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House of Representatives

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

DESIGNATION OF THE SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
July 12, 2006.

I hereby appoint the Honorable MICHAEL K. SIMPSON to act as Speaker pro tempore on this day.

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

PRAYER

The Reverend Michael Jackson, Pastor, New Life Assembly of God, Janesville, Wisconsin, offered the following prayer:

Our Father, which art in heaven, hallowed be Thy name. We need You here, today, now. Help us, we pray. Confer upon us Your wisdom; grant to us Your favor.

Lord, those who serve in this esteemed Chamber are people created by You to be extensions of You. Touch their bodies. Give them Your strength. Be with their families as well as their constituents. Grant to them Your peace, O God.

Their job is not easy. The weight of their many responsibilities has to weigh heavily upon them. Help them to run and not be weary; to walk and not faint. May the pressures of the day squeeze grace and goodness out of them. May the challenges of the day wring patience and humility out of them. Theirs is a noble task; may they be noble as they carry it out.

In the name of Jesus my Lord, 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 gentleman from Wisconsin (Mr. RYAN) come forward and lead the House in the Pledge of Allegiance.

Mr. RYAN of Wisconsin 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.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 427. Concurrent resolution permitting the use of the rotunda of the Capitol for a ceremony to commemorate the 75th anniversary of the establishment of the Department of Veterans Affairs.

The message also announced that the Senate has passed bills of the following titles in which concurrence of the House is requested:

S. 1509. An act to amend the Lacey Act Amendments of 1981 to add non-human primates to the definition of prohibited wildlife species.

S. 2041. An act to provide for the conveyance of a United States Fish and Wildlife Service administrative site to the city of Las Vegas, Nevada.

S. 2430. An act to amend the Great Lakes Fish and Wildlife Restoration Act of 1990 to provide for implementation of recommendations of the United States Fish and Wildlife Service contained in the Great Lakes Fishery Resources Restoration Study.

S. 2918. An act to provide access to newspapers for blind or other persons with disabilities.

The message also announced that pursuant to section 1295b(h) of title 46, United States Code, the Chair, on behalf of the Chairman of the Committee on Commerce, Science, and Transportation, appoints the following Senators to the Board of Visitors of the United States Merchant Marine Academy:

The Senator from Mississippi (Mr. LOTT), from the Committee on Commerce, Science, and Transportation.

The Senator from Hawaii (Mr. INOUYE), from the Committee on Commerce, Science, and Transportation.

WELCOMING REVEREND MICHAEL JACKSON

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

Mr. RYAN of Wisconsin. Mr. Speaker, it is my great pleasure to honor and welcome Pastor Michael Jackson here today as our guest chaplain. He has come all the way from my hometown of Janesville, Wisconsin, to lead us in prayer today, and we are blessed to have his guidance as we begin our legislative day.

Since November of 1999, Pastor Jackson has served as the senior pastor of New Life Assembly of God in Janesville, Wisconsin, and he has used his many talents to reach out to our entire community and help more and more people open their hearts to the Lord's grace.

While the church itself has grown and produced offshoots throughout nearby communities, as well as New Life Hispanic Church and the Korean Fellowship in Janesville, Pastor Jackson has not only served as a leader of a thriving church body, he has been a leader throughout our whole entire area.

Just one example of this is the annual Freedom Fest Patriotic Rally that the New Life Assembly of God has during the 4th of July. My wife and our kids enjoy this every single year. It is

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simply one of the many gifts that New Life Assembly of God gives to area residents.

The church has also helped initiate a Day of Compassion in Janesville, which provides those in need with access to free food, health screening, spiritual counsel, and other assistance.

Pastor Jackson brings 36 years of experience as a pastor to his work in the church, the community, and to the House floor today.

Pastor, thank you so much for sharing your wisdom and praying with us this morning.

LYME AND TICK-BORNE DISEASE PREVENTION, EDUCATION, AND RESEARCH ACT

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

Mrs. KELLY. Mr. Speaker, I rise today to urge passage of the Lyme and Tick-borne Disease Prevention Act. I have co-introduced this bill because a more coordinated Federal effort to fight Lyme disease is long overdue.

Lyme disease is one of the most mysterious and misunderstood illnesses that our families, including our children, face every day. Our health care community faces extremely difficult challenges in diagnosing and treating Lyme disease.

The epicenter of Lyme disease is in my district in the Hudson Valley, but incidence rates have increased dramatically throughout the country in the past few years. There are 49 States that have experienced Lyme disease cases.

It is time for the Federal Government to assume greater Lyme fighting responsibilities. Our bill will help develop a realistic and reliable diagnostic test, it will help increase Lyme disease research, and it will create an advisory committee of patient advocates and specialized physicians to help Health and Human Services develop and implement a vastly improved national strategy to fight Lyme disease.

We can't leave the burden of controlling Lyme disease to our local health agencies alone. By passing this bipartisan legislation, more work will be done at the Federal level to help our local communities. Please help me pass this legislation.

NATIONAL HEALTH CARE

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

Mr. KUCINICH. Mr. Speaker, at least 30 percent of the $3.2 trillion spent annually for health care in the United States goes to the for-profit system while 50 million Americans, many of them working, are without health insurance. About $660 billion goes for corporate profits, executive salaries, stock options, advertising, marketing, and the cost of paperwork.

If we took all that money and we put it into a public health system, a national health care plan, we would have enough money to cover everything for everyone, all medically necessary care, including dental care, vision care, mental health care, prescription drug and long-term care.

Health care is a big money maker for corporate America, however, and people we know can't afford necessary health care because premiums, co-pays, and deductibles keep going up. About half of the bankruptcies in America are health-care related.

It is time for this country to break free of the shackles of the insurance companies, and we can do that by Members of Congress supporting H.R. 676, the Conyers-Kucinich-McDermott bill, which calls for a universal health care plan where all people are conferred and, finally, we meet the moral challenge that this country has of providing health care for all.

REPUBLICANS VICTORIOUS IN ANNUAL CONGRESSIONAL BASEBALL GAME

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

Mr. OXLEY. Mr. Speaker, I am proud to announce that the Republican baseball team once again was victorious in the annual congressional game by a 12–1 score on June 29.

I particularly want to thank our sponsors. We were able to raise over $100,000 for charities. Once again, the charities were the big winners, the Boys and Girls Clubs of the Washington area as well as the Adult Literacy Council.

I want to also congratulate my counterpart, MIKE DOYLE, the manager of the Democrat team, JOE BACA, the pitcher and the most valuable player on the part of the Democrats, with KENNY HULSHOF the MVP on the Republican side, and JOHN SHIMKUS, our extraordinary pitcher, who came back from heart surgery this year to pitch a complete game.

So congratulations to everybody for a wonderful evening of camaraderie and a good time and a nice victory as well. This is my last opportunity to do a little bit of bragging here as the manager.

Also, I want to congratulate the long-time manager of the Democrats, MARTIN OLAV SABO, who is retiring this year. He turned over the reins to MIKE DOYLE, but he was inducted into the Roll Call Hall of Fame, well deserved for a great sportsman and a great individual, MARTIN OLAV SABO.

Again, thank you, everybody. It was a great victory.

LESSONS LEARNED

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

Mr. EMANUEL. Mr. Speaker, yesterday, the President said we would continue to be wise about how we spend the people's money. Now, this is true. We actually have a Director of Lessons Learned at the White House, who is paid over $100,000.

Maybe I can save the taxpayers $100,000 by running through a few lessons this White House should have learned:

Lesson 1. When the Army Chief of Staff and the Secretary of State say you are going to war without enough troops, you are going to war without enough troops.

Lesson 2 learned. When $8 billion is missing from Iraq's reconstruction and $2 billion disappears from Katrina relief, you need a little accountability.

Lesson 3 learned. When you have turned the corner in Iraq more times than Danica Patrick at the Indy 500, it means you are going in circles.

Lesson 4 learned. When the National Weather Service tells you a category 5 hurricane is heading for New Orleans, a category 5 hurricane is heading for New Orleans.

I would also ask the President why we are paying for two Ethics Advisors and a Director of Fact Checking. They must be the only people in Washington who get more vacation time than the President. Maybe the White House can consolidate these positions into a Director of Irony.

It is time for a new direction.

SELLING OUR NATIONAL FORESTS

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

Mr. KELLER. Mr. Speaker, the bureaucrats are at it again. First, they came up with the idea of selling off 300,000 acres of our precious national forest lands, including 1,000 acres of the Ocala National Forest in my district. They made this reckless budget proposal without any input whatsoever from Members of Congress or the American public.

After the fact, 130,000 Americans wrote in to oppose this proposal. This week, the United States Department of Agriculture bureaucrats arrogantly told the press they want to move forward anyway, despite Congress and the American public. The pathetic attempt of the Department of Agriculture bureaucrats to sell our national forests is financially short-sighted and environmentally reckless.

You can lead a bureaucrat to water, but you can't make him think. Well, we are going to do the thinking for you and reject this insane proposal.

REPUBLICANS NOT SERIOUS ABOUT SECURING OUR BORDERS

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

Mr. STUPAK. Mr. Speaker, for 5 years now Washington Republicans have refused to fund border security programs. But it is not only our effort at our borders, Republicans refuse to go after employers who break the law. Under their leadership, work site enforcement was cut back by 95 percent. As a result, the government prosecuted four employers in 2003 as opposed to 182 in 1999.

Securing our borders doesn't happen magically. It takes funding and it takes agents at the border, two things seriously lacking right now. Under pressure to act earlier this year, President Bush vowed to have 2,500 National Guard troops on our border by June 30, but all he could muster was 248. The administration claims the rest of the Guardsmen are now going through training. So much for keeping promises.

Now the House Republicans are seriously jeopardizing any real attempts to sign a border security bill into law this year. House Republicans simply refuse to negotiate a final bill, choosing instead to hold hearings on a bill they already passed.

The time for talking is over. It is time for House Republicans to join us to secure our borders.

THE HOUSE OF AMERICA

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

Mr. POE. Mr. Speaker, Joe Carcamo, an illegal El Salvadoran, had 17 driving violations when he drunkenly was drag racing down a Michigan street and hit two teenagers. He was driving 75 miles an hour. He cracked the skull of one of them and the other girl lost both her legs.

We could have stopped this reckless illegal after his first violation, which was breaking and entering into our country, but politics stops local law enforcement from making these arrests. Not so with Sheriff Joe Arpaio from Maricopa County. He is using an Arizona law that locks up smugglers and their customers, too, for conspiring to break the law.

The Mexican Government wants to help illegals break out of his jail by suing Sheriff Joe for just enforcing American law. The word is out: Coyote smugglers avoid Maricopa County and the High Sheriff Joe Arpaio.

Mr. Speaker, our sheriffs and Border Patrol do as good a job as we let them do, and our Nation must send out the word: Enter the House of America legally, or you will enter the jailhouse.

And that's just the way it is.

MINIMUM WAGE

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

Mr. McGOVERN. Mr. Speaker, over the past decade, the cost of living in our Nation has risen sharply and continues to grow. Gas prices have doubled, college costs are up by 38 percent, fuel prices up 20, housing costs another 25 percent, and health care costs are up a whopping 75 percent, yet the millions of Americans who work full time struggling to support their families have just been dealt another blow.

Last month, the Republicans in this body defeated a measure to raise the minimum wage, which has not been increased in an appalling 9 years. Instead of voting with Democrats to give a much needed pay raise to these workers, Republicans once again turned their backs on more than 6 million workers. You didn't see Republicans turning their backs on the wealthiest few last month when they repealed the estate tax that only impacts our Nation's wealthiest families.

Mr. Speaker, it isn't too late for House Republicans to change their minds. Today, we will have another vote here on the House floor to give these hardworking Americans a much deserved raise. House Republicans know that the minimum wage is at its lowest level in 50 years. Today, we will see if Republicans are interested in expanding economic opportunity to all.

□ 1015

BUDGET UPDATE

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

Mr. PENCE. Mr. Speaker, the White House Office of Management and Budget just released its annual midyear budget update. Under article I of the Constitution, the House of Representatives has no higher priority than to see to the wise expenditure of the resources of the American people, and the word is, the news is good.

This year's budget deficit is now forecast to be $296 billion, 2.3 percent of our economy, essentially equal to a historic average. The really good news is, the deficit is 30 percent below the administration's February forecast. Revenues grew by a dynamic 14.5 percent last year and are forecast to grow this year by $245 billion, or 11.4 percent.

Revenues to the Federal Government are increasing because of the progrowth tax cuts that President Bush and this Republican majority brought forward. The tax cuts are working. The economy is growing. Revenues to the government are up. The deficit is down.

All in all, not a bad day's work.

INCREASE THE MINIMUM WAGE

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

Mr. BAIRD. Mr. Speaker, because of Republican inaction, minimum-wage workers have not been making a living wage for years now, and are forced to work 40 hours a week for wages that don't give enough money to afford increased housing, food, health care or gas costs. Gas prices are so high right now that it takes a minimum-wage worker an entire 8-hour shift just to afford one tank of gas.

Americans should be aware that CEOs in the first 4 hours they work make more in those 4 hours than a minimum-wage worker would earn in an entire year. The American people know that $5.15 an hour is not enough to support a family, not by a darn sight.

Today, House Republicans have another chance to support expanding economic opportunity to millions of workers they have ignored for 9 years now. It is time the House Republicans think of someone other than their wealthy special interest friends and support average working Americans. Increase the minimum wage.

BROADCAST DECENCY ENFORCEMENT

(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, it has been less than a month since President Bush signed the Broadcast Decency Enforcement Act into law, and it is already working. By increasing fines tenfold, this law seeks to deter broadcasters from breaking indecency laws.

And yesterday, The Washington Post reported that this deterrent is working. Orders for electronic editing equipment used to filter on-air obscenities have spiked. Some radio stations are requiring their DJs to either clean up or pay fines out of their own pockets. Radio giant Clear Channel has adopted a zero-tolerance policy for their on-air personalities, allowing them to be fired for using offensive language.

Some claim this is creating a chilling effect on free expression. Mr. Speaker, this is not a chilling effect, it is enforcing the law. Decency standards have not changed, but the incentive for obeying them has changed significantly, and that is exactly what the President and this Congress intended when we passed this important legislation.

For the sake of parents and children across the Nation, I am glad to see this law having an impact on cleaning up the airwaves.

RENEW VOTING RIGHTS ACT

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

Ms. WATERS. Mr. Speaker, I rise today with my colleagues to impart some history and context relative to the right to vote in America, an essential part of the democratic process. I

thank each of my colleagues for joining me to discuss this issue.

Today, a series of Members will come to the floor to tell you the truth about the barriers, both past and present, that have prevented Americans from voting.

The Voting Rights Act is one of the most important laws enacted by our government in the history of our democracy, because it allows the people to address past and present disenfranchisement as well as disparate conditions that will affect the ability to exercise voting rights in the future.

Passage of H.R. 9 to reauthorize and renew the 1965 Voting Rights Act is critical to our democracy and our democratic form of government and the free exercise of the voting rights of all Americans.

Mr. Speaker, the stories that you and America will hear today will underscore why the Voting Rights Act is so important and must be renewed. You will hear stories from Members of Congress who were voting age prior to the Voting Rights Act of 1965 that recount some of the extreme difficulties and egregious legal impediments that constrained their right to vote, and you will hear other stories about real people denied the right to vote.

NORTH KOREA'S MISSILE TESTS

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

Ms. FOXX. Mr. Speaker, last week shortly after the July 4 fireworks dwindled from the sky, the North Korean Government put the entire world on the edge of its seat when it hosted a much scarier fireworks show of its own.

I rise today in strong opposition to the test firing of missiles by the North Korean Government. This test firing amounts to little more than an attempted show of force by the North Koreans, and it must not be tolerated.

I support President Bush's proposal for multilateral discussions aimed at maintaining peace and stability in the region and urge the international community to stand alongside America in denouncing this threatening act.

These tests represent a grave threat to the entire global community, and North Korea must act responsibly and adhere to a moratorium on missile testing if peace is to be maintained. I trust that diplomatic discussions coupled with the international outrage following the missile tests will be enough to convince the North Korean Government to abandon its dangerous path.

RENEW VOTING RIGHTS ACT

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

Mr. DAVIS of Illinois. Mr. Speaker, as one who grew up in the rural South where my parents and their neighbors and friends had to pay a poll tax to vote, and as one who lives in an urban inner city community where polling places are oftentimes moved without proper notification and where unsuspecting voters are intimidated, especially those with language and education barriers, the Voting Rights Act is one of the best safeguards of our democracy that we have seen.

Mr. Speaker, I urge its renewal, I urge its passage.

GUN CONTROL DOESN'T WORK

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

Mr. WILSON of South Carolina. Mr. Speaker, I find it extremely ironic that on the same day Washington Police Chief Charles Ramsey declared a crime emergency, The Washington Post has published another misguided editorial promoting the failed efforts of gun control.

The editorial attacked Members of Congress for failing to further restrict Americans' second amendment rights. The Post specifically criticized my statement that ''responsible and law-abiding citizens do not need the government to tell them to be safe.''

Perhaps they forgot, while the District of Columbia has some of the most restrictive gun laws in our country, it also has one of the highest murder rates in the Nation. Thirteen people have been killed in Washington in only the past 12 days.

Instead of petitioning Congress to place additional restrictions upon law-abiding citizens, perhaps The Post should push for tougher laws to help keep criminals off the streets of America.

In conclusion, God bless our troops and we will never forget September 11.

RENEW VOTING RIGHTS ACT

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

Mr. WATT. Mr. Speaker, the rules of the House won't allow me to do what George H. White did in 1901 when he rose to address an agriculture bill for 5 minutes and ended up speaking for an hour and a half, giving his farewell to Congress and saying these words: ''Mr. Speaker, this perhaps may be the temporary farewell of minorities and African Americans from this body, but some day we will rise up and come again.''

Well, it took 92 years from that point in 1901 until 1993 when Eva Clayton and I returned to Congress as African American Members from North Carolina.

And thank God the laws won't allow the exclusion of African Americans and other minorities from this democracy any longer because of the Voting Rights Act.

We have got to renew it and extend it. We need to do it today in the House.

KEVIN ESTEP, VOLUNTEER HERO

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

Mrs. CAPITO. Mr. Speaker, I rise today to recognize an outstanding West Virginian, Kevin Estep, from Apple Grove, West Virginia. A volunteer with the National Service Agency, Kevin is the recipient of the 2006 Learn and Serve America Spirit of Service Award.

Kevin received his honor at the 2006 National Conference on Community Volunteering and National Service, which was held in Seattle, Washington, because of his service with HI-Y, a YMCA-affiliated leadership organization.

He has volunteered as a camp counselor, helped 7-to-12-year-old, low-income, at-risk boys and girls at the Governor's Youth Opportunity Camps at the YMCA Camp Horseshoe. He encourages children to read, try new things, build skills, and set goals for a better life.

A leader in his school, Kevin is an honor student with a 3.9 GPA, a member of the school band, and has two part-time jobs. As a graduate of Point Pleasant High School, he plans to attend Marshall University in Huntington in the fall. Kevin is a leader in his community at a young age, and he is a role model for his peers and younger West Virginians.

I commend him on his service to his community, State, Nation, and fellow citizens.

PASS VOTING RIGHTS ACT

(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 to call on my Republican colleagues to bring up and pass the renewal of the Voting Rights Act.

On March 7, 1965, our colleague, JOHN LEWIS, and 500 civil rights activists marched from Selma to Montgomery, Alabama. They paved the way for the Voting Rights Act.

My grandmother, Bella Russell, lives in Warren County, North Carolina. She is 98 years old. She knows all about the need for the Voting Rights Act. She experienced literacy tests and intimidation and other barriers to voting.

We needed the Voting Rights Act then and we need it today. We need it today because in my State of Maryland, people are still being told you have to pay all of your late fees on your rent in order to vote; you have to pay your parking tickets to vote.

Don't forget to vote on Wednesday. People are still being intimidated. We need the Voting Rights Act as an effective check on those who would deter other Americans from exercising their important right to vote.

There are those who would challenge the preclearance provision, but I maintain if you are not doing anything wrong, if you are not impeding the right to vote, then preclearance is not a burden. In America, we need to encourage more people to vote, not less.

STRONG STAND AGAINST NORTH KOREA

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

Mr. GINGREY. Mr. Speaker, I rise today to emphatically encourage the United Nations to take a strong stand against North Korea.

Last Tuesday, North Korea shocked the world by test-firing missiles, including a long-range Taepodong-2, that could one day be capable of reaching the western United States. Japanese and United States satellite photography have shown movement at North Korean bases that indicate preparations for even further missile launches.

Mr. Speaker, the carrot approach of previous administrations has done nothing to deter Kim Jong-il's erratic and irresponsible behavior.

In 1994, North Korea agreed to freeze and ultimately dismantle its existing plutonium-based nuclear program. However, in December 2002, we learned the North Korean regime was pursuing a nuclear weapons program based on enriched uranium in violation of that agreement.

Mr. Speaker, we must learn from our previous efforts. We cannot stake our national security on meaningless agreements with an unpredictable and maniacal dictator.

Mr. Speaker, I ask that you join me in imploring the United Nations to condemn North Korea's actions as a threat to stability around the globe.

SUPPORT H.R. 9, VOTING RIGHTS ACT

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

Mr. SCOTT of Virginia. Mr. Speaker, there is no civil rights legislation more important or effective than the Voting Rights Act. The right to vote is the very foundation of our democracy, and as the Supreme Court noted in 1964, other rights, even the most basic, are illusory if the right to vote is undermined.

The Voting Rights Act has made that right a reality. In Virginia, my home State, because of all sorts of schemes and barriers, there were no African American State legislators or Federal legislators, not a single African American State or Federal judge in 1964.

After four decades of the Voting Rights Act which prohibited those schemes and removed those barriers, we now have 18 legislators and over 40 judges serving in Virginia.

We do not need to return to the days before 1965. We do need to extend the expiring provisions of the Voting Rights Act. We should support H.R. 9 without amendment.

□ 1030

IMMIGRATION REFORM

(Mr. GARY G. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GARY G. MILLER of California. Mr. Speaker, the American people expect us to stop the flood of illegal immigrants coming to this country. In order to do that we need to secure our borders. We need to crack down on employers that hire illegals and preserve American jobs for Americans. We need to reject all forms of amnesty.

Many talk about a guest worker program. I think most reasonable people believe that a guest worker program in the farming industry, perhaps in the gardening and landscape industries, is reasonable. Beyond that we need to look at what the need of America is, not the need of foreign countries and where they want to place their people. We need to absolutely reject again all forms of amnesty. We need to increase enforcement on current immigration laws.

Today, currently, business owners can go out and find out if the person they are hiring is eligible to work here or if they are not. We need to think about how we are impacting workers. In 1973 the average manufacturing jobs paid $15.24 an hour. In 2004 it paid $15.26 an hour. An American worker should not expect his pay to be cut because somebody comes to this country illegally and is willing to work for less than he or she should be paid. We need to protect Americans and protect their jobs.

VOTING RIGHTS ACT REAUTHORIZATION

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

Mr. AL GREEN of Texas. Mr. Speaker, the Voting Rights Act has been and continues to be necessary. In 1965, we had approximately 300 African Americans holding office. Now we have more than 9,100.

In 1965, only a handful of Latinos held office. Now, more than 6,000.

In 1965, six Members of Congress were African American. Now 43.

But among the many beneficiaries is Hubert Vo. Hubert Vo was born in Vietnam. Hubert Vo came to the United States at the age of 19, fleeing communism. Hubert Vo graduated from the University of Houston, but more importantly, Hubert Vo, in 2004, became the very first Vietnamese American elected to the State House of Texas. Hubert Vo was elected because the ballot in District 149 is in Vietnamese. Hubert Vo won by 16 votes.

The Voting Rights Act has made, continues to make a difference. We need to maintain it. We need to keep it. It protects the rights of minorities.

VOTING RIGHTS ACT REAUTHORIZATION

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

Ms. LEE. Mr. Speaker, it is really with a deep sense of gratitude to Fannie Lou Hamer, Rosa Parks, Coretta Scott King and our great warrior, Congressman JOHN LEWIS, that I rise in support of the renewal of the Voting Rights Act.

There is no way that I would be standing on this floor today as a Member of Congress had it not been for the bloodshed and the sacrifices and oftentimes the deaths of so many fighting for all Americans for their right to vote.

And I vividly remember the days of Jim Crow and segregation and the insidious poll tax growing up in Texas. The humiliation and the discrimination and the degradation of African Americans will always be a scar on America's history.

The Voting Rights Act of 1965 was passed just 1 year after I graduated from high school. And unfortunately, we still need to renew these expiring provisions, and we shouldn't weaken any of the protections in this legislation.

We still witness voter intimidation and voter suppression in our country. But I am reminded of the tremendous progress and the march to freedom and equality, but also of the unfinished business of America during the very powerful civil rights pilgrimages that some of us go on to Selma and to Birmingham and to Montgomery, Alabama. In memory of all of those who paid the supreme price for our democracy, let us pass this bill today and let's pass it on a bipartisan basis.

VOTING RIGHTS ACT REAUTHORIZATION

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

Mr. BACA. Mr. Speaker, I rise today in support of the Voting Rights Reauthorization Act of 2006.

Many brave men and women have fought against bigotry, injustice, inequality to secure the voting rights for all Americans. Many of our veterans who serve now and in the past, of all colors, of all races, have fought for the freedom that we enjoy today. They have sacrificed their lives so that every individual has the right to exercise their voting right.

The Voting Rights Act of 1965 is one of the greatest achievements of Congress because it has torn down arbitrary barriers to voting participation.

The VRA gave dignity, pride and hope to many who have been historically shut out of the democratic process and oppressed by the Jim Crow legacy.

I can remember my dad, a U.S. citizen, born here in the United States, when he first cast his first vote and told us the importance of voting. It was during that period of time that we knew the importance of voting and that every person, regardless of the limited English that they had, and my dad spoke very little English, but voted.

I encourage all of us to vote for the Voting Rights Act on a bipartisan basis, and both Republicans and Democrats are here to support a strong Voting Rights Act that extends the protection for the future generations.

RENEW THE VOTING RIGHTS ACT

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

Mr. PRICE of North Carolina. Mr. Speaker, the Voting Rights Act reauthorization appropriately carries the names of civil rights pioneers Fannie Lou Hamer, Rosa Parks, and Coretta Scott King.

Along with the Civil Rights Act of 1964, the Voting Rights Act was the major legislative expression of that great movement that inspired and challenged so many of us, whites and blacks alike, and that brought the liberty and justice that our Nation professes closer to realization.

Now, many Republicans say the Voting Rights Act is too burdensome or that pre-clearance is no longer needed. But listen to the testimony of North Carolina election officials.

''I would hate to operate without it,'' says one.

''Pre-clearance requirements are routine, and do not occupy exorbitant amounts of time, energy or resources,'' adds another.

''The history of X County causes our operations to be scrutinized and rightfully so,'' says a third official.

And a fourth adds, ''The Voting Rights Act allows us an opportunity to assure the public that minority rights are being protected and that someone is independently validating those decisions.''

Mr. Speaker, the Voting Rights Act works, and we must pass it at full strength.

VOTING RIGHTS ACT

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

Mr. LEWIS of Georgia. Mr. Speaker, the right to vote is precious, almost sacred. During the 1960s, working to get a Voting Rights Act, many of us were arrested, jailed and beaten. I was arrested and jailed more than 40 times during the sixties. We stood in unmovable lines on the courthouse steps in Selma, Alabama. We were beaten with nightsticks, bull whips and trampled by horses trying to register to vote or to get others to register to vote.

But many of my friends, many of my colleagues died. I will never forget Andy Goodman, James Chaney and Mickey Schwerner, who were beaten, shot and killed in Philadelphia, Mississippi. Jimmie Lee Jackson was killed in Alabama. Viola Liuzzo was killed on Highway 80 between Selma and Montgomery.

Because of the Voting Rights Act of 1965, we don't have to risk our lives anymore. We don't have to pass a so-called literacy test. On one occasion a man in Alabama was asked to count the number of bubbles in a bar of soap. On another occasion a man was asked to count the number of jelly beans in a jar. On one occasion there was a man in Tuskegee, Alabama who had a Ph.D. degree and he was told that he could not read or write well enough. He failed the so-called literacy test.

The Voting Rights Act was good in 1965. It is still good today.

VOTING RIGHTS ACT REAUTHORIZATION

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

Mr. CLAY. Mr. Speaker, I rise today to support the reauthorization of one of the most critical pieces of legislation that this House has ever produced, the Voting Rights Act.

Today we have heard firsthand accounts of how this act changed America, and recent research confirms that the Voting Rights Act is as essential today as it was in 1965.

The Lawyers Committee for Civil Rights Under the Law concluded that there is still a shocking continuing reality of racial discrimination in voting that is pervasive, and these problems are nationwide.

Their three key findings were especially disturbing. First, records from the U.S. Department of Justice confirm that the actual number of documented complaints to Federal officials have increased between 1982 and 2004.

Second, polling places and voting hours in minority neighborhoods were routinely changed shortly before elections.

And finally, election officials were found to have illegally purged voters from registration lists and to have refused to translate election materials.

Mr. Speaker, it is time that people in power stop playing with that basic essential right to vote in this country.

JUST DO IT

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

Mr. RUSH. Mr. Speaker, I rise in the spirit of ''Just Do It.'' Congress must reauthorize the Voting Rights Act this week. No more delays, no more excuses. Just do it. Do it now. I say this with no degree of exaggeration. The Voting Rights Act is the essence of democracy.

Mr. Speaker, many of us, including myself, would not be here on the floor of the House of Representatives if it were not for the original Voting Rights Act of 1965. It is, quite simply, one of the most important laws in the history of our Nation. Accordingly, previous Congresses have consistently reauthorized and renewed the Voting Rights Act in a deliberative, bipartisan manner. We must do the same. Don't empathize. Just reauthorize. Just do it.

Mr. Speaker, as much progress as we made since the 1960s, we still must be vigilant. We still must strive for universal enfranchisement. For all of our successes, too many Americans face barriers to the basic right to vote.

Mr. Speaker, don't apologize. Just reauthorize. Just do it. No more delay. Let's get this work done and get it done today.

VOTING RIGHTS ACT REAUTHORIZATION

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

Mr. BISHOP of Georgia. Mr. Speaker, I rise today in strong support of the Voting Rights Act and the legislation before us this week which extends the Voting Rights Act for 25 years. It has been reauthorized and upheld for more than four decades. But several key provisions are set to expire next year if not reauthorized by Congress.

The Voting Rights Act is one of the most important civil rights initiatives ever enacted, protecting minority voters from discrimination and ensuring for all Americans the right to vote in a fair and equal voting process. We must protect this right. It is sacred. It stops practices such as those that allowed every African American to be expelled from the Georgia legislature between 1866 and 1900. It stops poll taxes, racial gerrymanders that dilute minority voting power. It stops moving polling places without notice. It stops hanging chads. It is the reason, after 100 years, that I was finally able to follow Jefferson Long as the first African American to represent my area of Georgia in Congress. It has empowered descendants of slaves like me to participate fully in America's political process. We should not, we must not, we cannot go back. We must renew the Voting Rights Act today.

VOTING RIGHTS ACT REAUTHORIZATION

(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. JOHN LEWIS, you bring tears to my eyes.

Fannie Lou Hamer, Coretta Scott King and Rosa Parks, all who have made the ultimate sacrifice and yes, exhibited enormous courage. And today I ask this House to exhibit courage, to vote for a bill that gives credence to America's dream. We all are created equal.

The Voting Rights Act is not an act of color. It is an act of reputation and integrity of America to allow all Americans to vote. The honorable Barbara Jordan, whose words were ''we the people,'' would not have been elected to the United States Congress as the first holder of this seat had it not been for the 1965 Voter Rights Act.

And Lyndon Baines Johnson, a southern Democrat President, called upon all of his colleagues, all of the Members of Congress, whether they were from the South, from the North, stand up for what is right.

And so today, we will be on the steps of the United States Congress, on the East steps, to join us for a vigil of petitioning to say to this Congress, be of good courage.

JOHN LEWIS, you bring tears to our eyes, for ''Bloody Sunday'' will be always in our minds, the sacrifices that have been made for the Voter Rights Act. Don't give up on us now. Pass the Voter Rights Act. Show us courage. Have a shining moment of history today. Yes, America can do it.

VOTING RIGHTS ACT

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

Mr. HONDA. Mr. Speaker, I would like to associate myself with all the comments that have been shared with this country on this floor this morning.

My mother is a U.S. citizen. She was born in 1916. My father was born in 1914. Both U.S. citizens. My father was a linguist, so English, Japanese, Cantonese, Filipino were not a difficult thing for him.

My mother was born in a family of farmers who believed that women should stay home and raise families, did not have the opportunity for the education that my father had. Her experiences are not much different from those who come to this country and choose to be U.S. citizens and would like to use their primary language as a way to understand and comprehend fully that which is before them.

Prior to 1964, poll taxes, intelligence, literacy and property tests were used to sabotage the rights of voting citizens and circumvent the Constitution. Voting franchise came haltingly and very, very piecemeal to Asian Americans.

Reauthorizing the Voting Rights Act will continue the franchise and the guarantee of votes for all people and all citizens of this country.

□ 1045

THE VOTING RIGHTS ACT

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

Mr. THOMPSON of Mississippi. Mr. Speaker, in 2001 one of the most shameful and shocking reminders of voting rights discrimination occurred in Kilmichael, Mississippi, my congressional district.

An all-white city council cancelled city elections 3 weeks before they were to be held because it appeared that African Americans would control the majority of the council's seats. Section 5 of the Voting Rights Act, which requires covered jurisdiction, like my home State of Mississippi, to obtain preclearance from the Justice Department before they can change voting practices or procedures, protected the voting rights of the people of Kilmichael. When elections were finally held, three African Americans were elected to the board of aldermen and the town elected its first African American mayor.

As elected leaders, it is our obligation to look beyond what is good for any one of us to what is good for the whole country and its future.

Mr. Speaker, the Voting Rights Act is reverent, relevant, and must be renewed.

PROTECT AGAINST INTIMIDATION AND VOTER FRAUD BY PASSING THE VOTING RIGHTS ACT

(Ms. MCKINNEY asked and was given permission to address the House for 1 minute.)

Ms. MCKINNEY. Mr. Speaker, the Voting Rights Act was passed to put an end to intimidation of poor and black voters.

Sadly, acts of intimidation and voter fraud directed at black and Latino voters are not just a thing of the past. In 2000, Florida's blacks were intimidated and illegally removed from the voter rolls. In 2002, in my district in Georgia, we learned that crossover voting can be used as effectively as the all-white primaries once were. In 2004, Ohio's black voters faced intimidation and fabricated long lines by misallocating the voting machines. Tom DeLay's Texas redistricting was ruled by this Supreme Court to violate Latino voting rights. And just last week, the Georgia legislature's second Voter ID bill got smacked down by the courts a second time.

The Voting Rights Act is relevant and necessary to protect our precious right to vote.

CONGRESS MUST PASS THE VOTING RIGHTS ACT

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

Ms. CORRINE BROWN of Florida. Mr. Speaker, let me just say, Mr. Speaker and Members of the House, if there is any question as to whether or not we still need the Voting Rights Act, remember the Florida 2000 election and the coup d'etat where 27,000 ballots were disregarded, simply thrown out right in my congressional district, precincts 7, 8, 9 and 10, that vote 98 percent Democratic. Yes, it is still clear that the Voting Rights Act today is needed just as much as it was 40 years ago.

