

INTRODUCING THE REBUILD
AMERICA ACT OF 2003

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 2003

Mr. OBERSTAR. Mr. Speaker, today Cong. JERRY COSTELLO, LINCOLN DAVIS, other Members of the Committee on Transportation and Infrastructure, and I have introduced the "Rebuild America Act of 2003".

In the 107th Congress, the Democrats on Transportation and Infrastructure Committee introduced similar legislation to invest in the safety and security of the Nation's infrastructure. At that time, we were alarmed by the negative effects that the policies of the Bush Administration were having on our Nation's economy. Now, almost two years later, our concerns have been proven correct.

Figures released earlier this month show that the national unemployment rate has increased from 4.2 percent in January 2001 to 6.1 percent, the highest level since July 1994. Further since January 2001, the number of people unemployed has increased from 5.95 million to 9 million—an increase of more than 3 million, or more than 50 percent.

Moreover, workers who have lost their jobs are having more trouble finding new jobs. The average length of unemployment is now almost 20 weeks, the longest it has been in nearly two decades. In the past two years, the number of workers who have been unemployed for longer than six months has increased by 1.3 million to nearly 1.9 million—an increase of more than 216 percent. One-half of the unemployed are out of work for more than 10 weeks and one in five have been out of work for more than six months.

The response of the Bush Administration has been tax breaks for the wealthy. And once those are enacted into law, pass more tax breaks for the wealthy. The Administration could have developed a bipartisan plan to use the surplus it inherited to invest in our Nation's infrastructure, shore up the Social Security Trust Fund, and pay down the national debt, however, it has squandered each of those opportunities. Instead, the Administration continues to pursue policies that favor only a small portion of the population (the ultra-wealthy) and push our economy further and further into debt and recession. As the economy continues to founder, the need for legislation that will create jobs has become even more apparent.

Unlike the Republican "trickle down" approach to the economy, the Rebuild America Act of 2003 stimulates the economy by creating jobs—especially jobs in nonresidential construction—and rebuilding our Nation's infrastructure. This bill provides \$50 billion to enhance the safety, security, and efficiency of our Nation's infrastructure, including improvements to rail, highway, transit, aviation, maritime, water resources, environmental, and public building infrastructure. By leveraging Federal infrastructure investments, the 10-year cost to the Federal Treasury would be less than \$34 billion.

Moreover, the bill fully offsets this \$34 billion cost to the Treasury by cracking down on abusive corporate tax shelters (e.g., Enron), preventing American corporations from avoiding paying U.S. taxes by moving to a foreign country, and extending customs user fees.

According to the U.S. Department of Transportation, each \$1 billion in new infrastructure investment creates 47,500 jobs and \$6.2 billion in economic activity. The bill will create more than two million jobs—virtually eliminating the job losses that have occurred since the Bush Administration came into office—and restore more than \$310 billion to our economy. Moreover, in the wake of the September 11, 2001 terrorist attacks, the bill gives priority to infrastructure investments that focus on enhanced security for our Nation's transportation and environmental infrastructure systems.

By ensuring that the funds are invested in ready-to-go projects, the bill will provide a much-needed jumpstart to our economy. The bill provides funds for each of the critical areas of our Nation's transportation and environmental infrastructure, including: \$8 billion for highways and transit; \$3 billion for airports; \$21.5 billion for rail including high-speed rail, freight rail, and Amtrak; \$13 billion for environmental infrastructure including wastewater, drinking water, wet weather, and Corps of Engineers projects; \$2.5 billion for port security; and \$2 billion for economic development and public buildings.

In addition, this infrastructure investment will increase business productivity by reducing the costs of producing goods in virtually all industrial sectors of the economy. Increased productivity results in increased demand for labor, capital, and raw materials and generally leads to lower product prices and increased sales. Also, the bill takes into account the fiscal crises that the states are currently facing and allows recipients of the funds an extended period of time to meet their state and local match requirements.

Simply put, this bill will strengthen the fabric of our Nation's infrastructure while creating jobs for the millions of people who have lost their jobs under the Bush Administration. This investment will specifically help unemployed construction workers. The number of unemployed private construction workers is 715,000—an 80 percent increase over the comparable period in the last year of the Clinton Administration. The unemployment rate for construction workers is now 8.4 percent, more than 68 percent higher than the rate in May 2000. A recent national survey found that transportation construction contractors hire employees within three weeks of obtaining a project contract. These employees begin receiving paychecks within two weeks of hiring. By giving priority to those projects that can award bids within 90 days of enactment, the bill ensures that this money is readily dispersed to needed projects that will get people working again.

This investment will also help address the disproportionate effect that the increase in unemployment has had on people of color. The rate of unemployment for African Americans is 10.8 percent—twice the rate for whites. The unemployment rate for Hispanic Americans is 8.2 percent—more than 50 percent higher than the rate for whites. Under the existing highway, transit, and aviation laws, as a general rule, states, cities, and transportation authorities are required to provide at least 10 percent of the amounts made available to Disadvantaged Business Enterprises, including minority- and women-owned businesses.

There are thousands of projects that are ready to begin construction in all sectors of our transportation and infrastructure systems.

