trigger locks, of guns being bought and sold at gun shows and flea markets without adequate background checks, and of

the ability to buy guns anonymously over the Internet.

They are concerned, Mr. Speaker, because current U.S. law is inadequate to prevent guns from easily falling into the wrong hands. They are concerned and want action by this Congress. In fact, Mr. Speaker, they demand action by this Congress. I would urge all of my colleagues to support the Lofgren motion, which instructs the conferees to include a loophole-free system that assures murderers, rapists, child molesters, and other criminals do not gain access to guns, and instruct them not to weaken existing gun safety laws.

Ms. LOFGREN. Mr. Speaker, I yield 1 minute to the gentleman from Illinois (Mr. BLAGOJEVICH).

Mr. BLAGOJEVICH. Mr. Speaker, within the last 6 months, America has witnessed shootings at Columbine High School, the Jewish Community Center in Los Angeles, hate crime shootings in Illinois and in Indiana and now most recently the shootings in Fort Worth, Texas. In each one of those shootings, guns were involved that were purchased at either gun shows or at flea markets. No surprise, last year in America 54,000 guns were confiscated in crimes that originated at gun shows. The Senate-passed legislation, mirrored on the Brady law, would simply apply the background check requirements at gun shows that we require at retail gun stores. This Congress has yet to do that. I urge the conferees to do what the Senate did, provide common sense, basic background requirements at gun shows that we apply to retail gun stores.

This is not, Mr. Speaker, about gun control. This is about crime prevention and about public safety.

Mr. HYDE. Mr. Speaker, may I ask how much time I have remaining.

The SPEAKER pro tempore. The gentleman from Illinois (Mr. HYDE) has 5½ minutes remaining, and the gentlewoman from California (Ms. LOFGREN) has the right to close.

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

Mr. Speaker, I am looking forward to supporting this resolution. I will say it is a little distressful, and I searched for a word and I came up with distressful, to be unjustly criticized for foot dragging. I would presume to direct those who criticize us for lack of progress, I would direct them to their committee staff and to their ranking member for verification that no one has been delaying a solution.

I want a solution. I am in good faith. So is our staff. We have met time and time again. These are difficult, emotional issues; and they are not going to be solved easily. It seems to me by accusing us lopsidedly, one-sidedly, of foot dragging, my colleagues are injecting a distinctly political tone into an issue that deserves nonpolitical treatment.

There is a lot of hard work ahead, believe me. We are a long ways from agreement, but we are closer than we

have ever been. I am committed to remaining at the negotiating table, and not get stampeded, as long as it takes to try and find reasonable, common ground.

If my colleagues really want a bill, and that is a question number one, do my colleagues really want a bill? Or are we to encounter gridlock and failure and say, see, these guys cannot govern; they really cannot run the House? There is that question, and I have tried to dispel it. I certainly do not think it animates the gentleman from Michigan (Mr. CONYERS) and his staff, because we have had excellent discussions in the best of good faith, and so I discount that.

There may be others who do not want a bill because they do not want the Republicans to have any success whatsoever. I would look upon this not as a Republican success but as congressional success that we can respond to the tragedies that have bloodied our country.

If we really do not want a bill, there are a couple of ways we can kill it.

□ 1930

One is to draw a bill that is empty and hollow and meaningless, and the other is at the opposite end of the spectrum: strengthen a bill to death.

Now, when we are negotiating, we have people who we have to appeal to differently on different issues. It is not easy. We have to get some democratic support. I do not think we have enough on our side to pass this.

Now, either they can kill it, or they can help us. But I ask my colleagues for their help. They certainly have mine. But to any of my colleagues who accuse us of foot-dragging, please talk to the staff, please talk to the ranking member. My democratic colleagues do not have to accept our statement that we are doing the best we can.

Now, tomorrow, the gentlewoman from New York (Mrs. MCCARTHY) is going to instruct us to meet every day in public. I will not object to that, but we do not get things solved with formal meetings. We talk, and we talk out, and we find out what we can agree on, what we cannot. We make trade-offs; we do the best we can; and we come up with a bill. Do we want a bill, or do we want an issue? I want a bill.

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

Ms. LOFGREN. Mr. Speaker, may I inquire as to the time remaining.

The SPEAKER pro tempore (Mr. COOKSEY). The gentlewoman from California (Ms. LOFGREN) has 5½ minutes remaining.

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

I am confident that this motion to instruct will receive support when we vote on it from both sides of the aisle, and that is a good thing, but it certainly does not solve the concern that brought me here today and has consumed our time here this evening.

As I think through the scenario of how we got to this point in time, I

think back to earlier in the summer when we had almost a surprise, really, to some of us that the United States Senate was able to come together after the terrible tragedy in Colorado at Columbine High School and to come up with a set of modest, centrist measures that would make the availability of guns less so, in the hopes that the violence that beset the youngsters in Columbine and in other schools in other parts of our country would be diminished.

When this House took that measure up, and I believe it was something like 1 o'clock or 2 o'clock in the morning, we ended up with a measure, when all was said and done and the amendments concluded, that the NRA said vote "yes" on the bill, and handgun control urged us to vote "no" on the bill. We did not have a strong bill, as the Senate had done. So, we moved on to conference.

Now, the conference committee met just once, on August 3, and each member of the conference committee was permitted to make a statement, and I did as well, and then we left town, and the conference committee has not met again since.

Now, I understand that the chairman has, in fact, on many occasions supported centrist gun control measures. He voted for the Brady Bill; I was proud to be a part of the Hyde-Lofgren amendment on clips, and I am hopeful that we can get some sound things done. I realize that this is not easy, but it also needs to move apace, because it is now September 22; and when we talked in July, we were anxious to get a good measure that would be in place before school started. And now, as I mentioned, my two high school students are starting to fret about the mid-terms that are almost here; and we will be recessing soon if the target date is to be believed. And so unless we can pick up the pace, I am concerned that we will not achieve our goal of getting good, strong, solid, sensible gun control, gun safety measures adopted; and I want to do that.

I can assure the chairman, I want a bill. I want to be able to tell my children that we managed to get something done that might make them a little bit safer from gun violence. I want a bill.

Mr. Speaker, the chairman said, do we want to prove that the Republicans cannot run the House. Well, no. I think on September 22, without our appropriations done, that has already been proven. We do not need to prove it with a gun bill stalled in the conference committee and not brought to the floor. I want strong legislation. I will work on a bipartisan basis to get that done, but what I will not do is to stand silent if the measure comes back and there is actually less safety for the children of America than exists in current law. That I cannot do. That is what we were faced with that early morning in July when the House took up its measure.

It is not comfortable. It is not a delight to stand here and make motions to instruct and to be somewhat obstreperous; but I would rather do that than not come to a conclusion, than not to stand up for the mothers who I represent in this House. And when I go home and I am in the grocery store, the other mothers want to know how come we cannot get this done, something this simple. They cannot understand it. And I cannot really explain it to them, because I cannot understand it either.

So let us reach out across the aisle, let us work together, let us get this done. Let us make sure it is solid, that it is valid, that it is honest, it is true, it is tough, and it is done promptly. I would urge that we bring some of these discussions out into the open. There have been many discussions between the chairman and the ranking member, I understand, and I have no doubt that they are sincerely done and difficult discussions. But sometimes the light of day can help move things forward a bit.

So I am hopeful that we will be able to do that.

With that, Mr. Speaker, I am pleased at the participation of all of the Members of the House. I look forward to a very positive vote on this motion to instruct.

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

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentlewoman from California (Ms. LOFGREN).

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

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

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question are postponed until tomorrow.

SENSE OF HOUSE IN SUPPORT OF NATIONAL HISTORICALLY BLACK COLLEGES AND UNIVERSITIES WEEK

Mr. OSE. Mr. Speaker, I ask unanimous consent that the Committee on Government Reform be discharged from further consideration of the resolution (H. Res. 293), expressing the sense of the House of Representatives in support of "National Historically Black Colleges and Universities Week," and ask for its immediate consideration in the House.

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

Mr. CUMMINGS. Mr. Speaker, reserving the right to object, under my reservation, I yield to the gentleman from California (Mr. OSE) to explain the bill.

Mr. OSE. Mr. Speaker, I thank the gentleman for yielding.

The purpose of this bill is to recognize the 105 historically black colleges across this country that have served not only the interests of the black community, but this country, in providing a sound and fruitful education for people of color over the past many years in this country. We want to make sure that we recognize those institutions during this particular week known as National Historically Black Colleges and Universities Week, and the purpose of this resolution is to memorialize that.

Mr. CUMMINGS. Mr. Speaker, further reserving the right to object, as ranking member of the Subcommittee on Civil Service, I have come to this House to support many resolutions. However, as a graduate of an historically black college; as a member of the Board of Regents of Morgan State University, as a father of a freshman at Howard University, and with five such universities and colleges in my home State of Maryland, I am especially pleased to endorse and support historically black colleges and universities.

Historically, black colleges and universities should be commended in their success in educating not only the privileged among us, but the disadvantaged among us also. HBCUs have performed a remarkable task. They have educated almost 40 percent of this country's black college graduates, they have graduated 75 percent of black Ph.D.s, 46 percent of all black business executives, 50 percent of black engineers, 80 percent of our Federal judges, and 85 percent of all black doctors.

In addition, they have educated an estimated 50 percent of the Nation's black attorneys and 75 percent of the black military officers. The historically black health professional schools have trained an estimated 40 percent of the Nation's black dentists, 50 percent of black pharmacists, and 75 percent of the Nation's black veterinarians. HBCUs can claim these significant success rates because they maintain a philosophy of high scholastic achievement and career goals as well as an enriching social and cultural environment.

Further, HBCU faculty are among the most scholars in our Nation's university system; and as role models provide quality educational and practical experience to HBCU students. HBCUs can also be credited with making the higher education financially attainable for those who otherwise would not be able to afford a higher education. This is extremely important because education is the key to the door of economic prosperity. That is why I commend Bill Gates, chairman of Microsoft, for pledging to spend \$1 billion over the next 20 years to give college scholarships to thousands of academically talented, but financially needy minority students across the country. William Gray, III, President of the United Negro College Fund, will help administer the scholarship program.

The students in this program and in the HBCU system as a whole not only receive instruction that propels them into blossoming careers but also receive a mandate to serve as leaders in our country and in the world. In essence, these schools have an enduring commitment to educating youth, African-Americans and other people of color, and the disenfranchised, for leadership and service not only to our Nation, but to our global community.

As I have said, HBCUs open the door to opportunities and promote leadership and service. It should be noted, however, that these items do not become a reality if students are denied positions, promotions, or the chance to serve in certain capacities because of their race or ethnicity. HBCUs have produced congressional representatives, State legislators, writers, musicians, actors, activists, business leaders, lawyers and doctors, and this resolution recognizes not only historically black colleges and universities, but all of the people of color that they have educated.

It also recognizes all of those educators and administrators who have touched children and young people over and over again, and indeed, touched the future. Today, I am honored to pay tribute to these historic and great institutions that have fortified our Nation's heritage and our future in education.

Now it gives me great pleasure to yield to the distinguished gentleman from South Carolina (Mr. CLYBURN), who has had a history of consistently uplifting historically black colleges and universities not only in his home State of South Carolina, but throughout the country.

Mr. CLYBURN. Mr. Speaker, let me thank my friend from Maryland for yielding me this time. I want to also thank the leadership of this body for scheduling this resolution for debate, and the chairman and ranking member of this subcommittee for bringing this to the floor with their support.

Mr. Speaker, the 105 HBCUs located in our Nation are monuments and testimony to the farsightedness and creative genius of those who have great faith and confidence in the promise of this great Nation. I shudder to think of where I would be today had it not been for Morris College in Sumter, my hometown. My mother and father both attended that school. I and one of my brothers attended South Carolina State in Orangeburg. Another brother and sister-in-law are products of Claflin College in Orangeburg. One of my daughters attended Benedict in Columbia and many other relatives and friends are alumni of Allen in Columbia and Voorhees in Denmark.

□ 1945

All six of these historically black colleges and universities are located in the congressional district that I am proud to represent here in this body. I believe in these institutions, and consider them to be national treasures.

In fact, Mr. Speaker, last year these institutions were collectively placed on the list of our Nation's most endangered historic sites by the National Trust of Historic Preservation. That action was a great testimony, as great a testimony as can be given, to what we ought to be doing in this body to preserve and protect these schools and their campuses.

Mr. Speaker, I hope this resolution is the beginning of renewed interest in and support for these great institutions.

Mr. CUMMINGS. Reclaiming my time, Mr. Speaker, I yield to my distinguished colleague, the gentlewoman from Texas (Ms. JACKSON-LEE), who has also been at the forefront of uplifting historically black colleges and universities throughout our country, and certainly doing a great job in her own State of Texas.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman from Maryland (Mr. CUMMINGS) for his leadership, and I thank the chairman for joining us today and being supportive. This is a compliment to all of us in this House, Republicans and Democrats, for it is a bipartisan salute.

I thank the gentleman from South Carolina (Mr. CLYBURN), who offered this legislation to acknowledge historically black colleges.

Mr. Speaker, it is important to note that there are 105 historically black colleges and universities in the United States. It is equally important to note that we stated there are colleges and universities. It means there are institutions who have undergraduate degrees and graduate degrees.

As noted by my colleague, the gentleman from Maryland, many of our lawyers, doctors, Ph.D.s, and scientists in the African-American community have come from historically black colleges.

I am particularly proud to come from a State with a number of historically black colleges, and if I might share the history of one, Texas Southern University, located in my district, it was founded, unfortunately, in the ashes of segregation. Heman Sweatt wanted to attend the University of Texas School of Law, but my State unfortunately in the late 1940s would not allow a black man to attend the State system. Yet, the law required that he be educated, so our school or our system in Texas devised, if you will, what some thought a second-class approach.

In the basement of the law school or some of the buildings on the University of Texas, Heman Sweatt was offered a law school education. But out of his persistence and determination, Texas Southern University, originally called Texas State College, was founded.

Many of the individuals who taught at that school are heroes themselves. I would like to note my father-in-law, Doctor, or Mr. Phillip Lee, I promoted him to doctor, but he is a hero to me because he was a Tuskegee airman. He brought that kind of quality and excellence to Texas Southern University.

Mr. Biggers, John Biggers, one of the most outstanding African-American artists in this Nation, was a teacher at Texas Southern University. Both my father-in-law and John Biggers were graduates of Hampton University.

These universities are think tanks for our communities. They were the origins of some of the civil rights activism, where they promoted and encouraged young people to have self-esteem. They promoted learning and intellect and theory and thought.

Many of us know Dr. Benjamin Mays of Morehouse. We are still reading his works. So many young men who graduated from Morehouse College can attribute their own self-dignity and humanity and intellect, such as Dr. Martin Luther King, from Dr. Benjamin Mays.

These are wonderful schools, and I am delighted that those of us who are members of the Black Caucus, as well as those who are Members of this House, Republicans and Democrats, have not forgotten them.

Might I also cite Oakwood College, of which I am a member of the board, in Huntsville, Alabama. It is a religious college but it is a historically black college, organized in the Seventh Day Adventist Church. It is a college that has educated religious leaders around this Nation. It has its own great history of civil rights activism, and it is a proud citizen or a proud asset of the great State of Alabama.

Might I say that in the course of my work here in the United States Congress as a member of the Committee on Science, I have been very gratified to offer amendments to enhance our historically black colleges, along with other colleges. We have promoted the sharing of laboratory equipment, used laboratory equipment from NASA and our laboratories around the country, our research laboratories. We have provided technical assistance to the laboratories or to the schools, as well. We have encouraged the Department of Energy to look for its research partners in historically black colleges.

We must remember that they are there, and that they are American treasures. As we remember that they are there, let me join my colleagues in promoting and asking and calling on the President to issue a proclamation calling on the people of the United States and interested groups to conduct appropriate ceremonies, activities, and programs to demonstrate support for historically black colleges and universities in the United States.

Just as I consider myself a preservationist on history in the United States of America, let us never forget the rich and rewarding part these historically black colleges all bring to the American history story, because in fact they started when times were bad. They are now here in times that are good. We should never forget from whence we have all come.

Mr. CUMMINGS. Mr. Speaker, it is my pleasure to yield to my colleague,

the gentleman from Illinois (Mr. DAVIS), as he again is another person who has made historically black colleges and universities a major priority of his. He has synchronized his conscience with his conduct.

Mr. DAVIS of Illinois. Mr. Speaker, I thank the gentleman for yielding to me.

I, too, rise in support of this resolution to recognize this week as National Black College Week.

I also want to take the opportunity to commend and congratulate my good friend, the gentleman from Maryland, for the outstanding work that he has done, not only on behalf of black colleges and universities, but on behalf of people throughout these United States of America.

For more than 150 years, the historically black colleges and universities have played a vital role in providing students with an exceptional education. These institutions have significantly increased educational access for thousands of economically and socially disadvantaged Americans, particularly young African Americans. HBCU students have gone on to be recognized as a strong influence for the common good, both on campus and in the communities where they are located.

I know firsthand the value of historical black colleges and universities, for I, along with three of my brothers, four of my sisters, four nephews, four nieces, and I guess a host of cousins all attended a historically black college, which is now the University of Arkansas at Pine Bluff.

In fact, three members of my staff across the street all graduated from historically black colleges and universities, Morehouse, Central State, and Fiske.

Mr. Speaker, this week is definitely a good week to recognize HBCUs and their contributions to society, but it is also a good time to recognize and pinpoint some of their needs. For many years, historically black colleges and universities as a whole have made ways when there were no ways, have had to make do, wondering how they were going to make it.

As a matter of fact, I recall the President of my university from time to time calling meetings of students to talk about whether or not we were going to be able to make it through the year. He was not only an educational genius, but a most compassionate man, President Lawrence Arnett Davis. We called him Prexie.

So many of us had very little money. I never will forget going to college with \$20 in my pocket on my 16th birthday, wondering how I was going to make it. How would I do it? But because of the compassion of the individuals who were there, because of their recognition of me, because of their understanding, I was obviously able to attend, to graduate, and then to move on and become a Member of the most august body perhaps on the face of this Earth, the United States Congress.

So I will always have gratitude for the important role that these institutions have played, but I will also always pledge to do everything in my power to make sure that other young people who are uncertain about their future will have the opportunity to experience the offerings of these tremendous institutions.

Mr. CUMMINGS. Reclaiming my time, Mr. Speaker, I yield to the gentleman from Illinois (Mr. RUSH), who has also been a leader with regard to issues confronting our educational system throughout our country, but particularly in Illinois.

Mr. RUSH. Mr. Speaker, I want to commend the gentleman from Maryland for his efforts on behalf of the historically black colleges. I want to commend the chairman for his untiring efforts on this particular resolution.

I also want to commend the gentleman from South Carolina, Mr. CLYBURN, for his work, for his authorship of this particular resolution.

Mr. Speaker, I rise in strong support of House Resolution 293, a resolution which expresses the sense of this House of Representatives in support of National Historically Black Colleges and Universities Week, which began on September 19, 1999.

Historically black colleges and universities, HBCUs, are post-secondary academic institutions founded before 1964 whose educational missions have historically been the education of African Americans. Located in various regions of the United States, there are now about 105 HBCUs in existence.

HBCUs consist of a mixture of community and junior colleges, 4-year colleges and universities, and both public and private institutions. HBCUs enroll less than 20 percent of African-American undergrads, but HBCUs award one-third of all bachelor degrees and a significant number of the advanced degrees earned by African Americans throughout this Nation.

Since inception, HBCUs have stood poised as a catalyst for educational opportunity for generations of African Americans. These institutions were born of the belief that post-Civil War black freedmen should become immediately educated. These 105 institutions which were created for this purpose today continue to provide quality higher education and professional nurturing to a broad mixture of diverse individuals, including people of other ethnic backgrounds and racial origins.

Today I rise to commend these institutions and their faculties, their students and their administrators, those individuals who have created this initial goal of providing quality higher education to African Americans and others.

□ 2000

Mr. Speaker, I just want to relate that I am a product of Albany, Georgia. When I was in the kindergarten going to my first school in Albany, Georgia, as a 5-year-old, I always approached

school with a certain awe, because located directly across the street from the grade school where I entered into kindergarten was Albany State College.

I believe that Albany State College and my experience of watching and being involved in that environment have created a foundation that have helped shape my life and have made me the person that I am today. It created in me a yearning for education. It created in me a struggle and a strive for excellence.

I know that historically black colleges throughout this Nation have provided doctors and lawyers and engineers and professionals of all types. I want to commend these institutions because I know that the reason the 1st Congressional District of Illinois is an outstanding district, the reason that it is a productive district is because, in the 1st Congressional District, we have a number of HBCU graduates from all walks of life.

Mr. CUMMINGS. Mr. Speaker, reclaiming my time, it gives me great pleasure at this juncture to yield to the distinguished gentlewoman from North Carolina (Mrs. CLAYTON), a lady who also has put on her priority list and made a major priority the lifting up of our historically black colleges and universities.

Mrs. CLAYTON. Mr. Speaker, I want to just commend the gentleman from Maryland (Mr. CUMMINGS) in his leadership and the gentleman from South Carolina (Mr. CLYBURN) for joining him and bringing this resolution and what it means to, not only the African-American community, but what it means to America itself to be able to be institutions that give young people an opportunity that would not have had an opportunity.

A mind is a terrible thing to waste is what the college fund now says. But, indeed, just think of the minds that have been turned on and the contributions that have been made.

I am also a graduate of a small historically black university, which is a small Presbyterian school in North Carolina. But I want to speak also, not only to the uniqueness in terms of speaking to people who may not have had the resources, but also the unique opportunity that they have to bridge between the educational institution that they have to offer and the community, our land grant colleges throughout the Nation, particularly 1890 land grant colleges that make the transition between community and education, again, the valuable services they do for agriculture and for land grant and development of communities.

So the community development, economic development, providing that kind of transitional university that makes a difference in the vitality and the survivability of our communities.

So not only do they educate us as individuals, as an adult, but they reach out in the community and provide that continuous transition.

Again, I want to thank the gentleman from Maryland (Mr. CUMMINGS) for his leadership and the vision and having the country to recognize the value that these institutions played for the United States, not only for African-Americans.

Mr. CUMMINGS. Mr. Speaker, reclaiming my time, as I conclude, I first want to thank the other side and the gentleman from California (Mr. OSE) and certainly the gentleman from Florida (Mr. SCARBOROUGH), the chairman of our Subcommittee on Civil Service, and our chairman and our ranking member of the committee.

It does make me feel good to know that this is a bipartisan effort that we have all joined together to recognize these historically black colleges and universities.