Another reason: When I was elected to Congress in 1992, it had been 129 years since an African American was elected in Florida to the United States Congress. Let me repeat, 129 years. If it was not for the Voting Rights Act, the State of Florida would still likely be without an African American Representative.

We still have a ways to go, and Congress must pass the Voting Rights Act, and not some watered-down version of it, to guarantee that millions of minorities' votes around the Nation and 3 million minorities in the State of Florida will have their voices heard and have their votes counted.

Remember the coup d'etat 2000 election.

IN SUPPORT OF THE REAUTHORIZATION OF THE VOTING RIGHTS ACT

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

Mr. FATTAH. Mr. Speaker, I rise today in support of the reauthorization of the Voting Rights Act. I believe that this is a high-stakes test for the world's democracy that is the focus of efforts all around the globe to promote democracy. Right here at home, we still need to move towards a more perfect Union.

In my home city of Philadelphia, where the Constitution was written, we, some 150 years after that, saw the death of a young African American male, Octavius Catto, who was just going to go vote and was beaten to death by a white mob that was upset about his exercising his franchise.

The question of the Voting Rights Act is not just a question for the South; it is a question across our Nation. And the benefits and the protections of the Voting Rights Act, as we seek its reauthorization, and we seek it today, suggests to the world whether this is a democracy truly that the world should seek to emulate.

URGING PASSAGE OF THE VOTING RIGHTS ACT

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

Mr. GONZALEZ. Mr. Speaker, in 1965 when the Voting Rights Act was first passed, Martin Luther King said, ''This represents a shining moment in the conscience of man.''

What a wonderful opportunity for Democrats and Republicans to come together and reignite that shining light in the conscience of man.

The Voting Rights Act does two things: It does not allow jurisdictions to discriminate against any United States citizen that wants to exercise the most sacred of all rights, and that is the right to vote. That gives you some control over your own destiny. But it does something else. It encourages and accommodates all other United States citizens that may have some sort of obstacle to overcome in order to exercise the most precious of all rights. That is what the Voting Rights Act accomplishes.

And I am hoping that tomorrow we will have this wonderful opportunity to follow in the footsteps of those true giants in 1965 that came together on both sides of the aisle to pass the original Voting Rights Act.

PROTECT VOTER RIGHTS BY PASSING THE VOTING RIGHTS ACT

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

Mr. CLYBURN. Mr. Speaker, the genesis of the Voting Rights Act lies in that period of American history just after the Civil War when various creative devices were put in place to prevent and dilute the impact of black voters and votes.

The 1965 act did away with many of those devices, many of which were used in my home State, devices such as full-slate voting, where in order for your vote to count, you had to vote for your choice once and against that choice for as many times as there were vacancies on the ballot, numbered posts which set up racially polarized voting, at-large voting which diluted the impact of black votes. All of these creative devices were gotten rid of with the 1965 Voting Rights Act.

But, Mr. Speaker, I used to teach history, and I always told my students that if a thing has happened before, it can happen again. And I do know that if we do not have the protection of the Voting Rights Act, we can see our States revisiting many of those creative devices.

HEAL THE WOUNDS OF RACISM BY PASSING THE VOTING RIGHTS ACT

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

Mr. SCOTT of Georgia. Mr. Speaker, this Voting Rights Act is the most important piece of legislation that has been passed in this modern time in our Congress.

As I stand here, I am reminded of the words that we used so much as we would go through the South, going up against the Bull Connors, going up against the night riders, going up against the Ku Klux Klan with the courage that was taken and that is still needed today because, unfortunately, discrimination still exists throughout this Nation in various places.

And for those who want to say, why punish the South or why punish the State, why is it that you would think of the Voting Rights Act as a punishment? The Voting Rights Act is not a punishment. It is a liberator of those who have been punished, where all they have had was to sing that song: ''Sometimes I feel discouraged, feel my work's in vain; but then the Holy Spirit revives my soul again. There is a balm in Gilead to heal the sin-sick soul. There is a balm in Gilead that makes the wounded whole.''

This balm in Gilead for us today is the Voting Rights Act to heal the wounds of racism that have been inflicted on this country and that we still, unfortunately, suffer from.

Let us vote to pass this Voting Rights Act this day and this week and send a resounding message that America is for everybody, black as well as white, rich as well as poor, all of us.

THE TRAGEDY IN INDIA

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

Mr. HASTINGS of Florida. Mr. Speaker, my colleagues have made the case for the extension of the Voting Rights Act, and I echo their sentiments. When this matter comes to the floor, if it comes, and it should today be made in order as a rule, then I will have an opportunity to speak more in that regard.

But today I rise, in addition to asking in the world's oldest democracy that we extend the Voting Rights Act, that we recognize that on yesterday the world's largest democracy was attacked in a significant and condemnatory way.

These events seem to take place on days of the 11th, and yesterday in India, despicable acts took place by those who would take the lives of innocents. In Madrid, in London, in Bali, the same thing happened.

I do acknowledge the fact that hurriedly yesterday the foreign minister of Pakistan condemned those bombings, and I commend him in that regard.

It was said earlier and reported today in one of our newspapers that in Europe it was said after September 11, ''We are all Americans now.'' Today, after yesterday in India, ''We are all Indians now.''

PROVIDING FOR CONSIDERATION OF H.R. 2990, CREDIT RATING AGENCY DUOPOLY RELIEF ACT OF 2006

Mrs. CAPITO. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 906 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 906

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 2990) to improve ratings quality by fostering competition, transparency, and accountability in the credit rating agency industry. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Financial Services. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Financial Services now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. Notwithstanding clause 11 of rule XVIII, no amendment to the committee amendment in the nature of a substitute shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Each such 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 as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against such amendments are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

□ 1100

The SPEAKER pro tempore. The gentlewoman from West Virginia (Mrs. CAPITO) is recognized for 1 hour.

Mrs. CAPITO. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentlewoman from California (Ms. MATSUI), pending which I yield myself such time as I may consume.

Last night, the Rules Committee granted a structured rule for H.R. 2990, the Credit Agency Duopoly Relief Act of 2006. The rule provides 1 hour of general debate equally divided and controlled by the chairman and ranking minority member of the Committee on Financial Services; waives all points of order against consideration of the bill. The rule also provides that the amendment in the nature of a substitute recommended by the Committee on Financial Services now printed in the bill shall be considered as an original bill for the purpose of amendment and shall be considered as read.

The rule makes in order only those amendments printed in the Rules Committee report accompanying the resolution. It also provides that the amendments printed in the report 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 as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole.

The rule waives all points of order against the amendments printed in the report and provides one motion to recommit, with or without instructions.

During consideration of the resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, this is a fair rule, making all germane amendments that were offered in the Committee on Rules in order.

The underlying legislation is an important, commonsense approach to providing greater transparency for credit rating agencies. Who can forget the scandals following the bankruptcies of Enron and WorldCom? Even more shocking is the fact that both corporations were given investment grade ratings by credit rating agencies just before their financial collapse. This misrepresentation resulted in the loss of millions of dollars for investors.

The root of the problem lies with the current process of recognizing statistical rating organizations by the Securities and Exchange Commission. The current process stifles competition and fosters an environment that has led to two rating agencies holding 80 percent of the market share.

A level playing field is needed so smaller companies with expertise in specific areas can enter the market. H.R. 2990 clearly lays out the registration requirements for rating agencies replacing the current opaque designation process by the SEC. By injecting the current system with competition and greater transparency, the quality of ratings will be enhanced.

This act will also provide greater investor protection, including provisions requiring rating agencies to be in the business of issuing credit ratings for at least 3 years prior to filing an application for registration as a nationally recognized statistical ratings organization, ensuring better quality assessments for investors.

Mr. Speaker, the economy is booming due in part to greater participation by investors in the various markets. Greater transparency, accountability and competition among credit ratings agencies will provide investors with better information and encourage future investment. The underlying legislation is a step in the right direction towards ensuring this success.

Finally, this legislation will improve the quality of information provided to investors. It is no secret that a little competition improves quality and expands services offered. Armed with more reliable and accurate credit ratings, investors will continue to drive the economy and foster a more innovative environment.

I would like to remind all Members that the rule makes in order all germane amendments presented to the Committee on Rules.

I urge all Members to support this fair rule and the underlying legislation.

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

Ms. MATSUI. Mr. Speaker, I yield myself such time as I may consume, and I thank the gentlewoman from West Virginia for yielding me the time.

(Ms. MATSUI asked and was given permission to revise and extend her remarks.)

Ms. MATSUI. Mr. Speaker, the issue we are debating today may not be glamorous, but I want to emphasize for our constituents its importance. H.R. 2990 will significantly affect the guidance investors receive on the soundness of all kinds of investments.

The type of debt rating that a company or municipality receives is an essential guidepost for investors, and the degree to which that rating is accurate has far reaching consequences. So by reforming the way that firms receive the stamp of legitimacy to offer these ratings, Congress is making a significant change.

As we have seen during the past few years, financial investments can have a huge impact on our constituents. Just ask anyone who held stock in Enron or WorldCom. This is about protecting investors, whether you manage your own portfolio or you rely on a pension for your retirement.

So we need to tread carefully as we consider how we determine which firms should be deemed nationally recognized statistical ratings organizations. Established in the 1970s, only credit agencies that receive this designation have the legitimacy to assess the likelihood of a company or a municipality to default on its debt. In other words, they tell investors whether they are likely to get paid back.

Today, there are only five firms that are nationally recognized by the Securities and Exchange Commission. The purpose of H.R. 2990 is to add to that number, increasing competition in the credit ratings market. This is a worthy goal. I know the Financial Services Committee has been exploring the best way to achieve it. Unfortunately, in its pursuit of quantity, this bill will sacrifice quality. This is a risky proposal that I do not believe the House should accept.

H.R. 2990 would allow virtually any firm to be considered a nationally recognized credit rating agency. The SEC would no longer be able to ensure that such firms are producing reliable and credible ratings. Under this new voluntary regime, any ratings agency that has been around for 3 years and discloses its performance data can become nationally recognized. That is a pretty low bar.

I know the majority will argue that H.R. 2990 would allow market forces to sift the good credit rating agencies from the bad. While Democrats do not object to letting the market play a role in ensuring quality, why not let the experts at the SEC also evaluate the quality of the ratings firms? Congress needs to strike a balance between quantity and quality, but this bill falls short of that goal.

Under this bill anyone can open up shop and 3 years later be nationally recognized. That means we may be allowing firms that will offer an investment grade rating to anyone willing to pay, regardless of whether that rating is based on sound facts. As long as a rating firm continues to provide certain disclosures, it will still be nationally recognized, even if it issues credit ratings of the lowest possible quality.

Additionally, this bill could lead to a series of unintended consequences. Federal, State and local agencies, as well as many private sector entities, rely on the current definition of a nationally recognized credit rating agency. By undermining the credibility of this established benchmark, this bill could impose a significant burden on all of these groups, possibly increasing risks and imposing new costs for a wide swath of Americans.

Certainly, the House can increase competition in a more responsible way. Representative KANJORSKI, the ranking member on the Capital Markets Subcommittee, with the support of Ranking Member FRANK, has offered a logical substitute. It will ensure quality while moving to increase competition in the credit ratings market. I am pleased that the rule will allow a vote on this commonsense proposal.

The Kanjorski substitute would direct the SEC to expeditiously complete rulemaking on nationally recognized statistical ratings organizations. In doing so, the SEC would, for the first time, publicly define what constitutes a nationally recognized credit rating agency. It would also direct the SEC to design a process to identify new nationally recognized credit rating agencies. These steps would bring an unprecedented level of transparency and scrutiny to the selection process. The result will increase competition in the credit ratings market without the negative consequences associated with H.R. 2990.

The Kanjorski substitute will also encourage the establishment of a voluntary framework for industry self-regulation. This will further protect investors from conflicts of interest and other abusive practices.

To ensure that all of these reforms are effective, the Kanjorski amendment will require annual hearings on this topic for the next 5 years.

So Members have two options today. Both will increase competition in the

credit ratings market. However, only the Kanjorski substitute will ensure that investors continue to receive credible and reliable credit ratings from nationally recognized agencies.

I urge my colleagues to support this wise approach.

Mr. Speaker, another responsible policy that Members will have an opportunity to support today is an increase in the minimum wage. Just as the credit rating bill seeks to safeguard average Americans in the long term, so should Congress protect their immediate financial needs by increasing the minimum wage.

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

Mrs. CAPITO. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania (Mr. FITZPATRICK), the sponsor of the bill.

Mr. FITZPATRICK of Pennsylvania. Mr. Speaker, I thank my friend from West Virginia for providing me the time to speak on behalf of the Credit Rating Agency Duopoly Relief Act, H.R. 2990, the bill that I have introduced.

I am here today in support, and strong support, of the rule. Mr. Speaker, it is vital that Congress bring transparency, competition and accountability to the credit rating industry, and the time to do it is now.

Mr. Speaker, it is extremely disturbing that the two largest nationally recognized statistical rating organizations, known as NRSROs, in the industry, Moody's and Standard & Poor's, both rated Enron at investment grade just immediately prior to their bankruptcy filings. Essentially, Moody's and Standard & Poor's told the market that Enron was a safe investment.

Credit rating agencies claim that they are not in the business of detecting fraud, but they are most certainly in the business of impacting the bottom line of companies, municipalities and also school districts. The better the credit rating, the lower the interest rate the borrower must pay to expand its operations, construct a road or build a school.

Enron was not their only blunder. Moody's and Standard & Poor's also rated WorldCom as investment grade just prior to their bankruptcy filing, but there are other options throughout the marketplace.

Mr. Speaker, there are over 130 credit rating agencies in the financial market. However, only five are designated as nationally recognized statistical rating organizations by the Securities and Exchange Commission. This label, I would submit, is the root of the problem. To receive the elusive SEC distinction, companies must be nationally recognized; that is, their ratings must be widely used and generally accepted in the financial markets. This artificial barrier to entry has created a chicken and the egg situation for non-NRSRO credit rating agencies trying to enter this industry, thus forcing a duopoly that we have heard about.

Moody's and S&P have over 80 percent of the market share, and they are rating 99 percent of all debt issued. The lack of competition in the credit rating industry has lowered the quality of ratings, inflated prices, stifled innovation and allowed anti-competitive industry practices and conflicts of interest to go unchecked.

Mr. Speaker, in the wake of Enron and WorldCom, we must ensure integrity in the credit ratings process. H.R. 2990 would inject greater competition, transparency and accountability in the credit rating industry by eliminating the SEC staff's anti-competitive NRSRO process. This legislation replaces the current SEC staff designation process for credit rating agencies as NRSROs with a registration process like that for other market participants, such as investment advisors and broker-dealers.

In addition, H.R. 2990 would require each rating agency to disclose relevant information so that investors would have the information they need to select the rating agencies that they want to use. As a result, prices and anti-competitive practices will be reduced, credit ratings quality will improve, and firms will innovate.

Many organizations whose opinions matter support this legislation: The Bond Market Association, the Association for Financial Professionals, the Investment Company Institute, the Association for Financial Professionals, and the well-regarded Financial Services Roundtable, who opposes Moody's and Standard & Poor's.

Mr. Speaker, I urge a ''yes'' vote on the rule.

Ms. MATSUI. Mr. Speaker, I yield 4 minutes to the gentleman from Massachusetts (Mr. MCGOVERN), my colleague on the Rules Committee.

Mr. MCGOVERN. Mr. Speaker, I have no problem with the rule before us. All germane amendments were made in order, but I rise because I do have a serious problem with the way this House is being run.

There is something very, very wrong with this Congress when the Republican leadership refuses to recognize and appreciate the important contributions of workers in this country, and consistently, and I would add callously, refuses to raise the Federal minimum wage.

The Federal minimum wage is $5.15 an hour. A full-time minimum-wage worker's annual pay is $10,712 a year. The last time Congress raised the minimum wage was 9 years ago, and during that same period of time, Congress has voted to increase its own salary nine times, totaling nearly $35,000.

I would say to my colleagues on the other side of the aisle, Have a heart. Minimum-wage workers work every bit as hard as any Member of this Congress.

Mr. Speaker, if the Republican leadership continues to block a minimum-wage increase, then it should repeal the congressional pay raise.

□ 1115

Congress should not have a pay raise until low-income workers get a pay raise as well.

Mr. Speaker, there is no reason whatsoever for us not to raise the minimum wage. I have heard some of my colleagues on the Republican side say that increasing the minimum wage will hurt job growth. Yet, according to the Fiscal Policy Institute, since 1998, States with higher minimum wages experienced better job growth than States paying only the Federal minimum wage.

Among small retail businesses in those higher minimum-wage States, job growth was double the rest of the country. Mr. Speaker, even Wal-Mart, even Wal-Mart, hardly the champion of workers' rights, has come out in support of increasing the minimum wage, but not the Republican-controlled Congress.

Republican priorities, in my opinion, are messed up. You pass tax cut after tax cut after tax cut after tax cut for millionaires, but you give a cold shoulder to millions of American workers. You give billions of dollars in tax breaks and subsidies to big oil companies that are gouging Americans at the gas pump, but you will not do a thing for workers who can no longer afford to fill their gas tanks.

And while all your giveaways to the rich and powerful add greatly, hugely to our out-of-control deficit, increasing the minimum wage costs nothing; and if anything, will help workers spend more and, in turn, will help improve our economy.

Mr. Speaker, does any Member of this House believe that the Federal minimum wage, which is at $5.15 an hour, is enough for a family to live, pay their bills, pay for gas, pay for health care, and get above the poverty line? Is the majority of this House so out of touch that they do not realize the urgency of this issue? Is corporate greed part of your Family Values Agenda?

It is time for this Congress to do what is right, to raise the Federal minimum wage.

Let us make a statement that we value all working Americans, not just the ones that contribute to your campaigns. You will have an opportunity today to make a difference by voting against the previous question so that we can bring an increase in the minimum wage up for a vote.

I urge my Republican colleagues to demonstrate to the workers of this country that you get it, that you care. The American people are tired of the indifference of your callousness, of your blatant disregard for their needs. This is supposed to be a government of the people, for the people, and by the people. It is time for this Congress to start acting like that.

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

Mr. Speaker, I would like to remind my colleagues that the vote that we

are discussing is the rule on the duopoly bill, which will increase the number of credit rating agencies so that we can have more transparency, more accountability, so that not only investors will be protected, but also those folks who work for those businesses who have 401(k)s who have their savings invested in the company that they work for.

This will provide for them better protections, better transparency, and better accountability.

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

Ms. MATSUI. Mr. Speaker, I yield 4 minutes to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Mr. Speaker, let me just emphasize that there is no conflict between what the gentlewoman from West Virginia said and our approach. We are not trying to displace the underlying bill. We are seeking to defeat the previous question so we can also have a vote on the minimum wage.

Let me say first with regard to the underlying bill that the gentleman from Pennsylvania, who is the ranking member of our relevant subcommittee, who is a very thoughtful student of these matters, has a substitute; and I appreciate that it was made in order, which I think addresses the issue in a far more thoughtful fashion.

Interestingly, as he has noted, the approach we are taking here does not wait for input from the SEC, the Securities and Exchange Commission. I have found them to be in recent years a very thoughtful contributor to the process. So I will be strongly supporting the substitute the gentleman from Pennsylvania has put forward.

But none of that says that there is any conflict between that and the minimum wage. The amendment we will make, if the previous question is defeated, will not diminish any consideration of the underlying bill, it will simply give the House a chance to vote on the minimum wage.

Now, that is what the majority objects to. They do not believe sufficiently in the democratic process to allow a vote on it. Now, here is the reason. It certainly is not time. We finished up about 3 o'clock yesterday afternoon. We are going to finish about 3 o'clock this afternoon. We will be out Friday. We do very little those days.

The reason is very simple. There are two sets of issues around today. One set are issues that the American public favors and the majority does not. They do not come up, because the majority is afraid they might pass.

The other set of issues are those that the majority favors and the American public does not. They do not come up either. So we do very little because the majority has had to confront the fact that its agenda is unpopular with the American people. As Members of the majority are running for reelection, as are we, they are trying very hard to avoid those votes which would be unpopular with their voters. What other justification is there for the House of Representatives not voting on the minimum wage?

If Members are opposed to it, let them vote ''no.'' I must say that the evidence, the last time we raised the minimum wage in 1996, was overwhelmingly that the minimum-wage increase caused no negative effect on employment.

In fact, in those areas of the economy at that time where the minimum wage is relevant, there were job shortages because the minimum wage, if anything, may have influenced some people to enter the economy. So there is no economic reason to vote against it.

By the way, it is particularly relevant, and I speak here as a member of the Financial Services Committee, for us to bring it up in this context, because we have a bill that I have introduced into the Financial Services Committee supported by people on our side to give stockholders the right to vote on CEO salaries.

We have this extraordinary disparity in this country between hardworking people doing difficult and unpleasant jobs, 40 hours a week, for a pittance, $5.15 an hour, too little to support their families; and then we have CEOs getting tens and hundreds of millions of dollars when there is no connection between their work and the success of their companies that anybody has been able to measure.

I will say, the majority is consistent. They do not want us to vote to raise the minimum wage, they do not want to vote to do anything about CEO salaries. By the way, we do not want Congress to set CEO salaries, we want to let the stockholders vote on them.

Well, the majority is consistent. They do not think that Congress ought to vote on the minimum wage, they do not think that stockholders ought to vote on how CEOs get paid with the stockholders' money.

I guess we should take some comfort from the fact that the majority does not want to allow a vote on this. The problem is that they understand that it is popular with the American people, and they are afraid that it might pass, or alternatively, it would fail only after, what, a 3-or-4-hour roll call, in which enough Members were pressured not to vote for it, so it would fail by one vote.

We are really here talking about not just economic fairness, but democracy. This bill is the only opportunity we have to get a vote on the minimum wage because the majority has refused to allow democracy to function.

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

Mr. Speaker, I find it rather ironic that the bill before us today is a bill that I think would help go a long way towards bringing more transparency and accountability to credit rating agencies. They agree with the principles behind the bill, which would avert and help the working people of America to make not only better investment decisions, but to know that the company that they are working for and entrusting their savings with is going to have a fair and balanced look at their books.

We have no disagreement in terms of the rule. We have two different approaches to this, and I think we would really be well served to keep the debate looking towards how we can best protect those working people under the realm of the bill that we are discussing today.

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

Ms. MATSUI. Mr. Speaker, I yield 4 minutes to the gentleman from Pennsylvania (Mr. KANJORSKI).

Mr. KANJORSKI. Mr. Speaker, I am generally pleased that the passage of this rule will make in order a substitute to H.R. 2990. I nevertheless rise to express some concerns about the rule, as well as to articulate some of my apprehensions about the underlying bill.

Regarding the rule itself, the 20 minutes of debate for the substitute should have been longer in considering H.R. 2990. We also have a classic debate here on quantity versus quality.

At its core, 2990 seeks to promote competition among nationally recognized credit raters by increasing the quantity of approved agencies. Critics of the present designation system have raised legitimate concerns about competition. I agree with the supporters of 2990 that increasing competition in the credit ratings used for regulatory purposes is a desirable goal.

We, however, should not seek to increase quantity of raters by sacrificing the quality of their ratings. In this debate, the issue of quality of ratings is at least equally important as the issue of quantity of raters. We, therefore, should have had an equal amount of time to debate this quantity-quality question on the floor. An equally balanced debate between the substitute and the general debate on the bill would have allowed for a more thorough vetting of these important matters.

Now, let me turn to the bill itself. I would like to use the remainder of my time to make some observations.

First, a robust, free market for trading debt securities relies on an independent assessment of financial strength provided by credit rating agencies, entities like Moody's, Fitch and Standard & Poor's.

I have deep concerns and reservations about considering H.R. 2990, because it dramatically alters the way in which we identify the bodies that issue the credit ratings used for essential regulatory purposes and undermines the integrity of credit ratings. More significantly, I am concerned that 2990 could allow history to repeat itself.

Under the worst case scenario, the bill would allow financial institutions to hold debt instruments in their portfolios that would not truly be investment grade, causing another taxpayer

bailout similar to the savings and loan crisis. Moreover, the area of rating agency oversight is very technical. We should have thus worked with the experts of the Securities and Exchange Commission on these specialized matters.

The failure to work with our Nation's primary securities regulator on H.R. 2990 is unexplainable, and a poor way to develop public policy. Instead of taking a hard approach with the Securities and Exchange Commission and guiding the legislation for the best interests of the public, we do neither.

Mr. Speaker, this is important, not necessarily to the wealthiest or most sophisticated investors in America; this is important to the average investors in America, their pension funds and other investment instrumentalities. These nationally recognized statistical rating organizations are not just some dealership; they rate quality of portfolios that affect trillions of dollars in our economy.

If we open up for purposes of quantity and competition this registration without addressing the question of quality, we run the risk that the misusers of this proposal will file, will register as a nationally recognized statistical rating organization, and will literally be able to sell their ratings to portfolios in the future and to instruments in the future.

What will happen and what is the weakness here? This bill can pass today, open up those loopholes and the reality will not be known for 5, 10 or 15 years, until the next financial crisis in this country.

We have no need to make this rush today. We should do it right. I ask that the substitute be supported.

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

Ms. MATSUI. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey (Mr. HOLT).

Mr. HOLT. Mr. Speaker, I thank the gentlewoman from California for yielding me time.

Mr. Speaker, today we are considering legislation brought by the majority party that will help investors invest and help Fortune 500 companies increase their bottom line. I want to talk about 15 million people who will not be affected by this bill, who will not be investing any money this year, the 15 million people trapped by the low level of the Federal minimum wage.

Mr. Speaker, we should be discussing legislation today to increase the Federal minimum wage. The Federal minimum wage has not been brought to a vote on the House floor because the majority party will not allow it to be brought. And yet millions of people are stuck at a low minimum wage of $5.15 an hour.

Just think about it. You do not have to have a vivid imagination to understand how hard it is for a family, and many families we are talking about, not just high school kids, many families trying to get by on $5.15 an hour, the lowest level in purchasing power in 50 years.

We will have a recorded vote in a few minutes on the previous question. This is not an arcane parliamentary procedure. Every editorial board, every citizen group, every voter ought to understand what this vote means. It means, will we have a vote on the floor about raising the minimum wage to something that is tolerably humane?

□ 1130

We have the time to do it. Mr. FRANK pointed out, yesterday we finished legislative business midafternoon, today we will finish in the midafternoon. Friday we won't even be in. We have time. We could do it.

But I ask the majority party, do you think we have no time? Has the majority party no heart? Have they no brain? The evidence is clear: Raising the minimum wage makes economic sense.

It is not just a matter of compassion and heart, although that should be reason enough to raise the minimum wage, but it is also good economic practice.

We have the opportunity to do it. The minimum wage has been frozen for nearly 9 years at this low, inhumane rate. The vote on the previous question is a very clear vote; it is whether or not we are going to leave these people stranded at the low, inhumane, minimum-wage rate, or whether we, on the floor, are going to consider raising it. That is what the vote means.

Mrs. CAPITO. Mr. Speaker, it is my honor to yield 4 minutes to Mr. BAKER of Louisiana, a champion of the Financial Services Committee.

Mr. BAKER. I thank the gentlewoman for yielding time.

Mr. Speaker, I rise today to express concern about where we are and where we have been with our current credit rating agency methodologies.

Many have come to the well today to express concern that we will be sacrificing quality for the sake of quantity. Let us simply go back a few short months, a few short years, and think about the irate comments made on the floor of this House with the disclosures of WorldCom and Enron and Global Crossing; and you make your own list. Guess what, the keepers of the gate were on duty when all that happened.

We can go back a little further to the tragic loss of taxpayer resources in the S&L crisis. Guess who was on duty.

It is the structure that some stand before the House today to defend and decry that we are going to sacrifice quality. Well, gentlemen, if that is your definition of quality, we have had enough. It is time to make a change.

What do we suggest? Just lightly opening the doors and let someone run down the hall and say, now I am an NSRSO, I am qualified? No, you have to be in business for 3 years. That is a pretty long internship to spend money and resources to establish you have the ability to issue credit ratings on which the market invests its confidence.

Let us think one more step, Fannie Mae and Freddie Mac. Some may be surprised to know that after a multiyear, multibillion dollar restatement, Fannie Mae cannot issue financials that meet their auditing requirements for the public benefit. Today, they can't.

Others may be surprised to learn that 43 percent of America's financial institutions have 100 percent of their tier one capital requirement invested in Fannies and Freddies. Now, some people rush to say, oh, no, it is not all Fannies and Freddies. Oh, great, it is Farm Credit System; that is even better.

The point is, we have the financial security of our Nation and our financial system invested for the money in the sock drawer when things go bad, the tier one capital requirement, so if they hit a bump in the road, they can reach in the drawer and pull out a few bucks and pay off the loan. That money is tied up in Fannie and Freddie securities that this enterprise, S&P and Moody's, have said are great, they are fine, notwithstanding the fact that for 5 years corporate executives paid themselves $250 million in bonuses on financials where they cooked the books. Boy, we have got a great system; I am going to fight to the death over preserving this.

Look at what it has done for America's taxpayers and American investors. Man, if there ever was a clear-cut case to make a change, why aren't we making the change? If you don't believe me, go to McGraw-Hill's Web page. Go to McGraw-Hill's Web page and look at the income from S&P, which is a subsidiary of McGraw-Hill. In 2005, their operating revenue was 2.4 billion; their operating profit was 1 billion. Now, friends, a 42.5 percent rate of return on your operating expense is a pretty hefty rate of return; it represents 68 percent of McGraw-Hill's entire operating profit. McGraw-Hill is only one of 34 companies to have increased its dividend payments for 33 consecutive years.

Put it in perspective. In looking at the first quarter performance in 2005 versus the similar quarter in 2004, McGraw-Hill actually lost money in its educational activities. It had in its information and media arena, down 65 percent; but financial services, which is S&P, it was up $222,512,000.

I think I figured out 222 million reasons why this bill is controversial. It is a fight about money. Let's get it right this time.

Ms. MATSUI. I yield 5 minutes to the gentleman from Wisconsin, my friend, Mr. OBEY.

Mr. OBEY. Mr. Speaker, we are being asked why we are raising the issue of the minimum wage on this legislation. The answer to that is very simple: The way this House works, absolutely nothing can be brought to the floor for a House vote unless we have the permission of the majority party leadership to do so. And the fact is that for the

last month they have been absolutely stonewalling every single effort to bring an increase in the minimum wage to this floor. So that is why we are raising this question on this rule.

This President and this Congress, this year, are going to provide $50 billion in tax cuts for people who make more than $1 million a year. This year, the Congress has virtually voted to repeal the inheritance tax on the wealthiest 1 percent of people in this society. This year, the Congress has also voted to make further cuts in capital gains, a huge portion of which go to the wealthiest 10 percent of the people in this country. This year, the Congress is apparently willing to allow the cost-of-living increase to go through for Members of Congress, but for those stuck at the bottom of our economy on the minimum wage, they are being told, ''sorry, suckers, you have got to wait for the ninth year in a row without an adjustment in your wages.''

That is not right, it is not fair, and it is not moral.

The value of the minimum wage is at a 51-year low. The gap between the wealthiest 1 percent of people in this society and everybody else has never been broader than it is today. It is far worse than it is in merry olde England with its monarchy and its House of Lords and its House of Commons.

This economy is working fabulously well for the Shaquille O'Neals of this society or the CEOs of our Fortune 500 corporations. They are making at least 200 times as much as the average workers do in this country. Under Jack Kennedy, that ratio was about 16 times as much. That shows you what has happened over the past generation.

A minimum-wage increase can help make this economy work for everybody, not just those at the top of the ladder. It can help lift all boats, not just the yachts.

This Congress has had time to name dozens of post offices, it has found time to tell Terry Schiavo's family in Florida how to handle their own private business, but somehow the Republican leadership of this House can't find the time to respond to the needs of people on life's underside.

It is about time we have a change in direction on that score in this country. It is about time we have a change of heart in this place. It is about time that we do something about the wage needs of the poorest people in this society. And that is why I would urge people to vote against the previous question in protest to the Republican leadership's stonewalling of this issue.

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

Ms. MATSUI. Mr. Speaker, I yield 3 minutes to the gentleman from Maryland, the Democratic whip, Mr. HOYER.

Mr. HOYER. Mr. Speaker, I thank the gentlewoman for yielding, and I rise and I certainly adopt the remarks of Mr. OBEY from Wisconsin.

We are talking about a credit bill. We are talking about making it in order. In order to have credit, you have to have resources. In order to have resources in our country, we think you need to work. And when you work, we ought to pay you. We ought to pay you a decent, fair wage for working hard and playing by the rules.

Now, some would say, well, we ought not to put this on this credit bill. If we defeat the previous question, we are going to offer an increase in the minimum wage to $7.25 over three increments starting with January 1, the Miller-Owens bill. We are going to offer that because we think it is the right thing to do. We are going to offer it because we think the overwhelming majority of Americans think it is the right thing to do. In fact, in polling data, they show that 86 percent of Americans think it is fair and right and timely to increase the minimum wage.

If, in 1968, we applied simply the same cost-of-living adjustment we provided for Social Security recipients, minimum-wage workers would be earning $9.05 today. Now, what would that do? That would take them above the poverty line. Right now, if you work hard and play by the rules and you are one of 6.6 million Americans, 75 percent of whom are adults, and you take them and pay them fully the minimum wage, they are living in poverty. That is not right in America.

In Florida, they put this issue on the ballot, and 72 percent of Floridians went to the polls and not only increased the minimum wage, but included in it a cost escalator for inflation, 72 percent of Floridians.

Ladies and gentlemen, this is the fair thing to do, it is the right thing to do, it is the timely thing to do.

And, very frankly, those on the minimum wage, mired in poverty and hopelessness, we talk about an opportunist society. There is no opportunity living in poverty. If you believe in an opportunist society, you believe in paying people a decent wage so in the richest Nation on the face of the Earth they have an opportunity to survive.

This President talks about an ownership society. Which one of you thinks that on $5.15 an hour you can own anything, your car, your home, your hope?

What defeating the previous question will do is it will give hope to 6.6 million people, and indeed many more, because those 6.6 million people live in families that are struggling as well, and they are participating in trying to make it with those families.

Ladies and gentlemen, defeat the previous question. Let us pass the minimum wage. It is far past the time when we should have done that, but it is time today that we do do that. Let's be fair. Raise the minimum wage.

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

Ms. MATSUI. Mr. Speaker, I have no further speakers. And since the gentlewoman has no further speakers, I will go to closing.

The SPEAKER pro tempore. The gentlewoman from California has 3½ minutes remaining.

Ms. MATSUI. Mr. Speaker, I will be asking Members to vote ''no'' on the previous question so I can amend the rule and provide this House with an opportunity to vote on legislation to increase the Federal minimum wage, something that has not happened in almost 10 years.

I ask unanimous consent to insert the text of the amendment and extraneous materials immediately prior to the vote on the previous question.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

Ms. MATSUI. Mr. Speaker, my amendment to the rule provides that immediately after the House adopts this rule, it will bring H.R. 2429 to the House floor for an up-or-down vote. This bill will gradually increase the minimum wage from the current level of $5.15 an hour to $7.25 an hour after about 2 years.