For example, a survey of the state Departments of Transportation by the American Association of State Highway and Transportation Officials found that, as of April 2003, the states have 2,710 projects, totaling \$17.1 billion, that are ready to go to construction within 90 days if additional funding is made available.

Accordingly, the bill provides \$5 billion in additional authority for Federal-aid highway capital investments and gives states the authority to obligate \$5 billion of existing budget authority (contract authority) in state highway accounts. This proposal would create more than 237,500 jobs and \$31 billion of economic activity.

Similarly, a survey of transit authorities by the American Public Transportation Association found that public transportation authorities have \$12 billion in projects that are ready to go to construction within 90 days if additional funding is made available. Accordingly, the bill provides \$3 billion in transit and operating grants and would create more than 142,500 jobs and \$18.6 billion of economic activity.

In aviation, an Airport Council International survey of airport authorities estimates that \$5 billion is needed to install explosive detection systems at U.S. airports. In addition, the Federal Aviation Administration has deferred millions of dollars for airport capacity and safety projects because of the diversion of airport improvement program (AIP) funds to security projects. To address these issues, the bill provides \$3 billion for airport development projects, including \$2 billion for AIP grants to enhance airport safety, efficiency, and capacity, and \$1 billion for airport security grants to reconfigure airports to accommodate explosive detection systems. This proposal would create more than 142,500 jobs and \$18.6 billion of economic activity.

In the area of high-speed rail, there are currently several corridors that are completing environmental analyses of high-speed rail projects and are ready to go to construction. The bill provides funding for these projects through the issuance of \$14 billion in tax credit bonds for construction of infrastructure and the acquisition of rolling stock for two high-speed rail corridors. This proposal would create more than 665,000 jobs and \$86 billion of economic activity.

For passenger rail, Amtrak has identified approximately \$8 billion of capital needs for the reconstruction and rehabilitation of the Northeast Corridor and other station upgrades and for the acquisition and rehabilitation of rolling stock. With regard to the infrastructure needs of short line and regional railroads, a recent study concluded that it will take approximately \$7 billion of capital investment to rehabilitate the track, bridges, and other elements of their infrastructure to enable them to carry the 286,000-pound railcar that is becoming the industry standard.

In order to address these needs, the bill provides \$7.5 billion for capital investment for passenger and freight rail, including: \$2.5 billion for capital investment for Amtrak; \$500 million for direct grants to short-line and regional railroads to improve their infrastructure; and \$250 million for grants to provide the credit risk premium for at least \$5 billion in loans and loan guarantees for freight railroad infrastructure projects under the Railroad Rehabilitation and Improvement Financing (RRIF) program. This proposal would create more

than 356,000 jobs and \$46.5 billion of economic activity.

Our Nation's environmental and infrastructure also has a backlog of important projects in need of funding. The Congressional Budget Office estimates that there is an annual investment need of between \$11.6 billion and \$20.1 billion to ensure a safe, clean supply of drinking water, and an additional need of an annual investment of between \$13 billion and \$20.9 billion in wastewater treatment. Further, a survey conducted by the Association of Metropolitan Sewerage Agencies found that, in just 58 communities, wastewater treatment facilities have more than \$4 billion of wastewater treatment projects that are ready to go to construction if funding is made available.

This bill provides a total of \$11.5 billion for wastewater and drinking water infrastructure investment, including: \$10 billion to construct, rehabilitate, and restore the Nation's wastewater and drinking water infrastructure through the existing State Revolving Fund (SRF) programs (\$8.5 billion for the Clean Water SRF and \$1.5 billion for the Safe Drinking Water SRF), and \$1.5 billion for wet weather overflow grants for planning, design, and construction of treatment works to address combined sewer and sanitary sewer overflows. This proposal would create more than 546,000 jobs and \$71 billion of economic activity.

In the area of marine transportation, the Coast Guard estimates that it will cost approximately \$6 billion over the next 10 years for ports and vessel owners to comply with security standards that the Coast Guard will prescribe under the Maritime Transportation Security Act. To date, only \$370 million has been appropriated to fund port security grants. In 2002, ports and marine facility operators submitted 712 proposals, totaling more than \$600 million, which were denied funding because of the lack of available resources. The requests for port security funding were seven times greater than the available funding.

This bill begins to address this funding shortfall by providing \$2.5 billion for port security grants to ports and marine facility operators for their costs to implement facility and port security plans pursuant to the Maritime Transportation Security Act of 2002. This proposal would create more than 118,000 jobs and \$15.5 billion of economic activity.

The Nation's water resources are also in need of investment to both protect and improve the quality water related infrastructure services, such as hydropower facilities, ports, dams, and water supply facilities. The Corps of Engineers has identified a need to assess and improve security at 372 critical infrastructure projects, and those efforts have not yet been completed. The Corps also has an unfunded operation and maintenance backlog of more than \$1 billion.

To address these needs, the bill provides \$1.5 billion to fund investment in currently authorized water resources infrastructure projects. This proposal would create more than 71,000 jobs and \$9.3 billion of economic activity.