The gentlewoman from North Carolina (Mrs. CLAYTON) said something that really I think hit home, and that is that a lot of times I think when we look at these historically black colleges and universities, we look at them for the benefit that they have brought to the African-American community. But the fact is that what these institutions have done, they have produced people who have gone out to become leaders and to make our entire society a better society and to make our world a better world. So it is the epitome of what can be done when people are given opportunity.

I have often said that one does have all the genetic ability one wants to have. One can have all the will one wants to have. But if one is not given the opportunity, one is not going to go anywhere fast.

So with that, I just want to just leave one note with us as I close. Mary McLeod Bethune founded that Bethune-Cookman College in Daytona Beach, Florida. She tells about how that college was started. I will be very brief, but I think this is very significant in her own words.

She says, "I went to Daytona Beach, a beautiful little village, shaded by great oaks and giant pines. I found a shabby four-room cottage, for which the owner wanted a rental of \$11 a month. My total capital was a dollar and a half, but I talked him into trusting me until the end of the month for the rest. This was in September. A friend let me stay at her home, and I plunged into the job of creating something from nothing." Something from nothing. "I spoke at churches, and the ministers let me take up collections. I buttonholed every woman who would listen to me.

"On October 3, 1904," almost 100 years ago, "I opened the doors of my school, with an enrollment of five . . . girls . . . whose parents paid me fifty cents' weekly tuition. My own child was the only boy in the school. Though I hadn't a penny left, I considered cash money as the smallest part of my resources. I had faith in a living God, faith in myself, and a desire to serve.

"We burned logs and used charred splinters as pencils, and mashed

elderberries for ink. I begged strangers for a broom and a lamp." I haunted the city dump and the trash piles behind hotels, retrieving discarded kitchenware, cracked dishes, broken chairs, pieces of old lumber. Everything scoured and mended. This was part of the training to salvage, to reconstruct, to make bricks," listen to what she said, "to make bricks without straw. As parents began to gradually leave their children overnight, I had to provide sleeping accommodations. I took corn sacks for mattresses. Then I picked Spanish moss trees, dried and cured it, and used it as a substitute for mattress hair.

"The school expanded fast. In less than 2 years I had 250 pupils." She goes on to tell how she built this school almost 100 years ago.

The fact is that, since that time, many, many people have graduated from that school and gone on. Their children and their children's children have done well and have graduated. So that is the history, and that is why I guess we see so much excitement from the members of the Congressional Black Caucus and others because these schools have, indeed, played a very significant role.

I want to thank again the gentleman from California (Mr. OSE) and the other side for joining.

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

Mr. CUMMINGS. I yield to the gentleman from California.

Mr. OSE. Mr. Speaker, I rise in support of the resolution strongly. I want to commend the gentleman from South Carolina (Mr. CLYBURN) and the gentleman from Maryland (Mr. CUMMINGS) for this resolution in support of national historically black colleges and universities.

I do not believe I can match the eloquence of Ms. Bethune in her recitation of her early days, but three things have struck me this evening of particular importance, and I wanted to reinforce them.

Ms. Bethune said "something from nothing." What more telling comment about the story of America than something from nothing. How apt to this evening to have that shared with us, the story of the founding of Bethune-Cookman.

The gentleman from South Carolina (Mr. CLYBURN) talked earlier about the promise of this great Nation and that the promise of this great Nation is available for all, needs to be available for all.

In the initial comments tonight of the gentleman from Maryland (Mr. CUMMINGS), he hit on what that promise is. I think the first words out of his mouth were "education is the key." It remains the key. It is the key in my family. It is the key in his. It is the key in every family across this country. Get the education. Use one's mind. Use one's talents, whatever they may be, to make something from nothing.

I am sitting here getting fired up over this, frankly. Before we wrap up,

one of the speakers spoke of the contributions of these 105 historically black colleges. I went and I checked, I did a little research as to how it affects this particular body. I went through the list of sponsors of the resolution, my curiosity being: I wonder how many of them went to these black colleges.

I just want to put that in the RECORD how this forum, how this body benefits from the past efforts and future efforts of these colleges and universities. The gentlewoman from California (Ms. WATERS) has an honorary degree from a number of these universities: Bishop State, Central State, Howard, Morgan State, Spelman College. There are others here.

The gentleman from Florida (Mr. HASTINGS) graduated from Fisk University. The gentleman from Georgia (Mr. LEWIS) graduated from Fisk University. The gentlewoman from Florida (Ms. BROWN), the gentleman from Florida (Mr. HASTINGS), the gentlewoman from Florida (Mrs. MEEK) have degrees from Florida A&M University. The gentleman from Maryland (Mr. CUMMINGS) has a degree from Howard.

The gentleman from Alabama (Mr. HILLIARD), the gentleman from Florida (Mr. HASTINGS), the gentlewoman from Florida (Mrs. MEEK), the gentleman from Maryland (Mr. WYNN) and again the gentlewoman from California (Ms. WATERS) have degrees from Howard.

The gentleman from Mississippi (Mr. THOMPSON) has a degree from Jackson State University. The gentlewoman from South Carolina (Mrs. CLAYTON), she has a degree from Johnson C. Smith University. The gentleman from Georgia (Mr. BISHOP), the gentleman from Alabama (Mr. HILLIARD), and the gentleman from New York (Mr. OWENS) have degrees from Morehouse College.

The gentleman from Illinois (Mr. JACKSON), the gentleman from New York (Mr. TOWNS), and the gentlewoman from California (Ms. WATERS) have degrees from North Carolina A&T State University.

The gentlewoman from California (Ms. LEE) serves on the board of trustees for Oakwood College. The gentleman from South Carolina (Mr. CLYBURN) has a degree from South Carolina State University. The gentleman from Louisiana (Mr. JEFFERSON) has a degree from Southern University A&M College. The gentlewoman from California (Ms. WATERS), as I said, has a degree from Spelman. The father-in-law of the gentlewoman from California (Ms. LEE) has a degree from Texas Southern University.

This is what America is all about, people taking their education and giving back. We have to go no further than the walls of this forum to find the positive benefit.

I thank the gentleman and his colleague for bringing this resolution forward. Something from nothing, we ought to put that on the face of this building, because it is so apt.

Mr. CUMMINGS. Mr. Speaker, reclaiming my time, I want to thank the

gentleman from California (Mr. OSE) for what he just said, because I think that it sends the word out from this place that historically black colleges and universities have, indeed, made a tremendous contribution.

As the gentleman was talking, I could not help but think about my own history with a mother and father who never got out of elementary school because they were denied the very opportunities that I was given. But I will never forget going to Howard University and being embraced by the faculty there.

We have not talked a lot about the faculty and the administrators at these schools, but I can tell my colleagues, they are some very, very special people who look at each one of these children, not as a statistic, but as someone that is like their own child. They want to make sure that their children, that their children, and they see them as their children, are raised up to be the very best that they can be. That is not to say that that does not happen at other schools. But I can speak for Howard, and I ask speak for some other historically black colleges and universities.

The fact is that the gentleman from California is right. If we look just within the four walls of this chamber and look at all of those people who have been touched over and over again by historically black colleges and universities, it says a lot.

When I dropped my daughter off at Howard University a few weeks ago as she began her freshman year as a second-generation college-attending person, I said to her one thing. I said, Jennifer, I am excited about your possibilities. I think that, when we look at historically black colleges and universities, it is exciting, and we become excited about young people's possibilities because we know that they will be embraced. We know that they will be planted in soil that is firm and fertile so that they can grow and be the best that they can be. All of it boils down to opportunity.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. COOKSEY). Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 293

Whereas there are 105 historically black colleges and universities in the United States;

Whereas black colleges and universities provide the quality education so essential to full participation in a complex, highly technological society;

Whereas black colleges and universities have a rich heritage and have played a prominent role in American history;

Whereas black colleges and universities have allowed many underprivileged students to attain their full potential through higher education;

Whereas the achievements and goals of historically black colleges and universities are deserving of national recognition; and

Whereas Senate Resolution 178 would designate the week beginning September 19, 1999, as "National Historically Black Colleges and Universities Week": Now, therefore, be it

Resolved,

That the House of Representatives—

(1) supports the goals and ideas of "National Historically Black Colleges and Universities Week"; and

(2) requests that the President issue a proclamation calling on the people of the United States and interested groups to conduct appropriate ceremonies, activities, and programs to demonstrate support for historically black colleges and universities in the United States.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. COOKSEY). Under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

EPA MUST ENSURE THAT ALL STATES LIVE BY THE SAME EMISSION STANDARDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maine (Mr. BALDACCIO) is recognized for 5 minutes.

Mr. BALDACCIO. Mr. Speaker, I rise to talk about clean air, grandfathered smokestacks in the Midwest, air transport of emissions, and smog in the Northeast.

It is an especially good day to raise this issue. The summer has come to an end and the ozone levels in Maine exceeded Federal standards a dozen days this summer. This did not happen at measuring stations and traffic clogged cities.

I am talking about Port Clyde. It is a fishing village at the tip of a peninsula that juts out from the Gulf of Maine and a good 2 hours from the interstate.

I am talking about the top of Cadillac Mountain. It is the crest of Acadia National Park, and there is not a smokestack in sight. Acadia National Park has had a pollution level this year on par with Philadelphia.

This is all being created by ozone. Ozone is created in a complex chemical reaction due to smokestack emissions in the Midwest of exempted and grandfathered coal-fired generating plants. And as it travels through the weather patterns into the Northeast, along with the sun and the heat, the combination creates ozone. So as my colleagues may know, Maine is in the downwind of every State, and therein lies the problem. States upwind of the Northeast, which may be in attainment, contribute to the ozone pollution in our region.

With the clean air amendments that were passed in 1990, Congress acknowledged the phenomenon of pollution

transport and the political and scientific difficulty of the problem. A mechanism to find a workable solution was created. These tools permitted the EPA to establish the ozone transport assessment group to recommend ways to reduce ozone transport in the Northeast.

From these recommendations, EPA may issue rules requiring States to tighten ozone control to prevent the transport of ozone. These are known as the State implementation plans, or SIP. In addition, individual States may petition the EPA to force States suspected of contributing to their problem to reduce the offending emissions.

I am proud to represent a State that has been a leader in the attempt to reduce ozone pollution, which may be more commonly known as smog. It rises when emissions from power plants and cars combine with heat and sunshine. In the Northeast, we have been reducing our emissions on an average between 2.5 and 2.6 pounds of emissions per megawatt hour, whereas in the Midwest it is still in excess of 6.6 pounds.

In the Northeast, we have complied with the regulations; we have made the investments. The industries have gone ahead and done what they were supposed to have done, and have been at a competitive disadvantage, but have followed the letter of the law. All we are asking for today, and tomorrow with a dear colleague to Members here in this body, and Members in the Senate that have completed a dear colleague, and signatures to the EPA, is to enforce the regulations which they already have on the books. We are not asking for any new laws. We are not asking for any new approaches. We are simply saying to adhere to the law that is there.

EPA deserves a pat on the back for the work that they have done in bringing this issue to the forefront. They have the administrative capabilities to implement and to finish the action which they started. As a matter of fact, today in a conversation in our office with the EPA, I was told that they have promulgated regulations, which I will submit for the record, which will take effect on November 30, 1999 and will allow for a 2- or 3-month window beyond that time period before they will require the States to have a plan to reduce their emissions so that we can reduce our ozone pollution, so that we can reduce the threat to respiratory asthmatics and others with health conditions not to mention the environmental conditions of our land and our watersheds and the infecting of our crops where we see that the continued pollution is causing tremendous economic and social and health costs to all of our citizens.

This is not just within Maine or within New England. We are looking at the New Jersey shore, an industrial park in Newark; we are looking at the Indiana Dunes National Lakeshore, a popular vacation spot on Lake Michi-

gan; we are looking at the remote Door County in Wisconsin, a popular vacation get-away in the Midwest, which has been plagued with twice as many dirty days as Milwaukee; and the Great Smoky National Park South by Atlanta.

So this is a problem that is national in scope. The EPA has the tools to do the work. My colleague, the gentleman from Maine (Mr. ALLEN), has initiated legislation, and in working towards that effort, we are going to continue to put the full focus and force on EPA to do their work.

Mr. Speaker, I am providing for the RECORD the information regarding EPA's promulgation of a rule.

The EPA expects to promulgate a final rule based on this proposal on or before November 30, 1999, when the interim stay expires. To address the possibility of any delay of this final rulemaking, however, EPA is also taking comment on an extension of the interim final stay of the April 30 NFR in the event that EPA needs more time to complete the final rule. The EPA does not expect to need to promulgate such an extension, but if it were necessary, EPA anticipates that a two- or three-month extension should suffice. Providing for a possible extension, if necessary, ensures that the automatic trigger deadlines now in place will not become effective through a lapse in the stay before EPA completes this rulemaking. Under this schedule, the 3-year compliance schedule for source subject to an affirmative finding would still be triggered in time to ensure that the intended emissions reductions are achieved by the start of the 2003 ozone season, as described in the April 30 NFR.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. EHRLICH) is recognized for 5 minutes.

(Mr. EHRLICH addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. LIPINSKI) is recognized for 5 minutes.

(Mr. LIPINSKI addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

INTRODUCTION OF THE "FIRST" ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, almost 2 years ago, the Congressional Caucus on Women's Issues held an important hearing on the subject of brain development from birth to age 3. One witness

said something that day that really hit home with me. That witness was Dr. Edward Zigler, the sterling professor of psychology at Yale University, commonly known to all of us as the father of Head Start. Dr. Zigler said that there is nothing more important to a child's development than the bonding between the infant and parents during the first few months after birth.

I remember how I felt listening to Dr. Zigler that day, because I knew how few babies get that kind of start in life. If today's children are lucky enough to have both parents living at home, chances are that both work outside the home, and it is just too hard, if not impossible, for new parents to take time off from work without pay for very long after the birth of a new baby.

I decided right then and there that I would introduce a bill to provide paid family leave to all parents. First, I met with Dr. Zigler, however, and got his support. Since then I have spent 2 years meeting with parents, meeting with parent and child advocates, meeting with doctors, researchers, business and labor representatives, and meeting with my colleagues to figure out what is the best way to provide wage replacement as well as job protection for new parents.

What I learned is that there is not one best way to meet the needs of new parents. In fact, there are many different opportunities to provide this benefit. Some States are already providing income-protected leave for new parents through their temporary disability insurance plans, such as my State, California. Several other States are looking into using a surplus in their unemployment insurance funds for this purpose. Others would like to build on the existing Family and Medical Leave Act. That is why I have introduced the Family Income to Respond to Significant Transitions Insurance, or the FIRST Act, which is a companion bill to legislation of the same name introduced by Senator DODD in the other body.

The FIRST Act gives States an opportunity to create paid family leave programs for new parents as well as paid leave for other family needs. The FIRST Act does not tell States how to provide income-protected leave, but it helps them carry out the program of their choice by authorizing \$400 million to share in the cost of providing wage replacement for new parents.

Mr. Speaker, the recent tragedies in our Nation's schools and communities compel me to ask the question, "Who is taking care of our children?" We all know that during those critical first months it should be the child's parents, the child's mom and the child's dad. But families are struggling to make ends meet, and our children are getting left behind.

Sure, the Family Medical Leave Act gives parents the right to take leave when a new baby joins the family. The fact is, however, that a recent study found that nearly two-thirds of the employees who need family and medical

leave do not take it because they just cannot afford to give up that income. New parents must not be forced to choose between taking care of their child financially and taking care of their child physically and emotionally. With the FIRST bill we are taking the first step, the step, to answering the question, "Who is taking care of our children?" For new babies, the answer will be, "Their parents."

GENERAL LEAVE

Mr. DIAZ-BALART. Mr. 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 House Resolution 293.

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

There was no objection.

SALE OF AGRICULTURAL COMMODITIES TO TERRORIST STATES IS UNACCEPTABLE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. DIAZ-BALART) is recognized for 5 minutes.

Mr. DIAZ-BALART. Mr. Speaker, a number of us have prepared a letter that we will be sending tomorrow, the gentleman from New York (Mr. GILMAN), chairman of the Committee on International Relations; the gentleman from New Jersey (Mr. MENENDEZ); the gentlewoman from Florida (Ms. ROSLEHTINEN); the gentleman from Florida (Mr. WEXLER); the gentleman from Florida (Mr. DEUTSCH); and the gentleman from Florida (Mr. MCCOLLUM). We are certain many others will sign tomorrow.

We have prepared a letter, and we are sending it to the Speaker tomorrow and it reads as follows: "Dear Mr. Speaker, we are deeply concerned about a controversial section of the Senate Agriculture Appropriations Bill which would effectively reverse a quarter century's worth of steadfast resistance to terrorism. Language inserted by Senator ASHCROFT would allow the direct sale of broadly defined agricultural commodities to terrorist States which have American blood on their hands.

"We would have thought that by now Members of Congress would understand the evil of appeasement and danger of conducting business as usual with terrorist governments. Americans continue to suffer attacks by terrorists and die worldwide, yet certain Members of Congress push for trade with and financing for terrorist States. Inclusion in the conference report of this language would underscore a basic lack of commitment to fight terrorism and open the door to broader unrestricted trade with terrorist States.

"The controversial Ashcroft language is not included in the House version of the bill. However, Senate

conferees have rejected earnest efforts to compromise and, in doing so, have needlessly made this section increasingly controversial and unacceptable.

"Mr. Speaker, there is more to America than the drive to make money at any cost. Profit from business with terrorist governments is blood money and is simply not acceptable."

Now, according to the State Department's overview of State-sponsored terrorism, the 1998, the latest version available, Cuba, Iran, Iraq, Libya, North Korea, Sudan and Syria are the seven governments that the U.S. Secretary of State has designated as state sponsors of international terrorism. They would be the seven states to which, if this Senate language is passed, is accepted, we could start selling to, and financing would be permitted.

According to the State Department, and I read here, "Cuba maintains close ties to other state sponsors of terrorism and leftist insurgent groups and continues to provide safe haven to a number of international terrorists.

"Iran continues to plan and conduct terrorist attacks, including the assassination of dissidents abroad. It supports a variety of groups that use terrorism to pursue their goals, including several that opposed the Middle East Peace Process, by providing varying degrees of money, training, safe haven and weapons.

"Iraq provides safe haven to terrorists and rejectionist groups, and continues its efforts to rebuild its intelligence network, which it used previously to support international terrorism. The leader of the Abu Nidal organization may have relocated to Baghdad in late 1998."

□ 2030

Libya harbors suspects in the bombing of the UTA Flight 772, although French authorities agreed to try the six in absentia. Several Middle Eastern terrorist groups continue to receive support from Libya, including the PIJ and the PFLP-GC.

North Korea, though not linked definitively to any act of international terrorism in the last couple of years, continues to provide safehaven to terrorists who highjacked a Japanese airliner to North Korea.

Sudan provides safehaven to some of the world's most violent terrorist groups, including Usama Bin Ladin's al-Qaida, and the Hezbollah, the PIJ, and the ANO and HAMAS.

The Sudanese Government also refuses to comply with the United Nations Security Council demands that it hand over for trial fugitives linked to the assassination attempt against the president of Egypt.

Syria continues to provide sanctuary and support for a number of terrorist groups that seek to disrupt the Middle East peace process.

These are the states which if that Senate language remains in the Committee on Agriculture conference re-

port, if it is included in that conference report, will be eligible for American sales and financing from the United States.

I would remind my colleagues, Mr. Speaker, that it is unreasonable, I would say naive, to assume that there will not be a cost, a political cost, as well as an ethical cost, to be paid for helping terrorists states.

The American people are not naive. The American people are not stupid. The American people are going to reject authorization of American sales and American financing to terrorist states.

I wanted tonight, Mr. Speaker, to take this opportunity to inform my colleagues and the American people through C-SPAN of the urgency of the moment so that they will get in contact immediately with their Members of Congress here in the House and tell them, reject the Ashcroft language, reject the pro-terrorism language that Senator ASHCROFT included in the Senate agricultural appropriations bill, reject the pro-terrorist state language.

The House continues to insist in that rejection. The American people need to make their opinions heard right now.

U.S.-SRI LANKA RELATIONS

The SPEAKER pro tempore (Mr. COOKSEY). Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, I wanted to take this opportunity to talk about the growing relations between the United States and Sri Lanka, relations that I hope will be getting more attention in the near future.

In particular, I wanted to mention the upcoming visits of two distinguished Sri Lankan officials to Washington, D.C., next week.

At the beginning of this year, I formed a new bipartisan congressional caucus on Sri Lanka in an effort to promote increased dialogue between our two countries and to be a voice in Congress for the approximately 100,000 Americans of Sri Lankan descent.

Formerly known as Ceylon, Sri Lanka is an independent island-nation. Its territory comprises one of the largest islands in the Indian Ocean, about the size of West Virginia, lying approximately 20 miles southeast of the southernmost tip of India.

This South Asian nation of about 18 million people, a democracy where both the president and the prime minister are women, continues to work to strengthen its relations both with other developing nations and with major industrial powers like the United States.

To that end, the president of Sri Lanka, Mrs. Kumaratunga, will be in the United States within the next few days, September 24 to 28, to attend an annual International Monetary Fund/World Bank meeting in her capacity as the chairwoman of the Group of 24 of the IMF.

On Sunday, September 26, the President will host a reception here in Washington. The Group of 24 comprises a cross-section of countries in Asia, Africa, and Latin America. The Group of 24 seeks to address economic growth-related issues in the developing countries and to strengthen their financial and monetary situation.

Mr. Speaker, while I welcome the president coming to Washington for these important international meetings, I would like to see Sri Lanka's Head of State return to our Nation's capital for a State visit.

Earlier this year I wrote to President Clinton asking that he formally invite the president. The last presidential visit from Sri Lanka to the U.S. was in 1984. President Clinton did respond to my letter, although he did not commit to extending such an invitation. However, as South Asia continues to assume a growing importance in U.S. foreign policy considerations, I hope and I will continue to push for a State visit.

Mr. Speaker, next week Sri Lanka's Minister of Foreign Affairs, Mr. Kadirgamar, will be making an official visit to Washington. Our Sri Lankan Caucus will be setting up a briefing with our Members and our staff with the Foreign Minister tentatively scheduled for next Thursday. I look forward to a productive meeting that will expand the dialogue between our two nations.

Mr. Speaker, bilateral U.S.-Sri Lanka relations have always been strong since Sri Lanka won its independence from British colonial rule in 1948. In addition to our growing trade relations, the U.S. and Sri Lanka have a shared stake in promoting security, stability, and democracy in South Asia. Sri Lanka continues to work to promote tolerance among the various religious and ethnic communities that make up its population. It is a country that shares many of our values, and we have many common interests that must continue to be pursued.

Mr. Speaker, I hope next week's visit by Sri Lanka's president and foreign minister will contribute to this process of closer relations with the United States, and I urge my colleagues from both sides of the aisle to join me in continuing to work for closer ties between our two countries.