This bill has 136 cosponsors and a discharge petition to bring to the House, the bill to the floor, and has the signatures of 190 Members of the House. This bill is also identical to language as included in the Labor-HHS appropriations bill that was blocked by the leadership just last month.

Mr. Speaker, it is unconscionable that this Congress has refused to help America's low-income workers and their families by increasing the minimum wage. Somehow there is always time for another tax break for multimillionaires who don't need the money, but nothing to ease the financial struggle that low-income families face each day.

The minimum wage is now at its lowest level in 50 years. A full-time, minimum-wage earner earns just $10,700 a year, an amount that is $5,000 below the poverty line for a family of three. It takes a full day's pay just to pay for a tank of gas.

□ 1145

Mr. Speaker, I urge all Members to vote ''no'' on the previous question so that we can help millions and millions of American workers who would directly benefit from an increase in the minimum wage.

I yield back the balance of my time.

Mrs. CAPITO. Mr. Speaker, let me conclude my remarks by reminding my colleagues that defeating the previous question is nothing more than an exercise because the minority wants to offer an amendment that would otherwise be ruled out of order as nongermane. So the vote is without substance.

The previous question vote itself is a procedural motion to close debate on this rule and proceed to a vote on its adoption. The vote has no substantive policy implications whatsoever.

At this point in the RECORD, Mr. Speaker, I insert an explanation of the previous question.

THE PREVIOUS QUESTION VOTE: WHAT DOES IT MEAN?

House Rule XIX (''Previous Question'') provides in part that:

There shall be a motion for the previous question, which, being ordered, shall have the effect of cutting off all debate and bringing the House to a direct vote on the immediate question or questions on which it has been ordered.

In the case of a special rule or order of business resolution reported from the House Rules Committee, providing for the consideration of a specified legislative measure, the previous question is moved following the one hour of debate allowed for under House Rules.

The vote on the previous question is simply a procedural vote on whether to proceed to an immediate vote on adopting the resolution that sets the ground rules for debate and amendment on the legislation it would make in order. Therefore, the previous question has no substantive legislative or policy implications whatsoever.

Mr. Speaker, I would like to say that the underlying legislation is an important step towards improving transparency in the credit rating industry and the quality of information provided by the agencies. The industries receiving credit ratings are wide-ranging, from information technology, healthcare, manufacturing, financial services, and the list goes on.

I would also like to remind my colleagues that many, many workers in America and investors in America are heavily reliant on the full health of the companies that they work for and invest in, all up and down the economic ladder. Allowing smaller industry specific credit rating agencies to enter the market will improve the information provided to investors.

We cannot forget those workers of Enron and WorldCom who were saving for colleges, saving for retirement, and basically left penniless. With the ever-increasing importance placed on these ratings by investors, it is important that clear requirements for registration of credit rating agencies be created, and this legislation is a giant step towards that goal.

I would like to remind my colleagues that this fair rule makes in order all germane amendments that were presented to the Committee on Rules.

The material previously referred to by Ms. MATSUI is as follows:

PREVIOUS QUESTION ON H. RES. 906, RULE FOR H.R. 2990 CREDIT RATING AGENCY DUOPOLY RELIEF ACT

At the end of the resolution add the following new section:

''SEC. 2. Immediately upon the adoption of this resolution it shall be in order without intervention of any point of order to consider in the House the bill (H.R. 2429) to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage. The bill shall be considered as read for amendment. The previous question shall be considered as ordered on the bill to final passage without intervening motion except: (1) 60 minutes of debate equally divided and controlled by the chairman and ranking minority member of the Committee on Education and the Workforce; and (2) one motion to recommit with or without instructions.''

THE VOTE ON THE PREVIOUS QUESTION: WHAT IT REALLY MEANS

This vote, the vote on whether to order the previous question on a special rule, is not merely a procedural vote. A vote against ordering the previous question is a vote against the Republican majority agenda and a vote to allow the opposition, at least for the moment, to offer an alternative plan. It is a vote about what the House should be debating.

Mr. Clarence Cannon's Precedents of the House of Representatives, (VI, 308–311) describes the vote on the previous question on the rule as ''a motion to direct or control the consideration of the subject before the House being made by the Member in charge.'' To defeat the previous question is to give the opposition a chance to decide the subject before the House. Cannon cites the Speaker's ruling on January 13, 1920, to the effect that ''the refusal of the House to sustain the demand for the previous question passes the control of the resolution to the opposition'' in order to offer an amendment. On March 15, 1909, a member of the majority party offered a rule resolution. The House defeated the previous question and a member of the opposition rose to a parliamentary inquiry, asking who was entitled to recognition. Speaker Joseph G. Cannon (R09Illinois) said: ''The previous question having been refused, the gentleman from New York, Mr. Fitzgerald, who had asked the gentleman to yield to him for an amendment, is entitled to the first recognition.''

Because the vote today may look bad for the Republican majority they will say ''the vote on the previous question is simply a vote on whether to proceed to an immediate vote on adopting the resolution * * * [and] has no substantive legislative or policy implications whatsoever.'' But that is not what they have always said. Listen to the Republican Leadership Manual on the Legislative Process in the United States House of Representatives, (6th edition, page 135). Here's how the Republicans describe the previous question vote in their own manual: Although it is generally not possible to amend the rule because the majority Member controlling the time will not yield for the purpose of offering an amendment, the same result may be achieved by voting down the previous question on the rule * * * When the motion for the previous question is defeated, control of the time passes to the Member who led the opposition to ordering the previous question. That Member, because he then controls the time, may offer an amendment to the rule, or yield for the purpose of amendment.''

Deschler's Procedure in the U.S. House of Representatives, the subchapter titled ''Amending Special Rules'' states: ''a refusal to order the previous question on such a rule [a special rule reported from the Committee on Rules] opens the resolution to amendment and further debate.'' (Chapter 21, section 21.2) Section 21.3 continues: ''Upon rejection of the motion for the previous question on a resolution reported from the Committee on Rules, control shifts to the Member leading the opposition to the previous question, who may offer a proper amendment or motion and who controls the time for debate thereon.''

Clearly, the vote on the previous question on a rule does not have substantive policy implications. It is one of the only available tools for those who oppose the Republican majority's agenda to offer an alternative plan.

Mrs. CAPITO. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Ms. MATSUI. 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 will be postponed.

CARL D. PERKINS CAREER AND TECHNICAL EDUCATION IMPROVEMENT ACT OF 2005

Mr. MCKEON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 250) to amend the Carl D. Perkins Vocational and Technical Education Act of 1998 to improve the Act, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

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

There was no objection.

The Clerk read the Senate bill, as follows:

S. 250

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Carl D. Perkins Career and Technical Education Improvement Act of 2005''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. References.
Sec. 3. Purpose.
Sec. 4. Definitions.
Sec. 5. Transition provisions.
Sec. 6. Limitation.
Sec. 7. Authorization of appropriations.

TITLE I—CAREER AND TECHNICAL EDUCATION ASSISTANCE TO THE STATES

Sec. 101. Career and technical education assistance to the States.
Sec. 102. Reservations and State allotment.
Sec. 103. Within State allocation.
Sec. 104. Accountability.
Sec. 105. National activities.
Sec. 106. Assistance for the outlying areas.
Sec. 107. Native American program.
Sec. 108. Tribally controlled postsecondary career and technical institutions.
Sec. 109. Occupational and employment information.
Sec. 110. State administration.
Sec. 111. State plan.
Sec. 112. Improvement plans.
Sec. 113. State leadership activities.
Sec. 114. Distribution of funds to secondary school programs.
Sec. 115. Distribution of funds for postsecondary career and technical education programs.
Sec. 116. Special rules for career and technical education.
Sec. 117. Local plan for career and technical education programs.
Sec. 118. Local uses of funds.
Sec. 119. Tech-Prep education.

TITLE II—GENERAL PROVISIONS

Sec. 201. Redesignation of title.
Sec. 202. Fiscal requirements.
Sec. 203. Voluntary selection and participation.
Sec. 204. Limitation for certain students.
Sec. 205. Authorization of Secretary; participation of private school personnel.

Sec. 206. Student assistance and other Federal programs.
Sec. 207. Table of contents.

SEC. 2. REFERENCES.

Except as otherwise expressly provided, wherever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2301 et seq.).

SEC. 3. PURPOSE.

Section 2 (20 U.S.C. 2301) is amended—

(1) by striking ''vocational'' each place the term appears and inserting ''career'';

(2) in paragraph (1), by striking ''standards'' and inserting ''and technical standards, and to assist students in meeting such standards, including student academic achievement standards, especially in preparation for high skill, high wage, or high demand occupations in emerging or established professions'';

(3) in paragraph (2), by inserting ''challenging'' after ''integrate'';

(4) in paragraph (3), by striking ''and'' after the semicolon;

(5) in paragraph (4)—

(A) by inserting ''conducting and'' before ''disseminating national'';

(B) by inserting ''disseminating information on best practices,'' after ''national research,''; and

(C) by striking the period at the end and inserting a semicolon; and

(6) by adding at the end the following:

''(5) promoting leadership, initial preparation, and professional development at the State and local levels, and developing research and best practices for improving the quality of career and technical education teachers, faculty, principals, administrators, and counselors;

''(6) supporting partnerships among secondary schools, postsecondary institutions, baccalaureate degree granting institutions, area career technical centers, local workforce investment boards, business and industry, professional associations, and intermediaries; and

''(7) developing a highly skilled workforce needed to keep America competitive in the global economy in conjunction with other Federal education and training programs, including workforce investment programs, that provide lifelong learning for the workforce of today and tomorrow.''.

SEC. 4. DEFINITIONS.

Section 3 (20 U.S.C. 2302) is amended—

(1) by striking paragraphs (29) and (30);

(2) by redesignating paragraphs (5), (6), (7) through (12), (13) through (16), (17) through (22), and (23) through (28), as paragraphs (10), (12), (14) through (19), (21) through (24), (26) through (31), and (33) through (38), respectively;

(3) in paragraph (2), by inserting '', including employment statistics and information relating to national, regional, and local labor market areas, as provided pursuant to section 118, and career ladder information, where appropriate'' after ''to enter'';

(4) in paragraph (3)—

(A) in the paragraph heading, by striking ''VOCATIONAL'' and inserting ''CAREER''; and

(B) by striking ''vocational'' each place the term appears and inserting ''career'';

(5) by striking paragraph (4) and inserting the following:

''(4) ARTICULATION AGREEMENT.—The term 'articulation agreement' means a written commitment—

''(A) that is approved annually by the relevant administrators of—

''(i) a secondary institution and a postsecondary educational institution; or

''(ii) a sub-baccalaureate degree granting postsecondary educational institution and a baccalaureate degree granting postsecondary educational institution; and

''(B) to a program that is designed to provide students with a nonduplicative sequence of progressive achievement leading to technical skill proficiency, a credential, a certificate, or a degree, and linked through credit transfer agreements.'';

(6) by inserting after paragraph (4) (as amended by paragraph (5)) the following:

''(5) CAREER AND TECHNICAL EDUCATION.—The term 'career and technical education' means organized educational activities that—

''(A) offer a sequence of courses (which may include work-based learning experiences) that—

''(i) provides individuals with the challenging academic and technical knowledge and skills the individuals need to prepare for further education and for careers in emerging and established professions; and

''(ii) may lead to technical skill proficiency, a credential, a certificate, or a degree; and

''(B) include competency-based applied learning that contributes to the academic knowledge, higher-order reasoning and problem-solving skills, work attitudes, general employability skills, technical skills, occupation-specific skills, and knowledge of all aspects of an industry, including entrepreneurship, of an individual.

''(6) CAREER AND TECHNICAL EDUCATION STUDENT.—The term 'career and technical education student' means a student who enrolls in a clearly defined sequence of career and technical education courses (which may include work-based learning experiences) leading to attainment of technical skill proficiency, a credential, a certificate, or a degree.

''(7) CAREER AND TECHNICAL STUDENT ORGANIZATION.—

''(A) IN GENERAL.—The term 'career and technical student organization' means an organization for individuals enrolled in a career and technical education program that engages in career and technical education activities as an integral part of the instructional program.

''(B) STATE AND NATIONAL UNITS.—An organization described in subparagraph (A) may have State and national units that aggregate the work and purposes of instruction in career and technical education at the local level.

''(8) CAREER GUIDANCE AND ACADEMIC COUNSELING.—The term 'career guidance and academic counseling' means providing access to information regarding career awareness and planning with respect to an individual's occupational and academic future that shall involve guidance and counseling with respect to career options, including baccalaureate degree programs, financial aid, and postsecondary options.

''(9) CAREER PATHWAY.—The term 'career pathway' means a coordinated and nonduplicative sequence of courses (which may include work-based learning experiences) and associated credits that—

''(A) shall identify both secondary and postsecondary education elements;

''(B) shall include challenging academic and career and technical education content that adequately prepares students to pursue the postsecondary education element identified under subparagraph (A);

''(C) may include the opportunity for secondary students to participate in dual or concurrent enrollment programs or other ways to acquire postsecondary credits; and

''(D) culminates in technical skill proficiency, an industry-recognized credential, a certificate, a degree, or completion of a recognized apprenticeship program.'';

(7) in paragraph (10) (as redesignated by paragraph (2)), by striking ''5206'' and inserting ''5210'';

(8) by inserting after paragraph (10) (as redesignated by paragraph (2)) the following:

''(11) COMMUNITY COLLEGE.—The term 'community college'—

''(A) means an institution of higher education, as defined in section 101 of the Higher Education Act of 1965, that provides not less than a 2-year program that is acceptable for full credit toward a baccalaureate degree; and

''(B) includes tribally controlled colleges or universities.'';

(9) in paragraph (12) (as redesignated by paragraph (2))—

(A) by striking ''method of instruction'' and inserting ''method''; and

(B) by striking ''vocational'' and inserting ''career'';

(10) by inserting after paragraph (12) (as redesignated by paragraph (2) and amended by paragraph (9)) the following:

''(13) CORE ACADEMIC SUBJECTS.—The term 'core academic subjects' has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965, except that under this Act such subjects included in such term shall be only those subjects in a secondary school context.'';

(11) in paragraph (16) (as redesignated by paragraph (2)), by striking ''vocational'' both places the term appears and inserting ''career'';

(12) in paragraph (17) (as redesignated by paragraph (2))—

(A) in subparagraph (A), by striking ''an institution of higher education'' and inserting ''a public or nonprofit private institution of higher education that offers career and technical education courses that lead to technical skill proficiency, an industry-recognized credential, a certificate, or a degree''; and

(B) in subparagraph (C), by striking ''vocational'' and inserting ''career'';

(13) in paragraph (18)(A) (as redesignated by paragraph (2)), by striking ''agency, an area vocational'' and inserting ''agency (including a public charter school that operates as a local educational agency), an area career'';

(14) by inserting after paragraph (19) (as redesignated by paragraph (2)) the following:

''(20) GRADUATION AND CAREER PLAN.—The term 'graduation and career plan' means a written plan for a secondary career and technical education student, that—

''(A) is developed with career guidance and academic counseling or other professional staff, and in consultation with parents, not later than in the first year of secondary school or upon enrollment in career and technical education;

''(B) is reviewed annually and modified as needed;

''(C) includes relevant information on—

''(i) secondary school requirements for graduating with a diploma;

''(ii) postsecondary education admission requirements; and

''(iii) high skill, high wage, or high demand occupations and nontraditional fields in emerging and established professions, and labor market indicators; and

''(D) states the student's secondary school graduation goals, postsecondary education and training, or employment goals, and identifies 1 or more career pathways that correspond to the goals.'';

(15) by inserting after paragraph (24) (as redesignated by paragraph (2)) the following:

''(25) LOCAL WORKFORCE INVESTMENT BOARD.—The term 'local workforce investment board' means a local workforce investment board established under section 117 of the Workforce Investment Act of 1998 (29 U.S.C. 2832).'';

(16) in paragraph (26) (as redesignated by paragraph (2))—

(A) in the paragraph heading, by striking ''TRAINING AND EMPLOYMENT'' and inserting ''FIELDS''; and

(B) by striking ''training and employment'' and inserting ''fields'';

(17) in paragraph (27) (as redesignated by paragraph (2)), by striking ''the Commonwealth'' and all that follows through the period and inserting ''and the Commonwealth of the Northern Mariana Islands.'';

(18) by inserting after paragraph (31) (as redesignated by paragraph (2)) the following:

''(32) SELF-SUFFICIENCY.—The term 'self-sufficiency' means a standard that is adopted, calculated, or commissioned by a local area or State, and which adjusts for local factors, in specifying the income needs of families, by family size, the number and ages of children in the family, and sub-State geographical considerations.'';

(19) in paragraph (33) (as redesignated by paragraph (2))—

(A) in subparagraph (C), by striking ''training and employment'' and inserting ''fields''; and

(B) in subparagraph (F), by striking ''individuals with other barriers to educational achievement, including'';

(20) in paragraph (35) (as redesignated by paragraph (2)) by striking '', and instructional aids and devices'' and inserting ''instructional aids, and work supports'';

(21) by striking paragraph (36) (as redesignated by paragraph (2)) and inserting the following:

''(36) TECH-PREP PROGRAM.—The term 'tech-prep program' means a program of study that—

''(A) combines at a minimum 2 years of secondary education (as determined under State law) with a minimum of 2 years of postsecondary education in a nonduplicative, sequential course of study;

''(B) integrates academic and career and technical education instruction, and utilizes work-based and worksite learning where appropriate and available;

''(C) provides technical preparation in a career field, including high skill, high wage, or high demand occupations;

''(D) builds student competence in technical skills and in core academic subjects, as appropriate, through applied, contextual, and integrated instruction, in a coherent sequence of courses (which may include work-based learning experiences);

''(E) leads to technical skill proficiency, an industry-recognized credential, a certificate, or a degree, in a specific career field;

''(F) leads to placement in high skill, high wage employment or to further education; and

''(G) utilizes career pathways, to the extent practicable.''; and

(22) in paragraph (38) (as redesignated by paragraph (2))—

(A) in the paragraph heading, by striking ''VOCATIONAL'' and inserting ''CAREER'';

(B) in the matter preceding subparagraph (A)—

(i) by striking ''vocational'' and inserting ''career'';

(ii) by striking ''paragraph (2)'' and inserting ''subsection (a)(2)''; and

(iii) by striking ''paragraph (5)(A)'' and inserting ''subsection (a)(5)''; and

(C) in subparagraph (F), by striking ''vocational'' and inserting ''career''.

SEC. 5. TRANSITION PROVISIONS.

Section 4 (20 U.S.C. 2303) is amended by striking ''the Carl D. Perkins Vocational and Applied Technology Education Act'' and all that follows through the period and inserting ''this Act, as this Act was in effect on the day before the date of enactment of the Carl D. Perkins Career and Technical Education Improvement Act of 2005. Each eligible agency shall be assured a full fiscal year for transition to plan for and implement the requirements of this Act.''.

SEC. 6. LIMITATION.

Section 6 (20 U.S.C. 2305) is amended by striking the second sentence.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

Section 8 (20 U.S.C. 2307) is amended—

(1) by striking ''title II'' and inserting ''part D of title I''; and

(2) by striking ''1999 through 2003'' and inserting ''2006 through 2011''.

TITLE I—CAREER AND TECHNICAL EDUCATION ASSISTANCE TO THE STATES

SEC. 101. CAREER AND TECHNICAL EDUCATION ASSISTANCE TO THE STATES.

Title I (20 U.S.C. 2321 et seq.) is amended by striking the title heading and inserting the following:

''TITLE I—CAREER AND TECHNICAL EDUCATION ASSISTANCE TO THE STATES''.

SEC. 102. RESERVATIONS AND STATE ALLOTMENT.

Section 111(a) (20 U.S.C. 2321(a)) is amended—

(1) in paragraph (1)(C), by striking ''2001 through 2003,'' and inserting ''2006 through 2011,''; and

(2) by striking paragraphs (3) and (4) and inserting the following:

''(3) MINIMUM ALLOTMENT.—Subject to paragraph (4), no State, other than the United States Virgin Islands, shall receive for a fiscal year under this subsection less than ½ of 1 percent of the amount appropriated under section 8 and not reserved under paragraph (1) for such fiscal year. Amounts necessary for increasing such payments to States to comply with the preceding sentence shall be obtained by ratably reducing the amounts to be paid to other States.

''(4) HOLD HARMLESS.—

''(A) FISCAL YEARS 2006 THROUGH 2008.—Notwithstanding paragraph (3), no State shall receive an allotment under this section for each of the fiscal years 2006 through 2008 that is less than the allotment the State received under this part (as this part was in effect on the day before the date of enactment of the Carl D. Perkins Career and Technical Education Improvement Act of 2005) for fiscal year 2005.

''(B) FISCAL YEARS 2009 THROUGH 2011.—Notwithstanding paragraph (3), no State shall receive an allotment under this section for each of the fiscal years 2009 through 2011 that is less than 95 percent of the allotment the State received under this section for the preceding fiscal year.

''(C) RATABLE REDUCTION.—If for any fiscal year the amount appropriated for allotments under this section is insufficient to satisfy the requirements of subparagraph (A) or (B), the payments to all States under such subparagraph shall be ratably reduced.''.

SEC. 103. WITHIN STATE ALLOCATION.

Section 112 (20 U.S.C. 2322) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by adding ''and'' after the semicolon; and

(B) by striking paragraphs (2) and (3) and inserting the following:

''(2) not more than 15 percent or $750,000, whichever is greater, for—

''(A) State leadership activities described in section 124, of which—

''(i) an amount determined by the eligible agency shall be made available to serve individuals in State institutions, such as State correctional institutions and institutions that serve individuals with disabilities; and

''(ii) not less than $60,000 shall be available for services that prepare individuals for non-traditional fields; and

''(B) administration of the State plan, which may be used for the costs of—

''(i) developing the State plan;

''(ii) reviewing the local plans;

''(iii) monitoring and evaluating program effectiveness;

''(iv) assuring compliance with all applicable Federal laws;

''(v) providing technical assistance; and

''(vi) supporting and developing State data systems relevant to the provisions of this Act.'';

(2) in subsection (b), by striking ''subsection (a)(3)'' both places the term appears and inserting ''subsection (a)(2)(B)''; and

(3) by striking subsection (c) and inserting the following:

''(c) RESERVE.—From amounts made available under subsection (a)(1) to carry out this subsection, an eligible agency may—

''(1) award grants to eligible recipients, or consortia of eligible recipients, for career and technical education activities described in section 135 in—

''(A) rural areas; or

''(B) areas with high percentages or high numbers of career and technical education students;

''(2) reserve funds, with the approval of participating eligible recipients, for—

''(A) innovative statewide initiatives that demonstrate benefits for eligible recipients, which may include—

''(i) developing and implementing technical assessments;

''(ii) improving the initial preparation and professional development of career and technical education teachers, faculty, principals, administrators, and counselors; and

''(iii) establishing, enhancing, and supporting systems for accountability data collection or reporting purposes; or

''(B) the development and implementation of career pathways or career clusters; and

''(3) carry out activities described in paragraphs (1) and (2).''.

SEC. 104. ACCOUNTABILITY.

Section 113 (20 U.S.C. 2323) is amended—

(1) by striking ''vocational'' each place the term appears and inserting ''career'';

(2) in subsection (a)—

(A) by striking ''a State performance accountability system'' and inserting ''and support State and local performance accountability systems''; and

(B) by inserting ''and its eligible recipients'' after ''of the State'';

(3) in subsection (b)—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking ''paragraph (2)(A)'' and inserting ''subparagraphs (A) and (B) of paragraph (2)''; and

(ii) in subparagraph (B), by striking ''(2)(B)'' and inserting ''(2)(C)'';

(B) in paragraph (2)—

(i) by striking subparagraph (A) and inserting the following:

''(A) CORE INDICATORS OF PERFORMANCE FOR SECONDARY CAREER AND TECHNICAL EDUCATION STUDENTS.—Each eligible agency shall identify in the State plan core indicators of performance for secondary career and technical education students that include, at a minimum, measures of each of the following:

''(i) Student achievement on technical assessments and attainment of career and technical skill proficiencies that are aligned with nationally recognized industry standards, if available and appropriate.

''(ii) Student attainment of challenging academic content standards and student academic achievement standards, as adopted by the State under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965 and measured by the academic assessments described in section 1111(b)(3) of such Act, consistent with State requirements.

''(iii) Student rates of attainment of—

''(I) a secondary school diploma;

''(II) the recognized equivalent of a secondary school diploma;

''(III) technical skill proficiency;

''(IV) an industry-recognized credential;

''(V) a certificate; and

''(VI) a degree.

''(iv) Placement in postsecondary education, military service, apprenticeship programs, or employment.

''(v) Student participation in, and completion of, career and technical education programs that lead to employment or self-employment in nontraditional fields.'';

(ii) by redesignating subparagraphs (B) through (D) as subparagraphs (C) through (E), respectively;

(iii) by inserting after subparagraph (A) the following:

''(B) CORE INDICATORS OF PERFORMANCE FOR POSTSECONDARY CAREER AND TECHNICAL STUDENTS.—Each eligible agency shall identify in the State plan core indicators of performance for postsecondary career and technical education students that include, at a minimum, measures of each of the following:

''(i) Student achievement on technical assessments and attainment of career and technical skill proficiencies that are aligned with nationally recognized industry standards, if available and appropriate.

''(ii) Student attainment of technical skill proficiency, an industry-recognized credential, a certificate, or a degree, or retention in postsecondary education, including transfer to a baccalaureate degree program.

''(iii) Placement in military service, apprenticeship programs, or employment.

''(iv) Student participation in, and completion of, career and technical education programs that lead to employment or self-employment in—

''(I) nontraditional fields; and

''(II) high skill, high wage, high demand occupations or professions.

''(v) Increase in earnings, where available.'';

(iv) in subparagraph (C) (as redesignated by clause (ii) of this subparagraph), by striking ''the title.'' and inserting ''this title, such as attainment of self-sufficiency.'';

(v) in subparagraph (D) (as redesignated by clause (ii) of this subparagraph), by inserting ''career and technical education'' after ''developed State'';

(vi) in subparagraph (E) (as redesignated by clause (ii) of this subparagraph)—

(I) by striking ''this paragraph'' and inserting ''subparagraphs (A) and (B)'';

(II) by striking ''solely''; and

(III) by striking ''recipients.'' and inserting ''recipients, and shall meet the requirements of this section.''; and

(vii) by adding at the end the following:

''(F) ALIGNMENT OF PERFORMANCE INDICATORS.—In the course of identifying core indicators of performance and additional indicators of performance, States shall, to the greatest extent possible, define the indicators so that substantially similar information gathered for other State and Federal programs, or any other purpose, is used to meet the requirements of this section.'';

(C) in paragraph (3)—

(i) in the paragraph heading, by striking ''LEVELS'' and inserting ''STATE LEVELS'';

(ii) in subparagraph (A)—

(I) in clause (i)—

(aa) by striking ''paragraph (2)(A)'' and inserting ''subparagraphs (A) and (B) of paragraph (2)'';

(bb) by inserting ''after taking into account the local adjusted levels of performance and'' after ''eligible agency,''; and

(cc) by striking subclause (II) and inserting the following:

''(II) require the eligible recipients to make continuous and significant improvement in career and technical achievement of career and technical education students, including special populations.'';

(II) in clause (v)—

(aa) in the clause heading, by striking ''3RD, 4TH, AND 5TH'' and inserting ''SUBSEQUENT'';

(bb) by striking ''third program year'' and inserting ''third and fifth program years''; and

(cc) by striking ''third, fourth, and fifth'' and inserting ''corresponding subsequent'';

(III) in clause (vi)(II), by inserting ''and significant'' after ''continuous''; and

(IV) in clause (vii), by striking ''or (vi)'' and inserting ''or (v)''; and

(iii) in subparagraph (B), by striking ''(2)(B)'' and inserting ''(2)(C)''; and

(D) by adding at the end the following:

''(4) LOCAL LEVELS OF PERFORMANCE.—

''(A) LOCAL ADJUSTED LEVELS OF PERFORMANCE FOR CORE INDICATORS OF PERFORMANCE.—

''(i) IN GENERAL.—Each eligible recipient shall agree to accept the State adjusted levels of performance established under paragraph (3) as local adjusted levels of performance, or negotiate with the State to reach agreement on new local adjusted levels of performance, for each of the core indicators of performance described in subparagraphs (A) and (B) of paragraph (2) for career and technical education activities authorized under this title. The levels of performance established under this subparagraph shall, at a minimum—

''(I) be expressed in a percentage or numerical form, so as to be objective, quantifiable, and measurable; and

''(II) require the eligible recipient to make continuous and significant improvement in career and technical achievement of career and technical education students.

''(ii) IDENTIFICATION IN THE LOCAL PLAN.—Each eligible recipient shall identify, in the local plan submitted under section 134, levels of performance for each of the core indicators of performance for the first 2 program years covered by the local plan.

''(iii) AGREEMENT ON LOCAL ADJUSTED LEVELS OF PERFORMANCE FOR FIRST 2 YEARS.—The eligible agency and each eligible recipient shall reach agreement, as described in clause (i), on the eligible recipient's levels of performance for each of the core indicators of performance for the first 2 program years covered by the local plan, taking into account the levels identified in the local plan under clause (ii) and the factors described in clause (v). The levels of performance agreed to under this clause shall be considered to be the local adjusted levels of performance for the eligible recipient for such years and shall be incorporated into the local plan prior to the approval of such plan.

''(iv) AGREEMENT ON LOCAL ADJUSTED LEVELS OF PERFORMANCE FOR SUBSEQUENT YEARS.—Prior to the third and fifth program years covered by the local plan, the eligible agency and each eligible recipient shall reach agreement on the local adjusted levels of performance for each of the core indicators of performance for the corresponding subsequent program years covered by the local plan, taking into account the factors described in clause (v). The local adjusted levels of performance agreed to under this clause shall be considered to be the local adjusted levels of performance for the eligible recipient for such years and shall be incorporated into the local plan.

''(v) FACTORS.—The agreement described in clause (iii) or (iv) shall take into account—

''(I) how the levels of performance involved compare with the local adjusted levels of performance established for other eligible recipients, taking into account factors including the characteristics of participants when the participants entered the program and the services or instruction to be provided; and

''(II) the extent to which the local adjusted levels of performance involved promote continuous and significant improvement on the core indicators of performance by the eligible recipient.

''(vi) REVISIONS.—If unanticipated circumstances arise with respect to an eligible recipient resulting in a significant change in the factor described in clause (v)(II), the eligible recipient may request that the local adjusted levels of performance agreed to under clause (iii) or (iv) be revised. The eligible agency shall issue objective criteria and methods for making such revisions.

''(B) LEVELS OF PERFORMANCE FOR ADDITIONAL INDICATORS.—Each eligible recipient may identify, in the local plan, local levels of performance for any additional indicators of performance described in paragraph (2)(C). Such levels shall be considered to be the local levels of performance for purposes of this title.

''(C) REPORT.—Each eligible recipient that receives an allocation under section 131 shall publicly report, on an annual basis, its progress in achieving the local adjusted levels of performance on the core indicators of performance.''; and

(4) by striking subsection (c)(1)(B) and inserting:

''(B) information on the levels of performance achieved by the State with respect to the additional indicators of performance, including the levels of performance disaggregated for postsecondary institutions, by special populations and gender, and for secondary institutions, by special populations and by the categories described in section 1111(h)(1)(C)(i) of the Elementary and Secondary Education Act of 1965, except that such disaggregation shall not be required in a case in which the number of individuals in a category is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual.''.

SEC. 105. NATIONAL ACTIVITIES.

Section 114 (20 U.S.C. 2324) is amended—

(1) by striking ''vocational'' each place the term appears and inserting ''career'';

(2) in subsection (a)(1), by striking '', including an analysis of performance data regarding special populations'' and inserting '', including an analysis of performance data that is disaggregated for postsecondary institutions, by special populations, and for secondary institutions, by special populations and by the categories described in section 1111(h)(1)(C)(i) of the Elementary and Secondary Education Act of 1965, except that such disaggregation shall not be required in a case in which the number of individuals in a category is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual'';

(3) in subsection (c)—

(A) by striking paragraph (2) and inserting the following:

''(2) INDEPENDENT ADVISORY PANEL.—

''(A) IN GENERAL.—The Secretary shall appoint an independent advisory panel to advise the Secretary on the implementation of the assessment described in paragraph (3), including the issues to be addressed and the

methodology of the studies involved to ensure that the assessment adheres to the highest standards of quality.

''(B) MEMBERS.—The advisory panel shall consist of—

''(i) educators, principals, administrators, and chief executives (including State directors of career and technical education), with expertise in the integration of academic and career and technical education;

''(ii) experts in evaluation, research, and assessment;

''(iii) representatives of labor organizations and businesses, including small businesses, economic development entities, and State workforce investment boards established under section 111 of the Workforce Investment Act of 1998 (29 U.S.C. 2821) or local workforce investment boards;

''(iv) parents;

''(v) career guidance and academic counseling professionals; and

''(vi) other individuals and intermediaries with relevant expertise.

''(C) INDEPENDENT ANALYSIS.—The advisory panel shall transmit to the Secretary and to the relevant committees of Congress an independent analysis of the findings and recommendations resulting from the assessment described in paragraph (3).