There is also considerable unmet need in the area of economic development. Certain communities and regions of the country suffer from chronic economic distress. These communities and regions often have unemployment, poverty, and outmigration rates that are

more than 150 percent of the national average. These economically distressed communities and regions rely on federal investments to complete basic transportation and public infrastructure projects. The Economic Development Administration and existing regional commissions have no shortage of requests for assistance, but are woefully underfunded, and face drastic budget cuts under the Administration's FY2004 budget proposal.

This bill addresses this severe underfunding by providing \$1.5 billion in grants to economically distressed communities for economic development infrastructure projects. Grants are administered through the Economic Development Administration (\$1 billion), the Appalachian Regional Commission (\$150 million), the Delta Regional Authority (\$150 million), and the Northern Great Plains Regional Commission (\$150 million). This proposal would create more than 71,000 jobs and \$9.3 billion of economic activity.

Further, the General Services Administration (GSA)-controlled inventory of 1,860 existing Federal buildings is aging and requires extensive repair and renovation to ensure that Federal employees are housed in safe, modern facilities. GSA estimates that it needs \$5 billion over the next five years to fund the necessary repair, alterations, and rehabilitation of Federal buildings and it currently has approximately 5,500 work items pending for repair and alteration. The bill provides \$500 million for repair and alteration of Federal buildings and would create more than 23,000 jobs and \$3.1 billion of economic activity.

This package of infrastructure, transportation, and environmental investment and security enhancement makes sound economic sense. It provides funds where they are needed most and will get America working again. Our Nation needs an economic stimulus program that creates jobs in hard hit sectors of our economy, rehabilitates our basic infrastructure to allow us to remain competitive in world markets, addresses the infrastructure security needs of our transportation and environmental systems, and helps to revive our stagnant economy. Let us start by passing this bill.

CONCERNING THE SAFETY, SECURITY, AND FREEDOM OF THE PEOPLE OF TAIWAN

HON. ROBERT E. ANDREWS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 2003

Mr. ANDREWS. Mr. Speaker, 54 years ago, on June 27, 1949, President Harry Truman deployed the U.S. Navy's 7th Fleet to the Taiwan Strait to protect Taiwan against the possibility of an invasion by the People's Republic of China, PRC. Since then, we have committed ourselves to defending Taiwan, as enshrined in the Taiwan Relations Act of 1979. President Bush himself declared in 2001 that America would do whatever it takes to defend Taiwan. In light of the threat posed by the PRC's military buildup in Fukien, we must unequivocally stand by our promises to support Taiwan. America cannot afford to lose a democracy in such a volatile region—and the

people of Taiwan cannot afford to lose their safety, security, and freedom.

I rise today to call attention to an important resolution that I introduced today concerning the safety and security of Taiwan, and the right of Taiwan's 23 million people to determine their own future. In the past 2 decades, Taiwan has undergone a remarkable transformation from a one party, martial law dictatorship to a full-fledged democracy that respects human rights and human freedoms. Time and again, Taiwan has proven herself one of America's staunchest allies, recently pledging her support for continued humanitarian aid to both Afghanistan and Iraq. At the same time, however, Taiwan's democracy faces a serious military threat from the People's Republic of China. The PRC continues to regard Taiwan as a renegade province, despite the fact that it has never exercised control over the island. The PRC continues to openly entertain the use of force against Taiwan, thereby jeopardizing the stability of the entire Asian Pacific region.

A Washington Post report of June 11, 2003, reveals the PRC's plans to build up its military for the purpose of "unification with Taiwan." Already, the PRC has set up 400 short-range ballistic missiles in the province of Fukien, directly targeted at Taiwan, in addition to purchasing advanced weaponry systems, such as fighting aircrafts, submarines, and destroyers. The Washington Post reports that the PRC is accelerating its military acquisitions and notes that this buildup is "intended to create a force capable of bullying Taiwan and thwarting U.S. intervention in any conflict between China and Taiwan." In other words, the PRC is preparing to use force and coercion to take over a territory it has no legal right to, and to impose its totalitarian ideology on a people who have fought long and hard for their freedom, and who have no wish to live under Communist rule.

The resolution I introduced today is a step towards protecting a fellow democracy from the threat of Chinese aggression. The resolution calls on the Bush administration to seek from the leaders of the PRC a public and immediate renunciation of any threat or use of force against Taiwan. This includes the dismantling of the Fukien missiles and other military apparatus designed to intimidate Taiwan. The administration must let the PRC government know that America will no longer tolerate the constant harassment targeted towards the people of Taiwan. If the PRC government refuses to dismantle the missiles, the administration should then authorize the release of the Aegis system to Taiwan, enabling Taiwan to defend itself against any Chinese attack.

Mr. Speaker, these PRC missiles in Fukien province are not conducive to a peaceful resolution of current Taiwanese-Chinese relations. We can not expect the people of Taiwan to live their daily lives under such threatening and uncertain conditions. In the name of democracy, we must ensure that the future of Taiwan is determined peacefully, and with the expressed consent of the Taiwanese people. Also, I urge both my colleagues and the administration to support Taiwanese efforts to hold a referendum vote on the issue of admittance into the World Health Organization,