GUN VIOLENCE IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Ms. MILLENDER-MCDONALD) is recognized for 5 minutes.

Ms. MILLENDER-MCDONALD. Mr. Speaker, I am here tonight again because we still have not passed legislation to add direction to the issue of gun violence in America.

Given that we have been plagued by gun violence in our schools across the country, to the most recent shootings involving Jewish children in Los Angeles and members of a Baptist church in

Ft. Worth, Texas, it is clear that there is an overwhelming need for gun legislation. We have an opportunity as a body to address this issue.

The juvenile justice bills from the House and Senate which are currently in conference committee can provide the American public with the action they deserve on this critical issue.

I urge my colleagues to support my bill, which would require child safety locks on handguns, a bill which would require all sellers at gun shows, flea markets, and other weapon markets to run an instant background check on every one of their purchasers, and a bill which would close the loophole in the Brady law which would prevent felons from acquiring guns. We should also raise the handgun purchase age from 18 to 21 to effectively protect our children.

Mr. Speaker, events around the country illustrate the need for these changes in our laws to be enacted. Thirteen children under the age of 19 are killed each day because of guns. In 1996 alone, 4,643 young people were killed by firearms. Guns cause one in four deaths of teenagers age 15 to 19. Firearms are the fourth leading cause of accidental death among children ages 5 to 14.

Each year gun violence is getting worse. From 1984 to 1994, the firearms homicide rate for 15- to 18-year-olds increased over 200 percent, while the non-firearm homicide death rate decreased 12.8 percent.

How many more shootings, Mr. Speaker, must occur before this body will take substantive action? How many more children must be slaughtered by guns before we pass laws to protect them? Is it necessary for every congressional district within each State to experience some traumatic, violent event before we act on the issue of gun violence?

Gun violence affects all Americans regardless of age, class, religion, or socio-economic status. Many countries around the world do not have the same level of gun violence as the United States. This is a problem that has a clear solution, legislation to stem the tide of violence that has plagued us as a Nation.

Mr. Speaker, in my State of California alone, the number of incidents of gun violence over the course of 10 years is unacceptable.

In Berkeley, Kenzo Dix was gunned down by a 14-year-old schoolmate when he was accidentally shot when the two were playing with a pistol. In Los Angeles, a 14-year-old boy was accidentally shot in the head and killed by a friend showing off his father's handgun. In Oceanside, 4-year-old Christopher David Holt unintentionally shot and killed himself with a .357 Magnum revolver he discovered in a concealed compartment at the head of his grandfather's bed.

Of the 5,000 children who die each year because of guns, which averages out to 13 per day, nearly 500 deaths are accidental.

My child safety lock act, Mr. Speaker, which I introduced in the 105th and 106th Congress, would have prohibited any person from transferring or selling a firearm in the United States unless it is sold with a child safety lock. This bill and other legislation currently in the conference committee will address this issue.

We must have the ability to cross party lines, Mr. Speaker, forget our political and ideological differences, and pass legislation to avoid the continued senseless bloodshed and loss of innocent lives around our country.

I urge my colleagues to support legislation which will create a safer environment for all Americans and preserve the future of our children.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Hawaii (Mrs. MINK) is recognized for 5 minutes.

(Mrs. MINK of Hawaii addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

HURRICANE FLOYD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mrs. CLAYTON) is recognized for 5 minutes.

Mrs. CLAYTON. Mr. Speaker, two of us will be talking on the floor and maybe others will join us later on.

Mr. Speaker, according to FEMA, the route many take to visit Disney World in Orlando, Florida, is Interstate 95, and it was designed to withstand the 500-year flood and more.

When Hurricane Floyd, with its mighty wind and its rushing waters, swept through North Carolina, it caused Interstate 95 to close. Indeed, as this photo shows, and I will pass a couple of them so my colleagues can see it, Highway 301 split in two, washed away, left impassable.

In fact, initially more than 500 roads were impassable. Railroad tracks, and I think my colleagues will see that in this, railroad tracks were broken up and rendered unusable. Bridges were closed. Helicopters or boat, transportation mediums few in North Carolina, has been the only means of travel for many throughout the hurricane impacted areas.

Mr. Speaker, Hurricane Floyd left in its wake the worst flooding in the history of the State of North Carolina. And more rain fell yesterday. The people of North Carolina need help. They need help now. It is not charity they seek but a chance, a chance to recover, a chance to restore, a chance to rebuild, a chance to put their lives back on track. It is the kind of a chance that we as Americans afford each other when tragedy of this magnitude strikes.

At least 42 persons are known dead. Many more are unaccountable for, still missing. The Tar, Neuse, Cape Fear, and Lumber Rivers are all above flood

stage. Even as the 20 inches of rain that fell begins to clear, the flooding remains. Dangerous and powerful currents are flowing, sweeping citizens away, like the family of four from Pinetops, like the 18-wheelers being driven along I-95, or like the sedan pushed in the pile of water, at least 4 feet of water, in Wilson, North Carolina.

Thousands and thousands of homes remain now underwater. Trees are down. Power remains out for nearly 50,000 households. Now, that is down from the more than 1.5 million that were initially without electricity. Water and sewage systems are in disrepair. Shelters are housing thousands of citizens.

Today the FEMA director said in North Carolina there are 35,000 homes affected. More than 100,000 hogs have been lost, 2.4 million chickens, 500 turkeys killed. Disease and contamination is a real and dangerous threat, as animals' carcasses clutter the roads.

Coffins dredged up by the flooding have been seen floating in Goldsboro and Wilson. Gasoline from flooded stations is now in the water. Industrial waste is mixing with the other toxic material, creating an unsafe and unsanitary health environment.

□ 2045

Yet among all this tragedy there are bright spots. The President released more than 520 million to FEMA to address immediate needs, then visit my district last Monday, and my colleagues joined me there, the gentleman from North Carolina (Mr. ETHERIDGE) and the gentleman from North Carolina (Mr. PRICE). The President's visit brought hope even to those who were hopeless, and we appreciate the effort of FEMA to provide the ready made meals ready to eat, ice, blankets, water, temporary housing, grants and loans, and emergency generators. We also appreciate the hundreds and hundreds of individuals from around this country who are on the grounds helping us out. The private sector is also responding. Red Cross has opened more than 49 shelters in our State. The Salvation Army has 31 mobile kitchens.

Yet much more, much more help and support is needed from citizens around this country and from my colleagues right here. That is why, Mr. Speaker, I intend to join with Members of Congress on a bipartisan basis from other impacted areas to try to send a legislative package for further relief for the President to sign. As a part of that package, we need to update the law so that farmers and small business persons can be treated in a way that actually help them to recover. Actually more loans may not do that because many of them will indeed not survive.

Farmers and fishermen are among those who have been hit the hardest by Hurricane Floyd. Our loss already to date we know in North Carolina exceeds more than \$1.3 billion. We will, therefore, need more resources, and

that will also be a part of the legislative package.

Mr. Speaker, the people of North Carolina are resilient, and we will come back from the situation, but we will need the help of all America, and, Mr. Speaker, I urge America and my colleagues that in the spirit of North Carolina to work with us, and I thank Americans who have helped and respond to us, and I urge my colleagues to be responsive to the need.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GREEN) is recognized for 5 minutes.

(Mr. GREEN of Texas addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. HOLT) is recognized for 5 minutes.

(Mr. HOLT addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. TOWNS) is recognized for 5 minutes.

(Mr. TOWNS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

NORTH CAROLINA NEEDS THE HELP OF CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. ETHERIDGE) is recognized for 5 minutes.

Mr. ETHERIDGE. Mr. Speaker, I thank you for this opportunity, and, as my colleague from North Carolina (Mrs. CLAYTON) has just shared with us, I want to talk for a few minutes about some of the real damage that has affected not only my district, but my State, and the truth is some of this can be said for a number of other States and communities up and down the east coast.

I have here with me this evening three charts. The first one is a chart from Wilson County. That is somewhere over 100 to 110 homes there, what we would call mobile homes or trailer homes in North Carolina and across the country. But as you can see, the early stages, all of these homes are under water in some form, and all of them, all, had to be removed and spent their time in shelters.

As bad as this looks, in some places in eastern North Carolina tonight there are thousands of citizens of our State who went into shelters on Wednesday night, one week ago, fearing the worst from Hurricane Floyd, not realizing that a week later they would be there, and fears greater than they had ever anticipated have been realized. Not only have they been in shelters with people they did not know, they are in shelters with their children and with people who, many of whom

have not had an opportunity for a bath in a week, but with the help of federal and State and the good graces of individuals they have been fed, they have been provided a place to stay, and as bad as the conditions are in some places, people are scrambling to help make it better with FEMA's help. And I must, this evening, pay tribute to Director Witt who, I think he and his people have just done an outstanding job in coordinating it.

They had no idea that a week later they would have, in some cases, no home to go home to, no jobs to accept when they went back because the businesses they worked for were gone. If they happen to be farmers, their farms are under water. All the crops this year are gone because in North Carolina we had a bad drought this summer, and what crops were left are now totally under water and gone.

If they happen to have been a tobacco farmer and were able to salvage something, those tobacco barns are under water, and what little tobacco they had in those barns, they are under water. Their tractors, all their equipment and in some cases their homes, their clothing, and the only thing many of them had when they left were the clothes on their back.

It is a tough situation, and in some cases places in my district are still under water, but in places east of us are even worse. There are whole houses under water, and the water has not yet subsided a week later.

This is an additional photograph taken also in Wilson County. As you can see, this was a commercial building, but behind it was supposed to have been farm land. It looks like a lake. I cannot tell you what kind of crops were in it because they are under water.

This is a photograph of one of the towns. I traveled on Monday with the President and a number of other people from the district and Secretaries to Tarboro and over to Pitt County where the East Carolina University is, and today they are facing the brunt of it because the tidewaters have almost reached their high point.

And for those who would think that when we talk of hurricanes they think of the coastline of North Carolina which sticks out; they were talking about the coast. I remind folks that these are areas that have never been affected by flood, some of them not for 500 years that we know of. They are above the 500-year flood plain, and they are flooded.

Most of these people do not have flood insurance because there was no reason to have it. They have lost their businesses; in some cases, their homes; and as I said earlier, every single thing that they hold dear with their memories. Fortunately for most of them, they still are alive.

We have lost a lot of life. Tonight there will be more that will lose their life before it is over with, and we will find them when the waters go down.

But there are some good stories.

On Monday, some people were on a boat checking houses; and they heard someone tapping, a noise on a roof of a house. They crawled up on the house because the boat went right up to it. They knocked a hole in the roof of the house, and out crawled 11 people.

As water started to rise and rising so fast, the people in the house went up, and they kept going up, and they finally went up in the attic, and there was nowhere else to go; and they were trapped.

So there are stories of saving lives and heroism from all the groups you could think of from firemen, to rescue squads, to FEMA, to all groups. I will not try to list them this evening, but they deserve a great deal of credit; and as the gentlewoman from North Carolina (Mrs. CLAYTON) said, the people in North Carolina are not unlike the people anywhere in America. They are tough folks. They will bounce back, but they need help.

There is a reason we call them Tar Heels. They stick to it, and they get things done. They are tough people.

But we are going to need this Congress to take action on a disaster bill before we go home. Our farmers will not be able to plant next year if they do not get help. They have lost everything. Many of our business people will not be able to continue and provide jobs, and thousands and thousands of people have lost their home and everything they have.

I call on this Congress to take the action that we would take for anyone else in America. We have responded to world crises, it is now time to respond to those of us in North Carolina.

THE HIGH COST OF PRESCRIPTION DRUGS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Maine (Mr. ALLEN) is recognized for 60 minutes as the designee of the minority leader.

Mr. ALLEN. Mr. Speaker, I want to say, first of all, after listening to my colleagues from North Carolina, that the rest of us in this Chamber feel deeply about the plight of so many people in North Carolina who have suffered greatly through Hurricane Floyd and the resulting floods. No area of the country, Mr. Speaker, has been hit as hard even though people all up and down the East coast have suffered from this tragedy, and I know that I and other colleagues of mine are determined to do what we can to make sure that North Carolinians get the kind of assistance that they need and deserve after this tragedy.

We are here tonight to talk about another situation that calls for action by this Congress, and that has to do with the high cost of prescription drugs for seniors in this country. Thirty-seven percent of our seniors in America have no coverage at all for their prescription

drugs. To be sure, they are on Medicare, which is a Federal health care program; they are all on Medicare. But Medicare does not provide for prescription drug coverage; and so many people are struggling, trying to figure out how to pay the electric bill or the rent or buy food and still take the drugs that their doctors tell them they have to take.

I started hearing about this issue shortly after I was elected to Congress, and whenever I talk to seniors groups I might start out talking about Medicare reform or Social Security reform, but pretty soon we wound up talking about prescription drugs because it was a daily worry for so many people who thought that when they retired they would have enough money to make ends meet. But many of them do not.

I have had people write to me and say that between themselves and their husband they have \$600 a month in prescription drug expenses and they only have \$1300 or \$1350 in a Social Security check. The math does not work; they cannot do it. I have had women write to me and say I do not want my husband to know, but I am not taking my prescription medication because he is sicker than I am, and we cannot both afford to take our medications.

So last year when the Democratic staff on the Committee on Government Reform and Oversight came to me and said we would like to do a study for you of some kind in your district to call attention to a problem or to deal with an issue that you think needs attention, I asked them to do a study on prescription drugs, and the results were astonishing.

What we found is that for the 5 or the 10, makes no difference, for the 5 most commonly prescribed prescription drugs for seniors, seniors, on average, pay twice as much for their medications as the pharmaceutical company's best customers. The best customers are HMOs, hospital chains, and yes, the Federal Government itself.

And let us take a look before turning to some of my colleagues who are here with me tonight, let us just take a look at the chart which shows a comparison between the average retail price that older Americans pay in my First District in Maine compared to the prices that the drug companies charge their most-favored customers. Whether you pick Zocor or Norvasc or Prilosec or Procardia XL or Zolofit, in any event, when you add those up, the average price differential in my district when this was taken last year is over 100 percent. Seniors are paying twice as much for their drugs as the drug company's best customers.

A subsequent study showed that seniors in Maine pay 72 percent more than citizens in Canada for the same drugs, same amount, same quantity, and they pay 102 percent more than Mexicans do for their medications, same drug, same quantity, same quality.

That study has now been replicated in a number of areas around the coun-

try, and with me tonight are the gentleman from Texas (Mr. TURNER) who has done a lot of work on this issue, been a leader on the prescription drug issue, and the gentlewoman from Florida (Mrs. THURMAN) who has had a study done in her district and is working hard to make sure that seniors get the kind of coverage they deserve.

□ 2100

Before turning over to the gentlewoman from Florida (Mrs. THURMAN), I would say as a result of these studies we all worked together and developed legislation called the Prescription Drug Fairness for Seniors Act, H.R. 664, which has 125 cosponsors in the House. This is a bill that creates no new Federal bureaucracy. It involves virtually no expense to the Federal Government, but it puts the Federal Government on the side of seniors on Medicare; in fact, all Medicare beneficiaries.

Basically, the Federal Government would negotiate reduced prices for seniors as a block. The legislation is very simple. It allows pharmacies to buy drugs for Medicare beneficiaries at the best price given to the Federal Government. We think this would probably lead to price reductions for seniors in their prescription medication by up to 40 percent, at virtually no cost to the Federal Government, with no new Federal bureaucracy.

This is a bill that is simple, cost-free, but the opposition is unbelievable. We will get into the opposition and the big money opposition that is trying to stop this legislation.

I would now like to yield to the gentlewoman from Florida (Mrs. THURMAN), who has been working very hard to make sure that her constituents in Florida get the benefit of the kinds of reduced prices for seniors that we know we can achieve.

Mrs. THURMAN. Mr. Speaker, I would like to thank the gentleman from Maine (Mr. ALLEN), first of all, for yielding time but also for his leadership on this piece of legislation. I think many of us would like to kick ourselves because the idea is so easy that we did not think of it before he arrived here. It is so simple in the fact that we do this in other parts of our government already. We do it in the Veterans Administration. They actually go out and use their force of being large buyers for medicine and they are out there and they are actually contracting with the pharmaceutical companies a reduced price for veterans in this country because they have so many people that they can negotiate for; no different than an insurance company does, no different than an HMO does, no different than, quite frankly, in another part of our government that is already doing this in the State of Florida, Medicaid does it. No different.

It is just these are people that are covered by an insurance that the government actually has control over.

So when the gentleman from Maine (Mr. ALLEN) brought up this issue in

Maine, some of us went to the committee and said we would like to look at those same issues within our districts. So we used the same medicines. We talked with chain stores. We talked with our private pharmacists and asked them to give us some ideas of what these costs were. Basically, we had the same kind of results.

Now, something, though, that I think is so important in this issue is these are drugs that are life sustaining. These are not drugs that are something that a person does not have to have. They are not vitamins. They are not these type of things. For many people these are life-sustaining. I mean, we are talking about cholesterol. We are talking high blood pressure. We are talking heart problems. All of these issues become so passionate to these folks, and it is not just about whether they can choose between food or not. These people are also doing some damage to themselves in the fact that they might, in fact, take only a half a pill for the day or they may take their prescription three times a week instead of five times a week. So what we end up doing by not having any kind of coverage at all is we are actually promoting sickness within the most vulnerable part of our population because without them taking this medicine, they become sick; they go into the hospitals, and the next thing we know we have Medicare even picking up a higher cost for these drugs and for these seniors.

So we did the exact same thing. Mine is even different from Maine, which actually astonishes me. The same drug companies, the same folks we are trying to cover, same drugs, same companies, whole thing and we have in some cases as much as a difference for those people who in fact get to be a preferred customer, who are those folks that happen to have insurance, actually end up with ours with Zocor was like \$34.80 for their preferred customer and the average price for the senior that has no coverage is \$103.19. That comes out to 197 percent difference in cost.

If we look at ulcer medicine, \$59.10 for preferred customers compared to \$115.71; high blood pressure, \$59.71 as a preferred customer to \$115.41, 93 percent difference; heart problems, \$68.35, average price for seniors, \$129.45; depression, \$115.70 compared to \$216.44 for the seniors. That is 87 percent. Overall, the price differential becomes 112 percent.

The gentleman from Maine (Mr. ALLEN) referred to an issue dealing with Mexico and Canada, but before I go into that, because those numbers are just as astonishing, I think the gentleman from Texas (Mr. TURNER) has some letters and some things that actually kind of sum up a lot of how these people are feeling, and then once they find out what is happening to them by the drug companies they are saying, wait a minute, why am I not a preferred customer? I am part of the 39 million people who are on Medicare.

My government should use its full faith and credit to give me the same opportunity to have my government negotiate with pharmaceutical companies just like we give the opportunity for everybody else in this country.

This is such a passionate issue.

Mr. ALLEN. It should be a matter of some passionate concern for all of us because our seniors out there are not getting by, a great many of them.

Mr. Speaker, I yield now to the gentleman from Texas (Mr. TURNER), who has been battling away on this issue since the middle of last year and has really done yeoman's work as far as making sure that the people in his district and really around the country understand the effect that these high prices are having on seniors and what we need to do about it.

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

Mr. ALLEN. I yield to the gentleman from Texas.

Mr. TURNER. Mr. Speaker, I really appreciate the leadership that the gentleman from Maine (Mr. ALLEN) and the gentlewoman from Florida (Mrs. THURMAN) have given to this issue. It seems like this is an issue that continues to gain momentum.

I know we have been talking about this issue for well over a year, when we first introduced the legislation in the 105th Congress and then we came back with the gentleman from Arkansas (Mr. BERRY), reintroduced it in the 106th, and it is good to know that we now have over 125 that have joined with us. I have full confidence that that number will continue to grow because this is not an issue that is hard to explain.

The American people and our senior citizens understand full well that the price of prescription drugs are too high.

I brought with me tonight a few letters that I have just received in just the last few weeks, a continuation of mail that all of us get about this subject, particularly from our senior citizens. It is an issue that hits real close to home. In fact, the first time that we introduced this legislation in the 105th Congress I went around to pharmacies all across my district and I went there because pharmacists have understood this problem for years. They have even fought the big drug manufacturers in court, with little success, I might add, trying to end the practice of price discrimination that was exhibited on the charts by my colleagues here tonight.

I met with a lady in Orange, Texas, that I will never forget. She became the subject of a newspaper article in the Houston Chronicle. Her name is Frances Staley, a lovely lady, 84 years old and blind. She came to my little meeting there at the pharmacy because that is where she trades and she heard I was coming to town. She just came by to say how much she appreciated the efforts we were making in the Congress to try to hold down the cost of prescription drugs. She spends most of

her Social Security check every month on her prescription medication. She takes 14 different medicines. She told me that she really hoped that we could pass this bill. It would mean a lot to her.

This bill is not only for Mrs. Staley. It is for people like Joe and Billie O'Leary in Silsbee, who recently wrote me about the fact that they spend more than \$400 a month on prescription medications. It is about folks like Archie and Lena Davidson of Vidor who came up to me in a town meeting that I had just in the month of August. I went around to 70 of my communities and at every stop I talked about this issue. These folks knew I was coming and they brought by a computer print-out of their prescription drug bill that they had incurred at their local pharmacy since January. It is just shocking to look at the expenses that they have incurred; \$3,526 for both Mr. and Mrs. Davidson since the first of the year. They said they really hoped that we could pass this bill.

Another couple that wrote me recently, Charles and Louise Ashford, spend \$370 every month for 7 prescription drugs. They wrote a very long letter that really said a whole lot about the importance of this issue to our senior citizens. They wrote, and I want to read a part of their letter, most of the elderly have several ailments that require several prescriptions per month. The best and latest treatments for some ailments and diseases are priced out of the range for many of us on Medicare. Some treatments are available only for those who can afford it. I have found the problem is not that the older people want free medicine. They want medicine priced reasonably so they can afford it. What good is research and finding cures for diseases if a larger part of our population cannot afford the medicine for the cure? I feel our government has failed the elderly and those in bad health in this country for not capping the price of medicine. Some of the most wealthy people in the world are those owning pharmaceutical companies. They are allowed in the U.S.A to charge whatever for their medicine. That should be medicine that should be available at a reasonable price. We all know that the same medicines are cheaper in Canada and Mexico. Many of our elderly are widows whose husbands worked when wages were much lower than now and do not get much of a retirement check or Social Security. They write, I think some of our legislators have lost touch with reality if they are not aware of the high cost of medicine.

Mrs. O'Leary said in her letter that she and her husband are rather healthy. They do not take heart medicine, stroke medicine, cancer medicine but they still spend close to \$100 every month for her medications and over \$300 a month for her husband's. She wrote, the people who are having to pay the high costs are the ones least able to pay. Let us be fair to all.