''(D) FACA.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the panel established under this paragraph.'';

(B) in paragraph (3)—

(i) by striking subparagraph (A) and inserting the following:

''(A) IN GENERAL.—From amounts made available under subsection (d), the Secretary shall provide for the conduct of an independent evaluation and assessment of career and technical education programs under this Act, including the implementation of the Carl D. Perkins Career and Technical Education Improvement Act of 2005, to the extent practicable, through studies and analyses conducted independently through grants, contracts, and cooperative agreements that are awarded on a competitive basis.'';

(ii) in subparagraph (B)—

(I) by striking clause (iii) and inserting the following:

''(iii) the preparation and qualifications of teachers and faculty of career and technical education, as well as shortages of such teachers and faculty;'';

(II) by striking clause (v) and inserting the following:

''(v) academic and career and technical education achievement and employment outcomes of career and technical education students, including analyses of—

''(I) the number of career and technical education students and tech-prep students who meet the State adjusted levels of performance established under section 113;

''(II) the extent and success of integration of challenging academic and career and technical education for students participating in career and technical education programs;

''(III) the extent to which career and technical education programs prepare students, including special populations, for subsequent employment in high skill, high wage occupations, or participation in postsecondary education; and

''(IV) the number of career and technical education students receiving a high school diploma;'';

(III) in clause (vi), by inserting '', and career and technical education students' preparation for employment'' after ''programs''; and

(IV) in clause (viii), by inserting ''and local'' after ''State'' both places such term appears; and

(iii) in subparagraph (C)—

(I) in clause (i)—

(aa) by striking ''Committee on Education'' and all that follows through ''Senate'' and inserting ''relevant committees of Congress''; and

(bb) by striking ''2002'' both places it appears and inserting ''2009''; and

(II) in clause (ii), by striking ''Committee on Education'' and all that follows through ''Senate'' and inserting ''relevant committees of Congress'';

(C) in paragraph (4)(B), by striking ''Committee on Education'' and all that follows through ''Senate'' and inserting ''relevant committees of Congress'';

(D) in paragraph (5)—

(i) in subparagraph (A)—

(I) in the matter preceding clause (i), by striking ''higher education'' and all that follows through ''centers'' and inserting ''higher education offering comprehensive graduate programs in career and technical education that shall be the primary recipient and shall collaborate with a public or private nonprofit organization or agency, or a consortium of such institutions, organizations, or agencies, to establish a national research center'';

(II) in clause (i)—

(aa) by inserting ''and evaluation'' after ''to carry out research''; and

(bb) by inserting '', including special populations,'' after ''participants'';

(III) by redesignating clauses (ii), (iii), and (iv), as clauses (iii), (iv), and (v), respectively;

(IV) by inserting after clause (i) the following:

''(ii) to carry out research for the purpose of developing, improving, and identifying the most successful methods for successfully addressing the needs of employers in high skill, high wage business and industry, including evaluation and scientifically based research of—

''(I) collaboration between career and technical education programs and business and industry;

''(II) academic and technical skills required to respond to the challenge of a global economy and rapid technological changes; and

''(III) technical knowledge and skills required to respond to needs of a regional or sectoral workforce, including small business;'';

(V) in clause (iii) (as redesignated by subclause (III) of this clause), by inserting ''that are integrated with challenging academic instruction'' before '', including''; and

(VI) by striking clause (iv) (as redesignated by subclause (III) of this clause) and inserting the following:

''(iv) to carry out scientifically based research, where appropriate, that can be used to improve preparation and professional development of teachers, faculty, principals, and administrators and student learning in the career and technical education classroom, including—

''(I) effective in-service and pre-service teacher and faculty education that assists career and technical education programs in—

''(aa) integrating those programs with academic content standards and student academic achievement standards, as adopted by States under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965; and

''(bb) promoting technical education aligned with industry-based standards and certifications to meet regional industry needs;

''(II) dissemination and training activities related to the applied research and demonstration activities described in this subsection, which may also include serving as a repository for information on career and technical education skills, State academic standards, and related materials; and

''(III) the recruitment and retention of career and technical education teachers, faculty, counselors, principals, and administrators, including individuals in groups underrepresented in the teaching profession; and'';

(ii) in subparagraph (B)—

(I) by striking ''or centers'' both places the term appears; and

(II) by striking ''Committee on Education'' and all that follows through ''Senate'' and inserting ''relevant committees of Congress'';

(iii) in subparagraph (C), by striking ''or centers''; and

(iv) by adding at the end the following:

''(D) INDEPENDENT GOVERNING BOARD.—

''(i) IN GENERAL.—An institution of higher education that desires a grant, contract, or cooperative agreement under this paragraph shall identify, in its application, an independent governing board for the center established pursuant to this paragraph.

''(ii) MEMBERS.—The independent governing board shall consist of the following:

''(I) Two representatives of secondary career and technical education.

''(II) Two representatives of postsecondary career and technical education.

''(III) Two representatives of eligible agencies.

''(IV) Two representatives of business and industry.

''(V) Two representatives of career and technical teacher preparation institutions.

''(VI) Two nationally recognized researchers in the field of career and technical education.

''(iii) COORDINATION.—The independent governing board shall ensure that the research and dissemination activities carried out by the center are coordinated with the research activities carried out by the Secretary.'';

(E) in paragraph (6)(B)(ii), by striking ''or centers''; and

(F) by striking paragraph (8); and

(4) by adding at the end the following:

''(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2006 through 2011.''.

SEC. 106. ASSISTANCE FOR THE OUTLYING AREAS.

Section 115 (20 U.S.C. 2325) is amended—

(1) by striking ''vocational'' each place the term appears and inserting ''career'';

(2) in subsection (b)—

(A) in the matter preceding paragraph (1), by striking ''the Republic of the Marshall Islands, the Federated States of Micronesia,'';

(B) in paragraph (1), by striking ''training and retraining;'' and inserting ''preparation;'';

(C) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(D) by inserting after paragraph (1) the following:

''(2) professional development for teachers, faculty, principals, and administrators;''; and

(3) in subsection (d)—

(A) by striking ''the Republic of the Marshall Islands, the Federated States of Micronesia, and''; and

(B) by striking ''2001'' and inserting ''2007''.

SEC. 107. NATIVE AMERICAN PROGRAM.

Section 116 (20 U.S.C. 2326) is amended—

(1) by striking ''vocational'' each place the term appears and inserting ''career'';

(2) in subsection (a)(5), by adding a period at the end;

(3) in subsection (b)—

(A) in paragraph (1), by striking ''(d)'' and inserting ''(c)''; and

(B) in paragraph (2), by striking ''(other than in subsection (i))'';

(4) in subsection (d), by striking ''section an'' and inserting ''section, an'';

(5) in subsection (e), by striking ''paragraph'' and inserting ''section''; and

(6) in subsection (h), by striking ''which are recognized by the Governor of the State of Hawaii''.

SEC. 108. TRIBALLY CONTROLLED POSTSECONDARY CAREER AND TECHNICAL INSTITUTIONS.

Section 117 (20 U.S.C. 2327) is amended—

(1) by striking the section heading and inserting the following:

''SEC. 117. TRIBALLY CONTROLLED POSTSECONDARY CAREER AND TECHNICAL INSTITUTIONS.'';

(2) by striking ''vocational'' each place the term appears and inserting ''career'';

(3) in subsection (g)—

(A) in paragraph (1), by striking ''The Secretary'' and inserting ''On an annual basis, the Secretary'';

(B) in paragraph (2)(B), by striking ''2000'' and inserting ''2007''; and

(C) in paragraph (3)(C), by striking ''beginning'' and all that follows through the period and inserting ''beginning on the date of enactment of the Carl D. Perkins Career and Technical Education Improvement Act of 2005.'';

(4) by redesignating subsections (h) and (i) as subsections (j) and (k), respectively;

(5) by inserting after subsection (g) the following:

''(h) APPEALS.—

''(1) IN GENERAL.—Subject to paragraph (2), the Secretary shall provide a tribally controlled postsecondary career and technical institution with a hearing on the record before an administrative law judge with respect to the following determinations:

''(A) A determination that such institution is not eligible for a grant under this section.

''(B) A determination regarding the calculation of the amount of a grant awarded under this section.

''(2) PROCEDURE FOR APPEAL.—To appeal a determination described in paragraph (1), a tribally controlled postsecondary career and technical institution shall—

''(A) in the case of an appeal based on a determination that such institution is not eligible for a grant under this section, file a notice of appeal with the Secretary not later than 30 days after receipt of such determination; and

''(B) in the case of an appeal based on a determination regarding the calculation of the amount of a grant awarded under this section—

''(i) file a notice of appeal with the Secretary not later than 30 days after receipt of the Secretary's notification of the grant amount; and

''(ii) identify the amount of funding that gives rise to such appeal.

''(3) WITHHOLDING OF AMOUNT.—If a tribally controlled postsecondary career and technical institution appeals a determination described in paragraph (1), the Secretary shall withhold the amount in dispute from the award of grant funds under this section until such time as the administrative law judge has issued a written decision on the appeal.

''(i) RESTRICTED INDIRECT COST.—Notwithstanding any other provision of law, the Secretary shall not request the use of a restricted indirect cost rate for grants awarded under this section.''; and

(6) by striking subsection (k) (as redesignated by paragraph (4) of this section) and inserting the following:

''(k) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $10,000,000 for fiscal year 2006 and such sums as may be necessary for each of the 5 succeeding fiscal years.''.

SEC. 109. OCCUPATIONAL AND EMPLOYMENT INFORMATION.

Section 118 (20 U.S.C. 2328) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by striking ''(f)'' and inserting ''(g)'';

(B) in paragraph (1)—

(i) in subparagraph (A), by striking ''(b)'' both places it appears and inserting ''(c)'';

(ii) in subparagraph (B), by striking ''(b)'' and inserting ''(c)''; and

(iii) in subparagraph (C), by striking ''(b)'' and inserting ''(c)''; and

(C) in paragraph (2), by striking ''(b)'' both places it appears and inserting ''(c)'';

(2) by redesignating subsections (b) through (f) as subsections (c) through (g), respectively;

(3) by inserting after subsection (a) the following:

''(b) STATE APPLICATION.—

''(1) IN GENERAL.—Each State desiring assistance under this section shall submit an application to the Secretary at the same time the State submits its State plan under section 122, in such manner, and accompanied by such additional information, as the Secretary may reasonably require.

''(2) CONTENTS.—Each application submitted under paragraph (1) shall include—

''(A) a description of how the State entity designated in subsection (c) will provide information based on labor market trends to inform program development; and

''(B) information about the academic content standards and student academic achievement standards adopted by the State under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965.'';

(4) in subsection (c) (as redesignated by paragraph (2) of this section)—

(A) in paragraph (1), by striking ''individuals'' and all that follows through the semicolon and inserting ''students and parents, including postsecondary education and training, including academic and technical preparation for high skill, high wage, or high demand occupations and nontraditional fields in emerging or established professions;'';

(B) in paragraph (2), by inserting ''academic and career and technical'' after ''relate'';

(C) by striking paragraph (3) and inserting the following:

''(3) to equip teachers, faculty, administrators, and counselors with the knowledge, skills, and occupational information needed to assist parents and all students, especially special populations underrepresented in certain careers, with career exploration, educational opportunities, education financing, and exposure to high skill, high wage, or high demand occupations and nontraditional fields, including occupations and fields requiring a baccalaureate degree;'';

(D) in paragraph (4), by striking ''such entities;'' and inserting ''such entities, with an emphasis on high skill, high wage, or high demand occupations in emerging or established professions;'';

(E) in paragraph (5), by striking ''and'' after the semicolon;

(F) in paragraph (6), by striking the period and inserting ''; and''; and

(G) by adding at the end the following:

''(7) to provide information, if available, for each occupation, on—

''(A) the average earnings of an individual in the occupation at entry level and after 5 years of employment;

''(B) the expected lifetime earnings; and

''(C) the expected future demand for the occupation, based on employment projections.'';

(5) in subsection (d)(1) (as redesignated by paragraph (2) of this section), by striking ''(b)'' both places it appears and inserting ''(c)'';

(6) in subsection (e)(1) (as redesignated by paragraph (2) of this section), by striking ''(b)'' and inserting ''(c)'';

(7) in subsection (f)(1) (as redesignated by paragraph (2) of this section), by striking ''an identification'' and inserting ''a description''; and

(8) in subsection (g) (as redesignated by paragraph (2) of this section), by striking ''1999 through 2003'' and inserting ''2006 through 2011''.

SEC. 110. STATE ADMINISTRATION.

Section 121 (20 U.S.C. 2341) is amended—

(1) by redesignating subsection (a)(2) as subsection (b) and indenting appropriately;

(2) by redesignating subparagraphs (A) through (D) of subsection (a)(1) as paragraphs (1) through (4), respectively, and indenting appropriately;

(3) by redesignating clauses (i) and (ii) of paragraph (4) (as redesignated by paragraph (2) of this section) as subparagraphs (A) and (B), respectively, and indenting appropriately;

(4) by striking the following:

''(a) ELIGIBLE AGENCY RESPONSIBILITIES.—

''(1) IN GENERAL.—The responsibilities'' and inserting the following:

''(a) ELIGIBLE AGENCY RESPONSIBILITIES.—The responsibilities'';

(5) in subsection (a)(1) (as redesignated by paragraph (2) of this section), by striking ''training and employment'' and inserting ''fields'';

(6) in subsection (a)(2) (as redesignated by paragraph (2) of this section)—

(A) by inserting ''teacher and faculty preparation programs,'' after ''teachers,''; and

(B) by inserting ''all types and sizes of'' after ''representatives of''; and

(7) in subsection (b) (as redesignated by paragraph (1) of this section), by striking ''paragraph (1)'' and inserting ''subsection (a)''.

SEC. 111. STATE PLAN.

Section 122 (20 U.S.C. 2342) is amended—

(1) by striking ''vocational'' each place the term appears and inserting ''career'';

(2) in subsection (a)—

(A) in paragraph (1)—

(i) by striking ''5'' and inserting ''6''; and

(ii) by adding at the end the following: ''Each eligible agency may submit a transition plan during the first full year of implementation of this Act after the date of enactment of the Carl D. Perkins Career and Technical Education Improvement Act of 2005. The transition plan shall fulfill the eligible agency's State plan submission obligation under this section.''; and

(B) in paragraph (2)(B), by striking ''5 year State plan'' and inserting ''6-year period'';

(3) by striking subsection (b)(1) and inserting the following:

''(1) IN GENERAL.—The eligible agency shall develop the State plan in consultation with academic and career and technical education teachers, faculty, principals, and administrators, career guidance and academic counselors, eligible recipients, parents, students, the State tech-prep coordinator and representatives of tech-prep consortia (if applicable), the lead State agency officials with responsibility for the programs and activities that are described in section 121(b) of the Workforce Investment Act of 1998 (29 U.S.C. 2841(b)) and carried out by one-stop partners, the State workforce investment board, interested community members (including parent and community organizations), representatives of special populations, representatives of business and industry (including representatives of small business and economic development entities), and representatives of labor organizations in the State, and shall consult the Governor of the State with respect to such development.'';

(4) by striking subsection (c) and inserting the following:

''(c) PLAN CONTENTS.—The State plan shall include information that—

''(1) describes the career and technical education activities to be assisted that are designed to meet or exceed the State adjusted levels of performance, including a description of—

''(A) how the eligible agency will support eligible recipients in developing or implementing career pathways for career and technical education content areas that are designed to meet relevant workforce needs, including how the eligible agency will—

''(i) support eligible recipients in developing articulation agreements between secondary and postsecondary institutions;

''(ii) support eligible recipients in using labor market information to identify career pathways that prepare individuals for high skill, high wage, or high demand occupations;

''(iii) make available information about career pathways offered by eligible recipients; and

''(iv) consult with business and industry and use industry-recognized standards and assessments, if appropriate;

''(B) the secondary and postsecondary career and technical education programs to be carried out, including programs that will be carried out by the eligible agency to develop, improve, and expand access to quality technology in career and technical education programs;

''(C) the criteria that will be used by the eligible agency to approve eligible recipients for funds under this title, including criteria to assess the extent to which the local plan will—

''(i) promote higher levels of academic achievement;

''(ii) promote higher levels of technical skill attainment; and

''(iii) identify and address workforce needs;

''(D) how programs at the secondary level will prepare career and technical education students, including special populations to graduate from high school with a diploma;

''(E) how such programs will prepare career and technical education students, including special populations, both academically and technically, for opportunities in postsecondary education or entry into high skill, high wage, or high demand occupations in emerging or established occupations, and how participating students will be made aware of such opportunities; and

''(F) how funds will be used to improve or develop new career and technical education courses in high skill, high wage, or high demand occupations that are aligned with business needs and industry standards, as appropriate—

''(i) at the secondary level that are aligned with challenging academic content standards and student academic achievement standards adopted by the State under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965; and

''(ii) at the postsecondary level that are relevant and challenging;

''(2) describes how career and technical education teachers, faculty, principals, administrators, and career guidance and academic counselors will be provided comprehensive initial preparation and professional development, including through programs and activities that—

''(A) promote the integration of challenging academic curricula and career and technical education curricula, including opportunities for teachers to jointly develop and implement curriculum and pedagogical strategies with appropriate academic teachers;

''(B) increase the academic and career and technical education knowledge of career and technical education teachers and faculty;

''(C) are high-quality, sustained, intensive, focused on instruction, directly related to industry standards, and includes structured induction and mentoring components for new personnel, with an emphasis on identifying and addressing the needs of local businesses, including small businesses;

''(D) ensure an increasing number of career and technical education teachers and faculty meet teacher certification and licensing requirements reflecting the needs of their subject area or areas;

''(E) equip career and technical education teachers, faculty, principals, administrators, and career guidance and academic counselors with the knowledge and skills needed to work with and improve instruction for special populations;

''(F) assist in accessing and utilizing data, including labor market indicators, student achievement, and assessments;

''(G) enhance the leadership capacity of principals and administrators;

''(H) are integrated with professional development activities that the State carries out under title II of the Elementary and Secondary Education Act of 1965 and title II of the Higher Education Act of 1965; and

''(I) include strategies to expose all career and technical education students to comprehensive information regarding career options that lead to high skill, high wage, or high demand occupations and nontraditional fields;

''(3) describes efforts to improve—

''(A) the recruitment and retention of career and technical education teachers, faculty, counselors, principals, and administrators, including individuals in groups underrepresented in the teaching profession; and

''(B) the transition to teaching from business and industry, including small business;

''(4) describes efforts to improve the capacity of programs and faculty at postsecondary institutions to effectively prepare career and technical education personnel, including, as appropriate, through electronically delivered distance education, and articulation agreements between 2-year technical programs and postsecondary education programs;

''(5) describes efforts to facilitate the transition of sub-baccalaureate career and technical education students into baccalaureate degree programs, including—

''(A) statewide articulation agreements between sub-baccalaureate career and technical education programs and baccalaureate degree programs;

''(B) postsecondary dual and concurrent enrollment programs;

''(C) academic and financial aid counseling; and

''(D) other initiatives to encourage the pursuit of a baccalaureate degree and to overcome barriers to participation in baccalaureate degree programs, including geographic and other barriers affecting rural students and special populations;

''(6) describes how the eligible agency will actively involve parents, academic and career and technical education teachers, faculty, principals, and administrators, career guidance and academic counselors, local businesses (including small- and medium-sized businesses and business intermediaries), State workforce investment boards, local workforce investment boards, economic development entities, and labor organizations in the planning, development, implementation, and evaluation of such career and technical education programs;

''(7) describes how funds received by the eligible agency through the allotment made under section 111 will be allocated—

''(A) among secondary school career and technical education, or postsecondary and adult career and technical education, or both, including the rationale for such allocation; and

''(B) among any consortia that will be formed among secondary schools and eligible institutions, and how funds will be allocated among the members of the consortia, including the rationale for such allocation;

''(8) describes how the eligible agency will—

''(A) use funds to improve or develop new career and technical education courses in high skill, high wage, or high demand occupations—

''(i) at the secondary level that are aligned with challenging academic content standards and student academic achievement standards adopted by the State under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965; and

''(ii) at the postsecondary level that are challenging and aligned with business needs and industry standards, as appropriate;

''(B) improve the academic and technical skills of students participating in career and technical education programs, including strengthening the academic, and career and technical, components of career and technical education programs through the integration of academics with career and technical education to ensure learning in the core academic subjects and career and technical education subjects, and provide students with strong experience in, and understanding of, all aspects of an industry;

''(C) ensure that students who participate in such career and technical education programs are taught to the same challenging academic proficiencies as are taught to all other students; and

''(D) encourage secondary school students who participate in such career and technical education programs to enroll in challenging courses in core academic subjects;

''(9) describes how the eligible agency will annually evaluate the effectiveness of such career and technical education programs, and describes, to the extent practicable, how the eligible agency is coordinating such programs to promote relevant lifelong learning and ensure nonduplication with other existing Federal programs;

''(10) describes the eligible agency's program strategies for special populations, including a description of how individuals who are members of the special populations—

''(A) will be provided with equal access to activities assisted under this title;

''(B) will not be discriminated against on the basis of their status as members of the special populations; and

''(C) will be provided with programs designed to enable the special populations to meet or exceed State adjusted levels of performance, and prepare special populations for further learning and for high skill, high wage, or high demand occupations;

''(11) how the eligible agency will collaborate in developing the State plan with—

''(A) the entity within the State with responsibility for elementary and secondary education;

''(B) the entity within the State with responsibility for public institutions engaged in postsecondary education;

''(C) State institutions such as State correctional institutions and institutions that serve individuals with disabilities; and

''(D) all other relevant State agencies with responsibility for career and technical education and training investment, and economic and workforce development;

''(12) describes what steps the eligible agency will take to involve representatives of eligible recipients in the development of the State adjusted levels of performance;

''(13) provides assurances that the eligible agency will comply with the requirements of this title and the provisions of the State plan, including the provision of a financial audit of funds received under this title which may be included as part of an audit of other Federal or State programs;

''(14) provides assurances that none of the funds expended under this title will be used to acquire equipment (including computer software) in any instance in which such acquisition results in a direct financial benefit to any organization representing the interests of the purchasing entity, the employees of the purchasing entity, or any affiliate of such an organization;

''(15) describes how the eligible agency will measure and report data relating to students participating in and completing career and technical education within specific career clusters in order to adequately measure the progress of the students, including special populations, at—

''(A) the secondary level, disaggregated by the categories described in section 1111(h)(1)(C)(i) of the Elementary and Secondary Education Act of 1965, except that such disaggregation shall not be required in a case in which the number of individuals in a category is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual; and

''(B) the postsecondary level, disaggregated by special populations, except that such disaggregation shall not be required in a case in which the number of individuals in a category is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual;

''(16) describes how the eligible agency will adequately address the needs of students in alternative education programs, if appropriate;

''(17) describes how the eligible agency will provide local educational agencies, area career and technical education schools, and eligible institutions in the State with technical assistance;

''(18) describes how career and technical education relates to State and regional occupational opportunities;

''(19) describes the methods proposed for the joint planning and coordination of programs carried out under this title with other Federal education and workforce investment programs;

''(20) describes how funds will be used to promote preparation for high skill, high wage, or high demand occupations and nontraditional fields in emerging and established professions;

''(21) describes how funds will be used to serve individuals in State correctional institutions;

''(22) describes how the eligible agency will ensure that the data reported to the eligible agency from local educational agencies and eligible institutions under this title and the data the eligible agency reports to the Secretary are complete, accurate, and reliable; and

''(23) contains the description and information specified in sections 112(b)(8) and 121(c) of the Workforce Investment Act of 1998 (29 U.S.C. 2822(b)(8) and 2841(c)) concerning the provision of services only for postsecondary students and school dropouts.'';

(5) by striking subsection (d) and inserting the following:

''(d) PLAN OPTIONS.—

''(1) SINGLE PLAN.—The eligible agency may fulfill the plan or application submission requirements of this section, section 118(b), and section 141(c) by submitting a single State plan. In such plan, the eligible agency may allow eligible recipients to fulfill the plan or application submission requirements of section 134 and subsections (a) and (b) of section 143 by submitting a single local plan.

''(2) PLAN SUBMITTED AS PART OF 501 PLAN.—The eligible agency may submit the plan required under this section as part of the plan submitted under section 501 of the Workforce Investment Act of 1998 (20 U.S.C. 9271), if the plan submitted pursuant to the requirement of this section meets the requirements of this Act.''; and

(6) by striking subsection (f).

SEC. 112. IMPROVEMENT PLANS.

Section 123 (20 U.S.C. 2343) is amended to read as follows:

''SEC. 123. IMPROVEMENT PLANS.

''(a) STATE PROGRAM IMPROVEMENT PLAN.—

''(1) PLAN.—If a State fails to meet the State adjusted levels of performance described in the report submitted under section 113(c), the eligible agency shall develop and implement a program improvement plan in consultation with the appropriate agencies, individuals, and organizations for the first program year succeeding the program year in which the eligible agency failed to meet the State adjusted levels of performance, in order to avoid a sanction under paragraph (3).

''(2) TECHNICAL ASSISTANCE.—If the Secretary determines that an eligible agency is not properly implementing the eligible agency's responsibilities under section 122, or is not making substantial progress in meeting the purpose of this Act, based on the State's adjusted levels of performance, the Secretary shall work with the eligible agency to implement improvement activities consistent with the requirements of this Act.

''(3) FAILURE.—

''(A) IN GENERAL.—If an eligible agency fails to meet the State adjusted levels of performance, has not implemented an improvement plan as described in paragraph (1), has shown no improvement within 1 year after implementing an improvement plan as described in paragraph (1), or has failed to meet more than 1 of the State adjusted levels of performance for the same performance indicator for 2 or more consecutive years, the Secretary may, after notice and opportunity for a hearing, withhold from the eligible agency all, or a portion of, the eligible agency's allotment under this title.

''(B) WAIVER FOR EXCEPTIONAL CIRCUMSTANCES.—The Secretary may waive the sanction in subparagraph (A) due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in financial resources of the State.

''(4) FUNDS RESULTING FROM REDUCED ALLOTMENTS.—

''(A) IN GENERAL.—The Secretary shall use funds withheld under paragraph (3) for a State served by an eligible agency, to provide (through alternative arrangements) services and activities within the State to meet the purposes of this Act.

''(B) REDISTRIBUTION.—If the Secretary cannot satisfactorily use funds withheld under paragraph (3), then the amount of funds retained by the Secretary as a result of a reduction in an allotment made under paragraph (3) shall be redistributed to other eligible agencies in accordance with section 111.

''(b) LOCAL PROGRAM IMPROVEMENT.—

''(1) LOCAL EVALUATION.—Each eligible agency shall evaluate annually, using the local adjusted levels of performance described in section 113(b)(4), the career and technical education activities of each eligible recipient receiving funds under this title.

''(2) PLAN.—

''(A) IN GENERAL.—If, after reviewing the evaluation, the eligible agency determines that an eligible recipient is not making substantial progress in achieving the local adjusted levels of performance, the eligible agency shall—

''(i) conduct an assessment of the educational needs that the eligible recipient shall address to overcome local performance deficiencies, including the performance of special populations;

''(ii) enter into an improvement plan with an eligible recipient based on the results of the assessment, for the first program year succeeding the program year in which the eligible recipient failed to meet the local adjusted levels of performance, which plan shall demonstrate how the local performance deficiencies will be corrected and include instructional and other programmatic innovations of demonstrated effectiveness, and, where necessary, strategies for appropriate staffing and professional development; and

''(iii) conduct regular evaluations of the progress being made toward reaching the local adjusted levels of performance, as described in section 113(b)(4), and progress on implementing the improvement plan.

''(B) CONSULTATION.—The eligible agency shall conduct the activities described in subparagraph (A) in consultation with teachers, principals, administrators, faculty, parents, other school staff, appropriate agencies, and other appropriate individuals and organizations.

''(3) TECHNICAL ASSISTANCE.—If the eligible agency determines that an eligible recipient is not properly implementing the eligible recipient's responsibilities under section 134, or is not making substantial progress in meeting the purpose of this Act, based on the local adjusted levels of performance, the eligible agency shall provide technical assistance to the eligible recipient to assist the eligible recipient in carrying out the improvement activities consistent with the requirements of this Act. An eligible recipient, in collaboration with the eligible agency, may request that the Secretary provide additional technical assistance.

''(4) FAILURE.—

''(A) IN GENERAL.—If an eligible recipient fails to meet the local adjusted levels of performance as described in section 113(b)(4) and has not implemented an improvement plan as described in paragraph (2), has shown no improvement within 1 year after implementing an improvement plan as described in paragraph (2), or has failed to meet more than 1 of the local adjusted levels of performance for the same performance indicator for 2 or more consecutive years, the eligible agency may, after notice and opportunity for a hearing, withhold from the eligible recipient all, or a portion of, the eligible recipient's allotment under this title.

''(B) WAIVER FOR EXCEPTIONAL CIRCUMSTANCES.—The eligible agency may waive the sanction under this paragraph due to exceptional or uncontrollable circumstances such as organizational structure, or a natural disaster or a precipitous and unforeseen decline in financial resources of the eligible recipient.

''(5) FUNDS RESULTING FROM REDUCED ALLOTMENTS.—The eligible agency shall use funds withheld under paragraph (4) to provide (through alternative arrangements) services and activities to students within the area served by such recipient to meet the purpose of this Act.''.

SEC. 113. STATE LEADERSHIP ACTIVITIES.

Section 124 (20 U.S.C. 2344) is amended—

(1) by striking ''vocational'' each place the term appears and inserting ''career'';

(2) in subsection (a), by striking ''112(a)(2)'' and inserting ''112(a)(2)(A)'';

(3) in subsection (b)—

(A) in paragraph (1), by striking ''further learning'' and all that follows through the

semicolon and inserting ''further education, further training, or for high skill, high wage, or high demand occupations;'';

(B) in paragraph (2), by striking subparagraphs (A) through (C) and inserting the following:

''(A) training of career and technical education teachers, faculty, principals, career guidance and academic counselors, and administrators to use technology, including distance learning;

''(B) encouraging schools to work with technology industries to offer voluntary internships and mentoring programs; or

''(C) encouraging lifelong learning, including through partnerships that may involve institutions of higher education, organizations providing career and technical education, businesses, workforce investment entities, and communications entities;'';

(C) by striking paragraph (3) and inserting the following:

''(3) professional development programs, including providing comprehensive professional development (including initial teacher preparation) for career and technical education teachers, faculty, principals, administrators, and career guidance and academic counselors at the secondary and postsecondary levels, that support activities described in section 122 and—

''(A) provide in-service and pre-service training in career and technical education programs and techniques, effective teaching skills based on promising practices and, where available and appropriate, scientifically based research, and effective practices to improve parental and community involvement;

''(B) improve student achievement in order to meet the State adjusted levels of performance established under section 113;

''(C) support education programs for teachers and faculty of career and technical education in public schools and other public school personnel who are involved in the direct delivery of educational services to career and technical education students to ensure that such personnel—

''(i) stay current with the needs, expectations, and methods of industry;

''(ii) can effectively develop challenging, integrated academic and career and technical education curriculum jointly with academic teachers, to the extent practicable; and

''(iii) develop a higher level of academic and industry knowledge and skills in career and technical education; and

''(D) are integrated with the teacher certification or licensing and professional development activities that the State carries out under title II of the Elementary and Secondary Education Act of 1965 and title II of the Higher Education Act of 1965;'';

(D) in paragraph (4), by striking ''support for'' and inserting ''supporting'';

(E) in paragraph (5), by striking ''nontraditional training and employment'' and inserting ''nontraditional fields in emerging and established professions, and other activities that expose students, including special populations, to high skill, high wage occupations'';

(F) in paragraph (6)—

(i) by inserting ''intermediaries,'' after ''labor organizations,''; and

(ii) by inserting '', or complete career pathways, as described in section 122(c)(1)(A)'' after ''skills'';

(G) in paragraph (7), by striking ''and'' after the semicolon;

(H) in paragraph (8), by striking ''wage careers.'' and inserting ''wage, or high demand occupations; and''; and

(I) by adding at the end the following:

''(9) technical assistance for eligible recipients.'';

(4) by striking subsection (c) and inserting the following:

''(c) PERMISSIBLE USES OF FUNDS.—The leadership activities described in subsection (a) may include—

''(1) improvement of career guidance and academic counseling programs that assist students in making informed academic, and career and technical education, decisions, including encouraging secondary and postsecondary students to graduate with a diploma or degree, and expose students to high skill, high wage occupations and nontraditional fields in emerging and established professions;

''(2) establishment of agreements, including articulation agreements, between secondary and postsecondary career and technical education programs in order to provide postsecondary education and training opportunities for students participating in such career and technical education programs, such as tech-prep programs;

''(3) support for initiatives to facilitate the transition of sub-baccalaureate career and technical education students into baccalaureate degree programs, including—

''(A) statewide articulation agreements between sub-baccalaureate degree granting career and technical postsecondary educational institutions and baccalaureate degree granting postsecondary educational institutions;

''(B) postsecondary dual and concurrent enrollment programs;

''(C) academic and financial aid counseling; and

''(D) other initiatives—

''(i) to encourage the pursuit of a baccalaureate degree; and

''(ii) to overcome barriers to participation in baccalaureate degree programs, including geographic and other barriers affecting rural students and special populations;

''(4) support for career and technical student organizations, especially with respect to efforts to increase the participation of students who are members of special populations;

''(5) support for public charter schools operating secondary career and technical education programs;

''(6) support for career and technical education programs that offer experience in, and understanding of, all aspects of an industry for which students are preparing to enter;

''(7) support for family and consumer sciences programs;

''(8) support for partnerships between education and business or business intermediaries, including cooperative education and adjunct faculty arrangements at the secondary and postsecondary levels;

''(9) support to improve or develop new career and technical education courses and initiatives, including career clusters, career academies, and distance learning, that prepare individuals academically and technically for high skill, high wage, or high demand occupations;

''(10) awarding incentive grants to eligible recipients for exemplary performance in carrying out programs under this Act, which awards shall be based on local performance indicators, as described in section 113, in accordance with previously publicly disclosed priorities;

''(11) providing career and technical education programs for adults and school dropouts to complete their secondary school education, in coordination, to the extent practicable, with activities authorized under title II of the Workforce Investment Act of 1998 (20 U.S.C. 9201 et seq.);

''(12) providing assistance to individuals, who have participated in services and activities under this title, in finding an appropriate job and continuing their education or training through collaboration with the workforce investment system established under the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.);

''(13) developing valid and reliable assessments of technical skills that are integrated with industry certification assessments where available;

''(14) developing and enhancing data systems to collect and analyze data on secondary and postsecondary academic and employment outcomes;

''(15) improving—

''(A) the recruitment and retention of career and technical education teachers, faculty, principals, administrators, and career guidance and academic counselors, including individuals in groups underrepresented in the teaching profession; and

''(B) the transition to teaching from business and industry, including small business; and

''(16) adopting, calculating, or commissioning a self-sufficiency standard.''; and

(5) in subsection (d), by striking ''112(a)(2)'' and inserting ''112(a)(2)(A)''.

SEC. 114. DISTRIBUTION OF FUNDS TO SECONDARY SCHOOL PROGRAMS.

Section 131 (20 U.S.C. 2351) is amended—

(1) by striking ''vocational'' each place the term appears and inserting ''career'';

(2) by striking subsection (a);

(3) by redesignating subsections (b) through (i) as subsections (a) through (h), respectively;

(4) in subsection (a) (as redesignated by paragraph (3) of this section)—

(A) in the subsection heading, by striking ''SPECIAL DISTRIBUTION RULES FOR SUCCEEDING FISCAL YEARS'' and inserting ''DISTRIBUTION RULES''; and

(B) by striking ''for fiscal year 2000 and succeeding fiscal years'';

(5) in subsection (b) (as redesignated by paragraph (3) of this section)—

(A) by striking ''subsection (b)'' and inserting ''subsection (a)''; and

(B) in paragraph (1), by striking ''9902(2))'' and inserting ''9902(2)))'';

(6) in subsection (e) (as redesignated by paragraph (3) of this section), in the subsection heading, by striking ''VOCATIONAL'' and inserting ''CAREER''; and

(7) in subsection (g) (as redesignated by paragraph (3) of this section), by striking ''subsections (a), (b), (c), and (d)'' and inserting ''subsections (a), (b), and (c)''.

SEC. 115. DISTRIBUTION OF FUNDS FOR POSTSECONDARY CAREER AND TECHNICAL EDUCATION PROGRAMS.

Section 132 (20 U.S.C. 2352) is amended—

(1) by striking the section heading and inserting the following:

''SEC. 132. DISTRIBUTION OF FUNDS FOR POSTSECONDARY CAREER AND TECHNICAL EDUCATION PROGRAMS.'';

and

(2) in subsection (a)—

(A) in paragraph (1), by inserting ''for career and technical education programs leading to a technical skill proficiency, an industry-recognized credential, a certificate, or an associate's degree'' before the period; and

(B) in paragraph (2), by inserting ''leading to a technical skill proficiency, an industry-recognized credential, a certificate, or an associate's degree and'' after ''enrolled in programs''.

SEC. 116. SPECIAL RULES FOR CAREER AND TECHNICAL EDUCATION.

Section 133 (20 U.S.C. 2353) is amended—

(1) by striking the section heading and inserting the following:

''SEC. 133. SPECIAL RULES FOR CAREER AND TECHNICAL EDUCATION.'';

and

(2) by striking ''vocational'' each place such term appears and inserting ''career''.

SEC. 117. LOCAL PLAN FOR CAREER AND TECHNICAL EDUCATION PROGRAMS.

Section 134 (20 U.S.C. 2354) is amended—

(1) by striking the section heading and inserting the following:

"SEC. 134. LOCAL PLAN FOR CAREER AND TECHNICAL EDUCATION PROGRAMS.";

(2) in subsection (a), by inserting ''and workforce investment'' after ''such other educational''; and

(3) in subsection (b), by striking paragraphs (1) through (10) and inserting the following:

''(1) describe how the career and technical education programs required under section 135(b) will be carried out with funds received under this title;

''(2) describe how the career and technical education activities will be carried out with respect to meeting State and local adjusted levels of performance established under section 113;

''(3) describe how the eligible recipient will—

''(A) offer the appropriate courses of not less than 1 of the career pathways described in section 122(c)(1)(A);

''(B) improve the academic and technical skills of students participating in career and technical education programs by strengthening the academic and career and technical education components of such programs through the integration of challenging academics with career and technical education programs through a coherent sequence of courses to ensure learning in the core academic subjects, and career and technical education subjects;

''(C) provide students with strong experience in and understanding of all aspects of an industry; and

''(D) ensure that students who participate in such career and technical education programs are taught to the same challenging academic proficiencies as are taught for all other students;

''(4) describe how comprehensive professional development will be provided that is consistent with section 122;

''(5) describe how parents, students, academic and career and technical education teachers, faculty, principals, administrators, career guidance and academic counselors, representatives of tech-prep consortia (if applicable), representatives of the local workforce investment board (if applicable), representatives of the local economic development entity (if applicable), representatives of business (including small business) and industry, labor organizations, representatives of special populations, and other interested individuals are involved in the development, implementation, and evaluation of career and technical education programs assisted under this title, and how such individuals and entities are effectively informed about, and assisted in, understanding, the requirements of this title, including career pathways;

''(6) provide assurances that the eligible recipient will provide a career and technical education program that is of such size, scope, and quality to bring about improvement in the quality of career and technical education programs;

''(7) describe the process that will be used to evaluate and continuously improve the performance of the eligible recipient;

''(8) describe how the eligible recipient—

''(A) will review career and technical education programs, and identify and adopt strategies to overcome barriers that result in lowering rates of access to or lowering success in the programs, for special populations; and

''(B) will provide programs that are designed to enable the special populations to meet the local adjusted levels of performance and prepare for high skill, high wage, or high demand occupations, including those that will lead to self-sufficiency;

''(9) describe how individuals who are members of special populations will not be discriminated against on the basis of their status as members of the special populations;

''(10) describe how funds will be used to promote preparation for nontraditional fields;

''(11) describe how career guidance and academic counseling will be provided to all career and technical education students, including linkages to the information and services available through the one-stop delivery system established under section 121 of the Workforce Investment Act of 1998 (29 U.S.C. 2841), as appropriate; and

''(12) describe efforts to improve the recruitment and retention of career and technical education teachers, faculty, counselors, principals, and administrators, including individuals in groups underrepresented in the teaching profession, and the transition to teaching from business and industry.''.

SEC. 118. LOCAL USES OF FUNDS.

Section 135 (20 U.S.C. 2355) is amended—

(1) in subsection (a), by striking ''vocational'' and inserting ''career'';

(2) in subsection (b)—

(A) in the matter preceding paragraph (1), by striking ''vocational'' and inserting ''career''; and

(B) by striking paragraphs (1) through (8) and inserting the following:

''(1) strengthen the academic and career and technical education skills of students participating in career and technical education programs by strengthening the academic and career and technical education components of such programs through the integration of academics with career and technical education programs through a coherent sequence of courses, such as career pathways described in section 122(c)(1)(A), to ensure learning in the core academic subjects and career and technical education subjects;

''(2) link secondary career and technical education and postsecondary career and technical education, including by—

''(A) offering the relevant elements of not less than 1 career pathway described in section 122(c)(1)(A);

''(B) developing and supporting articulation agreements between secondary and postsecondary institutions; or

''(C) supporting tech-prep programs and consortia;

''(3) provide students with strong experience in and understanding of all aspects of an industry;

''(4) develop, improve, or expand the use of technology in career and technical education, which may include—

''(A) training of career and technical education teachers, faculty, principals, and administrators to use technology, including distance learning; or

''(B) encouraging schools to collaborate with technology industries to offer voluntary internships and mentoring programs;

''(5) provide professional development programs that are consistent with section 122 to secondary and postsecondary teachers, faculty, principals, administrators, and career guidance and academic counselors who are involved in integrated career and technical education programs, including—

''(A) in-service and pre-service training—

''(i) in career and technical education programs and techniques;

''(ii) in effective integration of challenging academic and career and technical education jointly with academic teachers, to the extent practicable;

''(iii) in effective teaching skills based on research that includes promising practices; and

''(iv) in effective practices to improve parental and community involvement;

''(B) support of education programs that provide information on all aspects of an industry;

''(C) internship programs that provide relevant business experience; and

''(D) programs dedicated to the effective use of instructional technology;

''(6) develop and implement evaluations of the career and technical education programs carried out with funds under this title, including an assessment of how the needs of special populations are being met;

''(7) initiate, improve, expand, and modernize quality career and technical education programs, including relevant technology;

''(8) provide services and activities that are of sufficient size, scope, and quality to be effective; and

''(9) provide activities to prepare special populations, including single parents and displaced homemakers (if enrolled in the program), for high skill, high wage, or high demand occupations, including those that will lead to self-sufficiency.''; and

(3) in subsection (c)—

(A) in paragraph (1), by striking ''vocational'' and inserting ''career''; and

(B) by striking paragraphs (2) through (15) and inserting the following:

''(2) to provide career guidance and academic counseling that is based on current labor market indicators, as provided pursuant to section 118, for students participating in career and technical education programs that—

''(A) improves graduation rates and provides information on postsecondary and career options, including baccalaureate degree programs, for secondary students, which activities may include the use of graduation and career plans; and

''(B) provides assistance for postsecondary students, including for adult students who are changing careers or updating skills;

''(3) for partnerships between or among the eligible recipient and a business (including a small business or business intermediary), a local workforce investment board, or a local economic development entity, including for—

''(A) work-related experience for students, such as internships, cooperative education, school-based enterprises, entrepreneurship, and job shadowing that are related to career and technical education programs;

''(B) adjunct faculty arrangements at the secondary and postsecondary levels; and

''(C) industry experience for teachers and faculty;

''(4) to provide programs for special populations;

''(5) to assist career and technical student organizations;

''(6) for mentoring and support services;

''(7) for leasing, purchasing, upgrading, or adapting instructional equipment, including support for library resources, such as business journals, publications, and other related resources designed to strengthen and support academic and technical skill achievement;

''(8) for teacher preparation programs that address the integration of academic and career and technical education and that assist individuals who are interested in becoming career and technical education teachers and faculty, including individuals with experience in business and industry;

''(9) to develop and expand postsecondary program offerings at times and in formats that are convenient and accessible for working students, including through the use of distance education;

''(10) to develop initiatives that facilitate the transition of sub-baccalaureate career and technical education students into baccalaureate degree programs, including—

''(A) articulation agreements between sub-baccalaureate degree granting career and technical education postsecondary educational institutions and baccalaureate degree granting postsecondary educational institutions;

''(B) postsecondary dual and concurrent enrollment programs;

''(C) academic and financial aid counseling for sub-baccalaureate career and technical education students that inform the students of the opportunities for pursuing a baccalaureate degree and advise the students on how to meet any transfer requirements; and

''(D) other initiatives—

''(i) to encourage the pursuit of a baccalaureate degree; and

''(ii) to overcome barriers to enrollment in and completion of baccalaureate degree programs, including geographic and other barriers affecting rural students and special populations;

''(11) for improving or developing new career and technical education courses, including entrepreneurship and development of new career pathways;

''(12) to develop and support small, personalized career-themed learning communities;

''(13) to provide support for family and consumer sciences programs;

''(14) to provide career and technical education programs for adults and school dropouts to complete their secondary school education or upgrade their technical skills;

''(15) to provide assistance to individuals who have participated in services and activities under this title in finding an appropriate job and continuing their education or training through collaboration with the workforce investment system established under the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.);

''(16) to support activities in nontraditional fields, such as mentoring and outreach; and

''(17) to support other career and technical education activities that are consistent with the purpose of this Act.''.

SEC. 119. TECH-PREP EDUCATION.

(a) REDESIGNATION.—Title II (20 U.S.C. 2371 et seq.) is amended—

(1) by striking the title heading and inserting the following:

''PART D—TECH-PREP EDUCATION'';

(2) by striking sections 201, 202, 206, and 207; and

(3) by redesignating sections 203, 204, 205, and 208, as sections 141, 142, 143, and 144, respectively.

(b) STATE ALLOTMENT AND APPLICATION.—Section 141 (as redesignated by subsection (a) of this section) is amended—

(1) in subsection (a), by striking ''section 206'' and inserting ''section 144''; and

(2) by striking subsection (c) and inserting the following:

''(c) STATE APPLICATION.—Each eligible agency desiring assistance under this part shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require. Such application shall describe how activities under this part will be coordinated, to the extent practicable, with activities described in section 122.''.

(c) TECH-PREP EDUCATION.—Section 142 (as redesignated by subsection (a) of this section) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by striking ''section 203'' and inserting ''section 141'';

(ii) by striking ''title'' and inserting ''part'';

(iii) by striking ''vocational'' both places the term appears and inserting ''career''; and

(iv) in subparagraph (A), by inserting '', educational service agency,'' after ''intermediate educational agency''; and

(B) in paragraph (2)—

(i) in subparagraph (A), by striking ''and'';

(ii) in subparagraph (B), by striking the period at the end and inserting a semicolon; and

(iii) by adding at the end the following:

''(C) employers, including small businesses, or business intermediaries; and

''(D) labor organizations.'';

(2) in subsection (c)—

(A) by striking paragraph (2) and inserting the following:

''(2) consist of not less than 2 years of secondary school with a common core of technical skills and core academic subjects preceding graduation and 2 years or more of higher education, or an apprenticeship program of not less than 2 years following secondary instruction, designed to lead to technical skill proficiency, a credential, a certificate, or a degree, in a specific career field;'';

(B) in paragraph (3)(B), by inserting ''including through the use of articulation agreements, and'' after ''career fields,'';

(C) by striking paragraph (4) and inserting the following:

''(4) include in-service professional development for teachers, faculty, principals, and administrators that—

''(A) supports effective implementation of tech-prep programs;

''(B) supports joint training in the tech-prep consortium;

''(C) supports the needs, expectations, and methods of business and all aspects of an industry;

''(D) supports the use of contextual and applied curricula, instruction, and assessment;

''(E) supports the use and application of technology; and

''(F) assists in accessing and utilizing data, including labor market indicators, achievement, and assessments;'';

(D) in paragraph (5)—

(i) by striking ''training'' and inserting ''professional development'';

(ii) in subparagraph (B), by inserting '', which may include through the use of graduation and career plans'' after ''programs'';

(iii) in subparagraph (D), by striking ''and'';

(iv) in subparagraph (E), by inserting ''and'' after the semicolon; and

(v) by adding at the end the following:

''(F) provide comprehensive career guidance and academic counseling to participating students, including special populations;'';

(E) in paragraph (6)—

(i) by inserting ''(including pre-apprenticeship programs)'' after ''programs''; and

(ii) by striking ''and'' after the semicolon;

(F) in paragraph (7), by striking the period at the end and inserting ''; and''; and

(G) by adding at the end the following:

''(8) coordinate with activities conducted under this title.''; and

(3) in subsection (d)—

(A) in paragraph (2), by striking ''and'' after the semicolon;

(B) in paragraph (3), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

''(4) improve career guidance and academic counseling for participating students through the development and implementation of graduation and career plans; and

''(5) develop curriculum that supports effective transitions between secondary and postsecondary career and technical education programs.''.

(d) CONSORTIUM APPLICATIONS.—Section 143 (as redesignated by subsection (a) of this section) is amended—

(1) in subsection (a), by striking ''title'' and inserting ''part'';

(2) in subsection (b)—

(A) by striking ''5'' and inserting ''6''; and

(B) by striking ''title'' and inserting ''part'';

(3) in subsection (d)—

(A) in paragraph (1), by inserting ''or advanced'' after ''baccalaureate'';

(B) by striking paragraph (4) and inserting the following:

''(4) provide education and training in areas or skills, including emerging technology, in which there are significant workforce shortages based on the data provided by the entity in the State under section 118;'';

(C) in paragraph (5), by striking the period at the end and inserting ''; and''; and

(D) by adding at the end the following:

''(6) demonstrate success in, or provide assurances of, coordination and integration with eligible recipients described in part C.''; and

(4) in subsection (e), by striking ''title'' and inserting ''part''.

(e) AUTHORIZATION OF APPROPRIATIONS.—Section 144 (as redesignated by subsection (a) of this section) is amended—

(1) by striking ''title (other than section 207)'' and inserting ''part''; and

(2) by striking ''1999 and each of the 4'' and inserting ''2006 and each of the 5''.

TITLE II—GENERAL PROVISIONS

SEC. 201. REDESIGNATION OF TITLE.

(a) FEDERAL ADMINISTRATIVE PROVISIONS.—Title III (20 U.S.C. 2391 et seq.) is amended by redesignating sections 311 through 318 as sections 211 through 218, respectively.

(b) STATE ADMINISTRATIVE PROVISIONS.—Title III (20 U.S.C. 2391 et seq.) is amended by redesignating sections 321 through 325 as sections 221 through 225, respectively.

(c) TITLE HEADING.—The title heading of title III (20 U.S.C. 2391 et seq.) is amended to read as follows:

''TITLE II—GENERAL PROVISIONS''.

SEC. 202. FISCAL REQUIREMENTS.

Section 211 (as redesignated by section 201 of this Act) is amended—

(1) by striking ''vocational'' each place the term appears and inserting ''career''; and

(2) in subsection (b)—

(A) by striking paragraph (1) and inserting the following:

''(1) DETERMINATION.—

''(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), no payments shall be made under this Act for any fiscal year to a State for activities authorized under title I unless the Secretary determines that the average fiscal effort per student or the aggregate expenditures of such State for career and technical education programs for the 3 fiscal years preceding the fiscal year for which the determination is made, equaled or exceeded such effort or expenditures for career and technical education programs, for the 3 fiscal years preceding the fiscal year for which the determination is made.

''(B) COMPUTATION.—In computing the average fiscal effort or aggregate expenditures pursuant to subparagraph (A), the Secretary shall exclude capital expenditures, special one-time project costs, and the cost of pilot programs.

''(C) DECREASE IN FEDERAL SUPPORT.—If the amount made available for career and technical education programs under this Act for a fiscal year is less than the amount made available for career and technical education programs under this Act for the preceding fiscal year, then the average fiscal effort per

student or the aggregate expenditures of a State required by subparagraph (A) for the 3 preceding fiscal years shall be decreased by the same percentage as the percentage decrease in the amount so made available.''; and

(B) in paragraph (2), by striking ''fiscal effort'' both places the term appears and inserting ''average fiscal effort''.

SEC. 203. VOLUNTARY SELECTION AND PARTICIPATION.

Section 214 (as redesignated by section 201 of this Act) is amended by striking ''vocational'' both places the term appears and inserting ''career''.

SEC. 204. LIMITATION FOR CERTAIN STUDENTS.

Section 215 (as redesignated by section 201 of this Act) is amended by striking ''vocational'' and inserting ''career''.

SEC. 205. AUTHORIZATION OF SECRETARY; PARTICIPATION OF PRIVATE SCHOOL PERSONNEL.

Part A of title II (as redesignated by section 201 of this Act) is amended—

(1) by striking section 217;

(2) by redesignating section 218 as section 217; and

(3) in section 217 (as redesignated by paragraph (2) of this section)—

(A) by inserting ''principals,'' after ''for vocational and technical education teachers,'';

(B) by inserting ''principals,'' after ''of vocational and technical education teachers,''; and

(C) by striking ''vocational'' each place the term appears and inserting ''career''.

SEC. 206. STUDENT ASSISTANCE AND OTHER FEDERAL PROGRAMS.

Section 225(c) (as redesignated by section 201 of this Act) is amended—

(1) in the subsection heading, by striking ''VOCATIONAL'' and inserting ''CAREER''; and

(2) by striking ''vocational'' both places the term appears and inserting ''career''.

SEC. 207. TABLE OF CONTENTS.

Section 1(b) (20 U.S.C. 2301 note) is amended to read as follows:

''(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:.

''Sec. 1. Short title; table of contents.
''Sec. 2. Purpose.
''Sec. 3. Definitions.
''Sec. 4. Transition provisions.
''Sec. 5. Privacy.
''Sec. 6. Limitation.
''Sec. 7. Special rule.
''Sec. 8. Authorization of appropriations.

''TITLE I—CAREER AND TECHNICAL EDUCATION ASSISTANCE TO THE STATES

''PART A—ALLOTMENT AND ALLOCATION

''Sec. 111. Reservations and State allotment.
''Sec. 112. Within State allocation.
''Sec. 113. Accountability.
''Sec. 114. National activities.
''Sec. 115. Assistance for the outlying areas.
''Sec. 116. Native American program.
''Sec. 117. Tribally controlled postsecondary career and technical institutions.
''Sec. 118. Occupational and employment information.

''PART B—STATE PROVISIONS

''Sec. 121. State administration.
''Sec. 122. State plan.
''Sec. 123. Improvement plans.
''Sec. 124. State leadership activities.

''PART C—LOCAL PROVISIONS

''Sec. 131. Distribution of funds to secondary school programs.
''Sec. 132. Distribution of funds for postsecondary career and technical education programs.
''Sec. 133. Special rules for career and technical education.
''Sec. 134. Local plan for career and technical education programs.
''Sec. 135. Local uses of funds.

''PART D—TECH-PREP EDUCATION

''Sec. 141. State allotment and application.
''Sec. 142. Tech-prep education.
''Sec. 143. Consortium applications.
''Sec. 144. Authorization of appropriations.

''TITLE II—GENERAL PROVISIONS

''PART A—FEDERAL ADMINISTRATIVE PROVISIONS

''Sec. 211. Fiscal requirements.
''Sec. 212. Authority to make payments.
''Sec. 213. Construction.
''Sec. 214. Voluntary selection and participation.
''Sec. 215. Limitation for certain students.
''Sec. 216. Federal laws guaranteeing civil rights.
''Sec. 217. Participation of private school personnel.

''PART B—STATE ADMINISTRATIVE PROVISIONS

''Sec. 221. Joint funding.
''Sec. 222. Prohibition on use of funds to induce out-of-State relocation of businesses.
''Sec. 223. State administrative costs.
''Sec. 224. Limitation on Federal regulations.
''Sec. 225. Student assistance and other Federal programs.''.

Mr. MCKEON. Mr. Speaker, I ask unanimous consent to strike all after the enacting clause of S. 250 and insert in lieu thereof the text of H.R. 366 as passed by the House.

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

There was no objection.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: ''To amend the Carl D. Perkins Vocational and Technical Education Act of 1998 to strengthen and improve programs under that Act.''

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON S. 250, VOCATIONAL AND TECHNICAL EDUCATION FOR THE FUTURE ACT

Mr. MCKEON. Mr. Speaker, I ask unanimous consent that the House insist on its amendments to the Senate bill, S. 250, and request a conference with the Senate thereon.

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

There was no objection.

MOTION TO INSTRUCT OFFERED BY MR. GEORGE MILLER OF CALIFORNIA

Mr. GEORGE MILLER of California. Mr. Speaker, I offer a motion to instruct conferees.

The Clerk read as follows:

Mr. George Miller of California moves to instruct the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill S. 250 to include in the conference substitute recommended by the committee of conference the following: In section 3(2) of the bill, after the phrase ''high wage'' insert ''(in no case less than $7.25 an hour)''.

The SPEAKER pro tempore. Pursuant to clause 7 of rule XXII, the gentleman from California (Mr. GEORGE MILLER) and the gentleman from California (Mr. MCKEON) each will control 30 minutes.

The Chair recognizes the gentleman from California (Mr. GEORGE MILLER).

Mr. GEORGE MILLER of California. Mr. Speaker, I yield myself such time as I may consume, and I rise as we consider going to conference with the Senate on the Vocational Education Improvement Act, something that I think we should do and which I support and have been working with my colleagues on the other side of the aisle in the House and in the Senate to bring that conference to a successful conclusion, but I also rise not just in support of going to conference but also in support of a motion where we will have the ability to stand up for the dignity of 6.5 million workers in the United States making the minimum wage or near minimum-wage pay.

This motion instructs the conferees to make it clear that when the bill states its purpose is to prepare students for highways jobs, that in no event should those jobs pay less than $7.25 an hour. The minimum wage today is just $5.15 an hour, and for nearly 10 years the Republican leadership has stood in the way of a raise for America's lowest wage workers. That is a shame, it is an insult, and it is a moral outrage. This is the year when Members of Congress from both parties should come together and show how serious they are about raising the minimum wage and that they are serious about valuing hard work.

Mr. Speaker, I want to remind my colleagues that the Fair Standards Labor Act, containing the minimum wage, was passed in 1938 to alleviate poverty. Yet now the minimum wage condemns workers to a life of poverty for themselves and for their children. That is what we do when we fail to raise the minimum wage. We put the Federal stamp of approval, the congressional stamp of approval, if you will, on the wages of those individuals, so that even though they go to work every day, every week, every month, and all year long, they will not be able to raise themselves out of poverty.

That is just unacceptable for this Nation, which is the beacon to the world about economic opportunity, which is the beacon to the world about understanding what it means to have every citizen participate in our society. If they work those 52 weeks a year, they will only earn $10,700, which is $5,000 per year below the poverty line for a family of three. The current minimum wage will not even support a single worker and a single child above poverty. Raising the minimum wage to $7.25 an hour will mean an additional $4,370 a year to help minimum-wage earners support their families.

I don't have to tell you, Mr. Speaker, because I know you support this act, but here are the facts. Here are the facts. Those workers today are stuck at 1997 wages. By Federal law, their

wage is $5.15 an hour. That wage was secured by the Congress of the United States on a bipartisan vote to raise that wage to $5.15. Since that time, the Republican Congress has refused to entertain an increase in that minimum wage.

Now, what do we have here? We have the fact that the price of milk since that time has gone up 24 percent, bread is up 25 percent, college is up 77 percent, health insurance is up 97 percent, and regular gasoline is up 136 percent. The fact of the matter is that this minimum-wage worker, after 1 hour's work, cannot stop alongside a gas station and get a gallon of gas and a gallon of milk at the same time. Their wages simply will not support that.

That is the problem that we have, is that we have people stuck at a federally mandated minimum wage from the year 1997. None of us are in 1997 today. This is 2006. And the fact of the matter is that these people who have made a conscious decision to go to work every day are so badly disadvantaged that they cannot raise themselves above the poverty line.

Now, I know that this Republican conference is led by Mr. BOEHNER, a very good friend of mine, and he is proud of this statement: ''I have been in this business for 25 years, and I have never voted for an increase in the minimum wage. I am opposed to it, and I think a vast majority of our conference is opposed to it.'' Well, that may be true, but I do not believe that a vast majority of this Congress is opposed to it. And what we have been asking is to have a vote on the floor on the minimum wage.

If this Congress continues to listen to Leader BOEHNER, and the fact is he has always been opposed to it, so if they had listened to him workers would be back to wages set in 1973. They would be working for $3.35 an hour as the minimum wage and paying 2006 prices for bread and for milk and for gasoline and for health coverage and all the rest of that. That is why this is imperative.

This is not a simple economic decision. This is a decision of values. This is a decision about our country and about these people, about 6 million people, many of whom are supporting children, many who are making major contributions to the total income of their families. This is about whether or not we value their work and we value them as full participants in American society.

This is also about understanding that you cannot build a strong and rich country on the backs of poor people. It simply will not work. Around the country we see where democracy flags and lags because of the fact there is such a disparity in those countries between rich and poor. We know. We have charted it. And when you get to the levels of disparity that America is starting to approach now between rich and poor, basic fundamental democracy is threatened. That doesn't mean it will disappear in America, but we have to understand what it does to the institutions of freedom and liberty and democracy when people aren't full participants in our society.

Again, these people have made the decision that they are going to go to work every day and they are going to try their darnedest to support their families, to support their children and to meet their needs. It has been said for a long time by business that if you do this, you will kill jobs; that you will hurt the people you are trying to support. Well, let us again remember what we are doing here. We are trying to bring a wage that is stuck in 1997 forward to 2006, and we are going to do it over a 2-year period.

It has gotten to such a point that the business community is starting to be divided on this. Here you have the largest employer, I believe in the United States, Wal-Mart, and not a company that I am used to quoting, but Wal-Mart has said that America needs a raise in the minimum wage for these people who are earning too little; so little that even shopping at Wal-Mart, at every day low prices as they advertise, these people cannot purchase the basic necessities for their families. They are unable to do that. That is the kind of economic situation these people find themselves in.

Again, they do not find themselves in that situation because they are working at a minimum wage that was increased in the year 2000 or 2003, 2004, or 2005, and now we want to update it to 2006 and 2007. This is a minimum wage which these people are earning which was set in 1997.

So that is the reason that I make this motion to instruct the conferees, because vocational education is becoming an ever more important part of a pathway for students to career opportunities, to increased earnings opportunity, and in the Senate bill we can make sure that the purpose of this bill is to achieve high wages. In the House bill we have no such language, and I am asking that we instruct that there be language that what we mean is that in no event should this lead to wages that are less than $7.25 an hour, which would be the case if the bill that was voted on in the Health and Human Services Appropriation Act, offered by Mr. HOYER and Mr. OBEY, if that became law, because then in two jumps we would get to $7.25.

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

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

I guess it is no secret we are in an election year. As we just saw in the debate just before this debate, a lot of talk about the minimum wage. The motion before the House today is nothing but a political ploy. Nothing in the Vocational Education bill before us has anything to do with the minimum wage, nor has there been any discussion of the minimum wage among the conferees, because this is neither the time nor the place to consider an increase.

Let me just talk a little about what we have done.

□ 1200

A little over a year ago, the House passed the vocational education reauthorization bill, a bill that has been a law for 30 or 40 years. And the process is that a bill is introduced, it is brought before the subcommittee, the full committee, and finally passed by the House. The Senate passed a similar bill. We have been meeting with the Senate for almost a year trying to work out, resolve the differences between the bills so we can get a bill finally passed and to the President's desk.

Today, we are naming conferees so we can get this bill finalized and finished up. And about 15 minutes ago the Democrats gave us this motion to instruct conferees that says: ''In section 3(2) of the bill, after the phrase 'high wage' insert '(in no case less than $7.25 an hour)'.''

Let me read what we have agreed on. ''Building on the efforts of the States and localities to develop challenging academic and technical standards, and to assist students in meeting such standards, including preparation for high-skill, high-wage or high-demand occupations in current or emerging professions.''

Now that is a good thing that we should be working on. That is what we should be trying to do, educate our young people and prepare them for high-skill, high-wage and high-demand occupations.

If we took this motion to instruct that they are giving us, we would change that to say, in meeting such standards, ''including preparation for high-skill, high-wage, $7.25-an-hour, or high-demand occupations in current or emerging professions.''

So it sounds like they are talking about minimum wage, but what they are doing is defining a high wage as $7.25 an hour. I have a little disagreement with that. I don't think that $7.25 an hour is a high wage, but that is what they are wanting us to do.

The Democratic leadership is trying to play politics with what, to this point, has been a bipartisan effort to craft a strong bill that benefits millions of Americans. The vocational education reforms that we include in our bill will help students and workers build their academic and technical skills and equip them with the knowledge to proceed with postsecondary education or pursue other opportunities that will pay them much more than $7.25 an hour.

I am disappointed that my colleagues on the other side of the aisle would, at the 11th hour, actually 11th hour and 45 minutes, or 11th hour and 55 minutes, just before we walk onto the floor, give us something that changes the definition of high wage to $7.25 an hour and ends up tainting good work with bad politics.

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

Mr. GEORGE MILLER of California. Mr. Speaker, I yield myself 1 minute.

I would just say, only my Republican colleagues would think that $7.25 an hour is a high wage for working people. In fact, in the motion to instruct he knows it is ''not less than $7.25 an hour.''

My colleague has also said that this is neither the time nor the place. We haven't been able to find out since 1997 where is the time and where is the place to raise the minimum wage for 6 million American workers. That is what the American public wants to know, that is what the American public supports our doing, but we have been unable to find out from the Republican leadership. All we get from the Republican leadership is ''no.''

When it passed in the Appropriations Committee, the bill has not come to the floor because it has the minimum wage in it. Then when those same people had to vote in another Appropriations Committee, the Republican leadership got them to change their votes against the minimum wage.

Our committee has had no hearings and they are not reporting the bill. Where is the time and where is the place? Where do these 6 million poor workers, where do they go to make their case to this Republican Congress? Where is that time and where is that place?

Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey (Mr. HOLT).

Mr. HOLT. Mr. Speaker, I thank the gentleman from California for yielding me time, but even more for bringing this issue to the floor.

Yes, where is the time and place?

Since 1997, the minimum wage has been frozen and millions of people have been stranded. I don't know of a better word to use. During that time we have seen congressional pay increase by several times the total amount that a minimum-wage earner would earn in a year. We have seen CEO compensation raised many times what a minimum-wage earner would earn in a year. I mean, the increase is that much.

Mr. MILLER talked about the 6 million people who are stranded. It is more like 15 if you consider all of the people who are indirectly affected by this also. The chairman said that there has been no discussion of minimum wages, and so why should we bring it up with this bill at this time. That is right, there has been no discussion. We are trying to find a place to have that discussion.

Indeed, $7.25 is not a high wage. In fact, if the minimum wage were to be paid at the purchasing power that it used to have, it would be $9.05, still not a high wage, but considerably better than the minimum wage of $5.15.

The chairman says this is a political ploy. Try to tell that to someone who is trying to buy gas, to buy food. You know, since the minimum wage was pegged, the price of bread has gone up, oh, at least 25 percent. The price of milk, at least 25 percent, the price of gas a couple hundred percent. The price of health care 100 percent, but I am not sure why we are discussing health care because no one on minimum wage can afford it.

This is not a political ploy; this is about the ability of people to make ends meet and to feed their families. Yes, we are talking about families. The other side often says minimum wage, that only applies to kids on summer jobs. Try to tell that to the millions of people who are trying to feed families, children, pay for rent and buy gas to get to work.

I ask the majority party, who has not found a time or place to discuss the minimum wage: Have they no imagination? We are supposed to be Representatives here. One of our challenges is to put ourselves in the shoes of the hundreds of thousands of people whom we represent. Have they no imagination? It shouldn't take much imagination to figure out how difficult it is to get by on today's minimum wage. Do they think that we don't have time to discuss it here on the floor? Of course, we do.

They will say it is going to kill jobs. There is no evidence of that. In fact, the best evidence we can find, and this goes back to the days when Henry Ford increased the wages for his workers, the best evidence we can find is that increasing the salaries of hourly workers helps the economy. In States that have higher minimum wages, they have better job creation.

So don't give us that, that this is going to hurt the economy. No, what it is going to hurt if we don't raise the minimum wage is 15 million people.

We have the opportunity with this motion to instruct because the Vocational Improvement Act has the purpose of creating high-skill, high-wage jobs. All we are saying is that there ought to be a floor. If you are going to talk about wages, there ought to be a floor. For more than half a century, for three-quarters of a century almost now, it has been deemed appropriate for the Federal Government to set that floor. That is what we are asking to do now, to set it at least at a barely humane level rather than the inhumane level at which the minimum wage now stands.

I urge support of the Miller motion to instruct.

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

Mr. Speaker, I compliment the gentleman on his eloquent speech on the minimum wage. However, this bill before us is not a minimum-wage bill.

As I said earlier, what it does is change high-skill, high-wage to $7.25 an hour. That is what I read from their motion to instruct.

One of the things I would like to say is that I appreciate Mr. CASTLE, chairman of the Subcommittee on Education Reform, for his leadership in producing a good House bill in support of educators and supported by nearly every Member of this Chamber.

I would also like to thank the committee and the subcommittee ranking members, Mr. MILLER and Ms. WOOLSEY, for working with us in a bipartisan manner both on the House bill and in our preliminary discussions with the Senate to get us to this point. Their willingness to work with us toward our mutual goal of improving and modernizing our career and technical education programs has allowed us to get to this point today.

I am confident that our negotiations with the Senate will produce a measure that will be widely supported by Members of the House on both sides of the aisle. I would like to see us move forward quickly to get to conference to finalize this bill so we can have a vote on it before we adjourn for the summer recess.

Again, I thank all those who have worked so hard to bring us here today, and reemphasize again, aside from all of the rhetoric about the minimum wage, this is not a vote on the minimum wage bill, it is a vote on reauthorizing the Vocational Education Act.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Speaker, I thank the gentleman and I thank Mr. MILLER for his motion to instruct.

With all due respect to the chairman, the Miller motion to instruct establishes in the language that in no case shall the wage be less than $7.25 an hour. It is not a cap. It actually establishes a floor, not a ceiling.

We all understand that for many people even $7.25 may not be enough, but the Miller amendment creates some progress in an area where the American people haven't seen much progress. Think about it. Do you know, if the minimum wage had kept pace with increases in corporate executive compensation over the last dozen years, do you know what the minimum wage would be today? It would be over $16. That is how far and fast the top executive salaries have gone up.

But those people who provide the service for those executives and for all of us, those people who work in restaurants, who work in hotels, those people who are humble working people, $5.15 an hour, and it has been frozen there while the cost of everything keeps going up.

My constituents talked to me over the July 4 break about the high cost of gasoline. If you are making $5.15 an hour and gasoline goes up to $3 or more a gallon, what does that do to your family budget? We have some practical considerations we need to look at here and we are not looking at them.

That is why I am rising in support of the Miller motion to instruct conferees, because vocational education and training are vital parts of workforce development in America, and they help to provide the highly trained, skilled workers that our Nation needs.

But you can get training and you can get education, but that doesn't assure

you of a decent wage. That is because full-time, year-round, minimum-wage earnings of $5.15 an hour leaves a family of three 31 percent below the poverty line.

We are all told in this country that if you work hard, you will get ahead; if you get a good education, you will get a decent job. What is happening in America, people are working hard and they are not getting ahead. They are getting an education and they are not getting a decent job, they are not getting decent pay. Seven million Americans have been frozen at this $5.15 minimum wage.

How do people survive? How do they feed their families? How do they have health care? How do they pay the rent and the mortgage on $5.15 an hour?

There is a moral dimension to this as well. How can we, in a country which has such enormous wealth, turn our backs on our brothers and sisters who are frozen at $5.15 an hour and say, No, no, you can't have more money to feed your family. No, you can't have more money to pay the rent. No, you can't have more money to pay for gasoline. No, you can't have more money because if we give you more money, the whole economy is going to be in trouble. Come on, we all know that is not true.

We all know that America has the capacity to create even more wealth, but there is a maldistribution of the wealth, and the proof of the fundamental maldistribution of the wealth is the fact that we are not able to raise this minimum wage to a level that presents a living wage.