Please, she writes, try to cap the prices pharmaceutical companies are allowed to charge. Then we can all afford to pay for our own medicine.

Listen to the closing paragraph, which I think kind of says it all from our senior citizens. She writes, our generation worked hard. We, through our taxes and our efforts, helped pay for schools, public buildings, highways, bridges and helped pave the way for those now young. In the prime of our lives we fought in the wars for this country and to keep our country free. We believe our country is big enough, with all of the resources, to provide reasonable health care and affordable medicine for all.

That is the message that this Congress needs to hear, and I really do think that it is time for more of our colleagues to join with us to address this very, very serious problem.

Mrs. THURMAN. Mr. Speaker, will the gentleman yield?

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

Mrs. THURMAN. I would say to the gentleman from Texas (Mr. TURNER), to go back to the letter, that kind of goes into this segment about what has happened with the U.S. and Canada and Mexico, and I know the gentleman from Maine (Mr. ALLEN) has a scenario that actually happened in his district and then we have, again, the studies that have been done for and showing the differences between Canada, Mexico and our districts, which are, again, I think, pretty profound in the differences. Maybe just a few of them, again, use the same drugs; Canada's price for Zocor was \$46.00. Mexican price was \$67.00, and Florida's price was \$103.00. It goes down the same way all the way through there again. It is the same thing. We are paying more. We actually pay about 81 percent difference in Florida from Canada and about 79 percent difference from Mexico.

□ 2115

So we think that is interesting.

Mr. Speaker, it just seems to me that when we talk about this issue, because we have these border States, and people are very aware of what is going on in other countries and the cost of this medicine, it even makes it more profound, and as the gentleman has seen in his own district what is going on, again, it is just another example of what these folks are feeling.

The second thing that I would point out is that when she talks about the fact that we have enough money to do this, this is exactly what the gentleman from Maine (Mr. ALLEN) said, and what we have talked about in all of our meetings of this, this is budget-neutral. If we just did this, with no cost to the Federal Government, staying within the idea that we are trying to keep our budgets balanced, we are still talking 40 percent that could be reduced for these drugs without any kind of a benefit.

Mr. TURNER. Mr. Speaker, I have always thought that that was one of the best things about this piece of legislation, because it simply asks for fairness in drug pricing. It has no cost to the Federal Government. Ms. O'Leary referred to the fact that she felt we ought to cap drug prices. Well, actually, we do not even cap drug prices in this legislation. We simply say to the big drug manufacturers, it is time to stop the kind of discriminatory pricing practices that we have exhibited through these studies.

I have had many pharmacists tell me that they are really very proud of what we are trying to do because as most of us know, particularly those of us who live in rural areas, independent pharmacists are a dying breed. Many people wonder, why is the drugstore on the corner no longer there. Well, the reason is the subject we are talking about tonight, because the big drug manufacturers have put them in a very difficult financial position by charging the wholesalers they have to buy from higher prices than the big drug manufacturers charge the big HMOs and the big hospital chains; and that price discrimination has worked to the disadvantage of any individual who shops in a local pharmacy in their hometown. Mr. Speaker, 60 percent of all prescription drugs are purchased by senior citizens, so the bottom line is those least able to pay in our society are being asked by the big drug manufacturers to pay the highest prices of anyone.

I had an e-mail from a pharmacist just a few days ago. He said, "Dear Congressman TURNER, I am pleased to see you are making efforts to address the high cost of prescription medications for our senior citizens. Being a registered pharmacist for 20 years, and having parents in the targeted age group, I am very aware of this problem."

So our pharmacists know what has been going on, and our senior citizens are beginning to understand that it is the big drug manufacturers that are causing them to pay much higher prices than they should be paying for prescription drugs.

I yield to the gentleman from Maine (Mr. Allen).

Mr. ALLEN. Mr. Speaker, I appreciate the gentleman's comments, because I think they are completely accurate in terms of how we analyze this particular problem. We have been talking about the problem tonight and what our seniors are going through, and I thought it would be worthwhile to come back to the legislation just for a moment and talk about the prescription Drug Fair necessary for seniors act, H.R. 664.

What we have done here is outlined the principal points of this legislation. It allows pharmacies to buy drugs for Medicare beneficiaries at the best price given to the Federal Government. That may be a price that the Federal Government negotiates through the veterans administration or through Medicaid or some other program.

In other words, what it really does is give seniors the benefit of the same discount received by hospitals, big HMOs, and the Federal Government itself. As we have said, it does not increase Federal spending, it does not establish a new Federal bureaucracy, and it would reduce prescription drug prices for Medicare beneficiaries by as much as 40 percent.

So why is not everyone on this bill? That has to do with the nature of the pharmaceutical industry, with the role of money in politics, and we will get to that. But first, I think we could agree that there is another kind of proposal out there which is also needed, and I know all of us support, and that is a prescription drug benefit under Medicare. A discount is not enough; we need a benefit under Medicare as well, because even with this discount, there will be those who still struggle to pay for their prescription drugs.

What is then interesting about the pharmaceutical industry is it opposes, it opposes the discount approach; it opposes a prescription drug benefit under Medicare unless, they say, unless Medicare is changed dramatically, unless Medicare essentially is turned over to HMOs.

Let us talk for just a moment about this chart.

We have talked about seniors who can barely afford to buy their prescription drugs, some who cannot afford to buy their prescription drugs, some who take one pill out of three or skip whole weeks entirely when they seem to be feeling relatively good. No doctor would recommend that course of treatment.

On the other side of this struggle is the pharmaceutical industry. Now, the interesting thing about the pharmaceutical industry which claims that if this legislation passed they would not be able to do research and development at the same level and seniors would be hurt and new drugs would not be developed, is that when we look at all of the industries in this country, all of them, this is the single most profitable industry in the country.

In this Fortune 500 analysis, the pharmaceutical industry is first in return on revenues, first in return on assets, first in return on equity. In other words, to simplify it, no matter how we calculate profits, this is the most profitable industry in the country, and the problem we are talking about is real simple.

The most profitable industry in the country is charging the highest prices in the world to people who can least afford it. That is why we are here; that is why the system has got to change, and that is why we are doing everything we can to make sure that it does change.

Mr. TURNER. Mr. Speaker, if the gentleman will yield, I just want to follow up on the gentleman's comment about the big drug manufacturers' opposition to having any prescription drug coverage under the Medicare program. I think it is pretty apparent to

those others who have studied this issue a little while why they have such strong opposition. They know that if we ever have a prescription drug coverage under Medicare, the Government is not going to pay those exorbitantly high prices that our senior citizens are having to pay today in their local pharmacies.

So they are afraid of any suggestion that there be any coverage for prescription drugs under Medicare, and the truth of the matter is, the problem that we have addressed in this legislation could be solved by the big drug manufacturers themselves. In fact, we know that most of our senior citizens understand that even the Government gets cheaper prices than they do. The Government is a big purchaser.

We buy prescription drugs for our veterans that are prescribed for them through the Veterans' Administration health care programs, and if we could just get those kind of prices for our senior citizens, we could see prices go down 30 and 40 percent. So the big drug companies know that their pricing practices over the last few years, which have gotten worse and worse and worse in terms of the discriminatory nature of them, has been the cause of the legislation we have brought forward. If they really did what is right, they could solve the problem themselves, because they are the ones that set these discriminatory prices, which has resulted in our seniors paying the highest prices of anyone.

Mr. ALLEN. Mr. Speaker, the gentleman is absolutely right. No one here created this price structure; the industry created this price structure. They have just decided that they are going to get whatever they can out of Canadians and Mexicans and HMOs and hospitals, and then they have decided that they would set prices so that the highest prices in the world are paid by seniors, especially those seniors who do not have any coverage for their prescription drugs, and that is 37 percent of all of the seniors in the country. And there is another 8 percent with really inadequate coverage.

Mrs. THURMAN. If the gentleman would yield, that probably is going down, or that number is going up, because we have now just seen over the past couple of years the draw-out of the Medicare Plus programs, which are the HMO, Medicare programs that, in fact, had some kind of a prescription drug benefit, and many of those are being taken out of a lot of counties these days across this country. So we could potentially see that number go up.

I think we ought to talk about this when we get into this opposition. We now have the facts out; we know that they are first in every possible way we can slice it, and then what happens to us is we get these comments being made to us: well, you know, if you do this, we are going to stop research, and we are going to stop people having a longer life because we won't have the

research out there for this medicine, biotech. All of these folks are giving us these scare tactics. I think if either of the gentlemen can respond to this, or I certainly can, to kind of keep this going in a dialogue here, it is amazing what we found out with what happened in 1984 and what happened again in 1990 when some of these issues were brought up.

I yield to the gentleman from Texas, Mr. TURNER.

Mr. TURNER. Mr. Speaker, our Prescription Drug Task Force that we all serve on, we had a meeting a few months ago where we had a presentation from a gentleman who had done extensive research at a respected university regarding the pricing practices in other countries, and it was interesting to note that we in the United States were the only country in the entire developed world that does not have some restraint on pricing practices of big pharmaceutical companies.

Well, that being the case, I guess it should be no surprise to us that we in the United States are paying the highest prices of anyone in the world for prescription drugs. I think there is going to come a point in time, and I think it is coming sooner than later, that the American people are going to rise up and they are going to say, we are tired of it. We are tired of subsidizing the prescription drug purchases of everybody else in the world, and we want some prescription drug fairness.

So when we are looking at the data that clearly shows us that there is price discrimination worldwide working to our disadvantage and price discrimination within our own country, that is resulting in everyone at the retail pharmacy level paying the highest prices of anyone, I think it is time to wake up and for us to do something about it.

Mr. ALLEN. Mr. Speaker, we probably should talk for a moment about the nature of the opposition and what is happening right now.

Well, several things. People have probably noticed a set of television ads running all across this country featuring Flo. Flo is a bowler, and in these ads, she is urging us all to pay attention to what is going on in the debate on this issue and making it clear, as she said, that "I don't want big Government in my medicine cabinet."

Now, if we want to know who pays for Flo, it is some group called the Citizens for Better Medicare. Well, here is one, here is a full-page ad run in a local paper here in Washington, and Flo is featured in television ads. Citizens For a Better Medicare is delivering a message, and that message is, we want the right kind of Medicare reform, and only the right kind of Medicare reform.

Mrs. THURMAN. Mr. Speaker, if the gentleman will yield, do we know who is paying for these ads?

Mr. ALLEN. We do, Mr. Speaker. Guess who is paying for them? It turns

out it is the pharmaceutical industry. Is that not surprising?

What has happened is the coalition, it is called Citizens for Better Medicare, it includes the National Association of Manufacturers, the United States Chamber of Commerce, the United Seniors Association, and the National Kidney Cancer Association. The executive director of this coalition, until just recently, was working for PRMA, the Pharmaceutical Research and Manufacturers of America. That is the industry association for the pharmaceutical industry.

In this recent story, a person named Martin Corey, who works for AARP, was criticizing these advertisements and I quote what he said in this article in The New York Times.

□ 2130

He said, "This phony coalition, created and financed by the pharmaceutical industry, is what we have come to expect from drug companies over the last decade. Fundamentally, they are in favor of the status quo, which leaves millions of older Americans without drug coverage."

Now, I know that the gentlewoman from Florida (Mrs. THURMAN) has some points to make, but we really need to understand the role of money in politics. What the pharmaceutical industry is doing is taking this, and this is an industry that is near the top in lobbying contributions, it is near the top in campaign contributions, both money to candidates and soft money to the national parties. Now they are running up to a \$30 million national media campaign basically to make sure that no discount approach is enacted and no Medicare prescription drug benefit is enacted by this Congress. This industry wants the status quo, or, alternatively, it wants to turn over Medicare to HMOs.

I say to the gentlewoman from Florida (Mrs. THURMAN), she was just pointing out that as recently as July 1, 340,000 people in Medicare HMO plans were simply dropped by the plans because it was not economically profitable to cover them, just dropped. Millions of other Americans who were in these Medicare managed care plans are having their prescription drug benefits cut arbitrarily because the company is not making enough money, so they cut the prescription drug benefits. That is not a system that works for our seniors, and that is why we need to change it.

Mr. Speaker, I yield to the gentlewoman from Florida (Mrs. THURMAN).

Mrs. THURMAN. I absolutely agree, Mr. Speaker. I do want to go back to this issue, because it kinds of goes along with Flo and others out there, other kinds of ads we are hearing about research.

One of the things she mentioned in the very beginning was, I could not walk without pain, but thanks to new medicines, which gives us the connotation that there are not going to be any new medicines out there.

What we have found in some of this research was that in 1984 there was a piece of legislation called the Waxman-Hatch bill that in fact the pharmaceutical companies came in and said, you cannot do this because we are going to increase the availability of generic drugs, and if you do that, we are going to have more competition between brand name drugs, and we are going to have to cut research and development.

In those years, if I remember these correctly, it went from \$4.1 billion to \$4.4 billion in that period of time from 1984 to 1990. Then, in 1990, we did a rebate program. In the rebate program, again the pharmaceutical companies came up and said, oh, no, you cannot do that, cannot do that. We are not going to be able to have research and development.

Since 1990, we now went from \$8.4 billion to \$18.9 billion. But there is some more interesting information that has to go with that, and this cannot be overlooked. First of all, in the last four appropriations in the Congress for NIH, the funding in NIH has gone up more than any other budget in this country, by 5, 6, 7 percent, because we understand and believe there needs to be an investment in research. We understand that. We are not closing our eyes to the fact that we want good research in this country.

Now, who is the recipient of this research? Who is the one who gets the contract after we give NIH the money to do the research? Pharmaceutical companies, can Members imagine? So they are actually taking some of the government money we are giving them for research and using it.

The problem is, we never get any of that money back. No, they get a patent, and in that patent we extended it for 20 years, so we cannot even have any competition for these folks. So we have a pharmaceutical company that gets part of their funding from NIH.

I happen to have a huge university in my district, the University of Florida, a teaching hospital. They are wonderful. They do great research. They have had on-the-cusp engineering research kinds of things they have done in medicine. They, too, then are helpful to the pharmaceutical companies.

So it is not like they are having to come up with this research money on their own, they are actually getting help from their government, they are getting help from their university systems, both public and private, and they reap all of the benefit, and, according to the gentleman's chart over there, all of the profits.

Then they come to us and say, oh, you cannot do any of this. We are going to keep gouging the most vulnerable people. I do not get it. I do not know why our colleagues are not on this piece of legislation, because this is just perfect kinds of stuff that prove that over and over again it becomes a spin game and who is going to win.

I do not have \$30 million to do an advertising campaign. The only voice

that I have is the voice that was given to me as an elected official, and that is to bring this to the floor of the House to raise the consciousness level of this country and have them understand why this issue is so important, and the unfairness of what is going on in these price activities today.

Mr. TURNER. Mr. Speaker, if the gentleman will continue to yield, I thought the gentlewoman brought up a very important point when the gentlewoman mentioned the patent law.

I find it amusing to watch these ads featuring Flo that are paid for by the big pharmaceutical manufacturers, and Flo raises her finger and she says, I do not want government in my medicine chest. Well, the truth is, as the gentlewoman pointed out, government is in her medicine chest, because the laws of the United States protect those drug companies from competition because we, under law, grant them a 17-year-patent on their medicines that they are always up here fighting to get extended. That law guarantees them a monopoly over the drug that they have done the research to create and bring to the market.

Frankly, I think that is a good law, because the purpose of the patent law is to encourage the development of new drugs, new cures, and we have seen many of them in recent years. In fact, back when the Medicare program was first put in place in the mid sixties, nobody thought about covering prescription drugs because it was a very small part of our total health care costs. But today prescription drugs are a major part of all of our health care costs, and that is why the problem we are talking about tonight is such a serious one for senior citizens, particularly those who are on fixed incomes.

I think what I would like to do, if we had the millions of dollars that the big drug manufacturers have, I would like to put my constituent that I talked about earlier, Ms. Daley from Orange, Texas, on TV. She would tell a different story than Flo. Or the lady that I read the letter from just a few minutes ago, Ms. O'Leary, I believe she could handle herself in debating Flo.

She is the one that said in her letter, "What good is research and finding cures for diseases if a large part of our population cannot afford the medicine for the cure?" I think the senior citizens of the country get it. I really never have paid a whole lot of attention to those expensive ads that featured Flo, because I think the people out there watching those ads are smarter than that.

Mrs. THURMAN. If the gentleman will continue to yield, it is not just about seniors, Mr. Speaker. When we listen to the families of the seniors that are trying to put their kids through college or trying just to make a mortgage payment or have a car, who are having to help out, they do not want their parents sick. They do not want them to go without the medicine that is needed to keep their life sus-

tained. They want their parents to be able to enjoy their grandchildren. They want them there. It is an important part of our whole family fabric in this country.

But we are denying everybody a chance, then, through the family structure to enjoy their parents' last time in their senior years. So it goes way beyond just the seniors.

I went to an editorial board meeting, just about this. It was very interesting, because the woman I talked to said to me, she said, I had this friend. She did not take her blood pressure medicine, and I asked her why. She said, my cat had to go to the veterinarian. As we got through the end of it, I found out it was her mother. She said, why didn't you call me? I would have gotten your medicine for you? But the mother was proud, did not want to take money. She was worried about her cat, so that was the decision she made. I know that may not be the choice that everybody would make, but certainly it was for her.

So here is a daughter who is now having to help out or wants to help out, it is not even a matter of having to, and not because of those reasons, necessarily, but they all go through something like this.

Mr. ALLEN. The people that we have been talking about tonight, our constituents, are real people. Flo is a fake. Flo is a TV ad. Flo is someone, a creation of the pharmaceutical industry. Flo means big bucks, and what Flo is trying to do is persuade people in this country that they do not want any government involvement in Medicare, which is a Federal health care program, if it is going to provide either a prescription drug benefit or a discount for seniors.

The gentleman from Texas (Mr. TURNER), was saying that, after all, the government is involved in her medicine cabinet. The gentleman mentioned one way, but there are some other ways. The Food and Drug Administration in this country is there to make sure that the drugs that are sold by the pharmaceutical industry are, number one, safe, and number two, effective; that is, they work. That is what the purpose of the Food and Drug Administration is.

We all want to make sure that continues, because if this industry were simply allowed to sell any drug, regardless of whether it had been tested and was assured to be safe or whether it was going to actually work, we would all be worse off.

If Flo were a real person, she is one of a minority. She is one of the 28 percent of the people in this country who have prescription drug coverage through a retirement plan, but the rest of the population does not. Thirty-seven percent have no coverage at all. 8 percent have some coverage under a MediGap policy, but those are really pretty ineffective and not very cost-effective. Then there is 17 percent who have some sort of coverage, or used to, under Medicare managed care, but as

we have seen, managed care companies that serve Medicare beneficiaries are cutting back on the benefits, they are dropping the limits, increasing the co-pay, or they are just dropping people altogether.

The bottom line, this is about money. The industry is charging the highest prices in the world to people who can least afford it. This is an industry which made \$26 billion last year, \$26 billion. Now they are spending millions of dollars of that money to try to persuade people in this country that we should not have a discount on prescription drugs and that we should not have a benefit under Medicare. It is an outrage.

This system has to change. It is not sustainable. What our seniors are spending on prescription drugs is going up 15 percent a year. That is one reason the industry is so profitable. Yet, the industry is simply saying no to the kinds of changes that would make sure that people get the drugs, get the prescription drugs that their doctors tell them they have to take.

Mr. TURNER. If the gentleman will yield, Mr. Speaker, the point the gentleman makes about the big drug manufacturers and the involvement they already have with government is an important one, because we are all very proud of the fact that the FDA, the Food and Drug Administration, protects the prescription drugs that we purchase every day.

I think most of us in the last analysis would support the policy of granting a patent to our big drug manufacturers to encourage them to make the necessary financial investment to come up with new drugs and cure serious diseases.

But it just seems to me that in exchange for that protection under the patent law, that the big drug manufacturers owe us at least one thing back. That is, fairness in drug pricing. I am a firm believer in the free enterprise system. I believe that government ought to stay out of the business world as much as possible, because I believe in innovation and entrepreneurship.

But the truth is the free market system that we all believe in is not working in the drug industry. The reason it is not working is apparent to anyone who looks even glancingly at the problem, because it is our patent law that the people of the United States have put on the books to encourage the drug companies to develop new, innovative drugs that gives them a monopoly.

We all understand that the free market never works when there is a monopoly. So if we are going to protect the big drug companies and allow them to make the necessary investments to come up with new cures, what they owe us back is fairness in drug pricing.

I want to make it very clear, and oftentimes our bill, people who look at it in the big drug industry, they say, oh, you are fixing prices. You are trying to control prices. There is nothing in this legislation that controls prices. It sim-

ply requires fairness in pricing. We simply say that senior citizens ought to be getting as good a deal as the best customers of the big drug companies. That is what we mean by fairness. We want an end to the discriminatory pricing practices of the big drug companies.

So I do not know how long the big drug companies want to spend millions of dollars perpetuating a discriminatory pricing scheme that is working to the disadvantage of the most vulnerable segment of our population.

But I will tell the Members this, if they persist, if they persist, there is going to be some people in this Congress who are going to look real hard at the patent protections that they are given under current laws.

□ 2145

There are people who are going to start asking some serious questions about the big multimillion dollar expenditures of the big drug companies on lobbying this Congress. There are some people who are going to start asking some questions about the substantial political contributions that those pharmaceutical companies are making.

I say that the best advice that I think we can give the big drug companies tonight is to listen to the senior citizens of this country. They are tired of being taken for a ride. They want fairness in drug pricing.

The drug manufacturers themselves have it within their power, without any legislation, to correct the problem, and I hope they will start down that road. Because if they do not get there, this Congress is going to help them get there.

Mr. ALLEN. Mr. Speaker, the gentleman from Texas (Mr. TURNER) says it well, and I want to thank him for his participation tonight and for his leadership on this issue along with the gentlewoman from Florida (Mrs. THURMAN) and so many others in this Congress who are working hard on this issue.

What is striking about where we are, to me, about this legislation is that a bill that creates no Federal bureaucracy and involves no significant Federal expense and would reduce prices for prescription drugs for seniors by as much as 40 percent has not one Republican cosponsor, not one.

Now, when we try to explain that, I drafted this legislation so that it would appeal to Members on the other side of the aisle, but not one has come over to support this legislation. When my colleagues ask why, they have to look at political contributions to the parties and candidates.

The pharmaceutical industry gives overwhelmingly to Republicans rather than Democrats. It gives to Democrats as well. My colleagues have to ask themselves whether or not it is the role of big money and politics that is shaping this debate.