It is estimated that over 7 million workers would receive an increase in their hourly wage if the minimum wage were raised to just $7.25 an hour as Mr. MILLER's legislation, the Fair Minimum Wage Act, proposes. An additional 8.2 million workers earning up to a dollar above the new minimum wage would also benefit.

This country has always been about our aspirations to lift everyone up. When we stop doing that, we become less than America. When we forget those who have less, what does it matter who we are? The Scriptures command us, Whatever you do for these, the least of our brethren, you do for the Lord.

Whose work are we doing here? Are we doing the Lord's work when we turn around and cast out those who are the humble workers in our society? No, we are not.

It is time to remember where we came from as a Nation. It is time to remember our higher aspirations. Vote for the Miller amendment.

□ 1215

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

Mr. Speaker, again I want to congratulate my good friend from Ohio for his very eloquent speech on the minimum wage.

Let me again remind those who are watching what we are debating today, and that is the reauthorization of the Vocational Education Act, their motion to instruct changes the language about building on the efforts of the States and localities to developing challenging academic and technical standards to assist students in meeting such standards, including preparation for high-scale, high-wage, or high-demand occupations. And they are saying after ''high wage'' insert the language ''in no case less than $7.25 an hour.''

And again, I think that when we are saying high-wage, high-demand jobs we are looking at a lot more than $7.25 an hour.

I came from a business background when I came here, and we were in the retail business and we hired a lot of people, and in most cases they would start out at the minimum wage and after a short period of training they moved up quickly to high paying jobs.

Minimum wage is not a cap. It is an entry level job. And again, though, we are not here to debate that. We are here to talk about the vocational education bill, and we want to go to conference so we can get this bill finished up with the Senate, get it to the President and move on.

This bill enhances the Perkins program by ensuring both secondary and post-secondary students participating in the program will acquire rigorous academic technical skills and have the opportunity to transition into further education and/or successful employment.

I meet with lots of people having to do with education around the country. I met with the head of the Association of Truck Drivers school. He says, we could provide 40,000 truck drivers a year if we could get the people. There is lots of demand for high paying jobs, and we can't get people trained.

We need to get this bill passed and get it so that the President can sign it into law and move forward.

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

Mr. GEORGE MILLER of California. Mr. Speaker, I want to thank the gentleman for joining us in the debate on the minimum wage. And with that I yield 3 minutes to the gentlewoman from California (Ms. WOOLSEY), a member of the committee.

Ms. WOOLSEY. Mr. Speaker, first I want to thank Representative MILLER for offering this motion and for his continued leadership in fighting for America's workers.

Thirty-eight years ago I was a single, working mother with three small children. In fact, my children were 1, 3 and 5 years old at the time. Receiving no child support, earning just above the minimum wage, even though I was working, I was earning so little that my family was forced to go on Aid for Dependent Children, welfare, to provide for the child care, the health care and the food that we needed to make ends meet. Even though I had a good education and I had good job skills, I still wasn't earning enough from my job to fully support my children. And believe me, I worked hard and I worked full time.

My personal story bears repeating because too many families today are in the exact same predicament I was in 38 years ago. So this Congress, if it wants to, can do something to seriously address poverty in this country. And we can do it by increasing the minimum wage, paying working parents enough to support their families and enough to take care of their kids. But increasing the minimum wage is absolutely, absolutely necessary in getting that going.

The Bush administration continues to repeat that profits are up. They may be up, but working Americans aren't experiencing this benefit. They don't see it in their daily lives because their wages are stagnant. In fact, the Federal minimum wage has not been increased since 1997.

You know, a rising tide should lift all boats, not just the yachts. Mr. Speaker, it is time for American workers to share in the fruits of their labor, and it is time to raise the minimum wage.

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

Again, I want to thank the gentlewoman for her great talk on minimum wage, and remind people that that is not what we are talking about today. We are working on going to conference on passing the vocational education bill.

The emphasis on academics in this bill will be assessed through an alignment with No Child Left Behind and through enhanced accountability, which strengthens the bill, which makes it better for us to be able to help people train for good, high paying jobs. The House-passed bill strengthens accountability by requiring that locals establish adjusted levels of performance to complement the State-adjusted levels of performance already in current law. In turn, the State agency will evaluate annually whether the local recipient is making substantial progress toward achieving these goals. This, along with many other things, strengthens the Vocational Education Act and helps us to train young people for good, high paying, high wage jobs.

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

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. BACA).

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

Mr. BACA. Mr. Speaker, I rise today to call for a vote on raising the minimum wages. I thank Mr. MILLER for being an advocate on behalf of the poor, disadvantaged and trying to equate equality and job opportunities and wages.

I just heard from the leader on the other side talk about leave no child behind. But we want to make sure that no child is left behind, and that every child has an opportunity to progress and advance, and that means employment and an opportunity. When you

leave a child behind, that means that you have not given them the appropriate wages to go to school, to obtain wages to pay for the schools.

Right now we see in America today the cost of health has increased. Energy, college are rising. People can't even afford to buy homes. We have two or three or four or five different families that are working. We have individuals that have two or three different kinds of jobs. Why? Because the minimum wages have not increased.

It is time that we look at working families and provide them with that opportunity. Across America we need this minimum-wage increase. Don't complain about immigration and then refuse to pay the American families a living wage. The minimum wage is not only for teenagers in summer jobs or working families. It is for all Americans. Adults over the age of 20 make up the largest share of workers who would benefit from minimum wages increase, and many parents are with children under the age of 18. We are talking about under 18. Forty percent of minimum-wage workers are the sole breadwinners in their families. Too many working families in my district have had to turn to minimum-wage jobs after Norton was closed and Kaiser closed. And we don't have major industries such as some of our cities in the urban communities like us. We depend on those jobs that give them those kind, whether it is a McDonald's, whether it is a commercial store, whether it is an industrial store. It is important that they have those minimum wages increased because they also need to put food on the table.

In this country, in the United States, many people are starving right here. Yes, they are literally starving. They can't put food on the table. They can't afford to pay for their gas prices that continues to go up. You fill a tank of gas and it costs you anywhere between 50 to 60 to $75. We need to increase the minimum wages so therefore they can afford to buy gas, go to work and have something to provide for their families.

I ask that we support the minimum wage. It is time that we deal with the American people here in the United States and we take care of them. We owe it to them.

Mr. MCKEON. Mr. Speaker, I yield such time as he may consume to my good friend from New York (Mr. BOEHLERT), chairman of the Science Committee.

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

Mr. BOEHLERT. Mr. Speaker, I am watching with a great deal of interest this debate, and I notice the previous gentleman in the well was talking about the need to increase the minimum wage.

Guess what? He is exactly right. And I refuse to cede the issue to one side or the other. There are a lot of us who have looked at that and realized that we haven't had an increase in the minimum wage in 9 years.

Consider the purchasing power of the minimum wage. It is inadequate. We ought to increase the minimum wage. And I am proud to say that I have sponsored a bill that has been in the hopper for 2 years now to increase the minimum wage. It would go up to $7.15 an hour in January of 2007. We should do it. That is not a one-party or another party's issue. It is an issue that makes sense for all thinking Americans.

But I don't think this is the correct vehicle, the right bill to address that subject. I can just tell you, in my capacity as a chairman of a committee I meet on a weekly basis with the other committee chairmen and our majority leader, and I make it clear in no uncertain terms my very strong feeling. And it is not just me, or it is not just one Republican. There are a lot of us who are strongly in favor of increasing the minimum wage. And that is very much on the table, as it should be. It is the right thing to do for the right reasons. But this is the wrong vehicle to carry forward that battle.

And Mr. MILLER, for whom I have a high regard and I have worked with on a number of occasions over the years, sometimes to his detriment and mine, but this is the sort of comity that should be more prevalent in this institution. We are in general agreement on what we should do with the minimum wage. So let's get on with the debate on this very important legislation brought by a committee after thorough deliberation, dealing with a very important subject. Let's deal with this subject here and now, and let's reserve our effort on the minimum wage. And I am redoubling mine, and I am sure Mr. MILLER and his associates are redoubling theirs. We need it. We need it this year to be effective come January 1 of 2007.

Mr. GEORGE MILLER of California. Mr. Speaker, I have the right to close. I have no further speakers.

Mr. MCKEON. Mr. Speaker, I thank the gentleman for his comments. And as you can see, there are supporters for minimum wage on both sides of the aisle. But that is not what we are talking about today. We are not talking about minimum wage. What the other side is asking that we do is put in a rate, $7.25 an hour, in a Federal bill. We don't usually set wages in a Federal bill. What we do try to do in this bill is encourage the training, vocational educational training for young people so that they can qualify for good, high paying jobs and move on to a successful career.

One of the unique attributes of vocational and technical education programs is their ability to show students a path that could end in a certificate, a credential, employment, military service or post-secondary education. It opens up lots of opportunities.

The House-passed bill requires States to establish model sequences of courses to emphasize further student academic career and technical achievement. These sequences of courses will incorporate a progression of both secondary and post-secondary elements, which would include academic, career and technical content. Local recipients of both the secondary and post-secondary level would adopt at least one model sequence of courses as developed by the State. I believe this will help drive program improvements by ensuring that States clarify the progression of academic, vocational and technical courses needed for post-secondary education and the training or employment of a student's choice.

The House version of S. 250 builds upon reforms made in past reauthorizations and seeks to enhance this popular program to ensure its success in years to come. As a result of changes in the House bill, S. 250 would help States, community colleges and other post-secondary education institutions and local school districts better meet the needs of the students participating in career and technical education.

I look forward to working with Members of both sides of the aisle in both Chambers to complete work on this critical legislation.

I just want to further emphasize so that everybody listening to this debate understands that this is not a vote on the minimum wage. This is a vote on going to conference on vocational education so that we can get this bill to the President's desk and take care of a lot of work that has been done to this point to make a good bill better.

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

Mr. GEORGE MILLER of California. Mr. Speaker, and Members of the House, we are down to a very critical point. We are down to a point whether or not this Chamber, the House of Representatives, the People's House as it is known, whether or not we will represent the people or whether we will represent narrow special interests that have a huge economic interest in keeping the minimum wage at the 1997 level of $5.15 an hour.

□ 1230

That is a decision that we have to make.

We have been trying now for a number of years to force a vote on the minimum wage. I find it rather interesting that the Republicans, who control the Senate, control the House, control the White House, cannot find the time and the place, although apparently they are now sort of for it, to find the time and the place where we could have a vote on the minimum wage.

What is wrong with your leadership? Name the time, name the place. We will be there with our votes. And if your leadership will not cooperate, come on down and sign a discharge petition. Mr. BOEHLERT and others who are supporting the minimum wage, come on down and sign a discharge petition, and then we will be assured that the American people will get the vote that they strongly desire to have.

Over 80 percent of the American people believe that raising the minimum wage from the 1997 wage level of $5.15 to, today, of $7.25 an hour is, in fact, the right thing to do, the fair thing to do, and the moral thing to do. The only thing that prevents that from happening is the Republican leadership in the House of Representatives.

Even the Senate allowed a vote to take place, but only in the Senate can you pass something by a majority vote. It got 52 votes, a bipartisan vote, and it still does not pass because they say you have got to get 60 votes. But in the House you cannot even get that vote. You cannot even get that vote.

We had a vote in the Appropriations Committee on a bipartisan basis. The members of that committee voted to increase the minimum wage. Under the leadership of Mr. HOYER and Mr. OBEY, they voted to increase the minimum wage. Since that has happened, that bill has been prevented from coming to the floor of the House of Representatives where we could vote, up or down, on increasing the minimum wage. So, apparently, this time and place that the Republicans say they are prepared to go is a mystery to everyone.

Maybe we could have a national contest like they are doing for the Johnny Depp's pirates movie. We could bury the time and the place somewhere in the United States, and we could let people decide and play a game and try to figure out where it is. Where is that time and place? Is it in the gentleman's district in California? Is it in my district?

We all know where that time and place is. The time is now and the place is the House of Representatives on the floor of the Congress of the United States. That is where we are supposed to be doing the people's business.

There is nothing else in this country that is at 1997 levels, not gasoline, not bread, not milk. Do you know what else is not at 1997 levels, where the Congress found the time and the place?

Do you want to know what else is not at 1997 levels? Congressional pay. Because we found six times and six places to give ourselves the cost-of-living increase while we insisted that the lowest paid people in this country could not have more than $5.15 an hour, the same wage they were making in 1997. Apparently, it wasn't good enough for Congress, so we increased our COLA.

I agree with that increase, but think about the message and the morality that you are reflecting when you cannot reach back, after we receive these COLAs, and say to these people who are struggling to support their families, Here, let us give you a hand, let us help you; you have made that decision to participate in the American economic system by going to work every day. But somehow this Congress just does not value their work.

We give tax breaks to CEOs. A guy at Exxon walks out after several years with $400 million in guaranteed pension benefits, $400 million. He made more money brushing his teeth than people make on the minimum wage all year long.

What is the justice of this? What is the equity of this? What is the fairness of this? It cannot be what America is about, about the intentional decision by the Republican leadership that 6 million American people will simply be poor, and they will be relegated to the class of poverty and they will be there by edict of the Federal law. The Federal law will keep them in poverty.

We ought to also tell the taxpayers that when you make that decision, you are also making the taxpayers of this country part of their employment because when they work at those poverty wages, the taxpayers pay for the school lunches and they pay for the housing and they pay for the healthcare and they pay for the utility bills when it is cold and when it is hot. We end up subsidizing those employers who insist that they cannot make a profit unless they pay 1997 wages.

Let me tell you something about those employers. They are not long for this world because there is something very wrong with their business plan that they can only succeed if they pay 1997 wages. Think about that. Think about what you are embracing. You are embracing an economic model that says that success is dependent upon being able to pay forever 1997 wages to my employees. Have we lost our minds here? Do we understand the injustice of this?

Again, these are people working 40 hours a week every day. They drive mostly old cars that consume more gas that costs them more to commute to that job. They still do it.

America has already said it. It is just the Congress, just the Republican leadership. America says, give these people a raise. They know that struggle. They know that struggle. They know it themselves. Middle-class people know what it means to drive up to a station today and say, Fill it up. Most people do not say, Fill it up. They say, How much do I need to get to Friday? That is what they say to themselves.

Well, think about what poor people are thinking.

We value work. We changed the welfare laws to encourage people to go to work. Should we not encourage them to get out of poverty? Should we not help them to get out of poverty instead of sticking them at 1997 levels?

This is fundamental. This vote is fundamental. This debate is fundamental. And the time and the place to have it is now in the halls of the Congress of the United States. We cannot continue to have a Republican leadership that says, this is not right, that is not right, this is not the bill, this is not the subject matter.

Just bring us a bill. Let us vote up or down. You have the majority. You control it. Either you believe in the dignity of these people, in the dignity of their children, in the dignity of their work, or you don't, because you cannot have that and then insist upon these wages.

I ask for an ''aye'' vote on the motion to instruct.

The SPEAKER pro tempore (Mr. BOOZMAN). 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 gentleman from California (Mr. GEORGE MILLER).

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. GEORGE MILLER of California. 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 will be postponed.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, proceedings will resume on questions previously postponed.

Votes will be taken in the following order:

Ordering the previous question on H. Res. 906, by the yeas and nays; adopting H. Res. 906, if ordered; instructing conferees on S. 250, by the yeas and nays.

The first electronic vote will be conducted as a 15-minute vote. Remaining electronic votes will be conducted as 5-minute votes.

PROVIDING FOR CONSIDERATION OF H.R. 2990, CREDIT RATING AGENCY DUOPOLY RELIEF ACT OF 2006

The SPEAKER pro tempore. The pending business is the vote on ordering the previous question on House Resolution 906, on which the yeas and nays were ordered.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The vote was taken by electronic device, and there were—yeas 223, nays 197, not voting 12, as follows:

[Roll No. 364]

YEAS—223

Aderholt	Boehlert	Camp (MI)
Akin	Boehner	Campbell (CA)
Alexander	Bonilla	Cannon
Bachus	Bonner	Cantor
Baker	Bono	Capito
Barrett (SC)	Boozman	Carter
Bartlett (MD)	Boustany	Castle
Barton (TX)	Bradley (NH)	Chabot
Bass	Brady (TX)	Chocola
Beauprez	Brown (SC)	Coble
Biggert	Brown-Waite, Ginny	Cole (OK)
Bilbray	Burgess	Conaway
Bilirakis	Burton (IN)	Crenshaw
Bishop (UT)	Buyer	Cubin
Blackburn	Calvert	Culberson
Blunt		Davis (KY)

Davis, Tom
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Feeney
Ferguson
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Green (WI)
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Issa
Istook
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Norwood
Nunes
Nussle
Osborne
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schmidt
Schwarz (MI)
Sensenbrenner
Shadegg
Shaw
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (NJ)
Smith (TX)
Sodrel
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiberi
Turner
Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NAYS—197

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Case
Chandler
Clay
Cleaver
Clyburn
Conyers
Cooper
Costa
Costello
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Ford
Frank (MA)
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Harman
Hastings (FL)
Herseth
Higgins
Hinchey
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy
McCollum (MN)
McDermott
McGovern
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Melancon
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Shays
Sherman
Skelton
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—12

Davis, Jo Ann
Evans
Hinojosa
McNulty
Northup
Payne
Poe
Ros-Lehtinen
Sessions
Slaughter
Tiahrt
Watson

□ 1304

Ms. BERKLEY changed her vote from ''yea'' to ''nay.''

Mr. BLUNT and Mr. LEWIS of California changed their vote from ''nay'' to ''yea.''

So the previous question was ordered.

The result of the vote was announced as above recorded.

Stated against:

Mr. HINOJOSA. Mr. Speaker, on rollcall No. 364, had I been present, I would have voted "nay."

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HASTINGS of Washington. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 308, nays 113, not voting 11, as follows:

[Roll No. 365]

YEAS—308

Aderholt
Akin
Alexander
Allen
Baca
Bachus
Baird
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Berkley
Berman
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Cardin
Cardoza
Carnahan
Carter
Case
Castle
Chabot
Chandler
Chocola
Cleaver
Coble
Cole (OK)
Conaway
Costa
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Davis (CA)
Davis (FL)
Davis (KY)
Davis (TN)
Davis, Tom
Deal (GA)
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Doolittle
Drake
Dreier
Duncan
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Everett
Feeney
Ferguson
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Gutknecht
Hall
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Higgins
Hobson
Hoekstra
Holden
Holt
Honda
Hooley
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Issa
Istook
Jackson-Lee (TX)
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Kanjorski
Keller
Kelly
Kennedy (MN)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Lantos
Larson (CT)
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCotter
McCrery
McGovern
McHenry
McHugh
McIntyre
McKeon
McMorris
Mica
Millender-McDonald
Miller (FL)
Miller (MI)
Miller, Gary
Mollohan
Moore (KS)
Moran (KS)
Murphy
Murtha
Musgrave
Myrick
Napolitano
Neal (MA)
Neugebauer
Ney
Norwood
Nunes
Nussle
Obey
Osborne
Otter
Oxley
Paul
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ross
Roybal-Allard
Royce
Ruppersberger
Ryan (WI)
Ryun (KS)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Saxton
Schiff
Schmidt
Schwartz (PA)
Schwarz (MI)
Sensenbrenner
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Souder
Spratt
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (NC)
Terry
Thomas
Thornberry
Tiberi
Tierney
Turner
Udall (NM)
Upton
Van Hollen
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wynn
Young (AK)
Young (FL)

NAYS—113

Abercrombie
Ackerman
Andrews
Baldwin
Barrow
Becerra
Berry
Blumenauer
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Carson
Clay
Clyburn
Conyers
Cooper
Costello
Davis (AL)
Davis (IL)
DeFazio
DeGette
Delahunt
Dingell
Doggett
Doyle
Edwards
Etheridge
Farr
Fattah
Filner
Ford
Frank (MA)
Green, Al
Green, Gene
Grijalva
Gutierrez
Hastings (FL)
Herseth
Hinchey
Hinojosa
Hoyer
Israel
Jackson (IL)
Jefferson
Jones (OH)
Kaptur
Kennedy (RI)
Kildee

Kilpatrick (MI)
Kind
Kucinich
Langevin
Larsen (WA)
Lee
Lewis (GA)
Lipinski
Lofgren, Zoe
Markey
McCollum (MN)
McDermott
McKinney
Meehan
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (NC)
Miller, George
Moore (WI)
Moran (VA)
Nadler
Oberstar
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Price (NC)
Rahall
Rangel
Reyes
Rothman
Rush
Ryan (OH)
Sabo
Sanders
Schakowsky
Scott (GA)
Scott (VA)
Serrano
Shadegg
Solis
Stark
Stearns
Strickland
Stupak
Taylor (MS)
Thompson (CA)
Thompson (MS)
Towns
Udall (CO)
Velázquez
Visclosky
Waters
Watt
Waxman
Weiner
Woolsey
Wu

NOT VOTING—11

Davis, Jo Ann
Evans
King (IA)
McNulty
Northup
Payne
Ros-Lehtinen
Sessions
Slaughter
Tiahrt
Watson

□ 1312

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON S. 250, VOCATIONAL AND TECHNICAL EDUCATION FOR THE FUTURE ACT

MOTION TO INSTRUCT OFFERED BY MR. GEORGE MILLER OF CALIFORNIA

THE SPEAKER pro tempore. The pending business is the vote on the motion to instruct on S. 250 offered by the gentleman from California (Mr. GEORGE MILLER) on which the yeas and nays are ordered.

The Clerk will redesignate the motion.

The Clerk redesignated the motion.

The SPEAKER pro tempore. The question is on the motion to instruct.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 260, nays 159, not voting 13, as follows:

[Roll No. 366]

YEAS—260

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bilirakis
Bishop (GA)
Bishop (NY)
Blumenauer
Boehlert
Boozman
Boren
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Brown-Waite, Ginny
Butterfield
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Case
Castle
Chandler
Clay
Cleaver
Clyburn
Conyers
Cooper
Costa
Costello
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Dicks
Dingell
Doggett
Doyle
Edwards
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Farr
Fattah
Ferguson
Filner
Fitzpatrick (PA)
Foley
Forbes
Ford
Frank (MA)
Gerlach
Gibbons
Gilchrest
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Gutknecht
Harman
Hastings (FL)
Herseth
Higgins
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (NY)
Kirk
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (GA)
Lewis (KY)
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lungren, Daniel E.
Lynch
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy
McCollum (MN)
McCotter
McDermott
McGovern
McHugh
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Melancon
Michaud
Millender-McDonald
Miller (MI)
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy
Murtha
Nadler
Napolitano
Neal (MA)
Ney
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Pelosi
Peterson (MN)
Platts
Poe
Pomeroy
Price (NC)
Pryce (OH)
Rahall
Ramstad
Rangel
Regula
Reyes
Rogers (KY)
Ross
Rothman
Roybal-Allard
Ruppersberger
Ryan (OH)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Serrano
Shaw
Shays
Sherman
Sherwood
Simmons
Skelton
Smith (NJ)
Smith (WA)
Snyder
Solis
Spratt
Stark
Stearns
Strickland
Stupak
Sullivan
Sweeney
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wasserman Schultz
Waters
Watt
Waxman
Weiner
Weldon (PA)
Weller
Wexler
Wilson (NM)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—159

Aderholt
Akin
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilbray
Bishop (UT)
Blackburn
Blunt
Boehner
Bonilla
Bonner
Bono
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Chabot
Chocola
Coble
Cole (OK)
Conaway
Crenshaw
Cubin
Culberson
Davis, Tom
Deal (GA)
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Everett
Feeney
Flake
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gillmor
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Green (WI)
Hall
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Issa
Istook
Jenkins
Jindal
Johnson, Sam
Keller
Kennedy (MN)
King (IA)
Kingston
Kline
Knollenberg
Kolbe
Lewis (CA)
Linder
Lucas
Mack
Manzullo
Marchant
McCaul (TX)
McCrery
McHenry
McKeon
McMorris
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Musgrave
Myrick
Neugebauer
Norwood
Nunes
Osborne
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Price (GA)
Putnam
Radanovich
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (MI)
Rohrabacher
Royce
Ryan (WI)
Ryun (KS)
Schmidt
Sensenbrenner
Shadegg
Shimkus
Shuster
Simpson
Smith (TX)
Sodrel
Souder
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiberi
Turner
Wamp
Weldon (FL)
Westmoreland
Whitfield
Wicker
Wilson (SC)

NOT VOTING—13

Carter
Davis, Jo Ann
Evans
Harris
McNulty
Northup
Payne
Ros-Lehtinen
Rush
Sessions
Slaughter
Tiahrt
Watson

□ 1321

Mr. GINGREY and Mr. WHITFIELD changed their vote from ''yea'' to ''nay.''

So the motion to instruct was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. SIMPSON). Without objection, the Chair appoints the following conferees: Messrs. MCKEON, CASTLE, SOUDER, OSBORNE, Mrs. MUSGRAVE, Mr. GEORGE MILLER of California, Ms. WOOLSEY, and Mr. KIND.

There was no objection.

GENERAL LEAVE

Mr. OXLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous matter on H.R. 2990, the Credit Rating Agency Duopoly Relief Act of 2006.

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

There was no objection.

CREDIT RATING AGENCY DUOPOLY RELIEF ACT OF 2006

The SPEAKER pro tempore. Pursuant to House Resolution 906 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. 2990.

□ 1323

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. 2990) to improve ratings quality by fostering competition, transparency, and accountability in the credit rating agency industry, with Mr. BOOZMAN in the chair.

The Clerk read the title of the bill.

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

The gentleman from Ohio (Mr. OXLEY) and the gentleman from Pennsylvania (Mr. KANJORSKI) each will control 30 minutes.

The Chair recognizes the gentleman from Ohio.

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

Mr. Chairman, in response to the largest corporate scandals in U.S. history, Congress passed the Sarbanes-Oxley Act strengthening the role of gatekeepers such as auditors, boards of directors, audit committees, and equity analysts. We now turn our attention to another gatekeeper, the credit rating agency, and Congressman FITZPATRICK's H.R. 2990, the Credit Rating Agency Duopoly Relief Act.

Credit ratings serve a vital function in our capital market system, providing investors with an understanding of the creditworthiness of corporations and municipalities with respect to debt and other securities. As evidenced by the failures in the rating of Enron and WorldCom, who were given investment grade ratings by Moody's and Standard & Poor's just days before declaring bankruptcy, the credit rating industry is in drastic need of increased competition and improved transparency.

Currently, the SEC designates ratings agencies as nationally recognized statistical ratings organizations, or NRSROs, through an opaque process that provides applicants little guidance on the substance and procedure by which they will be evaluated. Currently, only five rating agencies are designated as NRSROs by the SEC. Understandably, many more aspire to attain that designation, as NRSRO status confers a significant competitive advantage. However, new applications often languish for years without an up or down vote on admission into this elite club. In fact, the Department of Justice commented upon the SEC designation process in 1998, calling it a ''nearly insurmountable barrier to entry.''

The SEC's opaque designation process has created an artificial government-sponsored barrier to entry that has stifled competition and helped the two top rating agencies, Moody's and Standard & Poor's, garner some 80 percent of the market share. Without true competition of this industry, fees have skyrocketed and ratings quality has deteriorated. To put it mildly, this is not a transparent and efficient mark with robust competition.

Wanting to understand an industry with such a significant impact on the markets, Congress directed the SEC to examine credit rating agencies as part of the Sarbanes-Oxley Act. Since the release of the SEC's report on rating agencies in January 2003, the Committee on Financial Services and its Subcommittee on Capital Markets, Insurance and Government-Sponsored Enterprises through its chairman, RICHARD BAKER, have held five hearings on this subject, two of those hearings focused on H.R. 2990. Witnesses from the SEC, industry, academia, think tanks, and the rating agencies themselves echoed the problem areas highlighted by the SEC; namely, barriers to entry leading to a lack of competition, conflicts of interest, poor transparency of agencies' rating methodologies, and a lack of accountability. Mr. FITZPATRICK's bill is the product of this comprehensive examination.

In his testimony of this past May before the Committee on Financial Services, our former colleague, SEC Chairman Cox, expressed support for the goals of H.R. 2990, and requested enhanced authority in this area. In a June 2006 letter to Ranking Member KANJORSKI, Mr. Cox stated, ''You also asked whether the quality of credit ratings concerns me. My answer is most assuredly yes. In fact, transparency, competition, and greater oversight, the principles I mentioned during my testimony before the House Financial Services Committee on May 3, 2006, are, in my view, important means to achieve the end of ensuring the high quality of credit ratings.'' The principles cited by Mr. Cox are the very principles of Mr. FITZPATRICK's legislation before us.

In addition, SEC Commissioners Paul Atkins and Cynthia Glassman have expressed their disapproval with the current designation system, and Mr. Atkins has expressed support for a registration approach like the one embodied in this bill. SEC Commissioner Roel Campos has also expressed a need for legislation that deals with conflicts, increased transparency, and provides for SEC examination.

Mr. FITZPATRICK's bill follows the regulatory regimes applied to broker-dealers and investment advisors. In doing so, it rejects regulation controlled by the SEC in favor of the market-based approach that has driven our securities laws since the 1930s.

H.R. 2990 removes the SEC's designation process, and in its place gives rating agencies who have issued ratings for 3 years the option of registering as NRSROs. A voluntary registration system will level the playing field for all rating agencies and inject much needed competition into this industry. As we have seen time and time again in other markets, true competition begets lower prices and better performance. When dealing with investor protection, it is all the more critical to ensure that healthy competition exists, yielding more accurate and reliable ratings.

In addition, H.R. 2990 promotes transparency and empowers investors by requiring registrants to disclose the methodologies by which they generate ratings. It requires rating agencies to provide short, medium, and long-term performance statistics, and to make all information and documents submitted to the SEC publicly available. This will give the market a clearer understanding of the agencies that are rating debt. The bill also requires that rating agencies maintain a chief compliance officer to oversee compliance with the securities laws and protects market stability, providing that the voluntary regime will not go into effect until January 2008.

To insulate the rating agencies from overreaching legislation, H.R. 2990 affirms that the Federal Government may not intrude into rating agencies' methodologies or the ratings process.

Finally, I have concerns about the conflicts of interest which plague this industry. Ratings firms have expanded into new areas which, many commentators have suggested, further compromise their objectivity.

□ 1330

In addition, it has been alleged that leading rating agencies engage in certain abusive practices to the detriment of smaller market players. H.R. 2990 requires disclosure of conflicts of interest and prohibits such anti-competitive practices.

The many hours that the Committee on Financial Services and Mr. FITZPATRICK have spent on this issue have shown the problems cited by the SEC report are best rectified through a system of voluntary registration open to all eligible rating agencies. This will eliminate barriers to entry, promote competition, and do so using the least restrictive means of regulation.

I urge all Members to support this important bill.

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

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

Mr. Chairman, our capital markets rely on the independent assessment of financial strength provided by credit raters. The bill before us, however, would decrease the quality of credit ratings because it would dramatically alter the way in which government identifies entities to issue the credit ratings used for essential regulatory purposes. I therefore oppose H.R. 2990.

In the 1970s, the Securities and Exchange Commission created nationally recognized statistical rating organizations. It is not a very sexy term and not well understood, but those are the little fellows that are called in to evaluate bonds and all types of instruments of debt and other materials that are sold throughout our financial system to pension funds and all others. They created these organizations in a rulemaking on the capital levels that brokers and dealers must hold. Since then, the term, with its inference to quality, credible, and reliable ratings has become embedded in numerous Federal, State, and local statutes, rules, and regulations.

Many private parties have also included references to ''nationally recognized'' agencies in the terms of their contracts, corporate bylaws, and pension trust agreements. Foreign governments and international bodies have used the concept in their accords and codes, too. In considering any bill to modify the process for identifying ''nationally recognized'' agencies, we must, therefore, keep in mind the need to maintain high quality ratings. It is this credible and reliable standard on

which investors rely. We should not lightly abandon this standard.

Critics of the present designation system have raised legitimate concerns about competition. I agree with the supporters of H.R. 2990 that increasing competition in the credit ratings used for regulatory purposes is a desirable goal. I further agree that the current designation process should be improved.

To achieve its objectives of greater competition, however, H.R. 2990 seeks to make statutory changes that will come at a dangerous cost. The bill, through its voluntary registration regime, will increase the number of ''nationally recognized'' agencies without providing sufficient authority to assure the issue ratings are credible and reliable. We must achieve equilibrium in these matters by balancing the desire to increase the quantity of approved credit raters with the need to ensure that their ratings are of a consistently high quality.

The minimum standard set forth in H.R. 2990 that allows any credit rater to obtain the ''nationally recognized'' designation after 3 years of experience are akin to granting a driver's license to anyone who meets a 3-year residency requirement. We know, however, to keep our roads safe, every potential driver must pass one or more quality assurance tests administered by a third party before getting a license. Why should we hold those rating agencies that serve as gatekeepers to our capital markets to a lower oversight standard?

Investor advocates have also concluded that quality should be an important factor in identifying ''nationally recognized'' agencies. The AFL–CIO, for example, has noted that replacing the concept of approved raters, ''with a mere registration process without substantive oversight will be harmful to investors,'' and ''ultimately to the functioning of our credit markets.''

In a recent letter, the Consumer Federation of America has additionally observed that the central provision of H.R. 2990 is ''fatally flawed.'' In competitive markets, ''some credit rating agencies will invariably compete based on the leniency of their ratings methodology. That is not good for investors or for the integrity and efficiency of the markets.''

Moreover, H.R. 2990 could allow history to repeat itself. In the wake of the savings and loan crisis, we required that the debt securities held in portfolios by financial institutions must be of investment grade as determined by a ''nationally recognized'' agency.

I may point out, in response to my colleague, the chairman of my subcommittee, Mr. BAKER, he seemed to indicate that the cause of the S&L disaster was that the rating agencies made mistakes. Quite to the contrary. The disaster was that the rating agencies were not used to determine investment grade instruments held in their portfolios, and that only occurred after the S&L disaster.

This bill's failure to ensure that such ratings continue to be credible and reliable could one day create another regrettable situation whereby the taxpayers need to finance a bailout of the deposit insurance funds. Moreover, this legislation threatens the strength of the Securities Investors Protection Corporation, which protects investors against fraud.

Less than 4 years ago, Congress wisely adopted the standards in the Sarbanes-Oxley Act to strengthen financial reporting, restore investor confidence, and assure the integrity of our capital markets. In an effort to promote competition, however, H.R. 2990 would weaken the quality of our ratings, thereby damaging investor confidence and the integrity of our markets going forward. It is, in other words, a step backwards.

In sum, Mr. Chairman, I find such developments are highly regrettable today and I urge my colleagues to reject H.R. 2990.

In response to the chairman of our committee's quoting from a letter addressed to me by Chairman Cox, our former colleague, he failed to read the second paragraph of Mr. Cox's letter, under part B. He properly read the first phase, and I won't repeat that, but Mr. Cox said, ''In the weeks and months ahead, the commission,'' speaking of the Securities and Exchange Commission, ''and its staff will continue to consider potential ways by which we can help facilitate the issuance of high quality ratings using our existing regulatory authority, including the adoption of an existing rulemaking proposal in some form or other approaches,'' thus indicating that the SEC has not had the opportunity to fully address this problem.

The SEC has not been called to testify before the committee on the consideration of this bill, and the fact is that of the five hearings held by this committee, at least four of the five occurred without the concept of the piece of legislation we are considering today.

I sympathize with the makers of this. I know they want to do the right thing. But speed to get a bill passed, to create an on-demand registration of a new entity that is so critical to trillions of dollars of instruments of debt should not pass this House without realizing the potential consequences, and they are great.

I concede rating agencies that exist today have made mistakes in Enron and WorldCom, but I recall, and I guess I have served on the committee a little longer than most, but Mr. OXLEY was certainly in the Congress, not on the committee at the time, but during the S&L disaster, I recall a very famous American, who is an economist and served in very high appointive office in the Federal Reserve, testifying before our committee that he had evaluated, for a professional fee, 20 entities, S&Ls, and had found them to be sound. Many of them failed within 4 months of his evaluation. Actually, 19 of the 20 he evaluated failed.

This is not kid's play. This is not a bean bag. This is very serious rating information that investors across the country, indeed across the world rely upon. Quality is clearly as important as quantity. We can have both. Just taking a greater consideration and using the expertise and availability of the Securities and Exchange Commission may do us well.

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

Mr. OXLEY. Mr. Chairman, I am now pleased to yield 2 minutes to the gentleman from Georgia (Mr. PRICE), a valuable member of the committee.

(Mr. PRICE of Georgia asked and was given permission to revise and extend his remarks.)

Mr. PRICE of Georgia. Mr. Chairman, I want to thank the chairman and the subcommittee chairman for their leadership on this issue, and I want to thank Mr. FITZPATRICK, the gentleman from Pennsylvania. I appreciate his leadership on this and on so many other issues. The citizens of Pennsylvania are truly fortunate to have you fighting for them, and I am honored to call you a colleague and a friend.

Mr. Chairman, this bill, H.R. 2990, addresses credit ratings, or judging the financial worthiness of companies. Credit ratings play a real and significant role in our economy. Investors rely on these ratings to determine risks of default of companies, both large and small, as well as governmental entities. Currently, these ratings are often the determining factor as to whether companies and, hence jobs, will expand, or whether local governments are able to finance major municipal improvement projects.

Presently, competition is severely lacking among credit rating agencies, as there are only five companies designated by the SEC. The current process fails to provide a reasonably clear path for potential new rating agencies. H.R. 2990 solves this problem by establishing an unambiguous registration process with appropriate oversight to ensure integrity and reliability in the rating process.

In addition to facilitating competition, the legislation would provide critically important information currently not available to investors. The bill would require disclosure of ratings processes so investors can better evaluate the quality of the ratings themselves. Further, rating organizations would be required to publicly disclose their policies relating to conflicts of interest and their organizational structure. Finally, they would be held accountable for ratings they issue if they don't follow their disclosed policies.

Mr. Chairman, these are all extremely important advances and improvements for our entire economy, and I urge adoption of H.R. 2990.

Mr. KANJORSKI. Mr. Chairman, I yield 4 minutes to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY. Mr. Chairman, I thank the gentleman for yielding and

for his leadership, and I rise in opposition of the underlying bill, H.R. 2990, and in support of the Kanjorski substitute.

I believe that all of us in this body support the promotion of healthy competition and improved transparency and accountability and independence in the rating agency industry. I certainly am concerned about the transparency and accountability of the industry. However, I believe that this particular bill will do more harm than good.

While the bill has been somewhat improved through various manager's amendments, I still have serious concerns regarding the bill that is before us. The bill contains a free-for-all in the ratings market without the usual market protections against abuse. For example, the bill allows almost anyone to register as a rating agency and issue ratings, but insulates rating agencies from lawsuits.

The fact that the bill does not provide adequate rating quality assurance is of grave concern to me for safety and soundness. Taking away the SEC's seal of approval for rating agencies will cause investors to possibly lose confidence in the markets because they are rightly concerned about ratings shopping or simply inaccurate ratings. We spent the last several years working to overcome the crisis in investor confidence caused by corporate governance scandals, and this is absolutely not the time for taking risks in this area.

□ 1345

Mr. Chairman, I also have procedural concerns regarding how this bill was advanced through the committee on which I serve. As you know, the SEC was not asked to participate in either of the two hearings that this committee held on this legislation. And given the role that the SEC plays now in effectively overseeing rating agencies and the role it will play in administering this legislation, I think we should receive testimony from them before taking legislative action.

This is a very complicated issue that could have a tremendous effect on the capital markets both here and abroad. I note that other international regulators have recently taken a very different approach than the one advocated by this bill.

While I am not prepared today to say which approach is better, I think it would be prudent for us to learn more from the SEC and other international regulators on credit rating agencies, and to determine whether we want to move towards greater international harmonization of standards, as opposed to going forward with this new change.

Simply put, before rushing to judgment, we need to better understand all of the impacts that could result from our actions here today. Rushing this bill to the floor is not the way to reach sound public policy. We need to understand all of the consequences of this change and the effect it will have on the quality of our rating agencies.

So I urge my colleagues to oppose H.R. 2990 and to support the Kanjorski amendment.

Mr. OXLEY. Mr. Chairman, I yield 2 minutes to the gentlewoman from Pennsylvania (Ms. HART).

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

I had been a member of the Financial Services Committee, the gentleman's committee, and have worked on a number of different issues with him. I respect the work he has done on this issue, and also the sponsor, Mr. FITZPATRICK's work, and I rise in support of the bill.

The Credit Rating Agency Duopoly Relief Act will provide more transparency. For far too long only two rating agencies have had 80 percent of the market share. That is because they have an advantage under the current system. This bill will bring more competition and innovation into the credit rating agencies. This is extremely important. In the markets of today where we have had questions about the veracity of reported information, we need more competition among agencies and more transparency.

While there are 130 credit rating agencies in the financial markets, only five are designated as nationally recognized statistical rating organizations. Blocking competition in the marketplace and stifling innovation is never a good thing. Our laws should encourage open competition and a fair marketplace.

The basic principles of competition and fairness make our marketplace dynamic, and credit rating agencies should not be immune to these principles. By blocking entry to the market, mistakes have been made. The current certified agencies listed Enron as a safe investment and WorldCom as investment grade quality right before they filed for bankruptcy.

As a former member of the Financial Services Committee, I have worked closely on these issues surrounding both Enron and WorldCom after the collapse, and I am pleased we are taking this commonsense approach to strengthen our markets and provide consumers with more choice, more transparency and more responsible information.

Specifically, this bill will open the credit rating agency market by ensuring that more agencies will be able to get this national rating, ending the current requirement to specific business models. Encouraging competition and transparency in this industry will improve quality, and that is always better for the market.

Mr. KANJORSKI. Mr. Chairman, I yield such time as he may consume to the gentleman from Massachusetts (Mr. FRANK), the ranking member of the Committee on Financial Services.

Mr. FRANK of Massachusetts. Mr. Chairman, I thank the ranking member of the subcommittee for his leadership on this. The goals here do not divide us; the methods do. Maybe it is a little bit of a role reversal, but I think, as the gentleman from Pennsylvania has made clear, we believe that the SEC ought to be relied on more fully here.

I understand the SEC supports the goals of this. We support the goals of this. The critical question is the implementation. We think this prematurely takes some decision-making that we ought to await for SEC input. We are talking about a very tough decision to make here. It is a lot of power to give an entity to be a rating agency.

People have alluded to the great power the two existing ones have. It is important that we have complete assurance for ourselves that the process we put in place for new rating agencies be very thoroughly checked out and very much prevented against abuse. Competition is a good thing, but not competition that could be a race to the bottom; and we regard SEC as an important part of this.

That is why the substitute that my friend from Pennsylvania has holds off on making some of these decisions, we believe, too hastily, and instead more deeply involves us with the SEC. We are not talking about waiting 5 or 10 years, but it seems imprudent to go forward without waiting for a full deliberation from the SEC.

There are other companies eager to get into the business, but the fact that other companies are eager to get into the business should not be driving us any more than the reluctance of the existing companies to have new people in the business. Both sets of considerations should not be driving us, neither to protect the existing businesses nor to enable the new ones.

What we ought to be doing is focusing on the public policy process for deciding who gets to do this, and we do not believe we are yet at the point where we can do that in the ideal fashion, and we will be better off if we wait for the SEC to give us its guidance.

Mr. OXLEY. Mr. Chairman, I yield 8 minutes to the author of the legislation, the gentleman from Pennsylvania (Mr. FITZPATRICK).

Mr. FITZPATRICK of Pennsylvania. Mr. Chairman, I thank Chairman OXLEY and subcommittee Chairman BAKER for their considerable leadership on this issue.

There have been no less than five hearings over the last two terms of Congress, dozens of witnesses and approaching 1,000 pages of transcribed testimony, all pointing to the unavoidable conclusion, which is that it is vital that Congress bring competition, transparency and accountability to the credit rating industry in this Nation.

Mr. Chairman, credit rating agencies have been issuing ratings on the likelihood of an issuer's default on debt payments since the early 20th century. Today, credit rating agencies rate companies, countries and bonds. Despite being often underestimated and overlooked, their power is immense. Credit

rating agencies have a great impact on the bottom line of companies, municipalities and school districts. The better the credit rating, the lower the interest rate that the borrower must pay.

This expansive influence finally came into question because of the recent corporate scandals and the fact that the two largest NRSROs, Standard & Poor's and Moody's, rated Enron and WorldCom at investment grade just prior to their bankruptcy filings. Essentially, they told the market that Enron and WorldCom were safe investments, even though their problems were very apparent in the marketplace. As a result, reforming the rating agency industry has been the subject of much debate in the House Committee on Financial Services.

S&P's and Moody's monitoring and reviewing of Enron and WorldCom fell far below the careful efforts one would have expected from organizations whose ratings hold so much importance. And Enron and WorldCom were not their only problems. But what are the other options that are out there?

There are 130 credit rating agencies in the financial market; however, only five are rated and designated as NRSROs by the SEC. This label is the root of the problem. The SEC coined the term NRSRO without defining it in its 1975 rule on net capital requirements when it obligated broker-dealers to hold more capital for those bonds rated junk by a NRSRO. Since then, other regulators in the private investment community have taken up the term, but also without defining it. As a result, credit ratings matter only if they are issued by an NRSRO.

The commission still has never defined the term, and it has been over 30 years. It is more than naive to assume that the SEC will actually define it now. Their track record is not encouraging.

To receive the illusive distinction, companies must be nationally recognized. This artificial barrier to entry has created a chicken-and-the-egg situation for non-NRSRO credit rating agencies trying to enter this industry. As a result of the artificial barrier to entry, there are only five NRSROs. Reputable credit rating firms have been unable to receive this distinction after trying for as long as a decade. Firms like Egan Jones in my home State of Pennsylvania receive no explanation from the SEC because no process actually exists.

This SEC-imposed barrier to entry has consolidated the industry, thus fostering a duopoly. Moody's and S&P enjoy over 80 percent of the market share and rate 99 percent of the debt in the market. As a result, Moody's and S&P are raking in record fees. Since 2000, Moody's and S&P have earned average annual returns on assets of 37 and 39 percent respectively over a 6-year period. This compares to the average return on assets over the same period earned by U.S. manufacturing firms of less than 5 percent per year.

These excessive profits are government-granted to those two NRSROs by virtue of the special status granted to them by the government. As a result of this lack of competition, the quality of ratings has decreased, prices are inflated, innovation has been stifled, and anticompetitive industry practices have been allowed in conflicts of interest, like tying, notching and unsolicited ratings, have gone unchecked.

Mr. Chairman, in the wake of the seminal failure by S&P and Moody's in the WorldCom and Enron scandals, we must ensure integrity in the credit rating process. H.R. 2990 would inject greater competition, transparency and accountability in the credit rating industry. As a result, prices and anticompetitive practices will be reduced, credit rating quality will improve, and firms will be forced to innovate.

This view is shared by the Bond Market Association, the Association for Financial Professionals, the Financial Executives International, Investment Company Institute, and The Financial Services Roundtable, and I will submit their letters of support for the RECORD.

Mr. Chairman, there is a lot of talk in this town about reform and transparency and managing conflicts of interest. This bill, I would submit, meets each of those challenges, and I would like to leave you with a quote right from the horse's mouth.

The SEC stated: ''The greater competition in the market for credit ratings and analysis could provide for more credible and reliable ratings, and greater competition could also stimulate innovation in the technology and methods of analysis for issuing credit ratings, which could further lower barriers to entry.''

I submit H.R. 2990 would do just that. I strongly urge a ''yes'' vote on H.R. 2990 to ensure integrity in the credit rating industry.

THE BOND MARKET ASSOCIATION,
July 10, 2006.

Hon. MICHAEL FITZPATRICK,
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE FITZPATRICK: I applaud your efforts on legislation to reform the credit rating agency industry. The significant growth in the global capital markets in recent years has increased the importance of credit quality analysis. Boosting competition among credit rating agencies, as your legislation, the Credit Rating Agency Duopoly Relief Act (H.R. 2990), seeks to do, assures this critical industry will remain robust and innovative.

I appreciate that the version of H.R. 2990 approved last month by the House Financial Services Committee addresses concerns of Association members with an earlier version of the legislation. Specifically, the bill would no longer compel registration of a credit rating agency with the Securities and Exchange Commission. The amended version of H.R. 2990 also expands the definition of credit rating agency to include any person in the business of issuing credit ratings on the Internet or other readily accessible means for free or for a reasonable fee. Association members viewed the previous legislation as both too narrow—deeming a rating public only if it was disseminated on the Internet—and too broad—including companies who produce ratings not used for regulatory purposes. The changes included in the new legislation will help foster competition in the industry.

Again, I commend your leadership on this important issue. We support H.R. 2990 and look forward to speedy action on the bill in the House.

Sincerely,

JOHN R. VOGT,
Executive Vice President.

ASSOCIATION FOR FINANCIAL PROFESSIONALS,
Bethesda, MD, July 10, 2006.

Hon. J. DENNIS HASTERT,
Speaker, House of Representatives,
Washington, DC.

Hon. NANCY PELOSI,
Minority Leader, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER AND MADAM LEADER: On behalf of the 15,000 members of the Association for Financial Professionals (AFP), I urge the House to approve the ''Credit Rating Agency Duopoly Relief Act'' (H.R. 2990) that the House Financial Services Committee recently approved by voice vote.

Credit rating agencies and investor confidence in the ratings they issue are vital to the efficient operation of global capital markets. AFP's research has consistently shown that confidence in rating agencies and their ratings is low and has continued to diminish over the past few years.

One of the root problems with this market is the U.S. Securities and Exchange Commission's Nationally Recognized Statistical Rating Organization (NRSRO) designation, which has erected an artificial barrier to competition. This barrier has led to a concentration of market power among the recognized rating agencies and has removed the incentives for needed innovation in the global credit ratings market. The ''Credit Rating Agency Duopoly Relief Act'' (H.R. 2990), would eliminate this regulatory barrier by reforming the process that the SEC uses to designate Nationally Recognized Statistical Rating Organizations. H.R. 2990 establishes a new registration process setting a clear path to NRSRO designation. In addition, the legislation would provide prudent oversight to ensure that registered credit rating agencies continue to issue credible and reliable ratings.

As approved by the House Financial Services Committee, H.R. 2990 will foster competition in the global credit ratings market. This competition will stimulate innovation and improve the quality of information available to investors and, as a result, restore confidence in the credit ratings market.

Thank you for your support on this important issue.

Sincerely,

JIM KAITZ,
President and CEO.

INVESTMENT COMPANY INSTITUTE,
Washington, DC, July 10, 2006.

Hon. J. DENNIS HASTERT,
Speaker, House of Representatives,
Washington, DC.

Hon. NANCY PELOSI,
Minority Leader, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER AND MADAM LEADER: The Investment Company Institute urges the House to approve H.R. 2990, the ''Credit Rating Agency Duopoly Relief Act of 2005,'' legislation introduced by Rep. Michael Fitzpatrick (R–PA) and reported by the Financial Services Committee. The legislation will benefit investors and the securities markets by paving the way for increased competition in the credit ratings industry.

The SEC's current ''Nationally Recognized Statistical Rating Organization'' (NRSRO) designation process stifles competition and presents barriers for new entrants to compete with currently designated NRSROs. H.R. 2990 establishes a registration process through which additional rating agencies become NRSROs, while simultaneously granting the Commission appropriate authority to ensure the integrity and quality of credit ratings. The bill also brings much needed sunlight to credit ratings by requiring disclosure of an NRSRO's rating criteria, its methodologies and policies, how an NRSRO addresses conflicts of interest (as well as the conflicts themselves), and the organizational structure of an NRSRO.

The Institute and its members have a longstanding interest in credit ratings. Mutual funds employ credit ratings in a variety of ways—to help make investment decisions, to define investment strategies, to communicate with their shareholders about credit risk, and to inform the process for valuing securities. Most significantly for Institute members is the role of credit ratings in the operation of money market mutual funds, which currently have some $2.1 trillon in assets. Money market funds are governed by Rule 2a–7 under the Investment Company Act, which limits these funds to investing in securities either rated in the two highest short-term rating categories by an NRSRO, or determined by the fund board to be of comparable quality.

Given the importance of credit ratings to mutual funds and fund shareholders, we greatly appreciate the work of the Financial Services Committee on this issue. Accordingly, we urge Members to support this important reform legislation and vote aye on final passage. Please do not hesitate to contact me directly, or Dan Crowley in the Institute's Office of Government Affairs, (202) 326–5962, if we can provide you with any additional information.

With very best regards.

Sincerely,

PAUL SCHOTT STEVENS.

THE FINANCIAL SERVICES ROUNDTABLE,
Washington, DC, July 10, 2006.

Hon. MICHAEL G. FITZPATRICK,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN FITZPATRICK: On behalf of the members of The Financial Services Roundtable, I urge you to vote for H.R. 2990, ''The Credit Rating Agency Duopoly Relief Act of 2006.'' It would facilitate the creation of much needed competition in the credit ratings industry. Additionally, we believe that increased competition for credit rating agencies will lower the costs to financial institutions, add integrity to the credit rating process, and increase earnings for investors.

Congressional action in the credit rating industry is necessary. H.R. 2990 will help facilitate structural reform at the Securities and Exchange Commission (SEC) concerning the oversight of credit rating agencies with greater competition premised on a competitive market place philosophy.

H.R. 2990 should be enacted into law this year, specifically, for the following reasons:

There is a lack of competition among credit rating agencies. This is evidenced by the SEC designating only five companies as Nationally Recognized Statistical Recognized Organizations (NRSROs)—two of which control approximately 80% of the market. The current designation process is outdated and inefficient. H.R. 2990 would address this problem by establishing an unambiguous SEC registration process with commensurate oversight to ensure integrity in the ratings process. Moreover, to be an NRSRO, a credit rating agency must have been in business for at least three consecutive years and be registered under section 15E of the Securities Exchange Act of 1934.

This legislation would require increased disclosure of the ratings process, thus enabling the investor to make better informed decisions.

Many NRSROs have a conflict of interest concerning the independence and quality of their ratings. H.R. 2990 resolves this issue by requiring companies to publicly disclose any conflicts of interest relating to the issuance of credit ratings.

The Financial Services Roundtable represents 100 of the largest integrated financial services companies providing banking, insurance, and investment products and services to the American consumer. Member companies participate through the Chief Executive Officer and other senior executives nominated by the CEO. Roundtable member companies provide fuel for America's economic engine, accounting directly for $50.5 trillion in managed assets, $1.1 trillion in revenue, and 2.4 million jobs.

In conclusion, we urge all members to vote for final passage of H.R. 2990, ''the Credit Rating Agency Duopoly Relief Act of 2006.'' If you or your staff have any questions or would like to discuss these issues further, please call me or Irving Daniels at 202–289–4322.

Best regards,

STEVE BARTLETT,
President and CEO.

ASSOCIATION FOR FINANCIAL PROFESSIONALS,
July 10, 2006.

Hon. J. DENNIS HASTERT,
Speaker, House of Representatives,
Washington, DC.

Hon. NANCY PELOSI,
Minority Leader, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER AND MADAM LEADER: The undersigned associations, representing a broad array of financial services firms, support H.R. 2990, the Credit Rating Agency Duopoly Relief Act, and urge its passage by the House. As associations representing mutual funds, corporate issuers, broker/dealers and institutional investors, we all agree that H.R. 2990 would facilitate much needed competition in the credit ratings industry.

Credit ratings play a significant role in the securities markets as well as the economy as a whole. Investors rely on ratings to measure relative default risks of large and small companies, as well as government entities. Ratings produced by Nationally Recognized Statistical Rating Organizations (NRSROs) are often the determining factor as to whether companies will expand or local governments can finance major municipal projects. Furthermore, ratings assigned by NRSROs play a significant role in determining the permissible instruments that certain institutional investors can hold.

Currently, competition is severely lacking among credit rating agencies as the SEC has designated only five companies as NRSROs—two of which overwhelmingly dominate the market. The current process for attaining the NRSRO designation fails to provide a reasonably clear path for potential new aspirants to follow. H.R. 2990 solves this problem by establishing an unambiguous SEC registration process with commensurate oversight to ensure integrity in the ratings process.

In addition to facilitating competition, the legislation would provide critically important information, currently unavailable to investors, about the methodologies NRSROs use to assign ratings. The bill would not dictate how NRSROs must operate but instead require disclosure of ratings processes so investors can better evaluate the quality of ratings. Additionally, NRSROs would be required to publicly disclose their policies relating to conflicts of interest and their organizational structure. Finally, NRSROs would be held accountable for ratings they issue in contravention to their disclosed policies.

We thank the Financial Services Committee for its work on NRSRO reform over the past two Congresses. H.R. 2990 significantly reforms the credit ratings industry by increasing competition, providing appropriate SEC oversight, enhancing transparency, and heightening accountability—reforms that will greatly benefit investors and securities markets as a whole. Accordingly, we urge Members to support this much-needed legislation and vote aye on final passage.

Respectfully,

Association for Financial Professionals.
Investment Company Institute.
The Financial Services Roundtable.

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

Mr. OXLEY. Mr. Chairman, I yield 3 minutes to the gentleman from Louisiana (Mr. BAKER), the chairman of the Capital Markets Subcommittee.

Mr. BAKER. Mr. Chairman, I thank the gentleman for yielding and wish to compliment him for his leadership in this matter, as well as that of Mr. FITZPATRICK who has put many hours into this subject matter and, I think, has helped to produce legislation worthy of this House's consideration.

I wish to enter into the RECORD the statement of administration policy issued July 12 of this year regarding the passage of H.R. 2990, the relevant portion being: ''This legislation would enable more credit rating agencies to qualify nationally under Securities and Exchange Commission regulation. The bill requires credit rating agencies to disclose their performance records, methodologies and any conflicts of interest. The administration looks forward to working with Congress as we move towards these goals.''

It is clear the administration and the members of the Committee on Financial Services have found H.R. 2990 not only to be good legislation but necessary to be adopted; and why is that so?

If one were to ask how could you become a credit rating agency and get a part of this lucrative business today, the process is unclear. It is much like the old adage relative to identifying art, ''I know it when I see it.''

It has been some 30 years since the SEC adopted its current methodology for establishing this recognition, and yet we do not know today how one can successfully become an NRSRO, much less once you are one, who is it that looks over your shoulder, and should they find inappropriate behavior, how is one unregistered or decommissioned. That process is also unclear.

What we do know from the record is that very lucrative companies have engaged in a government-granted business operation, have garnered significant profits, and have not on all counts met their professional fiduciary duties.

The bill at hand provides for resources to register, oversee and, yes,

even unregister, decommission, provide for someone losing their license should they be found not meeting appropriate financial and fiduciary standards. For that reason alone the bill should be adopted.

But let me give one more example of past practice which I found troublesome. In the past, a rating agency could select a corporation on which it could engage in its credit analysis and issue an unsolicited credit rating. Unsolicited means the company didn't ask for it, but in some cases the rating agency would forward a bill to the corporation. Now why would the corporation pay that bill? Well, if a corporation, a public operating company, is going to issue public debt, they have to have the rating of at least two independent credit rating agencies.

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Since two of the credit rating agencies perform about 99 percent of the ratings, it would become pretty evident that you would pay the bill because some time in the future your corporation would need to enter the public debt markets.

This bill will provide the authority for the SEC to prohibit such activity in the future, I think a highly appropriate reform. Certainly, there could be other matters brought to the attention of the House on the subject of value, but the underlying essential reforms contained in this bill should be adopted and adopted today.

STATEMENT OF ADMINISTRATION POLICY, JULY 12, 2006

H.R. 2990—CREDIT RATING AGENCY DUOPOLY RELIEF ACT OF 2006

The Administration supports House passage of H.R. 2990, the Credit Rating Agency Duopoly Relief Act of 2006. This legislation would enable more credit rating agencies to qualify nationally under Securities and Exchange Commission (SEC) regulations. In addition, the bill requires credit rating agencies to disclose their performance records, methodologies, and any conflicts of interest. This bill would improve competition and transparency in the credit rating industry, which ultimately would benefit individual investors. The Administration looks forward to working with Congress to accomplish these goals.

Mr. KANJORSKI. Mr. Chairman, I think there are good intentions on both sides of this issue, and unfortunately, I find it to be an extremely complicated issue and, most of all, not a sexy issue, as you can see by attendance on the floor.

I doubt whether 5 percent of our viewing audience out there understands what a nationally recognized statistical rating organization really is, and probably not a great deal more really care about it. Except, when you look at what they do and the effect they have on all of our lives in some very big ways, they are an important entity and we have to get this right.

And I want to point out that when this entity was constructed by rule, as Mr. FITZPATRICK pointed out, in 1975, there were originally three agencies that were granted this nationally recognized statistical rating organization nomenclature. Since that time, six have been added, for a total of nine.

Existing today, there are only five because there has been consolidation in the industry. But what that indicates is that this has not been a prohibitive area for qualified organizations to gain the recognition of a nationally recognized statistical rating organization.

I think, and I agree with our friends on the other side, that competition would be good, and the availability to enter this field would be much better if we can find a methodology to do that. It does not necessitate, however, a regimentation regime, and it certainly doesn't justify the thinking process that the marketplace, through competition, will cure all ends, and particularly if you look at the cost of competition and what it means.

Certainly, when we are dealing with hundreds and billions and trillions of dollars in instruments to be evaluated by these organizations, whatever the cost of getting that down is infinitesimal to the importance of getting the quality of the organization correct and the rating correct to protect investors.

I think that what we have a tendency to do is to think competition in and of itself is such a wonderful thing that it is going to solve all purposes. Well, I could suggest to my colleagues on the other side that if brain surgery is expensive we could entertain the idea that any doctor can register after 3 years of practice to be a brain surgeon, and that would qualify him to be a brain surgeon. And in many instances, in many places it clearly may, although I don't want him operating on my brain, and I assure you most of the Members of this House wouldn't want that process used to qualify one's self as a brain surgeon.

This organizational structure and the methodology used in the rating agency are analogous to the complications of brain surgery in the financial field. There aren't many organizations that have the capacity to do it. Those that do should have methodologies of being tested as to quality, transparency and methodology, and they should have increased competition. That we agree upon.

What we disagree upon is the nature of this bill and the regime of registration is not sufficient to guarantee quality. What may very easily happen is one or two rogue organizations, after 3 years, may apply, be designated as a nationally recognized statistical rating organization, and then do what Mr. BAKER referred to, actually bid down the value by getting business and offering to give good ratings to get business. They may actually deteriorate the value and the quality of the ratings. We don't know that for certain. We don't want to suggest that. We want to make sure that we structure a methodology and means of designating nationally recognized statistical rating organizations so we don't have deterioration in quality just to get quantity. What we wish to have is quantity and quality, and both are equally important.

I urge my colleagues in the House to consider that when they vote on this measure. I am offering a substitute which we will debate for 20 minutes immediately after the close of this debate.

I think that this is premature. At the very least, the committee and the Congress should have received legitimate critiques from the Securities Exchange Commission with all the expertise that they have. I am sure most of us don't feel fully qualified to view the structure of these organizations and their ability to perform on the basis of what we know individually. We are relying on expertise evaluation that is contained in very limited areas, one of which is certainly an independent agency of the United States Government, the Securities and Exchange Commission.

I would urge, at this time, a ''no'' vote on passage of this when we get to that point in the bill.

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

Mr. OXLEY. Mr. Chairman, in closing, let me first of all recognize the gentleman from Pennsylvania, Mr. FITZPATRICK. He has been a real bulldog on this issue. The committee has worked its will passing this bill on a voice vote in the committee. His leadership has been extraordinary. The committee has had numerous hearings. We have had input from all of the usual sources, and then some, to craft this legislation.

If somebody were to tell you or anybody in this body that there was an industry out there where 80 percent of that business was controlled by two companies, whether it was in the steel industry or the auto industry, the health care field, I would suggest that particularly my friends on the other side of the aisle would be particularly upset and call it restraint of trade and ask for all kinds of investigations and to try to induce more competition and new entries into that marketplace. And that is exactly what we have got here. We have got credit rating agencies that for the last 35 years have basically had a duopoly on this very lucrative business. And as in the case with any other kind of business, when you have a duopoly or an oligopoly, you have lack of competition. You have a situation where you have conflicts of interest almost guaranteed, and you have a lack of transparency at the same time. That is what we attack in the Fitzpatrick legislation.

Now, I have been chairman of this committee for 6 years. Even before I was chairman of this committee this was an issue. The SEC would always come up before the committee, testify, well, we are working on it. We are trying to open this up. And yet, a frustrated member of the committee said, when are you ever going to get around to it?

This legislation is a wakeup call to the SEC, to the industry that, at least from our perspective, we are tired of waiting for this to happen. Everybody likes competition, but nobody likes competitors. Everybody wants to go to heaven, but nobody wants to die.

It is time that we provide the kind of competitive structure in this critical area that is long due coming.

There is a reason why, Mr. Chairman, in the Sarbanes-Oxley Act that we requested this study, because we knew that part of the problem going forward with Enron and WorldCom and the like was lack of competition and the abysmal ratings effect that two members of the duopoly created right before Enron and WorldCom collapsed. Just think about the credit rating that they gave to Enron and WorldCom just weeks before they collapsed, and it tells you a lot about the lack of competition, the lack of transparency and a potential conflict of interest in the existing status quo.

This bill is anti-status quo. It is far reaching. It is visionary, and MIKE FITZPATRICK's leadership on this cannot be overestimated. And so I think that every Member should take a look at this. This is part of the ongoing process to make our markets more competitive, more transparent, and this bill is a natural follow-up on what this Congress and what this committee has done over the years to create better confidence in the markets by investors to provide more competition therein. This legislation gets the job done, and all Members should support it.

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

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the amendment in the nature of a substitute printed in the bill shall be considered as an original bill for the purpose of amendment under the 5-minute rule and shall be considered read.

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

H.R. 2990

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

SECTION 1. SHORT TITLE; REFERENCES.

(a) SHORT TITLE.—This Act may be cited as the ''Credit Rating Agency Duopoly Relief Act of 2006''.

(b) REFERENCES.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.).

SEC. 2. FINDINGS.

Upon the basis of facts disclosed by the record and report of the Securities and Exchange Commission made pursuant to section 702 of the Sarbanes-Oxley Act of 2002 (116 Stat. 797), hearings before the House Committee on Financial Services during the 108th and 109th Congresses, comment letters to the concept releases and proposed rules of the Securities and Exchange Commission, and facts otherwise disclosed and ascertained, the Congress finds that—

(1) credit rating agencies are of national concern, in that, among other things—

(A) their ratings, publications, writings, analyses, and reports are furnished and distributed, and their contracts, subscription agreements, and other arrangements with clients are negotiated and performed, by the use of the mails and means and instrumentalities of interstate commerce;

(B) their ratings, publications, writings, analyses, and reports customarily relate to the purchase and sale of securities traded on securities exchanges and in interstate over-the-counter markets, securities issued by companies engaged in business in interstate commerce, and securities issued by national banks and member banks of the Federal Reserve System;

(C) the foregoing transactions occur in such volume as substantially to affect interstate commerce, and securities markets, the national banking system, and the national economy; and

(D) their regulation serves the compelling interest of investor protection; and

(2) the Securities and Exchange Commission—

(A) has, through its designation of certain credit rating agencies as nationally recognized statistical rating organizations, created an artificial barrier to entry for new participants; and

(B) will, in its latest proposed rule defining nationally recognized statistical rating organizations, codify and strengthen this barrier.

SEC. 3. DEFINITIONS.

Section 3(a) (15 U.S.C. 78c(a)) is amended by adding at the end the following new paragraphs:

''(60) CREDIT RATING.—The term 'credit rating' means an assessment of the creditworthiness of an obligor as an entity or with respect to specific securities or money market instruments.

''(61) CREDIT RATING AGENCY.—The term 'credit rating agency' means any person—

''(A) engaged in the business of issuing credit ratings on the Internet or through another readily accessible means, for free or for a reasonable fee;

''(B) employing either a quantitative or qualitative model, or both, to determine credit ratings; and

''(C) receiving fees from either issuers, investors, or other market participants, or a combination thereof.

''(62) NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION OR NRSRO.—The term 'nationally recognized statistical rating organization' means a credit rating agency that—

''(A) has been in business for at least three consecutive years; and

''(B) is registered under section 15E.

''(63) PERSON ASSOCIATED WITH A NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION.—The term 'person associated with a nationally recognized statistical rating organization' means any partner, officer, director, or branch manager of such nationally recognized statistical rating organization (or any person occupying a similar status or performing similar functions), any person directly or indirectly controlling, controlled by, or under common control with such nationally recognized statistical rating organization, or any employee of such nationally recognized statistical rating organization.''.

SEC. 4. REGISTRATION OF NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATIONS.

(a) AMENDMENT.—The Securities Exchange Act of 1934 is amended by inserting after section 15D (15 U.S.C. 78o–6) the following new section:

''SEC. 15E. REGISTRATION OF NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATIONS.

''(a) REGISTRATION PROCEDURES.—

''(1) FILING OF APPLICATION FORM.—A credit rating agency that elects to be treated as a nationally recognized statistical rating organization for the purposes of Federal statutes, rules, and regulations may be registered by filing with the Commission an application for registration in such form and containing such of the following and any other information and documents concerning such organization and any persons associated with such organization as the Commission, by rule, may prescribe as necessary or appropriate in the public interest or for the protection of investors:

''(A) any conflicts of interest relating to the issuance of credit ratings by a nationally recognized statistical rating organization;

''(B) the procedures and methodologies such nationally recognized statistical rating organization uses in determining credit ratings;

''(C) credit ratings performance measurement statistics over short-term, mid-term, and long-term periods of such nationally recognized statistical rating organization;

''(D) policies or procedures adopted and implemented by such nationally recognized statistical rating organization to prevent the misuse in violation of this title (or the rules and regulations thereunder) of material, non-public information; and

''(E) the organizational structure of such nationally recognized statistical rating organization.

''(2) REVIEW OF APPLICATION.—

''(A) INITIAL DETERMINATION.—Within 90 days of the date of the filing of such application (or within such longer period as to which the applicant consents) the Commission shall—

''(i) by order grant such registration; or

''(ii) institute proceedings to determine whether registration should be denied.

''(B) CONDUCT OF PROCEEDINGS.—Such proceedings shall include notice of the grounds for denial under consideration and opportunity for hearing and shall be concluded within 120 days of the date of the filing of the application for registration. At the conclusion of such proceedings the Commission, by order, shall grant or deny such registration. The Commission may extend the time for conclusion of such proceedings for up to 90 days if it finds good cause for such extension and publishes its reasons for so finding or for such longer period as to which the applicant consents.