I believe that we cannot leave this Congress without doing something

about the high cost of prescription drugs. We need to do at least two things. One is to pass H.R. 664, the Prescription Drug Fairness For Seniors Act, and one is to get a benefit, coverage for prescription drugs under Medicare.

This country is big enough and strong enough and wealthy enough to take care of those seniors particularly who are having a very difficult time affording the drugs that their doctors tell them they have to take.

We can do better as a country. We can do much better. But to do better means that we cannot let the pharmaceutical industry dictate the results. We are not going to allow Medicare to be taken over by HMOs, and we are not going to allow the pricing of prescription drugs to continue solely at the determination of the pharmaceutical industry. There needs to be some countervailing market power.

All we are saying is that, just as the Federal Government buys toilet paper and automobiles and desks and lamps and tries to get the best deal for the taxpayer, it should try to negotiate a discount for those seniors who are already on a Federal health care plan called Medicare.

If we do that, if we do that, many more seniors all across this country will be able to sleep at night knowing that they can afford both their meals and their prescription drugs and their rent, and they may just, maybe, have a chance to live out their lives the way they thought they could, the way they thought they could when they figured out how much they would have for retirement, instead of living in a world where every trip to a doctor may mean another \$100 a month in a prescription drug cost that they simply cannot handle.

This system does not work. It needs to change. I believe, in this Congress, it will be changed.

Mr. Speaker, I rise today in strong support for implementing legislation to substantially reduce the exorbitant prices of prescription drugs for Medicare beneficiaries. Our current Medicare program drastically fails to offer protection against the costs of most outpatient prescription drugs. H.R. 664, the Prescription Drug Fairness for Seniors Act of 1999 aims to create an affordable prescription drug benefit program what will expand the accessibility and autonomy of all Medicare patients. This bill will protect Medicare beneficiaries from discriminatory pricing by drug manufacturers and make prescription drugs available to Medicare beneficiaries at substantially reduced prices.

Currently, Medicare offers a very limited prescription drug benefit plan for the 39 million aged and disabled persons obtaining its services. Many of these beneficiaries have to supplement their Medicare health insurance program with private or public health insurance in order to cover the astronomical costs not met by Medicare. Unfortunately, most of these plans offer very little drug cost coverage, if any at all. Therefore, Medicare patients across the U.S. are forced to pay over half of their total drug expenses out-of-pocket as compared to 34 percent paid by the population as

a whole. Due to these burdensome circumstances, patients are forced to spend more of their limited resources on drugs which hampers access to adequate medication needed to successfully treat conditions for many of these individuals.

In 1995, we found that persons with supplementary prescription drug coverage used 20.3 prescriptions per year compared to 15.3 for those individuals lacking supplementary coverage. The patients without supplementary coverage were forced to compromise their health because they could not afford to pay for the additional drugs that they needed. The quality and life of these individuals continues to deteriorate while we continued to limit their access to basic health necessities. H.R. 664 will tackle this problem by allowing our patients to purchase prescription drugs at a lower price.

Why should senior citizens have to continually compromise their health by being forced to decide which prescription drugs to buy and which drugs not to take, simply because of budgetary caps that limit their access to treat the health problems they struggle with? These patients cannot afford to pay these burdensome costs. We must work together to expand Medicare by making it more competitive, efficient, and accessible to the demanding needs of patients. By investing directly in Medicare, we choose to invest in the lives, health, and future of our patients. By denying them access to affordable prescription drugs, we deny these individuals the right to a healthy life which continues to deteriorate their well-being and quality of life.

The House Committee on Government Reform conducted several studies identifying the price differential for commonly used drugs by senior citizens on Medicare and those with insurance plans. These surveys found that drug manufacturers engaged in widespread price discrimination, forcing senior citizens and other individual purchasers to pay substantially more for prescription drugs than favored customers, such as large HMOs, insurance companies, and the federal government.

According to these reports, older Americans pay exorbitant prices for commonly used drugs for high blood pressure, ulcers, heart problems, and other serious conditions. The report reveals that the price differential between favored customers and senior citizens for the cholesterol drug Zocor (Zo-Kor) is 213%; while favored customers—corporate, governmental, and institutional customers—pay \$34.80 for the drug, senior citizens in my Congressional District may pay an average of \$109.00 for the same medication. The study reports similar findings for four other drugs investigated in the study: Norvase (Nor-Vask) (high blood pressure): \$59.71 for favored customers and \$129.19 for seniors; Prilosec (Pry-low-Sec) (ulcers): \$59.10 for favored customers and \$127.30 for seniors; Procardia (Pro-car-dia) XL (heart problems): \$68.35 for favored customers and \$142.21 for seniors; and Zoloft (Zo-loft) (depression): \$115.70 for favored customers and \$235.09 for seniors.

If Medicare is not paying for these drugs, then the patient is left to pay out-of-pocket. Numerous patients are forced to gamble with their health when they cannot afford to pay for the drugs needed to treat their conditions. Every day, these patients have to live with the fear of having to encounter major medical problems because they were denied access to

prescription drugs they could not afford to pay out of their pocket. Often times, senior citizens must choose between buying food or medicine. This is wrong.

Reports studying comparisons in prescription drug prices in the United States, Canada, and Mexico reveal that Americans pay much more for prescription drugs than our neighboring countries. In 1991, the General Accounting Office (GAO) revealed that prescription drugs in the U.S. were priced at 34 percent higher than the same pharmaceutical drugs in Canada. Studies administered on comparisons between the U.S. and Mexico also reveal that drug prices in Mexico are considerably lower than in the United States. In both Canada and Mexico, the government is one of the largest payers for prescription drugs which gives them significant power to establish prices as well as influence what drugs they will pay for.

Many Medicare patients have significant health care needs. They are forced to survive on very limited resources. They are entitled to medical treatments at affordable prices. H.R. 664 will benefit millions of patients each year. This bill will address many of the problems relating to prescription drugs and will ensure that patients have adequate access to their basic health needs. Let's stop gambling with the lives of Medicare patients and support this plan to strengthen and modernize Medicare by finally making prescription drugs available to Medicare beneficiaries at substantially reduced prices. It is a matter of life or death.

SOLVING PRESCRIPTION DRUG PROBLEM IS NO ROSE GARDEN

The SPEAKER pro tempore (Mr. KINGSTON). Under the Speaker's announced policy of January 6, 1999, the gentleman from Colorado (Mr. MCINNIS) is recognized for 60 minutes as the designee of the majority leader.

Mr. MCINNIS. Mr. Speaker, I have been sitting here for the last hour listening to the previous speakers and their comments about prescription drugs. I need to tell my colleagues, they brought up some very valid points.

I think that the prescription drugs in this country are priced too high, and I think there are a lot of families in this country who suffer because they cannot afford those prescription drugs. But let me say to all of my colleagues who have also joined the previous speakers and listening to them in the last hour, do not let people promise you a rose garden.

How can one possibly get the Federal Government involved in anything and then honestly look at the American people and say it is not going to have any cost. There is a tremendous cost every time the government gets involved.

Now, what happens back here in Washington, D.C., as many of my colleagues know, programs often start on the promise that the cost will be a low cost. Take a look at almost any program my colleagues want to. The space program, it is a great program, but look at how the costs have just ballooned out of sight. Look at all the

different social programs, the welfare programs.

Look at Social Security. Social Security started out with good intent. It was going to cost this much, and pretty soon it was this much, and pretty soon this much, and pretty soon this much.

So the only thing that I would add to the previous speakers' conversations is, let us look at the economics. We all agree there is a prescription problem out there. In fact, I would take issue with the one gentlemen I believe from Texas who made points that perhaps it was partisan warfare on this. I do not think so. I think, on both sides of the aisle, Members recognize there is a problem out there with the cost of affording prescription drugs. But I think on the Republican side of the aisle, there is a realization that somebody has got to pay for it.

Nothing is free. We have heard that saying since we were little, tiny kids. One does not get something for nothing. That is what my mom always used to tell me. I always used to say, "Mom, here is a great bargain; or, daddy, I can get this for free." My dad and mom would always say to me, "You do not get something for nothing. Somewhere somebody has got to pay."

It is just like our social programs. Every time one gives a dollar to somebody who is not working one has got to take that dollar from somebody who is working. So as we go together as a team to take a look at what we can do for the people of this country in lowering those prescription costs, getting the FDA to approve these drugs instead of sitting on a bureaucratic, almost a bureaucratic strike before they approve these drugs, as we begin to approach these challenges, let us not forget what the consequential costs will be to the future. Are we creating a new Federal program that will very soon balloon out of sight?

We have a history. The United States Congress has a long history of starting out program after program after program with good intent after good intent after good intent, and they never, ever, ever come anywhere close in their estimations of cost at the beginning of the program versus what the actual costs are once the program gets on its feet. Never anywhere close. I mean, it is just not close.

So, again, this is not the intent of my speech tonight, but I want to say, because I thought their comments were well made, and I think some of the problems my colleagues spoke about in the last hour, they hit the nail right on the head; but let us not promise the American people a rose garden. Let us be realistic about this. Let us talk about the economics of it. Let us talk about who is going to pay the bill. We need to consider that.

CLEMENCY FOR FALN

Mr. MCINNIS. Mr. Speaker, I want to visit with my colleagues this evening about a couple of things. Many of the people in my district already know that I used to be a police officer. But

for my colleagues that are not familiar with it, I used to be a police officer.

I have got some experience in the field of law enforcement. I know that the best way to stop crime is to have consequences for one's crime. If one commits a wrong, one has to pay a price. There is a price to pay if one decides to take behavior that is not normal or behavior that creates bad things in our society. We all know we have to have a price. As a police officer, I saw that every day.

Well, tonight I want to talk about a couple things that just smack right in the face of trying to bring civility and trying to cut down the crime rate in our society. We all know that for many, many, many years in this country, we have suffered unfairly at the hands of terrorism. It has happened right here in these House Chambers, right here where my colleagues are sitting.

Take a look right up there. Look up there on the roof. Do my colleagues know what is up there on the roof of the U.S. House of Representatives Chambers? There is a bullet hole right up there. My colleagues can see it right here.

I will show my colleagues something else. Look, I am not tearing up the desks in here, but I want to show my colleagues something. This is drawer. Do my colleagues know what is right there. It is a bullet hole. That is a bullet hole. A bullet shot in the House chambers.

Theoretically, this should be one of the safest places in the country. This is the people's House. That is a bullet hole.

Now, how did that bullet hole get there? Puerto Rican terrorists in March 1954. Puerto Rican terrorists. They were there, right there in the galleries, and they opened fire. They wounded at least five congressmen. They wounded a number of other people. But more than that, they broke that cloak of security that we thought we had in the people's House in Washington, D.C.

We have to have consequences for those Puerto Rican terrorists that did that. We have to have consequences for the next generation that followed in that terrorism group.

Well, what happened in the last couple of weeks? Our President, President of the United States, granted clemency for a number of Puerto Rican terrorists. What do I mean by clemency? It is kind of a fancy word. He let them go. He absolved them of their sins. It is kind of like going to confession except they did not really have to confess. All they had to say is, take me on my word. I am a person that should be trusted. I will not do it again. They were let free. There will be a price to pay for letting terrorists walk free.

Tonight let us talk a little bit about that organization. What is that organization? We are going to call it the FALN, F-A-L-N. What does it stand for? It is the acronym for Armed Serv-

ices of National Liberation. That is the only time I am going to say that tonight because I am going to use the initials.

FALN. The easiest way we remember it as we go through our comments is that it is a Puerto Rican separatist group. Now, they really came to light here in 1954 here, as I said. I showed my colleagues the bullet hole right here. I showed them the bullet hole in the roof of the U.S. Capitol of the House Chambers.

Well they struck again. They struck again January 24, 1975 by attacking another icon of American history: New York City. As a result of their terrorist act, the 1975 bombing of the tavern in New York City where General George Washington bid farewell to his troops in 1738, and left four dead as a result of this, they quickly became the most feared domestic terrorist group in the United States. The most feared group in the United States.

This is the same group that, in the last week, the President of this country let them go. He gave them clemency. He said, "Okay, you have been absolved. You are free to go."

I have got a lot of comments about that, a lot of comments from the law enforcement community. My colleagues know how politicians sometimes say, look, I like to listen. I listen before I make my decisions. So, logically, if I have something dealing, for example, with prescription drugs, we talk to seniors who are having problems with prescription drugs. We talk to the pharmaceutical companies who are having troubles getting approval by the FDA. We talk to the FDA. We talk to the different parties.

How many law enforcement agencies were ever visited by the administration before they let these terrorists walk? Do my colleagues know what the answer is? Zero.

I am going to give my colleagues some statistics here in just a few minutes, statistics I think will stun them as to how this decision was made and why this decision was made.

Clearly, a decision of that kind of significance is not made without some reason, without some kind of purpose. There is something behind the decision of that kind of significance. We are going to explore that here in just a few minutes.

But let us talk a little bit more about the FALN. By the way, I give credit to the USA Today. They did an excellent article. Last week, on Tuesday, September 21, if my colleagues have a copy of the USA Today, take a look at it. Excellent article on this very issue.

In their heyday, the FALN members bombed public and commercial buildings, bombed public and commercial buildings. Do my colleagues know the fear that went through this country just a couple of years ago with McVeigh in Oklahoma City or the Unibomber?

Gosh, I hope not 20 years from now that some other president steps up

there and says, "We ought to pardon this fellow that bombed Oklahoma City, or we ought to pardon the Unibomber out here. You know, 20 years is a long time to serve for a bombing."

There were people killed for these bombings. There was fear put in the hearts of everybody in this country, just like all of us now have fear about truck bombs. My colleagues know what it was like when a moving van drove up by one's house 1 or 2 weeks after Oklahoma City. It instilled fear in us. It is a fear that we should not have to live with in this country. The only way, the only way that we will move from that fear is to have consequences for the actions that drive that fear.

□ 2200

Let me go back. They robbed banks. This is the FALN, this is the organization of which the administration released, absolved, gave clemency to last week. This group, in their heyday, they bombed; they robbed banks; they held up armored cars and stole dynamite from a mining company in Colorado. That is my home State. They took weapons from the National Guard Armory in Wisconsin.

Let me quote Wayman Mullins. He is the author of a source book. Here is his book. Mr. Mullins' book, a source book, the sources, he has done a lot of research, a source book on domestic and international terrorism. He says this organization, of which these, many of these members were released last week, they were dangerous, dedicated, and committed. Dangerous, dedicated and committed. As a former cop, let me say that that is a very lethal combination. A very lethal combination. The FALN was a group that got involved in a lot of things.

I think we should have some examples. I am standing up here talking about bombings and armed car robberies and talking about other acts of terrorism in major cities, New York City, which put fear in the hearts of people throughout the country. Let me give my colleagues some specific examples so they will know exactly what these people who were released from prison last week because the President let them go, we all should have an idea of what they did, of what they were involved in.

Among the FALN actions: October 26, 1974, five bombings. Five bombings in downtown New York City. More than \$1 million in damage. That was in 1974.

December 11, 1974, New York police were called to an upper East Side building to collect a dead body. The building was booby trapped. A police officer was injured and lost an eye.

January 24, again the FALN, January 24, 1975, Fraunces Tavern bombed, four killed, 54 injured, more than \$300,000 in damage.

June 15, 1975, two bombs detonated in the Chicago Loop area.

February 1977, Merchandise Mart in Chicago bombed, millions in damages.

August 3, 1977, Mobile Oil employment office in New York bombed. One killed, several injured.

November, 1979, two Chicago military recruiting offices and an armory bombed.

March, 1980, FALN members seized at the Carter-Mondale campaign office in Chicago and the George Bush campaign office in Chicago destroying property and spray painting separatist slogans on all the walls.

December 31, 1982, four bombs detonated in New York outside police and Federal buildings. Does this sound like a replay of Oklahoma City? Maybe Oklahoma City was modeled after some of what these people had done. Let me repeat that. Four bombs detonated in New York outside police and Federal buildings. And, remember, this is the same group that called in a report of a dead body and booby trapped the building so that these police officers, and we all know cops, we all have some in our families, some that are our friends, to walk in this building and hopefully be hurt. That is exactly what the intent was of the FALN.

Now, they had a leader, their leader was Morales, William Morales. Morales escaped from a hospital in New York and fled to Mexico. Guess what he did in Mexico. Well, he killed a cop. Shot a police officer. Guess what Mr. Morales is now doing. Mr. Morales went to Cuba. What is he doing? He just heard the news. The news has gone to Cuba that the President of the United States has issued a pardon to the terrorists of the FALN. So what has Mr. Morales now done? He has applied for a pardon. He has now asked for clemency from the President of the United States.

If anyone were to have asked me a few weeks ago what the chances were of any of these people being granted clemency, I would have said none, zero, zip. That is not going to happen. Now, I do not know. Maybe this guy in Cuba is going to get to walk away from killing the cop, from leading this organization. It is disturbing. It is really disturbing.

Let us talk about a few of the people that have just walked. Edwin Cortes, born 1955, sentenced in October 1985, 14 years ago, 35 years for conspiracy, including the bombing of military training centers. Released by order of the administration.

Elizam Escobar, born 1948, sentenced in February 1981, 18 years ago, to 60 years for firearms violations. Released by order of the administration.

Ricardo Jimenez, born 1956, sentenced in February 1981 to 90 years, to 90 years. He served 19. Ordered released under the clemency by the President last week.

Robert Maldonado-Rivera, born 1936, sentenced in June 1989 to 5 years for his role in the 1983 heist of \$7.1 million. Released in 1994. But the clemency that he got forgave his \$100,000 dollar fine.

They not only let these people out of jail, but if they owed a fine, which they had not paid for the damage they had

done, the millions in bombings and the money they had stolen from armored cars and so on, they do not even have to pay the money back any more. Take a regular citizen in our country who owes money to a bank in default. I wonder if they get to walk away from that? No, they do not get to walk away from it. But if an individual happens to be a terrorist with the FALN, then they can get this clemency.

Let us go on, and I will pick a couple more here. Juan Segarra-Palmer, born 1950, sentenced in October 1985, 14 years ago, 55 years in prison and a \$500,000 fine for conspiracy, for bank robbery, for interstate transportation of stolen money in connection with the 1983 armored car heist. He will serve 5 more years, and he gets out of the medium-security prison.

Norman Ramirez-Talavera, born 1957, sentenced in June 1989 for 5 years for a 1983 armored car heist. He was released in 1994, but the clemency just worked out forgave a \$50,000 fine.

Well, we will not go through all of them. Let me pick one or two others.

Luis Rosa, born 1960, sentenced in February 1981 to 75 years for conspiracy and firearms violations.

Carmen Valentin, born 1946, sentenced in February 1981 to 90 years for conspiracy and firearms violations.

So I think we all get an idea of what we are dealing with. We have a good idea of what these people are. They are not our neighbor next door. They are not regular Joe or regular Jane down the street. These are bad people and they did bad things and they hurt a lot of people.

I do not know if any of my colleagues have been watching TV in the last couple of weeks, but maybe they have seen the widow or some of the surviving family members of those people bombed in New York City. It reminded me of Oklahoma City. And I cannot for the life of me understand how a president can pardon those people. We should make them pay the price. What kind of message are we sending out there? What kind of message do we send to our young people? What kind of message do we send to the rest of the world?

Now, some of my colleagues may ask why I am bringing up all these points; that it seems so one-sided; that there must be some logical thinking behind this. The President must have had a profound reason why he would take such a dramatic step to release these hardened criminals well before they were supposed to be released. There must be some reasoning to it.

Well, I think before we go to what I think the reasoning is, we ought to talk a little more about these convicts. One of the things that the President quickly said after he found out he had created a firestorm in this country, after he found out some people were going to say we want accountability, Mr. President. It is true that the President has the right to grant clemency. That is under the constitution. We are

not contesting this right. But the President owes it to the American people to explain to the American people why he is letting these Puerto Rican terrorists go.

Well, the answer came back, because they have held up their hand and promised that they will not commit any more violence; that they have renounced violence as a part of their life. It is amazing. I used to be a cop. It is amazing how many convicts and how many people we arrest that all of a sudden will find a new life; all of a sudden they would promise me, look, I am not going to do it any more. I have changed my ways. I have changed my life. Really, to determine whether that person is sincere or not we have to do some research. It is like anything else. What are the facts? What is the research? We have to look into the person's background.

Well, it has happened on a couple of these people. They tape recorded these convicts' conversations in jail. And what was interesting was that these convicts knew, they knew their conversations were being taped, so this was not anything secret. They were not secretly disclosing their thoughts about violence. They knew they were being tape recorded and they could have cared less. They wanted people to know. And I will give an example.

Jailhouse statements of some of the FALN members. In October 1995, for example, Luis Rosa, Alicia Rodriguez, and Carlos Torres told the Chicago Tribune they have nothing to be sorry for and they have no intention of ever renouncing an armed revolution.

Another FALN member granted clemency, Ricardo Jimenez, told the judge in his case, "We are going to fight. We are going to fight. Revolutionary justice will take care of you and everybody else." Now, does that sound like the average case that a president should let out of jail?

Well, what does the FBI think about all of this? What are their thoughts? Well, first of all, guess what has happened? We in the United States Congress think, as I stated earlier, that the people deserve an explanation of why the President and the administration took this action. We do not doubt that the President has the authority, as I mentioned earlier, under the Constitution to do this, but he owes an explanation to the American people. But guess what. The White House all of a sudden grabs a paper and says executive privilege. It is executive privilege.

Executive privilege used to be used by the presidents when we had a secret we were afraid our foreign enemies would find out about, like a military secret, or a secret military mission or something with the Central Intelligence Agency that the President, to protect those secrets, would say executive privilege. What secret is to be protected here of a national threat? None. But there may be some political intent that ought to be protected. But that is what the President has done. They

have said executive privilege. They do not want there to be testimony to these Federal agencies. The President does not want them to go to the United States Congress, who are elected by the people of this country, and to testify about this.

Well, the FBI was able to speak, a top FBI official, and I am quoting from the Associated Press of September 22, that is today, this is hot off the wire, this happened yesterday on the Hill, so let me read a couple of things, "Federal Bureau of Investigation. A top FBI official told Congress he regards," he regards, and, remember, he is at the very top echelon of the FBI, "he regards Puerto Rican militants, freed in a grant of clemency by President Clinton as terrorists who continue to represent a threat to the United States of America."

Here is the agency that we charge with law enforcement, the agency that we charge with the priority investigation of terrorist acts. And what do they say to the President? Well, what they say I wish they could have had the opportunity to say before he released them. I wish the President would have called them and asked them, but he did not. They say, one of the top officials says, they continue to represent a threat to the United States of America.

The article goes on: "Gallagher," that is the gentleman's name, FBI, "Gallagher's testimony marked the first time that Federal law enforcement officials have testified on the issue. Also on hand were officials from the Justice Department and the Bureau of Prisons. They were barred." They were stopped. "They were barred from answering questions about clemency because of the White House executive privilege."

Do I think they should be out on the street? I think these are criminals and that they are terrorists and that they represent a threat to the United States, says Gallagher, the top FBI officer. Let me repeat that.

□ 2215

"Do I think they should be out on the street?"

That is the question.

"I think these are criminals, and they are terrorists, and that they represent a threat to the United States."

How much clearer can that information be?

As my colleagues know, we have to rely, and we have had some problems. We will talk about Waco and some other issues. We have had some problems with our law enforcement agencies, but we have got a lot of good cops out there, and we ought to rely on them, and it is not just the FBI that said do not do it, there are a lot of law enforcement agencies out there that said:

Mr. President, do not do this. These people remain a threat to our society. They remain a direct threat to the United States of America. Listen to us.

That is what happened. Signed the paper.

Let me go further:

The FBI was one of several law enforcement organizations opposed to the clemency. Asked about the continuing threat of the FALN and its sister group in Puerto Rico, Gallagher ticked off a handful of more recent bombings in Chicago and Puerto Rico believed to have been conducted by these very organizations.

Clinton's offer of clemency has come under fire from some who have accused him of making it to boost First Lady Hillary Rodham Clinton's popularity amongst New York's 1.3 million Puerto Ricans. Mrs. Clinton is considering a bid for the Senate from New York in 2000.

Oh, finally, finally we are beginning to look at maybe there is some kind of reason, some kind of profound thought behind such a ludicrous decision to let these terrorists back out on the street.

You know what I think the average Puerto Rican in New York, and I am not Puerto Rican, I am not from New York, but you know what I think the average hard-working Puerto Rican in New York thinks about this? They probably agree.

Now I may get some calls tonight from some angry people who do not agree with me. I expect that; that is part of my job. But I think there are a lot of American citizens out there, regardless of whether they are Puerto Rican, whether they are Irish or Scottish or African American or Hispanic, and there are a lot of ordinary Americans out there that do not think this is right. They think, if you are a criminal, if you are a terrorist, you ought to be in jail, and once we get you in jail, you ought to stay in jail. At least serve out the sentences that our justice system gave to you. That is what I think the average American out there thinks regardless of their ethnic background.

We are Americans. We all want a country with low crime. We do not want to have fear every time a truck pulls up that there is a bomb in the back of it. We want to be able to go into a Federal building, we like to go into the House of Representatives, without seeing a bullet hole in the roof, without seeing a bullet in the drawer. We all think a lot alike. Do not dare try and separate us based on ethnic background. Do not dare try and say because we are Hispanic American or Puerto Rican American or Irish American or African American, but for some reason just because of ethnic background we think these terrorists ought to walk. That drive by the administration is wrong; you are going down the wrong path.

Let me talk a little more about why and quote the Wall Street Journal, Friday, August 13, same subject to understand.

Remember earlier in the speech I talked about statistics? You know, do not just take SCOTT MCINNIS' word for it. Let us take a look at what the statistics say about how many, you know, about the clemency, how many times,

for example, a logical question, how many times has the President during his tenure been asked to grant clemency for prisoners? And once we know how many times he has been asked, how many times of that, how many of those, did he actually grant?

You know, we measure. A lot of times we measure a good Governor, you know, on how many pardons they give. I mean you measure people. We have to have a tool of measurement.

Well, we have been kind of blessed in this case. We have got the tools of measurement. We have a darn good measurement out there.

To understand how rare it is, this is the Wall Street Journal, how rare it is for a President to commute a sentence or offer remission of a fine as Mr. Clinton did for 16 Puerto Rican terrorists this week, consider the numbers supplied by the office of the pardoned attorney. From the time he took office in January 1993 until April 2 of this year, the most recent report from the pardon office, Mr. Clinton received the request for 3,042 petitions. He received 3,042 petitions for clemency. Until Wednesday out of that 3,042 he granted three, three of those out of 3,042 in the 7 years or so that he has been in office.

Now the Wall Street Journal, and I quote again from the Wall Street Journal, September 8, 1999, and get a hold of this: This almost makes me my gut wrench. Listen to this:

The Puerto Ricans had not even submitted a clemency request, did not even submit a request, and they got to be No. 4 out of 3,042.

Now what fell out of the blue sky for this President all of a sudden to be interested in 16 Puerto Rican terrorists who had committed bombing crimes? I remember very well the language in the speech that the President made in Oklahoma City. It was a very compassionate speech. It was a good speech. He cared. Every American cared about the tragedy that occurred in Oklahoma City. And I remember the President talking to us in his State of the Union addresses about terrorism and the need to stop it: We must not tolerate terrorism coming from that President.

What happened? What fell out of the sky?

Well, I tell you what it points to. It points to a United States Senate race in the State of New York. He has a lot of interest in that race up there.

I read to you earlier, Associated Press, Hillary Clinton 1.3 or 1.4 Puerto Ricans in New York State.

What is going on here? Are politics so driven in this country? Is the winning of elective office so demanding in this country and so important in this country that we are willing to put at risk American lives by releasing these 16 terrorists? Somebody ought to answer that question. And you know somebody has answered that question.

I want to read you their answer.

Before I read you this answer, let me read one other thing that I think is important for us to consider out of the Wall Street Journal, Friday, August 13:

Mrs. Clinton of course hopes one day to take her place in the parade alongside New York's other pols which we would say explains in a nutshell why her husband has just granted clemency to these 16 Puerto Rican terrorists against the advice of the Justice Department, the FBI and the U.S. Attorneys Office that prosecuted the terrorists back in the early 1980's. All of these law enforcement agencies were consulted several years about the wisdom of releasing these 16 people. All advised against it.

Well, let me wrap it up with a letter.

I am going to read the letter verbatim. It is a couple pages long. I know that it requires some patience for you to listen to this. I mean I have been speaking for a while here. But it is important because I think it really addresses from the heart somebody who has experience in the atrocities that these terrorists have committed, somebody who understands that terrorism must have consequences, that the people that commit, that misbehave in our society, must be punished, and there must be punishment that means something. You cannot just slap them on the hand after they rob the bank and serve a few years and let them go, especially considering there were only 3,042 requests and only three got granted.

Well, let us read that letter. Who is it from? It is from the New York City Police Commissioner, Howard Safir, and as I said, I am reading the letter verbatim.

With last Friday's release of 11 of the 14 FALN terrorists President Clinton has committed an ill-advised and egregious error. He has broken the fundamental rule in addressing terrorism. He has broken the fundamental rule in addressing terrorism. Never negotiate deals with terrorists. Never negotiate deals with terrorists.

Now obviously, Mr. Speaker, when I repeat a sentence, that is mine, it is not repeated in the letter.

Mr. Clinton has sent the message that the lives of American citizens and of the heroic police officers who defend them are disposable. As the Police Commissioner of New York City, I represent 40,200 officers and take the responsibility for the safety of 7.4 million residents. I have become all too familiar with the violence that has been perpetrated by the members of the Puerto Rican separatist group known as the FALN and the manner in which my city and my officers have suffered at the their hands.

During a 9-year reign of terror the FALN was responsible for at least 150 bombings that killed six people and injured more than 70. The brunt of their viciousness, was aimed at the people of New York City who endured more than 70 attacks and accounted for four of the deaths and 57 of the injuries. What others have termed a war of liberation, New Yorkers know that to be a war against the innocent. The targets of this organization included restaurants

at lunch time, hotels, banks, and department stores.

While the passage of time may have faded the memory of some, I cannot share that perspective. I have seen the devastating consequences of these destructive acts. I have spoken with several victims of the attacks and their families, people like Joseph Connor whose father, Frank T. Connor, was killed in the bombing in the Fraunces Tavern. I know too well the permanent scars that are carried, the permanent scars that are carried by Detectives Rocco Pascarella, Richard Pastorella, and Anthony Semft. During a wave of terror that saw the FALN detonate four separate explosive devices across the city in the course of a single hour, these men suffered horrific injuries. Defending New York City from these terrorists cost these heroes, cost these heroes their hands and legs and left them permanently blinded and painfully maimed. No one can commute the life sentences, no one can commute the life sentences that the FALN imposed upon its victims.

Some argue that the felons to whom Mr. Clinton offered clemency are not personally responsible for their organization's violence. I cannot agree. The crimes for which these men and women were convicted included robbery, the plotting of bombs and the possession of dangerous weapons. One of the petitioners possessed a loaded firearm and more than 10 pounds of dynamite.

In a January, 1998 letter Ronnie L. Edelman, a deputy bureau chief from the Department of Justice, acknowledged that several of the petitioners offered clemency were arrested in 1980 for their involvement in 28 bombings, and in a recent letter to this newspaper former assistant U.S. Attorney Deborah Devaney recounted her experiences with the petitioners. A former federal prosecutor in Chicago who spent years bringing criminal cases against the FALN terrorists, Ms. Devaney describes capturing several of the petitioners in a van loaded with weapons and videotaping several others making bombs that they planned to use at military installations. I must question the unusual progression of events that surround this clemency offer.

□ 2230

"Mr. Clinton's offer to the FALN members represents only his fourth clemency grant out of more than 3,000 applications filed since 1993. It was extended before any of the 16 agreed to renounce violence. The President made his offer over the objections of the Federal Bureau of Investigation, the Bureau of Prisons and the U.S. attorneys in Illinois and Connecticut, the States where the 16 were convicted.

"In my 26 years as a Justice Department official, I never heard of a clemency report being delivered to the President over the strenuous objections of these agencies."

Let me repeat that. "In my 26 years as a Justice Department official, I

never heard of a clemency report being delivered to the President over the strenuous objections of these agencies. The White House has tried to defend the President's decision, in part, as a response to the urgings of church leaders. In particular, the White House has invoked the name of Cardinal John O'Connor as a staunch supporter for the petitioners' release. This is all the more perplexing given that in letters and through his top aides the cardinal has said he never backed clemency for these terrorists.

"Mr. Clinton erred grievously in failing to follow the recommendations of his own Federal agencies, the House of Representatives, the 17,500 members of the International Association of Chiefs of Police, the 295,000 members of the Fraternal Order of Police and countless others who voiced their outrage at this decision. The United States must make clear that it will never again make deals with terrorists."

That was a letter read verbatim from the New York City Police Commissioner Howard Safir.

The question that needs to be answered, of which the White House has claimed executive privilege, is why these terrorists, why three out of 3,042 petitions being granted and now we go to the fourth, and why New York State?

Mr. President, if it does not have anything to do with that U.S. Senate race in New York State, you ought to waive your executive privilege, although I do not think it exists under these particular circumstances but regardless of that argument you ought to waive it and you ought to answer the American people. You ought to go to the American people. You do not hesitate one minute to have a press conference when you are touring foreign countries. Whenever you have something to say, you go right to the microphone. You are a good speaker. You are not afraid to address the American people. Certainly you have addressed them on a number of controversial issues. You ought to address them on this one. You ought to explain, because what we see on paper, what we saw walk out of that prison cell, what we now see on the streets of America, what we fear in the hearts of every American, is terrorism that exists today, and you have not answered it and you ought to answer it.

Mr. Speaker, I ask for a time check.

The SPEAKER pro tempore (Mr. KINGSTON). The gentleman from Colorado (Mr. MCINNIS) has 15 minutes remaining.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Members are reminded to direct their comments to the Chair and not to the President.

Mr. MCINNIS. Mr. Speaker, I would like to submit for the RECORD a document I have dated September 21, 1999, from the Wall Street Journal.

[From the Wall Street Journal, Sept. 21, 1999]

REVISITING WACO

The siege at Waco in 1993 is the sort of complicated mess that can end up on the doorstep of any White House. But the Clinton White House seems to operate under some unique genetic map, which instinctively triggers legal corner-cutting and then coverups. Waco is starting to sound, feel and smell familiar.

We all recall how Charles La Bella, Justice's investigator of the 1996 Clinton-Gore campaign funding scandals, was isolated and ushered out of the department after he called for an independent counsel to take over his job. Precisely the same thing has happened to a Waco prosecutor.

Bill Johnston, the assistant U.S. attorney in Texas, warned Attorney General Janet Reno that her own department might be involved in a coverup of the Waco disaster. Now we learn that the Justice Department then removed Mr. Johnston and his boss from the case on the pretext that there'd be an appearance of conflict of interest if they were called as witnesses. But it hasn't treated anyone else who is likely to become a witness this way.

Obviously, the six-year delay in the release of key details of Justice's final assault on Waco is a matter of extreme sensitivity for Washington Democrats who must figure out every six weeks or so how to survive inside the Clinton orbit. While Ms. Reno made a grand show of sending U.S. marshals across the street to seize evidence from the FBI's building, it's now clear that Justice lawyers preparing its defense in a civil suit filed by the families of dead Branch Davidians had the crucial information all along.

House Democrats meanwhile, led by Rep. Henry Waxman, claim that Republicans were informed back in 1995 of the pyrotechnic devices used at Waco, but in making that point they concede that Justice had the information too. Hill Democrats are clearly sensitive about any suggestion of their own complicity in a possible coverup.

Who can forget Rep. (now Senator) Charles Schumer's highly successful attempts to sidetrack the House hearings on Waco with discussions of the National Rifle Association's contacts with Republicans and alleged child abuse by David Koresh? Mr. Schumer's smoke did more than anything else to obscure realities we're now facing.

Webster Hubbell, the convicted felon from Little Rock, was Justice's point man with the White House on the Waco siege. He also is in a sensitive frame of mind. In his recent memoirs he obviously makes excuses for his role in approving the use of dangerous CS gas against the Branch Davidians. He even claims to have come up with a "solution" to the standoff hours before the final assault began, but was blocked from entering the FBI building until after the gas rounds were fired. Sure would be nice if former Senator John Danforth could establish the truth of this claim.

What precisely is at issue here? It is clearly in the public interest to have a full and complete historical record, in part to defuse conspiracy theorists who already believe the government is out to get them. More precisely, at issue in Senator Danforth's independent probe of Waco is whether and how law enforcement overreacted. The Branch Davidians were a particularly deranged sect, and four Bureau of Alcohol, Tobacco and Firearms agents were killed in the initial raid that started the seven-week siege. But we will probably never conclusively learn who or what started the fire that killed dozens of Mr. Koresh's followers that day.

In any event, law enforcement did learn an important lesson from Waco. No similar inci-

dent has occurred during the administration of FBI Director Louis Freeh. In 1996, for instance, a group of con artists in Montana named the Freemen were safely lured out of their armed standoff with the Feds through the use of more patient tactics.

But the unfinished business of Waco persists in the public mind: Was there a cover-up? Is there something beyond the death of two dozen children to explain the extreme sensitivity of the FBI, the Justice Department and congress on the issue?

It is certainly interesting that one of Mr. Danforth's primary missions is to explore the implications of the 1878 "Posse Comitatus" law. It forbids use of the U.S. military in domestic law enforcement actions. The Texas Rangers seem to have uncovered evidence that members of the Army's elite Delta Force anti-terrorist unit were at Waco. The law provides for a Presidential waiver in case of emergencies: President Reagan signed a waiver, for example, to use Army units to quell prison riots. The White House claims no one ever asked President Clinton to sign a waiver for Waco. So Mr. Danforth has to determine, was Delta Force at Waco, and if so, on whose authority? Obviously it didn't move there on its own, and breaches of the military chain of command are a serious national issue.

Mr. Danforth will need a thorough investigation and candid report to still the drums of conspiracy. A sequel to an Emmy-award winning independent film on Waco, for example, will soon question the denial that the White House counsel's office ever considered a Posse Comitatus waiver. Indeed, Mr. Danforth may find himself plowing some of the same ground covered by Kenneth Starr. Lisa Foster, widow of the late White House Deputy Counsel Vincent Foster, told the FBI that her husband was deeply troubled by Waco and blamed himself for the death of the children there. A Waco file was inventoried in the contents of his office.

Mr. Danforth says he is reluctant to question President Clinton about the issue of a Presidential waiver from Posse Comitatus. That is understandable, given the fate of the last prosecutor to ask probing questions of the President. Yet considering the sorry credibility of the White House, the Justice Department and the FBI, he has a responsibility to make sure the record is straight and complete. Otherwise, we'll all be adding Waco as one more item in the high pile of Clinton contradictions from which we're all supposed to "move on."

WACO, WILL WE EVER KNOW THE TRUTH?

Mr. MCINNIS. Mr. Speaker, I want to wrap up my comments on another issue dealing with Waco. First of all, as I mentioned earlier, some who maybe have just come into the Chamber do not know this but I have a law enforcement background. I will say, the first thing that can happen to law enforcement is a bad cop, a bad decision. I do not know any profession in our society, well, I know some. Medical doctors, ambulance drivers, firemen, but the police officer really fits up there in that very top category of a respected profession.

People trust us. They trust police officers. That trust needs to be protected and it needs to be extended.

Mr. Speaker, I am going to take a minute to talk about what concerns me on Waco, Texas. We all agree that in Waco, Texas, there was a whacko down there, there was a nut down there and he is primarily responsible for the

deaths of a lot of people. He was a sick man, and he was so perverted in his mind he led many others to their deaths if he did not execute them himself.

We have to put that aside and see what happened with our Justice Department and what happened at Waco, Texas. Did our own law enforcement agencies down at that particular situation, did they lie to us, the American people? Have they concealed something down in Waco, Texas? It appears they have.

I can remember just 2 or 3 weeks ago when statements were being made by the Justice Department and others, there were no military operations going on at Waco, Texas. In this country, unless it is waived by the President of the United States, we have a ban of using military forces for domestic situations like this. The President has the right to waive it. For example, I think, if history serves my mind right, President Ford waived it to allow the military to help in rescue operations in a flood and so on. In Waco, Texas, I saw tanks being driven, others may have seen it, driven right into the side of the building. Who is driving those tanks? Nonmilitary people are driving those tanks?

What are we doing? Ruby Ridge, one of the blackest eyes law enforcement has received in the history of this country. I resent what happened at Ruby Ridge because I like to think I was a good cop and I know there are a lot of good cops out there and Ruby Ridge put a black eye on law enforcement in this country.

We had a sniper up there who the State of Idaho even felt it was necessary they file State charges against him and the U.S. Justice Department preempted it and had the charges erased. Guess where that sniper shows up again? That sniper is back in Waco, Texas.

How did the law enforcement handle that? That is a question all of us ask. There is no question about whether or not the guy inside that building was a nut. He was a nut. The question is, how did you handle this? The response, it looks like, was a cover-up, a diversion and lies. That does not need to be done to the people you work for. In law enforcement, you work for the people. We are the good guys. You ought to be truthful with us. If you have got a bad cop, and I will say as a former cop if you are working with a bad cop you can stop it. You ought to stop it. You owe it to your career to stop it. You owe it to the very thoughts of law enforcement, to the ideals of law enforcement, to stop a bad cop. If you are out there and you are a cop or you are in the Justice Department or you are in the FBI and you know something that went on at Waco, Texas, and it has not been disclosed yet or it has been concealed, come forward now and let the American people know the whole story.

I have no doubt that the American people would have supported what happened down there had the whole story

been told in the first place. They do not think that you are God. They do not think that you are perfect. They understand that there were problems in a very difficult situation, but do not lie to them. That is what happened.

We have an investigation by the Justice Department. Interesting, Justice Department investigating Justice Department. They call it an independent investigation. We have had a number of other independent investigations that have occurred in different areas. I hope it is truly independent, and I hope the Justice Department is willing to stand up and answer for what went on down there.

I want to submit one other thing for the RECORD. Having the time, I want to read this editorial, Tuesday, September 7, Wall Street Journal: "This being the age of Clinton, Louis Freeh is being set up as the fall guy for a cover-up of the disastrous Waco assault. Never mind that he did not take over the FBI until nearly 4 months after the assault and crucial decisions on how to investigate it. What matters is that he has been a politically independent thorn in the side of Mr. Clinton and Attorney General Janet Reno.

"Miss Reno originally became a media darling by claiming to take responsibility for the 1993 raid that killed about 80 Branch Davidians. In fact, double felon Webster Hubbell was the contact between Justice and the White House; Miss Reno was not even in Justice's crisis-management bunker during much of the assault day; she was out giving a speech.

"Now, a civil lawsuit has uncovered evidence of Justice Department deception, so we read stories quoting unnamed Reno aides that she is 'furious' that she was not told that at least two incendiary devices were used at Waco after all. Other stories question Mr. Freeh's handling of the matter. And in case anyone missed the buck-passing point, the Attorney General ostentatiously sent U.S. marshals to seize previously undisclosed audiotapes of the raid from FBI headquarters.

"President Clinton then added his spin, pointedly expressing confidence in Miss Reno on Saturday from Camp David while withholding it from Mr. Freeh. 'I think that with regard to the director, there is going to be an independent investigation,' he said.

"Maybe they should put Mr. Freeh's mugshot up at the post office.

"We have seen this kind of treatment before in Bill Clinton's Washington. Billy Dale got himself fired when the Friends of Bill wanted to take over the White House Travel Office, and was even indicted by Miss Reno's Justice hounds, though a jury quickly acquitted him.

"Linda Tripp found her personnel records leaked from the Pentagon. And Jean Lewis, who recommended action in Whitewater, had her deleted personal computer files unerased and broadcast in Congress.

"Mr. Freeh has now joined the target list because he has been a rare dis-

sender from the Reno pattern of politicized Justice. Along with Justice investigator Charles LaBella, he broke with Miss Reno to urge an independent counsel in the campaign-finance scandal.

"Congress recently discovered that Justice politicians had refused an FBI request to wiretape suspected Los Alamos spy Wen Ho Lee. And he knows the FBI opposed Mr. Clinton's outrageous recent grant of clemency to 16 Puerto Rican nationalists linked to a terrorist group.

"This is not to say Mr. Freeh has been entirely successful in rooting out the FBI's self-protective culture. The agency's lack of candor regarding its role at Ruby Ridge, Idaho, was a serious black mark. It is entirely possible that agents also sought to cover up the truth about Waco. But anyone actually concerned about the merits of the matter should consult two articles we published last week by officially-designated outside investigators.

"It was Miss Reno, actually we are entitled to presume Mr. Hubbell, who decided on an internal investigation of the role of Justice and the FBI. By contrast, Treasury Secretary Lloyd Bentsen chartered an independent investigation of the role played by his department through the Bureau of Alcohol, Tobacco and Firearms. See the August 30 article by sometimes special Prosecutor Henry Ruth who served on the ATF team.

"When Mr. Freeh arrived on the scene, was he supposed to overturn the Reno/Hubbell decision?

"At the first meeting of a panel of 10 experts appointed to make recommendations about future Wacos, Harvard psychiatrist Alan A. Stone wrote on August 31, 'We discovered that Justice had no intention of telling us what actually happened during the first raid.'

"Mr. Stone adds, 'because the Justice Department's published investigation was so inadequate, I sent a copy of my preliminary memorandum to the newly-appointed director of the FBI, Louis B. Freeh, hoping to break through the stonewall. Soon the crucial FBI actors were phoning me with some of the candid answers.'

"A House committee also sought to investigate, but Democrats, led by now Senator CHUCK SCHUMER, practiced up for impeachment hearings by turning the procedure into a circus. As the hearings wound up, Representative JOHN CONYERS said Republicans tried to implicate everyone 'but the butler.' Mr. SCHUMER complained of 'Monday morning quarterbacking,' and intoned 'if we did hearings on D-Day, we would end up court-martialing General Eisenhower.'

"As for Miss Reno, on Waco as on so much else, she has run the most politicized Justice Department since John Mitchell under Richard Nixon. She has sought to protect the White House at every turn, especially after meeting with the President on her reappoint-

ment at the outset of his second term. She has named special counsels for trivial cases against cabinet members but refused them on serious charges against the President and the vice president, despite the LaBella and Freeh recommendation.

"Indeed, she humiliated Mr. LaBella, sending her department a potent message about dissent from the Clinton political line. Now she is trying to do the same with Mr. Freeh. Meanwhile, she has flagrantly violated the Vacancy Act by leaving important positions filled with 'acting heads.'

"The result is a demoralized Justice Department that cannot be trusted to enforce the rule of law."

□ 2245

"This problem will not be solved by an outside Waco investigator, assuming any serious person would even take the appointment from her. The only way Ms. Reno can begin restoring confidence in justice is to resign."

That is a Wall Street Journal editorial dated Tuesday, September 7.

My point here is this: it is time for us to weed out the bad cops. In our society, we want good cops. I used to be one of them. We respect them. But if we have a bad cop, we have to stand up; we have an obligation, we have a fiduciary duty to the American people, if we have a bad cop, get them out.

TAX RELIEF FOR THE AMERICAN PEOPLE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona (Mr. HAYWORTH) is recognized for 5 minutes.

Mr. HAYWORTH. Mr. Speaker, I thank the Speaker pro tempore, the gentleman from Georgia (Mr. KINGSTON), and I thank my colleague from Colorado for the comments that he made earlier this evening, and I welcome my colleague from Colorado to the House Committee on Ways and Means.

Mr. Speaker, I would note for our dedicated staff and those who join us tonight that I do not intend on taking much time; however, I thought it was important to come down and offer a perspective, based on the labors of my colleague from Colorado and others who serve on the House Committee on Ways and Means and, indeed, the work of this body and the other body, in attempting to restore to the American people tax relief and tax fairness.

Mr. Speaker, much has been made in the media from the punditocracy about how our President stands foursquare against tax relief for the American people, how he is poised to reject almost \$800 billion in tax relief, and I think a couple of points are worth noting.

First of all, we should reaffirm in this place at this time that the money we are talking about does not belong to the United States Government, is not locked away in some secret account in

some Federal vault; the revenue which runs this government, the money utilized to operate this Federal Government comes from the people, Mr. Speaker. And, by flourishing a veto pen, Mr. Speaker, the President of the United States, in essence, is once again adding to the tax burden of the American people; over the next 10 years, adding almost \$1 trillion in taxes. To be technical about it, in excess of \$790 billion in taxes, taxes that this body and the other body reduced; taxes that would have provided full deductibility of health insurance for small business, that would have put an end over the next 10 years to the death tax, that would have cut taxes across the board some 1 percent, that would have reduced the capital gains rate because Americans should not be punished for investing and succeeding.

We also note, Mr. Speaker, that in the news today, even as we discuss the domestic concerns that we have, there are international concerns as well. News comes from the other body of a General Accounting Office report showing that our President, Mr. Speaker, in three trips alone, has spent in excess of \$70 million. Indeed, Mr. Speaker, one trip to the continent of Africa cost the American people some \$40 million with staff attendance numbering in excess of 1,000, and with the money, Mr. Speaker, coming from accounts belonging to the Defense Department.

Here is the grand paradox: At a time when we are threatened with returning to the days of the hollow force which has haunted the Clinton administration and this Nation some 20 years ago, this administration is using money that could go to help our men and women in uniform for the arrival of Air Force One on another continent and for the ruffles and flourishes, in addition to the customary security, which no one would deny our Commander in Chief. But it seems to me, Mr. Speaker, to be once again a dereliction of duty and indeed, sadly, so often has this been the case, in recent weeks, the clemency granted to over one dozen Puerto Rican terrorists who were luke warm in their denunciation of violence, to the curious conduct in an election year with funds supplied by Communist China, and the curious transfer of technology by American firms to the People's Republic of China, to reports last week of, Mr. Speaker, what can only be called appeasement of the outlaw Nation of North Korea. Indeed, characterized by some in the press, and I hesitate to use the term, for it is strong, but I believe it is accurate, that this great Nation, our great Nation may have succumbed to nuclear blackmail.

Then we go down the list. The pilfering of 900 FBI files of political opponents; the sacking of dedicated civil servants at the White House Travel Office, and the despair and tragedy that met American citizens six years ago in Waco, Texas. It reaches a point, Mr. Speaker, when the American people say, is there no end? Is there no jus-

tice? Is there, in fact, a case to be made for one who would willingly commit perjury and obstruction of justice? For if one is derelict in small things, what happens when the greater questions arise? What happens with the greater questions of national security? What happens with the stewardship of the hard-earned dollars of the American men and women who offer their funds, freely and voluntarily, through taxation?

We believe, Mr. Speaker, in our common sense majority that there are four goals that confront us. One is to bolster and strengthen our national security. We have done so in this chamber by working, at long last, after a six-year absence, to regain the technological edge in terms of a missile defense system for this country, concurrently increasing salaries for our military personnel. We have also moved, Mr. Speaker, even as we try to improve the lot in life for those men and women in uniform, we also recognize that a national priority should be education. But, even as it is a national priority, Mr. Speaker, it remains a local concern. And, we in this common sense conservative majority in this chamber have passed two bills that reflect that. One has been nicknamed Ed Flex, educational flexibility in terms of block granting a piece of legislation endorsed by all 50 of the Nation's governors, whether they were Republican or Democrat, to provide flexibility at the State level and ultimately at the local level, so that we can return power to the people who are duly elected to local school boards, and more importantly, Mr. Speaker, to teachers who seek to educate those young people in their classrooms, in their individual communities day in and day out.

Secondly, Mr. Speaker, I was honored that our new Education Land Grant Act passed this House by unanimous vote, a procedure calling on the great work done by those who have gone before. Justice Smith Morrell of Vermont, to be specific, with the Morrell Land Grant Act of the 1860s, where we update that to apply that to public and secondary school for a conveyance procedure, a uniform procedure for the conveyance of Federal land, nonenvironmental sensitive Federal land, for the construction of new educational facilities. Again, a tool to empower local communities because we understand ultimately that people on the front lines at home understand how best to educate our children instead of the theories and the spending programs exercised by Washington bureaucrats. So those are two of our priorities.

The third, of course, is to strengthen Social Security and Medicare. I look to the work done by my colleagues on the Committee on Ways and Means, the chairman, the gentleman from Texas (Mr. ARCHER); the Subcommittee on Social Security chairman, the gentleman from Florida (Mr. SHAW), trying to work out a plan that will not only save Social Security for today's

retirees, but for baby boomers who will age into that category, and more importantly, for the generations yet to come, generations who grow more skeptical about that program as years pass, and to put the emphasis on personalization of accounts, so that future retirees can have some discretion and some personalization of the way in which they would spend their pension funds.

We also will work on the Committee on Ways and Means of course to strengthen Medicare as we again seek to maximize choice and to offer prescription drugs to the truly needy among the elderly, rather than a government handout, characterized by one of my constituents as an effort to raise her Social Security premiums to pay prescription drug benefits for the likes of Ross Perot.

Finally, Mr. Speaker, we return to the topic that I mentioned at the outset and that is tax relief and tax fairness for all Americans. Again, make no mistake. With a veto of the tax bill, the President of the United States has, in essence, increased taxes on the American people in excess of \$700 billion, close to \$800 billion. I think it amounts to a \$1 trillion mistake. But ultimately, Mr. Speaker, the American people will be the judge. We will continue to work in this chamber in a constructive way to defend the rights of Americans and to embrace the notion that the American people work hard for the money they earn, and that they should keep more of it and send less of it here to Washington.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. COBLE (at the request of Mr. ARMEY) for today and the balance of the week on account of the death of his father.

Mr. DICKEY (at the request of Mr. ARMEY) for today on account of attending a funeral.

Mrs. FOWLER (at the request of Mr. ARMEY) for today on account of a family medical emergency.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PALLONE) to revise and extend their remarks and include extraneous material:)

Mr. BALDACCIO, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Mr. LIPINSKI, for 5 minutes, today.

Ms. MILLENDER-MCDONALD, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Mrs. MINK of Hawaii, for 5 minutes, today.

Mrs. CLAYTON, for 5 minutes, today.

Mr. GREEN of Texas, for 5 minutes, today.

Mr. HOLT, for 5 minutes, today.

Mr. TOWNS, for 5 minutes, today.

Mr. ETHERIDGE, for 5 minutes, today.
(The following Members (at the request of Mr. DIAZ-BALART) to revise and extend their remarks and include extraneous material:)

Mr. JONES of North Carolina, for 5 minutes, September 23.

Mr. BURTON of Indiana, for 5 minutes, September 29.

Mr. DIAZ-BALART, for 5 minutes, today and September 23.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. HAYWORTH, for 5 minutes, today.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1059. An act to authorize appropriations for fiscal year 2000 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills of the House of the following titles:

On September 21, 1999:

H.R. 1905. Making appropriations for the Legislative Branch for the fiscal year ending September 30, 2000, and for other purposes.

H.R. 2490. Making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2000, and for other purposes.

On September 22, 1999:

H.R. 2587. Making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes.

ADJOURNMENT

Mr. HAYWORTH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 57 minutes p.m.), the House adjourned until tomorrow, Thursday, September 23, 1999, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

4350. A letter from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting the Department's final rule—Fresh Prunes Grown in Designated Counties in Washington and

Umatilla County, Oregon; Increased Assessment Rate [Docket No. FV99-924-1 FR] received September 3, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4351. A letter from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting the Department's final rule—Milk in the Southwest Plains Marketing Area; Suspension of Certain Provisions of the Order [DA-99-06] received September 3, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4352. A letter from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting the Department's final rule—Irish Potatoes Grown in Colorado; Increased Assessment Rate [Docket No. FV99-948-1 FR] received September 3, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4353. A communication from the President of the United States, transmitting his requests for FY 2000 budget amendments for the Departments of Commerce, Defense, Energy, State, and the Treasury, the General Services Administration, International Assistance Programs, the National Science Foundation, and the Office of Personnel Management, pursuant to 31 U.S.C. 1107; (H. Doc. No. 106-129); to the Committee on Appropriations and ordered to be printed.

4354. A communication from the President of the United States, transmitting a request for resources to be used to fund construction projects in Europe; (H. Doc. No. 106-128); to the Committee on Appropriations and ordered to be printed.

4355. A letter from the General Counsel, Federal Emergency Management Agency, transmitting the Agency's final rule—Suspension of Community Eligibility [Docket No. FEMA-7719] received August 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

4356. A letter from the Administrator, Food and Nutrition Service, Department of Agriculture, transmitting the Department's final rule—WIC Farmers' Market Nutrition Program: Legislative Changes From the William F. Goodling Child Nutrition Reauthorization Act of 1998 (RIN: 0584-AC80) received August 23, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

4357. A letter from the Assistant General Counsel, Office of the Chief Financial Officer, Department of Education, transmitting the Department's final rule—Administration of Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations; Direct Grant Programs; State Administered Programs; Definitions that Apply to Department Regulations; Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments; Protection of Human Subjects; Student Rights in Research, Experimental Programs and Testing; Family Educational Rights and Privacy—Received September 3, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

4358. A letter from the Associate Chief, Wireless Telecommunications Bureau, Federal Communications Commission, transmitting the Commission's final rule—Communications Assistance for Law Enforcement Act [CC Docket No. 97-213] received August 31, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4359. A letter from the Associate Division Chief, Wireless Telecommunications Bureau, Federal Communications Commission, transmitting the Commission's final rule—Communications Assistance for Law Enforcement Act [CC Docket No. 97-213] received

August 31, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4360. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (St. Anne and Beaverville, Illinois) [MM Docket No. 98-64; RM-9272; RM-9358] received August 31, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4361. A letter from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Cedar Key, Florida) [MM Docket No. 99-72; RM-9323] received August 31, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4362. A letter from the Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Broadcast Television National Ownership Rules; Review of the Commission's Regulations Governing Television Broadcasting; Television Satellite Stations Review of Policy and Rules [MM Docket No. 96-222, MM Docket No. 91-221, MM Docket No. 87-8]—received August 31, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4363. A letter from the Assistant Bureau Chief, Management, Federal Communications Commission, transmitting the Commission's final rule—International Settlement Rates Report and Order on Reconsideration and Order Lifting Stay [IB Docket No. 96-261, FCC 99-124] received September 3, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4364. A letter from the Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (La Jara, Colorado; Westcliffe, Colorado; Carmel Valley, California; Nanakuli, Hawaii; Wahiawa, Hawaii; Hanapepe, Hawaii; Holualoa, Hawaii; Honokaa, Hawaii; Kihei, Hawaii; Kurtistown, Hawaii) [MM Docket No. 99-106; RM-9509; MM Docket No. 99-110; RM-9513; MM Docket No. 99-171; RM-9574; MM Docket No. 99-172; RM-9575; MM Docket No. 99-173; RM-9576; MM Docket No. 99-175; RM-9578; MM Docket No. 99-176; RM-9579; MM Docket No. 99-177; RM-9580; MM Docket No. 99-178; RM-9581; MM Docket No. 99-179; RM-9582] Received September 7, 1999, pursuant to 5 to the Committee on Commerce.

4365. A letter from the Director, Office of Personnel Management, transmitting the Office's final rule—Absence and Leave; Use of Restored Annual Leave (RIN: 3206-AI71) received August 27, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

4366. A letter from the Acting Director, Fish and Wildlife Service, Department of the Interior, transmitting the Department's final rule—Endangered and Threatened Wildlife and Plants; Final Rule to Remove the American Peregrine Falcon from the Federal List of Endangered and Threatened Wildlife, and to Remove the Similarity of Appearance Provision for Free-Flying Peregrines in the Conterminous United States (RIN: 1018-AF04) received August 27, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4367. A letter from the Assistant Administrator for Fisheries, NMFS, Department of Commerce, transmitting the Department's final rule—Atlantic Tuna Fisheries; Regulatory Adjustments [Docket No. 990513131-9153-02; I.D. 051299B] (RIN: 0648-AM69) received August 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4368. A letter from the Assistant Administrator for Fisheries, NMFS, Department of Commerce, transmitting the Department's final rule—Atlantic Tuna Fisheries; Regulatory Adjustments [Docket No. 990513131-9131-01; I.D. 051299B] (RIN: 0648-AM69) received August 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4369. A letter from the Assistant Administrator for Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting the Department's final rule—Atlantic Highly Migratory Species; Bluefin Tuna Catch Reporting [Docket No. 990618163-9163-01; I.D. 052799D] (RIN: 0648-AM81) received August 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4370. A letter from the Assistant Administrator for Fisheries, NMFS, Department of Commerce, transmitting the Department's final rule—Atlantic Highly Migratory Species (HMS) Fisheries; Atlantic Bluefin Tuna 1999 Quota and Effort Control Specifications [Docket No. 990217050-9147-02; I.D. 010799A] (RIN: 0648-AM27) received August 24, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4371. A letter from the Acting Director, Fish and Wildlife Service, Department of Interior, transmitting the Department's final rule—Final Policy on the National Wildlife Refuge System and Compensatory Mitigation under the Section 10/404 Program [1018-AF64] received September 10, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4372. A letter from the Associate Chief Counsel, FHA, Department of Transportation, transmitting the Department's final rule—Commercial Driver Disqualification Provision [FHWA Docket No. FHWA-97-3103] (RIN: 2125-AE28) received August 30, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4373. A letter from the Program Analyst, Office of the Chief Counsel, FAA, Department of Transportation, transmitting the Department's final rule—Modification of the legal description of the Class E Airspace; Cincinnati, OH [Airspace Docket No. 99-AGL-32] received August 30, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4374. A letter from the Acting Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone: Staten Island Fireworks, Lower New York Bay and Raritan Bay [CGD01-99-094] (RIN: 2115-AA97) received August 27, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4375. A letter from the Acting Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations: Hutchinson River, NY [CGD01-99-153] received August 27, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4376. A letter from the Program Analyst, Office of the Chief Counsel, FAA, Department of Transportation, transmitting the Department's final rule—Revocation of Class E Airspace, Lafayette, Aretz Airport, IN [Airspace Docket No. 99-AGL-36] received August 30, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4377. A letter from the Program Analyst, Office of the Chief Counsel, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class D Airspace and Class E Airspace; Terre Haute, IN [Airspace Docket No. 99-AGL-35]

received August 30, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4378. A letter from the Program Analyst, Office of the Chief Counsel, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Escanaba, MI [Airspace Docket No. 99-AGL-34] received August 30, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4379. A letter from the Program Analyst, Office of the Chief Counsel, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747-400, 757-200, 767-200 and 767-300 Series Airplanes [Docket No. 99-NM-111-AD; Amendment 39-11282; AD 99-18-16] received September 3, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4380. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Establishment of a Balanced Measurement System [TD 8830] (RIN: 1545-AW80) received August 27, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4381. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Extension of Relief Relating to Application of Nondiscrimination Rules for Certain Governmental Plans [Notice 99-40] received August 30, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4382. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—1999 Marginal Production Rates [Notice 99-46] received September 13, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4383. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to establish the basis for reimbursement for services provided by Working Capital Fund activities for USDA and other Federal entities, and for the recovery of all costs for service provided to any entity; to ensure adequate capitalization of the Fund; and to establish appropriate levels of operating reserves for the Fund; jointly to the Committees on Agriculture and Government Reform.

4384. A letter from the Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting a draft of proposed legislation to permit the payment of medical expenses incurred by the U.S. Park Police in the performance of duty to be made directly by the National Park Service; jointly to the Committees on Resources and Government Reform.

4385. A letter from the Administrator, Small Business Administration, transmitting a draft of proposed legislation to provide a temporary authority for the use of voluntary separation incentives to assist the U.S. Small Business Administration in transitioning its workforce; jointly to the Committees on Small Business and Government Reform.

4386. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Food Stamp Act of 1977 to restore food stamp eligibility to certain elderly aliens residing in the U.S. on August 22, 1996; jointly to the Committees on Ways and Means and Agriculture.

4387. A letter from the Acting Deputy General Counsel, Department of the Treasury, transmitting a draft of proposed legislation to improve the operation of the United States Mint as a Performance Based Organization in the Department of the Treasury; jointly to the Committees on Banking and Financial Services, Government Reform, and the Judiciary.

4388. A letter from the Commissioner, Social Security Administration, transmitting a draft of proposed legislation to restore Supplemental Security Income and related Medicaid benefits to certain disabled immigrants who lawfully enter the United States after August 22, 1986; jointly to the Committees on Ways and Means, the Judiciary, and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COMBEST: Committee on Agriculture. Supplemental report on H.R. 2559. A bill to amend the Federal Crop Insurance Act of strengthen the safety net for agricultural producers by providing greater access to more affordable risk management tools and improved protection from production and income loss, to improve the efficiency and integrity of the Federal crop insurance program, and for other purposes (Rept. 106-300 Pt. 2).

Mr. GOSS: Committee on Rules. House Resolution 299. Resolution providing for consideration of the bill (H.R. 2506) to amend title IX of the Public Health Service Act to revise and extend the Agency for Health Care Policy and Research (Rept. 106-328). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. GILMAN (for himself, Mr. CAMP, Mr. DELAHUNT, Mr. GEJDENSON, Mr. BLILEY, Mr. OBERSTAR, Mr. SMITH of New Jersey, Mr. POMEROY, Mr. MCGOVERN, Mr. BARRETT of Wisconsin, Mr. ENGLISH, Mr. FARR of California, Mr. HORN, Mr. FORBES, Mr. RAMSTAD, Mrs. MINK of Hawaii, Mrs. JOHNSON of Connecticut, Mr. CAPUANO, Mr. FROST, Mr. PORTER, Mr. BARCIA, Mr. BURTON of Indiana, Mr. UNDERWOOD, Mr. COOKSEY, Mr. HASTINGS of Florida, Mr. BARRETT of Nebraska, Mr. SMITH of Texas, Ms. ROS-LEHTINEN, Mr. GREENWOOD, Mr. ACKERMAN, Mr. BERMAN, Mr. DAVIS of Florida, Mr. STUPAK, Mr. CARDIN, Ms. ESHOO, Mr. LANTOS, and Mr. BLUMENAUER):

H.R. 2909. A bill to provide for implementation by the United States of the Hague Convention on Protection of Children and Cooperation in Respect of Intercountry Adoption, and for other purposes; to the Committee on International Relations, and in addition to the Committees on the Judiciary, and Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SHUSTER (for himself, Mr. OBERSTAR, Mr. DUNCAN, and Mr. LIPINSKI):

H.R. 2910. A bill to amend title 49, United States Code, to authorize appropriations for the National Transportation Safety Board for fiscal years 2000, 2001, 2002, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. BERRY (for himself, Mr. FORD, Mr. GEPHARDT, Mr. TANNER, Mr. SNYDER, Mr. THOMPSON of Mississippi, Mr. JOHN, Mr. COSTELLO, Mr. JEFFERSON, Mr. HUTCHINSON, Mr. DICKEY, and Mr. COOKSEY):

H.R. 2911. A bill to provide economic development assistance and the planning and coordination needed to assist in development of the lower Mississippi Delta region; to the Committee on Banking and Financial Services.

By Mr. BARRETT of Wisconsin:

H.R. 2912. A bill to amend title XIX of the Social Security Act to eliminate the termination of additional Federal payments to States under the Medicaid Program for administrative costs related to certain outreach and eligibility determinations; to the Committee on Commerce.

By Ms. HOOLEY of Oregon:

H.R. 2913. A bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974 to authorize grants to provide juvenile accountability coordinators to take a comprehensive approach to holding first- and second-time nonviolent juvenile offenders accountable for their actions; to the Committee on Education and the Workforce.

By Mr. MEEHAN (for himself and Mr. HANSEN):

H.R. 2914. A bill to prohibit the sale of tobacco products through the Internet or other indirect means to individuals under the age of 18; to the Committee on Commerce.

By Mr. GEORGE MILLER of California (for himself, Mr. MCGOVERN, Mr. MURTHA, and Ms. ESHOO):

H.R. 2915. A bill to protect students from commercial exploitation; to the Committee on Education and the Workforce.

By Mr. NADLER (for himself, Mr. WEINER, Ms. SCHAKOWSKY, Ms. LEE, and Mr. GUTIERREZ):

H.R. 2916. A bill to amend title 18, United States Code, to require persons to obtain a State license before receiving a handgun or handgun ammunition; to the Committee on the Judiciary.

By Mr. NADLER (for himself, Mr. WEINER, Ms. SCHAKOWSKY, Ms. LEE, and Mr. GUTIERREZ):

H.R. 2917. A bill to condition certain justice assistance grants to the States on the implementation of handgun registration systems; to the Committee on the Judiciary.

By Mr. POMEROY:

H.R. 2918. A bill to amend Public Law 89-108 to increase authorization levels for State and Indian tribal, municipal, rural, and industrial water supplies, to meet current and future water quantity and quality needs of the Red River Valley, to deauthorize certain project features and irrigation service areas, to enhance natural resources and fish and wildlife habitat, and for other purposes; to the Committee on Resources.

By Mr. PORTMAN (for himself, Mrs. JONES of Ohio, Mr. REGULA, Mr. CLYBURN, Mr. HOBSON, Mr. CROWLEY, Mr. CHABOT, Mr. LUCAS of Kentucky, Mr. BOEHNER, Mr. STRICKLAND, Mr. GILCHREST, and Mr. HILL of Indiana):

H.R. 2919. A bill to promote preservation and public awareness of the history of the Underground Railroad by providing financial assistance, to the Freedom Center in Cincinnati, Ohio; to the Committee on Resources.

By Mr. SMITH of Michigan (for himself and Ms. BALDWIN):

H.R. 2920. A bill to permanently reenact chapter 12 of title 11 of the United States Code, relating to family farmers; to the Committee on the Judiciary.

By Mr. SHADEGG:

H.R. 2921. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 relating to settlements by certain qualified businesses, and for other purposes; to the Committee on Commerce, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the

Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SHUSTER (for himself, Mr. OBERSTAR, Mr. DUNCAN, Mr. LIPINSKI, Mr. GILMAN, and Mr. GEJDENSON):

H. Con. Res. 187. Concurrent resolution expressing the sense of Congress regarding the European Council noise rule affecting hushkitted and reengined aircraft; to the Committee on Transportation and Infrastructure, and in addition to the Committee on International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BILIRAKIS (for himself, Mrs. MALONEY of New York, Mr. BURTON of Indiana, and Ms. SCHAKOWSKY):

H. Con. Res. 188. Concurrent resolution commending Greece and Turkey for their mutual and swift response to the recent earthquakes in both countries by providing to each other humanitarian assistance and rescue relief; to the Committee on International Relations.

By Mr. VISCLOSKEY (for himself, Mr. NEY, Mr. TRAFICANT, Mr. REGULA, Mr. MURTHA, Mr. QUINN, Mr. GEPHARDT, Mr. ENGLISH, Mr. BONIOR, Mr. NORWOOD, Mr. DINGELL, Mr. YOUNG of Florida, Mr. MATSUI, Mr. HOUGHTON, Mr. LEVIN, Mr. CALLAHAN, Mr. COYNE, Mr. KASICH, Mr. NEAL of Massachusetts, Mr. WISE, Mr. KLING, Mr. MOLLOHAN, Mr. ADERHOLT, Mr. STRICKLAND, Mr. COBURN, Mr. LAFALCE, Mr. SKEEN, Mr. OBERSTAR, Mr. BACHUS, Ms. STABENOW, Mr. PETERSON of Pennsylvania, Mr. CARDIN, Mr. LATOURETTE, Mr. CONYERS, Mr. MANZULLO, Mr. MASCARA, Mr. FOLEY, Mr. DOYLE, Mr. MCINTOSH, Mr. EVANS, Mr. BUYER, Ms. KAPTUR, Mr. BURTON of Indiana, Mr. COSTELLO, Mr. WALSH, Mr. BROWN of Ohio, Mr. GEKAS, Mr. FROST, Mr. EHRlich, Mr. HALL of Texas, Mr. GREENWOOD, Mr. BLAGOJEVICH, Mr. HORN, Mr. LIPINSKI, Mr. COOK, Mr. CRAMER, Mr. GUTIERREZ, Mrs. JONES of Ohio, Mr. PITTS, Mr. KUCINICH, Mrs. CHENOWETH, Mr. STUPAK, Mr. MCHUGH, Mr. ABERCROMBIE, Mr. CANNON, Mr. SPRATT, Mr. SHOWS, Mr. MCGOVERN, Mr. HINCHEY, Mr. RAHALL, Mr. RILEY, Mr. HOEFFEL, Mr. CLYBURN, Mr. DEFazio, Mr. BOYD, Mr. WEYGAND, Mr. HILLIARD, Mr. SANDLIN, Mr. BORSKI, Mr. MALONEY of Connecticut, Mr. CUMMINGS, Ms. DANNER, Mr. TURNER, Mr. ROEMER, Ms. DELAURO, Mr. PALLONE, Mr. FILNER, Mr. ANDREWS, Mr. BARCIA, Mr. DAVIS of Illinois, Mr. CAPUANO, Mrs. THURMAN, Mr. BISHOP, Mr. SAWYER, Mr. JACKSON of Illinois, Mr. BRADY of Pennsylvania, Ms. BROWN of Florida, Ms. LEE, Mr. KILDEE, Mr. GREEN of Texas, Mr. BERRY, Mr. DELAHUNT, Mr. HAYES, Mr. HOLDEN, Mr. RUSH, Mr. LAMPSON, Ms. KILPATRICK, Mr. TIERNEY, Ms. SCHAKOWSKY, Mr. BILIRAKIS, Mr. WEXLER, Mr. McNULTY, Mr. VENTO, Mr. MINGE, Mrs. MEEK of Florida, and Mr. FALEOMAVAEGA):

H. Res. 298. A resolution calling on the President to abstain from renegotiating international agreements governing anti-dumping and countervailing measures; to the Committee on Ways and Means.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 148: Mr. DAVIS of Illinois and Ms. ESHOO.

H.R. 163: Mr. TURNER and Mr. SMITH of New Jersey.

H.R. 274: Mr. KASICH.

H.R. 354: Mr. BARTLETT of Maryland.

H.R. 360: Mrs. MORELLA, Mr. RAHALL, Mr. OBERSTAR, and Mr. FRANK of Massachusetts.

H.R. 385: Mr. BALDACCIO.

H.R. 405: Mr. FRANKS of New Jersey, Mr. TURNER, Mr. FLETCHER, Mr. SAXTON, and Ms. GRANGER.

H.R. 406: Mr. TURNER.

H.R. 488: Mr. LIPINSKI.

H.R. 505: Mr. RANGEL and Mr. PEASE.

H.R. 515: Mr. MEEKS of New York.

H.R. 531: Mr. STRICKLAND.

H.R. 750: Ms. BERKLEY.

H.R. 809: Mr. COSTELLO and Mr. COOKSEY.

H.R. 860: Mr. BAIRD.

H.R. 933: Mrs. LOWEY.

H.R. 961: Ms. ESHOO, Ms. EDDIE BERNICE

JOHNSON of Texas, Mrs. CHRISTENSEN, Ms. BALDWIN, Mrs. JONES of Ohio, Ms. WOOLSEY, Ms. MCKINNEY, Ms. NORTON, Ms. VELAZQUEZ, Ms. BERKLEY, Ms. HOLLEY of Oregon, and Mrs. NAPOLITANO.

H.R. 984: Mr. CAMP, Mr. BARRETT of Nebraska, Mr. CUMMINGS, Mr. ROYCE, Mr. FORD, and Mr. OXLEY.

H.R. 996: Mr. MATSUI and Mr. NAPOLITANO.

H.R. 1060: Mr. POMEROY.

H.R. 1080: Mr. BARRETT of Wisconsin.

H.R. 1082: Mr. SISISKY.

H.R. 1095: Mr. KLING, Mr. POMEROY, Mrs. LOWEY, and Mr. LAZIO.

H.R. 1149: Mr. OLVER.

H.R. 1168: Mr. BLUMENAUER, Ms. SANCHEZ, Ms. SLAUGHTER and Mr. BORSKI.

H.R. 1244: Ms. GRANGER and Mr. COOK.

H.R. 1248: Ms. DUNN.

H.R. 1272: Mr. TANCREDO.

H.R. 1283: Mr. HILL of Montana, Mr. PETRI, Mr. LUCAS of Oklahoma, Mr. DICKEY, and Mr. LINDER.

H.R. 1291: Ms. ROS-LEHTINEN.

H.R. 1300: Mr. BISHOP, Mr. BILBRAY, and Mr. GANSKE.

H.R. 1322: Mr. COBURN.

H.R. 1367: Ms. WOOLSEY.

H.R. 1399: Mr. OWENS, Ms. WATERS, and Mrs. MEEK of Florida.

H.R. 1459: Mr. GRAHAM and Mr. HUTCHINSON.

H.R. 1472: Ms. LEE.

H.R. 1483: Mr. GREENWOOD and Mr. GEKAS.

H.R. 1547: Mr. GOODE.

H.R. 1628: Mrs. FOWLER.

H.R. 1644: Mr. EHRlich.

H.R. 1824: Mrs. JONES of Ohio and Mr. ISAKSON.

H.R. 1832: Mrs. CLAYTON, Mr. PALLONE, Mr. GILLMOR, Mr. STEARNS, and Mr. UPTON.

H.R. 1840: Mr. GOODLING.

H.R. 1871: Mr. CANNON and Mr. MENENDEZ.

H.R. 1917: Ms. GRANGER.

H.R. 1926: Mr. ROGERS, Mr. LIPINSKI, and Mr. STEARNS.

H.R. 1932: Mrs. JONES of Ohio, Ms. MCCARTHY of Missouri, Ms. MCKINNEY, Mrs. MEEK of Florida, Mr. PASCARELL, Mr. SABO, Mr. SANDERS, Mr. SPRATT, and Ms. VELAZQUEZ.

H.R. 1933: Mr. SCHAFFER.

H.R. 2121: Ms. EDDIE BERNICE JOHNSON of Texas, Mr. SHAYS, Ms. PELOSI, Mr. PRICE of North Carolina, Mr. LIPINSKI, and Ms. KAPTUR.

H.R. 2170: Mr. FORD, Ms. DELAURO, Mr. DOOLEY of California, Mr. BRYANT, Mr. CLEMENT, and Mr. WAMP.

H.R. 2232: Ms. CARSON.

H.R. 2265: Mr. MCDERMOTT, Ms. LEE, Mr. BRADY of Texas, Mr. DIAZ-BALART, Mr. MOLLOHAN, Mrs. KELLY, and Mr. McNULTY.

H.R. 2294: Mrs. MEEK of Florida.

H.R. 2372: Mr. HILLIARD, Mr. SANDLIN, Mr. MASCARA, Mr. KNOLLENBERG, Mr. MANZULLO, Mr. CHABOT, Mr. ARMEY, Mr. HERGER, Mrs.

BONO, Mr. STUMP, Mr. GARY MILLER of California, Mr. ROGERS, Mr. CHAMBLISS, Mr. WELLER, and Mr. WAMP.

H.R. 2389: Mr. FROST and Mrs. CHRISTENSEN.

H.R. 2418: Mr. GORDON, Mrs. ROUKEMA, Mr. WU, Mr. LATHAM, Mr. BRYANT, Mr. NORWOOD, Ms. MCKINNEY, Mr. FRANKS of New Jersey, and Mr. SPRATT.

H.R. 2436: Mr. NORWOOD, Mr. BAKER, and Mr. TALENT.

H.R. 2453: Mr. ENGLISH.

H.R. 2539: Mr. DOOLEY of California and Mr. GEORGE MILLER of California.

H.R. 2556: Mr. DAVIS of Virginia, Mrs. MORELLA, and Mr. MORAN of Virginia.

H.R. 2558: Mr. PASTOR, Mr. BARTLETT of Maryland, Mr. SALMON, Mr. CHABOT, Mr. PEASE, and Mr. BOUCHER.

H.R. 2564: Mr. MCGOVERN and Mr. GOODE.

H.R. 2595: Mr. OBERSTAR.

H.R. 2652: Ms. MCKINNEY, Mr. LAFALCE, Mr. WAXMAN, and Mr. MCGOVERN.

H.R. 2662: Ms. DUNN, Mr. HOEKSTRA, and Mr. SMITH of Washington.

H.R. 2672: Ms. DELAURO and Mr. REYES.

H.R. 2687: Mr. BAIRD.

H.R. 2708: Mr. GARY MILLER of California and Mr. GUTKNECHT.

H.R. 2713: Mr. STARK.

H.R. 2722: Mr. LANTOS, Mr. BERMAN, Mr. HINCHEY, Mr. DEUTSCH, Mr. KUCINICH, Mr. EVANS, Mr. MOAKLEY, and Mr. MEEHAN.

H.R. 2743: Mr. WATTS of Oklahoma, Mr. LEACH, and Mr. FORD.

H.R. 2766: Mr. BORSKI.

H.R. 2774: Mr. FRANK of Massachusetts.

H.R. 2786: Mr. GREEN of Texas.

H.R. 2870: Mr. FRANK of Massachusetts, Mr. ENGEL, Mrs. KELLY, Mrs. MALONEY of New York, and Mr. DOYLE.

H.R. 2896: Mr. KING.

H.R. 2899: Mrs. MINK of Hawaii and Mr. HINCHEY.

H.R. 2901: Mr. HAYES.

H.R. 2905: Ms. LEE.

H.J. Res. 65: Mr. RODRIGUEZ, Mr. FILNER, Mr. REYES, Mr. LAHOOD, Mr. GIBBONS, Mr. SIMPSON, Mr. EVERETT, Mr. SNYDER, and Mr. STEARNS.

H. Con. Res. 30: Mr. CRANE.

H. Con. Res. 46: Ms. STABENOW.

H. Con. Res. 62: Mr. BOYD, Mr. LUCAS of Kentucky, Mr. TOWNS, Mr. WISE, Mr. MALONEY of Connecticut, Mr. NUSSLE, Mr. BENTSEN, Mr. GREEN of Texas, Mr. SMITH of New Jersey, and Mr. WU.

H. Con. Res. 89: Mr. POMEROY, Mr. HOUGHTON, Mr. LEACH, Mr. PETRI, and Mr. BARRETT of Wisconsin.

H. Con. Res. 120: Mr. METCALF.

H. Res. 238: Mr. HORN.

H. Res. 254: Mr. LANTOS, Mr. SMITH of Washington, Mrs. BIGGERT, Ms. JACKSON-LEE of Texas, Mr. FILNER, Mr. EVANS, Mr. BRADY of Pennsylvania, Mr. ANDREWS, Mr. BLAGOJEVICH, Mr. SOUDER, Mr. BERMAN, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. GUTIERREZ, Mr. FRANK of Massachusetts, Mr. CLAY, Mr. UNDERWOOD, Ms. LEE, Mr. WU, and Ms. BALDWIN.

H. Res. 280: Mrs. MYRICK and Mr. PETRI.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 2506

OFFERED BY: MR. BILIRAKIS

AMENDMENT NO. 3: Page 3, line 2, strike "by" and all that follows through "research" on line 3 and insert the following: "by conducting and supporting—

"(1) research".

Page 4, line 3, strike "synthesizing and disseminating" and insert "the synthesis and dissemination of".

Page 4, line 7, strike "advancing" and insert "initiatives to advance".

Page 4, beginning on line 11, strike "shall undertake" and all that follows through

"evaluations" on line 12 and insert the following: "shall conduct and support research and evaluations, and support demonstration projects".

Page 4, line 25, strike "shall support" and all that follows through "activities" on page 5, line 4, and insert the following: "shall conduct and support research, evaluations, and training, support demonstration projects, research networks, and multi-disciplinary centers, provide technical assistance, and disseminate information on health care and on systems for the delivery of such care, including activities".

Page 6, line 5, strike "made available under section 487" and insert "made available under section 487(d)(3) for the Agency".

Page 7, beginning on line 21, strike "that it uses".

Page 7, line 23, strike "that it uses".

Page 7, line 24, strike "behind health care practice" and insert "underlying health care practice".

Page 8, beginning on line 15, strike "Health Care Improvement Research Centers" and insert "health care improvement research centers".

Page 8, line 20, strike "Provider-based Research Networks" and insert "provider-based research networks".

Page 8, line 23, insert "evaluate and" before "promote quality improvement".

Page 13, beginning on line 7, strike "In carrying out 902(a), the Director" and insert "The Director".

Page 14, beginning on line 5, strike ", the needs" and all that follows through "and monitor" on line 8 and insert the following: ", including the health care needs of populations identified in section 901(c), provide data to study the relationships between health care quality, outcomes, access, use, and cost, measure changes over time, and monitor".

Page 15, beginning on line 10, strike "shall support research, evaluations and initiatives to advance" and insert "shall conduct and support research, evaluations, and initiatives to advance".

Page 18, beginning on line 15, strike "clinical practice and health care technologies" and insert "health care practices and technologies".

Page 18, beginning on line 21, strike "health care practices and health care technologies" and insert "health care practices and technologies".

Page 19, line 1, strike "promoting education, training, and providing" and insert "promoting education and training and providing".

Page 19, beginning on line 2, strike "health care practice and health care technology assessment" and insert "health care practice and technology assessment".

Page 20, line 4, insert "health care" before "technologies".

Page 25, line 5, insert "National" before "Advisory Council".

Page 29, beginning on line 4, strike "the maximum rate of basic pay payable for GS-18 of the General Schedule" and insert the following: "the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day during which such member is engaged in the performance of the duties of the Advisory Council".

Page 43, line 2, insert "National" before "Advisory Council".

H.R. 2506

OFFERED BY: MR. DAVIS OF ILLINOIS

AMENDMENT NO. 4: Page 6, line 10, insert before the period the following: ", and with respect to the priority population involved, shall in addition take into consideration the extent to which the individuals who receive the training will maintain a continuing commitment to health services research regarding such population (taking into account de-

mographic, socioeconomic, and other appropriate factors)".

H.R. 2506

OFFERED BY: MR. DAVIS OF ILLINOIS

AMENDMENT NO. 5: Page 7, after line 14, insert the following subsection:

"(g) ANNUAL REPORT.—Beginning with fiscal year 2003, the Director shall annually submit to the Congress a report regarding prevailing disparities in health care delivery as it relates to racial factors, socioeconomic factors, and disease prevalence in priority populations.

H.R. 2506

OFFERED BY: MR. DAVIS OF ILLINOIS

AMENDMENT NO. 6: Page 21, line 6, insert after "agencies," the following: "minority institutions of higher education (such as Historically Black Colleges and Universities, and Hispanic institutions)".

H.R. 2506

OFFERED BY: MR. THOMPSON OF CALIFORNIA

AMENDMENT NO. 7: Page 21, after line 8, insert the following subsection:

"(d) MEDICAL EXAMINATION OF CERTAIN VICTIMS.—

"(1) IN GENERAL.—In carrying out subsection (a), the Director shall promote evidence-based clinical practices for—

"(A) the examination and treatment by health professionals of individuals who are victims of sexual assault (including child molestation) or attempted sexual assault; and

"(B) the training of health professionals on performing medical evidentiary examinations of individuals who are victims of child abuse or neglect, sexual assault, elder abuse, or domestic violence.

"(2) CERTAIN CONSIDERATIONS.—Evidence-based clinical practices promoted under paragraph (1) shall take into consideration the expertise and experience of Federal and State law enforcement officials regarding the victims referred to in such paragraph, and of other appropriate public and private entities (including medical societies, victim services organizations, sexual assault prevention organizations, and social services organizations).

H.R. 2506

OFFERED BY: MR. THOMPSON OF CALIFORNIA

AMENDMENT NO. 8: Page 46, after line 2, add the following section:

SEC. 4. REPORT ON TELEMEDICINE.

Not later than January 10, 2001, the Director of the Agency for Health Research and Quality shall submit to the Congress a report that—

(1) identifies any factors that inhibit the expansion and accessibility of telemedicine services, including factors relating to telemedicine networks;

(2) identifies any factors that, in addition to geographical isolation, should be used to determine which patients need or require access to telemedicine care;

(3) determines the extent to which—

(A) patients receiving telemedicine service have benefited from the services, and are satisfied with the treatment received pursuant to the services; and

(B) the medical outcomes for such patients would have differed if telemedicine services had not been available to the patients;

(4) determines the extent to which physicians involved with telemedicine services have been satisfied with the medical aspects of the services;

(5) determines the extent to which primary care physicians are enhancing their medical

knowledge and experience through the interaction with specialists provided by telemedicine consultations;

(6) determines the manner in which the confidentiality of information on patients can be protected when information is transferred via electronic telemedicine networks; and

(7) identifies legal and medical issues relating to State licensing of health professionals that are presented by telemedicine services, and provides any recommendations of the Director for responding to such issues.

H.R. 2506

OFFERED BY: MR. TIERNEY

AMENDMENT NO. 9: Page 12, after line 14, insert the following subparagraph:

“(C) The conduct of research on methods to reduce the costs to consumers of obtaining prescription drugs.

Page 12, line 15, strike “(C)” and insert “(D)”.

H.R. 2506

OFFERED BY: MR. TIERNEY

AMENDMENT NO. 10: Page 13, after line 5, insert the following subsection:

“(d) STUDIES OF METHODS TO IMPROVE ACCESS TO HEALTH SERVICES.—The Director shall conduct, and shall provide scientific and technical support for private and public efforts to conduct, studies of the organization, delivery, and financing of health services in order to determine the cost and quality effects of various methods of substantially increasing the number of individuals in the United States who have access to health services.

H.R. 2506

OFFERED BY: MR. TIERNEY

AMENDMENT NO. 11: Page 13, after line 5, insert the following subsection:

“(d) STUDIES OF METHODS TO IMPROVE ACCESS TO HEALTH SERVICES.—The Director shall conduct, and shall provide scientific and technical support for private and public efforts to conduct, studies of the organization, delivery, and financing of health services in order to determine the cost and quality effects of various methods of substantially increasing the number of individuals in the United States who have access to health services. Such studies shall include a study to determine the impact of a single payer insurance coverage program on health expenditures in the United States during the fiscal years 2000 through 2007 compared to the projected impact of the current system on health expenditures in the United States during such period.