''(C) GROUNDS FOR DECISION.—The Commission shall grant such registration if the Commission finds that the requirements of this section are satisfied. The Commission shall deny such registration if it does not make such a finding or if it finds that if the applicant were so registered, its registration would be subject to suspension or revocation under subsection (b).

''(3) PUBLIC AVAILABILITY OF INFORMATION.—Subject to section 24, the Commission, by rule, shall require a nationally recognized statistical rating organization, upon the granting of registration under this section, to make the information and documents filed with the Commission in its application for registration, or in any amendment filed under subsection (b)(1) or (2), publicly available on the website or comparable readily accessible means of such nationally recognized statistical rating organization.

''(b) UPDATE OF REGISTRATION.—

''(1) UPDATE.—Each nationally recognized statistical rating organization shall promptly amend its application for registration under this section if any information or documents provided therein become materially inaccurate, except that a nationally recognized statistical rating organization is not required to amend the information required to be filed under subsection (a)(1)(C) by a filing under this paragraph, but shall amend such information in such organization's annual filing under paragraph (2) of this subsection.

''(2) CERTIFICATION.—Not later than 90 days after the end of each calendar year, each nationally recognized statistical rating organization shall file with the Commission an amendment to its registration, in such form as the Commission, by rule, may prescribe as necessary or appropriate in the public interest or for the protection of investors—

''(A) certifying that the information and documents in the application for registration of such nationally recognized statistical rating organization continue to be accurate; and

''(B) listing any material changes that occurred to such information or documents during the previous calendar year.

''(c) ACCOUNTABILITY FOR RATINGS PROCEDURES.—

''(1) AUTHORITY.—The Commission shall have the authority under this Act to take action against any nationally recognized statistical rating organization if such nationally recognized statistical rating organization issues credit ratings in contravention of those procedures, criteria, and methodologies that such nationally recognized statistical rating organization—

''(A) includes in its application for registration under this section; or

''(B) makes and disseminates in reports pursuant to section 17(a) or the rules and regulations thereunder.

''(2) LIMITATION.—The rules and regulations applicable to nationally recognized statistical rating organizations the Commission may prescribe pursuant to this Act shall be narrowly tailored to meet the requirements of this Act applicable to nationally recognized statistical rating organizations and shall not purport to regulate the substance of credit ratings or the procedures and methodologies by which such nationally recognized statistical rating organizations determine credit ratings.

''(d) CENSURE, DENIAL, OR SUSPENSION OF REGISTRATION; NOTICE AND HEARING.—The Commission, by order, shall censure, place limitations on the activities, functions, or operations of, suspend for a period not exceeding 12 months, or revoke the registration of any nationally recognized statistical rating organization if the Commission finds, on the record after notice and opportunity for hearing, that such censure, placing of limitations, suspension, or revocation is in the public interest and that such nationally recognized statistical rating organization, or any person associated with such nationally recognized statistical rating organization, whether prior to or subsequent to becoming so associated—

''(1) has committed or omitted any act, or is subject to an order or finding, enumerated in subparagraph (A), (D), (E), (H), or (G) of paragraph (4) of section 15(b), has been convicted of any offense specified in subparagraph (B) of such paragraph (4) within 10 years of the commencement of the proceedings under this subsection, or is enjoined from any action, conduct, or practice specified in subparagraph (C) of such paragraph (4);

''(2) has been convicted during the 10-year period preceding the date of filing of any application for registration, or at any time thereafter, of—

''(A) any crime that is punishable by imprisonment for 1 or more years, and that is not described in section 15(b)(4)(B); or

''(B) a substantially equivalent crime by a foreign court of competent jurisdiction; or

''(3) is subject to any order of the Commission barring or suspending the right of the person to be associated with a nationally recognized statistical rating organization.

''(e) WITHDRAWAL FROM REGISTRATION.—A nationally recognized statistical rating organization registered under this section may, upon such terms and conditions as the Commission may establish as necessary in the public interest or for the protection of investors, withdraw from registration by filing a written notice of withdrawal with the Commission. If the Commission finds that any nationally recognized statistical rating organization is no longer in existence or has ceased to do business as a credit rating agency, the Commission, by order, shall cancel the registration of such nationally recognized statistical rating organization.

''(f) REPRESENTATIONS.—

''(1) REPRESENTATIONS OF SPONSORSHIP BY UNITED STATES OR AGENCY THEREOF.—It shall be unlawful for any nationally recognized statistical rating organization registered under this section to represent or imply in any manner whatsoever that such nationally recognized statistical rating organization has been designated, sponsored, recommended, or approved, or that such nationally recognized statistical rating organization's abilities or qualifications have in any respect been passed upon, by the United States or any agency, any officer, or any employee thereof.

''(2) REPRESENTATION AS NRSRO OF UNREGISTERED CREDIT RATING AGENCIES.—It shall be unlawful for any credit rating agency to represent or imply in any manner whatsoever that such credit rating agency has been designated, sponsored, recommended, or approved, or that such credit rating agency's abilities or qualifications have in any respect been passed upon, by the United States or any agency, any officer, or any employee thereof. It shall be unlawful for any credit rating agency that is not registered under this section as a nationally recognized statistical rating organization to state that such credit rating agency is a nationally recognized statistical rating organization under this Act.

''(3) STATEMENT OF REGISTRATION UNDER SECURITIES EXCHANGE ACT OF 1934 PROVISIONS.—No provision of paragraph (1) shall be construed to prohibit a statement that a nationally recognized statistical rating organization is a nationally recognized statistical rating organization under this Act, if such statement is true in fact and if the effect of such registration is not misrepresented.

''(g) PREVENTION OF MISUSE OF NONPUBLIC INFORMATION.—Each nationally recognized statistical rating organization shall establish, maintain, and enforce written policies and procedures reasonably designed, taking into consideration the nature of such nationally recognized statistical rating organization's business, to prevent the misuse in violation of this title, or the rules or regulations thereunder, of material, nonpublic information by such nationally recognized statistical rating organization or any person associated with such nationally recognized statistical rating organization. The Commission, as it deems necessary or appropriate in the public interest or for the protection of investors, shall adopt rules or regulations to require specific policies or procedures reasonably designed to prevent misuse in violation of this title (or the rules or regulations thereunder) of material, nonpublic information.

''(h) MANAGEMENT OF CONFLICTS OF INTEREST.—Each nationally recognized statistical rating organization shall establish, maintain, and enforce written policies and procedures reasonably designed, taking into consideration the nature of the business of such nationally recognized statistical rating organization and affiliated persons and affiliated companies of such nationally recognized statistical rating organization, to address and manage the conflicts of interest that can arise from such business. The Commission, as it deems necessary or appropriate in the public interest or for the protection of investors, shall adopt rules or regulations to prohibit, or require the management or disclosure of, any conflicts of interest relating to the issuance of credit ratings by a nationally recognized statistical rating organization including, without limitation, conflicts of interest relating to—

''(1) the manner in which a nationally recognized statistical rating organization is compensated by the obligor, or any affiliate of the obligor, for issuing credit ratings or providing related services;

''(2) the provision of consulting, advisory, or other services by a nationally recognized statistical rating organization, or any person associated with such nationally recognized statistical rating organization, to the obligor, or any affiliate of the obligor;

''(3) business relationships, ownership interests, or any other financial or personal interests between a nationally recognized statistical rating organization, or any person associated with such nationally recognized statistical rating organization, and the obligor, or any affiliate of the obligor; and

''(4) any affiliation of a nationally recognized statistical rating organization, or any person associated with such nationally recognized statistical rating organization, with any person that underwrites the securities or money market instruments that are the subject of a credit rating.

''(i) PROHIBITED CONDUCT.—

''(1) PROHIBITED ACTS AND PRACTICES.—The Commission may adopt rules or regulations to prohibit any act or practice relating to the issuance of credit ratings by a nationally recognized statistical rating organization that the Commission determines to be unfair, coercive, or abusive, including any act or practice relating to—

''(A) seeking payment for a credit rating that has not been specifically requested by the obligor—

''(i) from an obligor; or

''(ii) from an affiliate of an obligor, unless—

''(I) the organization is organized under subsection (a)(1)(E) to receive fees from investors or other market participants, or a combination thereof; and

''(II) the affiliate is such an investor or participant;

''(B) conditioning or threatening to condition the issuance of a credit rating on the obligor's, or an affiliate of the obligor's, purchase of other services or products, including pre-credit rating assessment products, of the nationally recognized statistical rating organization or any person associated with such nationally recognized statistical rating organization;

''(C) lowering or threatening to lower a credit rating on, or refusing to rate, securities or money market instruments issued by an asset pool unless a portion of the assets within such pool also is rated by the nationally recognized statistical rating organization;

''(D) modifying or threatening to modify a credit rating or otherwise departing from its adopted systematic procedures and methodologies in determining credit ratings, based on whether the obligor, or an affiliate of the obligor, pays or will pay for the credit rating or any other services or products of the nationally recognized statistical rating organization or any person associated with such nationally recognized statistical rating organization.

''(2) RULE OF CONSTRUCTION.—Nothing in paragraph (1), or in any rules or regulations adopted thereunder, shall be construed to modify, impair, or supersede the operation of any of the antitrust laws. For the purposes of the preceding sentence, the term 'antitrust laws' has the meaning given it in the first section of the Clayton Act (15 U.S.C. 12), except that such term includes section 5 of the Federal Trade Commission Act (15 U.S.C. 45) to the extent such section 5 applies to unfair methods of competition.

''(j) DESIGNATION OF COMPLIANCE OFFICER.—Each nationally recognized statistical rating organization shall designate an individual responsible for administering the policies and procedures that are required to be established pursuant to subsections (g) and (h), and for ensuring compliance with the securities laws and the rules and regulations thereunder, including those promulgated by the Commission pursuant to this section.

''(k) STATEMENTS OF FINANCIAL CONDITION.—Each nationally recognized statistical rating organization shall, on a confidential basis, file with the Commission, at intervals determined by the Commission, such financial statements, certified (if required by the rules or regulations of the Commission) by an independent public accountant, and information concerning its financial condition as the Commission, by rule, may prescribe as necessary or appropriate in the public interest or for the protection of investors.

''(l) ELIMINATION OF COMMISSION DESIGNATION PROCESS FOR NRSRO'S.—

''(1) CESSATION OF DESIGNATION.—Within 30 days after the enactment of the Credit Rating Agency Duopoly Relief Act of 2006, the Commission shall cease to designate persons and companies as nationally recognized statistical rating organizations, as that term is used under rule 15c3–1 of the Commission's rules (17 CFR 240.15c3–1).

''(2) PROHIBITION ON RELIANCE ON NO-ACTION RELIEF.—The no-action relief that the Commission has granted with respect to the designation of nationally recognized statistical rating organizations, as that term is used under rule 15c3–1 of the Commission's rules (17 CFR 240.15c3–1), shall be void and of no force or effect.

''(3) NOTICE TO OTHER AGENCIES.—Within 30 days after the date of enactment of the Credit Rating Agency Duopoly Relief Act of 2006, the Commission shall give notice to the Federal agencies which employ the term 'nationally recognized statistical rating organization' (as that term is used under rule 15c3–1 of the Commission's rules (17 CFR 240.15c3–1)) in their rules and regulations regarding the actions undertaken pursuant to this section.

''(4) REVIEW OF EXISTING REGULATIONS.—Within 180 days after the date of enactment of the Credit Rating Agency Duopoly Relief Act of 2006, the Commission shall review its existing rules and regulations which employ the term 'nationally recognized statistical rating organization' or 'NRSRO' and promulgate new or revised rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors.''.

(b) CONFORMING AMENDMENTS TO THE 1934 ACT.—

(1) Section 15(b)(4)(B)(ii) (15 U.S.C. 78o(b)(4)(B)(ii)) is amended by inserting ''nationally recognized statistical rating organization,'' after ''transfer agent,''.

(2) Section 15(b)(4)(C) (15 U.S.C. 78o(b)(4)(C)) is amended by inserting ''nationally recognized statistical rating organization,'' after ''transfer agent,''.

(3) Section 21B(a) (15 U.S.C. 78u–2(a)) is amended by inserting ''15E,'' after ''15C,''.

(c) OTHER CONFORMING AMENDMENTS.—

(1) Section 2(a) of the Investment Company Act of 1940 (15 U.S.C. 80a–2(a)) is amended by adding at the end the following new paragraph:

''(53) The term 'credit rating agency' has the same meaning as given in section 3 of the Securities Exchange Act of 1934.''.

(2) Section 9(a)(1) of the Investment Company Act of 1940 (15 U.S.C. 80a–9(a)) is amended by inserting ''credit rating agency,'' after ''transfer agent,''.

(3) Section 9(a)(2) of the Investment Company Act of 1940 (15 U.S.C. 80a–9(a)) is amended by inserting ''credit rating agency,'' after ''transfer agent,''.

(4) Section 202(a) of the Investment Advisers Act of 1940 (15 U.S.C. 80b–2(a)) is amended by adding at the end the following new paragraph:

''(28) The term 'credit rating agency' has the same meaning as given in section 3 of the Securities Exchange Act of 1934.''.

(5) Section 203(e)(2)(B) of the Investment Advisers Act of 1940 (15 U.S.C. 80b–3(e)) is amended by inserting ''credit rating agency,'' after ''transfer agent,''.

(6) Section 203(e)(4) of the Investment Advisers Act of 1940 (15 U.S.C. 80b–3(e)) is amended by inserting ''credit rating agency,'' after ''transfer agent,''.

(7) Section 1319 of the Housing and Community Development Act of 1992 (12 U.S.C. 4519) is amended by striking ''effectively'' and all that follows through ''broker-dealers'' and inserting ''that is a nationally recognized statistical rating organization, as such term is defined in section 3(a) of the Securities Exchange Act of 1934''.

(8) Section 439 of the Higher Education Act of 1965 (20 U.S.C. 1087–2) is amended in subsection (r)(15)(A) by striking ''means any entity recognized as such by the Securities and Exchange Commission'' and inserting ''means any nationally recognized statistical rating organization as that term is defined under the Securities Exchange Act of 1934''.

(9) Section 601(10) of title 23, United States Code, is amended by striking ''identified by the Securities and Exchange Commission as a Nationally Recognized Statistical Rating Organization'' and inserting ''registered with the Securities and Exchange Commission as a nationally recognized statistical rating organization as that term is defined under the Securities Exchange Act of 1934 (15 U.S.C. 78 et seq.)''.

SEC. 5. ANNUAL AND OTHER REPORTS.

Section 17(a)(1) (15 U.S.C. 78q(a)(1)) is amended by inserting ''nationally recognized statistical rating organization,'' after ''registered transfer agent,''.

SEC. 6. GAO STUDY AND REPORT REGARDING CONSOLIDATION OF CREDIT RATING AGENCIES.

(a) STUDY REQUIRED.—The Comptroller General of the United States shall conduct a study—

(1) to identify—

(A) the factors that have led to the consolidation of credit rating agencies;

(B) the present and future impact of the condition described in subparagraph (A) on the securities markets, both domestic and international; and

(C) solutions to any problems identified under subparagraph (B), including ways to increase competition and the number of firms capable of providing credit rating services to large national and multinational business organizations that are subject to the securities laws;

(2) of the problems, if any, faced by business organizations that have resulted from limited competition among credit rating agencies, including—

(A) higher costs;

(B) lower quality of services;

(C) anti-competitive practices;

(D) impairment of independence; and

(E) lack of choice; and

(3) whether and to what extent Federal or State regulations impede competition among credit rating agencies.

(b) CONSULTATION.—In planning and conducting the study under this section, the Comptroller General shall consult with—

(1) the Securities and Exchange Commission;

(2) the Department of Justice; and

(3) any other public or private sector organization that the Comptroller General considers appropriate.

(c) REPORT REQUIRED.—Not later than 180 days after the date of enactment of this Act, the Comptroller General shall submit a report on the results of the study required by this section to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives.

SEC. 7. EFFECTIVE DATE.

The amendments made by sections 4 and 5 shall take effect on January 1, 2008, except as otherwise provided in paragraphs (1), (3), and (4) of subsection (l) of section 15E of the Securities Exchange Act of 1934 (as added by such amendments), and except that the Securities and Exchange Commission is authorized to prescribe rules and regulations to carry out such amendments beginning on the date of enactment of this Act.

The CHAIRMAN. No amendment to the committee amendment is in order except those printed in House Report 109–550. Each amendment may be offered only in the order printed in the report, by a Member designated in the report, shall be considered read, shall be debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

AMENDMENT NO. 1 OFFERED BY MR. OXLEY

The CHAIRMAN. It is now in order to consider amendment No. 1 printed in House Report 109–550.

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. OXLEY:

Page 3, line 20, insert ''staff'' after ''its''.

Page 4, line 1, strike ''will'' and insert ''would''.

Page 4, line 16, insert ''but does not include a commercial credit reporting company'' after ''fee''.

Page 5, line 3, strike ''for at least three'' and insert ''as a credit rating agency for at least the past 3''.

Page 6, line 1, strike ''FILING'' and insert ''FURNISHING''.

Page 6, line 5, strike ''filing with'' and insert ''furnishing to''.

Page 6, line 21, insert ''(as applicable)'' after ''periods''.

Page 7, line 9, strike ''filing'' and insert ''furnishing''.

Page 7, line 20, strike ''filing'' and insert ''furnishing''.

Page 8, line 11, strike ''subsection (b)'' and insert ''subsection (d)''.

Page 8, line 17, strike ''filed with'' and insert ''furnished to''.

Page 8, line 18, strike ''filed'' and insert ''furnished''.

Page 8, line 19, strike ''the website or'' and insert ''its website or through another''.

Page 8, beginning on line 20, strike ''of such nationally recognized statistical rating organization''.

Page 9, line 4, strike ''filed'' and insert ''furnished''.

Page 9, line 5, strike ''a filing'' and insert ''an amendment furnished''.

Page 9, line 7, strike ''filing'' and insert ''amendment furnished''.

Page 9, beginning on line 11, strike ''file with'' and insert ''furnish to''.

Page 11, line 20, strike ''filing of'' and insert ''furnishing''.

Page 12, line 12, strike ''filing a written notice of withdrawal with'' and insert ''furnishing a written notice of withdrawal to''.

Page 18, line 23, strike ''file with'' and insert ''furnish to''.

Page 19, line 5, insert ''STAFF'S'' after ''COMMISSION''.

Page 19, line 9, insert ''staff'' after ''Commission''.

Page 19, line 15, insert ''staff'' after ''Commission''.

Page 20, line 6, strike ''180 days'' and insert ''360 days''.

Page 23, strike lines 3 through 6 and insert the following:

SEC. 5. ANNUAL AND OTHER REPORTS.

Section 17(a)(1) (15 U.S.C. 78q(a)(1)) is amended—

(1) by inserting ''nationally recognized statistical rating organization,'' after ''registered transfer agent,''; and

(2) by adding at the end the following: ''Any report a nationally recognized statistical rating organization may be required by Commission rules under this paragraph to make and disseminate to the Commission shall be deemed furnished to the Commission.''

The CHAIRMAN. Pursuant to House Resolution 906, the gentleman from

Ohio (Mr. OXLEY) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Ohio.

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

Mr. Chairman, I rise to offer an amendment to H.R. 2990, the Credit Rating Agency Duopoly Relief Act. This amendment makes certain clarifying and technical changes to Mr. FITZPATRICK's rating agency reform legislation.

Specifically, the amendment clarifies that there is no private right of action for rating agencies registered as nationally recognized statistical rating organizations, or NRSROs, under the Securities Exchange Act of 1934. Neither is there an express or an implied private right of action with respect to rating agencies registered as NRSROs under the Securities Exchange Act. The Securities and Exchange Commission will retain its enforcement authority over registered rating agencies.

In addition, the amendment allots to the Securities and Exchange Commission an additional 6 months, for a total of 1 year, to review and, if necessary, revise its regulations that use the term ''NRSRO.'' The additional time will allow the SEC and industry participants more time to properly assess regulations using the NRSRO technology.

This amendment also makes a number of technical amendments, clarifying definitions, findings and disclosure requirements.

I urge all Members to support this amendment.

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

Mr. KANJORSKI. Mr. Chairman, I rise to claim the time in opposition.

The Acting CHAIRMAN (Mr. SWEENEY). The gentleman is recognized for 5 minutes.

Mr. KANJORSKI. Mr. Chairman, I rise in order to express some thoughts on the amendment, but I do not intend to oppose the manager's amendment itself.

The manager's amendment, Mr. Chairman, makes a number of technical changes in the bill, improving its precision, fixing drafting errors and extending the implementation time frames. These changes are acceptable and appropriate.

The manager's amendment also makes a set of larger and more significant changes; namely, it alters the bill's wording in multiple places in an attempt to address recently raised concerns about the possible creation of explicit and implicit private rights of action under the bill.

Regardless of one's position on whether these changes are needed, and whether they accomplish their intended purposes, the fact is that these modifications are coming late in the legislative process and indicates that the legislation is not well thought out.

□ 1415

Moreover, this is precisely the type of issue on which getting the views of the experts at the Securities and Exchange Commission would have been helpful and invaluable.

That said, Mr. Chairman, I do not intend to object to the manager's amendment.

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

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

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. OXLEY).

The amendment was agreed to.

AMENDMENT NO. 2 OFFERED BY MR. KANJORSKI

The Acting CHAIRMAN. It is now in order to consider amendment No. 2 printed in House Report 109–550.

Mr. KANJORSKI. Mr. Chairman, I offer a substitute amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Mr. KANJORSKI:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This act may be cited as the ''Credit Ratings Accountability and Transparency Act of 2006''.

SEC. 2. FINDINGS.

Congress finds the following:

(1) Credit rating agencies play an important role in the United States capital markets by opining on the creditworthiness of certain entities, securities, and money market instruments.

(2) Institutional and retail investors utilize ratings issued by credit rating agencies in connection with evaluating credit risk and making investment decisions.

(3) The Securities and Exchange Commission staff, through the no action letter process, has identified certain credit rating agencies as Nationally Recognized Statistical Rating Organizations or NRSROs.

(4) Many Federal and State regulators and legislatures require the use of NRSRO ratings in regulations and statutes, including those concerning capital requirements for regulated financial institutions and portfolio quality standards, to ensure the utilization of high quality ratings.

(5) The Commission staff's process for identifying NRSROs should be more transparent and efficient, while maintaining a high level of quality among NRSROs.

(6) Increased competition among credit rating agencies seeking to be identified as a NRSRO is desirable, so long as it is consistent with efforts to ensure high quality ratings.

SEC. 3. RULEMAKING ON NRSRO DEFINITION.

(a) NRSRO DEFINITION.—Within 60 days after the date of enactment of this Act, the Commission shall finalize its proposed rulemaking to define a NRSRO, published in the Federal Register on April 25, 2005 (70 Fed. Reg. 21306 et seq.).

(b) PUBLICATION OF GUIDELINES.—Within 180 days after the date of enactment of the Act, the Commission shall publish guidelines concerning the process by which Commission staff issues no-action letters regarding NRSROs, including guidelines concerning the staff's determinations in such no-action letters.

SEC. 4. SENSE OF CONGRESS ON NRSRO VOLUNTARY FRAMEWORK.

(a) FINDINGS.—Congress finds the following:

(1) The existing NRSROs in the United States have entered into discussions to improve current oversight of their activities via the adoption of a voluntary framework.

(2) These discussions have sought to apply the self-regulatory model approved by the International Organization of Securities Commissions (in this section referred to as ''IOSCO'') of which the Commission is a participant.

(3) The European Commission policy on credit rating agencies set out in December 2005 used compliance with the IOSCO code as a central component in ensuring the proper functioning of rating agencies in the capital markets.

(4) The Chairman of the Commission has testified before the Financial Services Committee of the House of Representatives that Commission staff are continuing to review drafts of a voluntary framework developed by the NRSROs and offer advice about its provisions and contents.

(5) The adoption of a voluntary framework by NRSROs in the United States based on the IOSCO self-regulatory model and paralleling the regulatory regime adopted by the European Commission would enhance market discipline, advance investor protection, and facilitate the harmonization of international standards in the area of credit ratings.

(b) SENSE OF CONGRESS.—In light of the findings set forth in subsection (a), it is the sense of the Congress that—

(1) all interested parties involved in establishing a voluntary framework for self-regulation in the United States, which is similar to the self-regulatory regime recently adopted by the European Commission that is based upon the IOSCO-approved code for overseeing credit rating agencies, should complete discussions and implement a self-regulatory model as soon as practicable;

(2) such voluntary framework should be developed in consultation with the Commission and include adoption of any and all rules, regulations, policies, and practices deemed necessary and appropriate for the protection of investors and in the public interest, including the disclosure of written policies and procedures of NRSROs in the United States designed to—

(A) address conflicts of interest relating to—

(i) relationships between NRSROs and rated entities;

(ii) relationships between NRSROs and underwriters; and

(iii) fee structures of the NRSROs;

(B) prevent the misuse of confidential information by a NRSRO or any person associated with a NRSRO;

(C) ensure compliance with all relevant Federal securities laws;

(D) ensure that each NRSRO is capable of issuing independent, predictive, consistent, and reliable ratings; and

(E) provide performance data, including default rates for its ratings, for the immediately preceding 4 years, or if in existence less than 4 years, for the life of the entity.

SEC. 5. ANNUAL TESTIMONY ON IMPROVING THE CREDIT RATING INDUSTRY.

The Chairperson of the Commission, or a designee of the Chairperson, shall annually provide oral testimony beginning in 2007, and for 5 years thereafter, to the Committee on Financial Services of the House of Representatives regarding efforts to improve the transparency and accountability of the credit rating industry, including—

(1) the designation of NRSROs;

(2) the status and the effectiveness of the voluntary framework described in section 4;

(3) the quality of ratings issued by NRSROs;

(4) the state of competition among NRSROs; and

(5) the appropriateness, need, and form of any potential legislation in the area of credit ratings.

SEC. 6. DEFINITIONS.

As used in this Act—

(1) the term ''Commission'' means the Securities and Exchange Commission; and

(2) the term ''NRSRO'' means a Nationally Recognized Statistical Rating Organization as determined by the Commission.

The Acting CHAIRMAN. Pursuant to House Resolution 906, the gentleman from Pennsylvania (Mr. KANJORSKI) and a Member opposed each will control 10 minutes.

The Chair recognizes the gentleman from Pennsylvania.

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

While the supporters of H.R. 2990 have tinkered with and somewhat improved the bill since its introduction, the central provision of the legislation, in the words of the Consumer Federation of America, is ''fatally flawed.'' I am likewise very concerned that this bill sacrifices the quality of independent assessments of financial strength provided by the ''nationally recognized'' credit raters that help our capital markets remain vibrant.

As a result, I am offering a substitute. Unlike H.R. 2990, which creates an untested system for establishing nationally recognized agencies, this alternative expedites and builds upon existing regulatory, private sector, and international reform efforts.

The voluntary registration regime of H.R. 2990 will increase the number of nationally recognized agencies without assuring the credibility and reliability of the issued ratings. We must seek equilibrium, balancing the desire to increase the quantity of approved agencies with the need to ensure high-quality ratings. The substitute addresses this shortcoming.

Moreover, H.R. 2990 ignores ongoing reform efforts. The Securities and Exchange Commission has a rulemaking pending on these matters. Currently, approved raters are also developing a voluntary, robust self-regulatory regime based on the industry code established by the International Organization of Securities Commissions. Moreover, the European Commission recently relied on this global code to oversee its approved rating agencies.

Congress should build upon these domestic, private sector, and international reform efforts rather than creating chaos by forging a new regulatory plan. To ensure the advancement of good public policy in this area, we need to recognize the work of others. We also ought to provide for the continued legislative oversight of these matters and minimize unintended consequences.

Specifically, the substitute would require the commission to complete its definitional rulemaking on what constitutes an approved rating agency within 60 days of enactment. It would also require the commission to establish public guidance about the process used to identify new, nationally recognized agencies within 180 days of enactment.

The substitute would additionally encourage participating parties to expedite and complete their discussions over the voluntary framework to improve market discipline and enhance rating quality. Finally, it would require annual hearings before the Financial Services Committee to explore the need for further action.

In short, the substitute establishes a globally consistent market-based approach. It protects the quality of ratings, enhances competition, and injects transparency into the process for determining nationally recognized agencies. It also promotes international harmonization; ensures that Congress stays focused on these matters; and gives the commission, which has the foremost expertise on these issues, a seat at the table in developing any future bill.

In Monday's Bond Buyer, the head of JPMorgan's rating advisory group opined that efforts related to the rulemaking to defined approved rating agencies and to establish a voluntary framework consistent with global standards offers a ''positive solution'' to present concerns. We should heed his advice to balance quality and quantity concerns in order to ensure that investors benefit from the best thinking and the best opinions by passing this substitute.

In sum, Mr. Chairman, the substitute pursues a more prudent course that accelerates and adds to ongoing domestic, private sector, and international reform efforts instead of creating an untested system for establishing nationally recognized agencies. This alternative would also protect investors by ensuring high-quality ratings.

It is the better approach, and I urge its adoption.

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

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

The Acting CHAIRMAN. The gentleman from Louisiana is recognized for 10 minutes.

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

I want to make clear that there is a difference of opinion as to the appropriate method to move forward and establish that the committee's work product is not frivolously or expeditiously constructed. The committee has worked many long hours and heard from many experts in the field as to the most sound recommendations that could be adopted to effect the changes both sides agree need to be made. In studying the gentleman's substitute, I think it is important to recognize, however, the consequences if the House were to adopt this specific recommendation.

The Kanjorski amendment would establish by sense of Congress that the SEC should continue to negotiate with the NRSROs to form some sort of unidentified self-regulatory model. What has been suggested in the proposal is that offered by the International Organization of Securities Commissions, the acronym IOSCO. The IOSCO code provides for a rating agency disclosure regime, but those who have studied it who do not share its goals point out there is the lack of a meaningful enforcement provision that is so essential, we believe, that is contained in H.R. 2990. It is important that if we do identify conduct that is inappropriate financial behavior, violating one's fiduciary obligation, that the regulatory structure have a mechanism to take away the right to practice. H.R. 2990 would provide that certainty.

And, further, Mr. KANJORSKI's amendment requires the SEC to testify annually for a period of 5 years on the SEC's efforts to improve the transparency of the credit rating agency. Therein, I think, generally not giving much attention on the question of reporting by an agency represents the real thrust of the amendment. It is to continue the dialogue for another 5 years.

Well, we have identified the sufficient problems to bring to the Congress's concern. There is time for action. The time is now. And adoption of the Fitzpatrick recommendation, H.R. 2990, is essential and justified and, I think, essential and justified for us to act today.

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

Mr. KANJORSKI. Mr. Chairman, I yield 4 minutes to the gentleman from North Dakota (Mr. POMEROY).

Mr. POMEROY. Mr. Chairman, I rise both as a Representative of North Dakota and also as a former State insurance regulator, a solvency regulator, to speak in favor of the substitute and against the underlying legislation.

Let me talk about the underlying legislation first. This essentially ''go to a laissez-faire, let the market determine rating agency credibility'' is a very different departure from the long-established course we have been on with national registered statistical rating agencies.

Just a little textbook lesson here: Transparency is generally regarded as essential to the free function of financial markets. But transparency depends upon the ability of those participating in the markets to know the credit worthiness of the players. These statistical rating agencies make an assessment of the credit worthiness of the players and put the information out so the market can employ it.

Now what they would do is move away from a guaranteed assessment of credibility by a national registry on these statistical rating agencies, and they would let you have this designation for an outfit that has been in existence 3 years, with no evaluation of the competence and the credibility underlying the assessments made by

these credit rating agencies. The result, of course, is predictable: widely different quality in the credit assessment brought forward by the rating agencies.

This is very bad business. Very bad business for virtually all involved. For the investors: Well, you want to make an investment, but they say the Humpty Dumpty rating agency gives this a triple star, grade A rating. Well, you don't really know a lot about Humpty Dumpty rating agency, but it sounds pretty good. They are one of these statistical rating agencies because they have been around 3 years, and you make your investment accordingly.

The competence of the Humpty Dumpty rating agency matters, which is why the present approach to the national registry matters. Deregulating it is bad for investors and people will lose money.

Now, if it is bad for investors, you might say, well, that must really be a boon, then, to companies that want to fleece investors by raising capital on noncredit-worthy enterprises. Not necessarily. I think this is bad for companies too. And let me tell you about an experience I encountered as an insurance commissioner.

We had standard rating agencies, and then there was a startup rating agency. It got a lot of press. Inevitably, they kept coming up with more alarming rating assessments of the insurance companies, and that got widely reported in the financial press because it was newsworthy. It was a bit of the ''sky is falling'' rating agency.

And yet here is how that rating agency made money: If you wanted to call in and get their rating of an insurance company, you had to pay them money to get that information. They made money for every call into their office. So they put out a fancy press release on an insurance company or on insurance company ratings at large, drum up free media coverage, get people calling in, and by the calls, make a lot of money. In the process, I believe they were often very unfair in their ratings and giving a falsely ominous impression of the solvency status of the insurance companies.

So this thing, while bad for investors, it may be bad for companies too because in this proliferation of unregulated rating agencies, you are going to have some rating agencies that just love to tell a terrible story, irrespective of whether it is fair or whether it is not.

So really disconnecting from the Securities and Exchange Commission and to have the majority in the House run this deregulation of rating agencies, ultimately so critical to the function of our financial markets, is, frankly, just a little nutty, not well founded, not well thought out; and it is an idea that ought to be cured by the passage of the substitute, which basically brings it back in line with the quality assurance of nationally registered statistical rating agencies.

I thank the gentleman for yielding.

Mr. BAKER. Mr. Chairman, I yield 3 minutes at this time to the primary sponsor of the legislation, Mr. FITZPATRICK.

Mr. FITZPATRICK of Pennsylvania. Mr. Chairman, as the bill's sponsor, I rise in opposition to the substitute amendment offered.

It is vital that Congress bring competition, transparency, and accountability to the credit rating industry. And H.R. 2990 would accomplish just that. However, Congressman KANJORSKI's substitute amendment retains the anticompetitive status quo and provides no transparency and no accountability.

The subcommittee amendment offered today has three key components: It requires the SEC to complete its definitional rulemaking; it encourages completion of the voluntarily framework; and it calls for hearings on rating agencies before the Committee on Financial Services.

□ 1430

First, the SEC has never defined the term ''NRSRO,'' and it has been over 30 years. I doubt that the SEC's illustrious track record on this issue deserves this much faith. H.R. 2990 replaces this vague and undefined system with a registration system and is consistent with the free market principles of our Federal securities laws. The substitute amendment makes no change to this ambiguous and anticompetitive system.

Second, a voluntary agreement offers no real accountability. The SEC cannot enforce violations of the voluntary agreement by rating agencies that sign it, let alone those agencies that are not signatories. H.R. 2990 holds credit rating firms accountable and requires adherence to the credit rating firm's stated methodologies.

Third, there already have been numerous hearings in the Financial Services Committee in the 108th and 109th Congresses. No less than five, dozens of witnesses have been called to testify before the committee, and close to 1,000 pages of recorded and transcribed testimony. The Financial Services Committee has been diligent in holding hearings on this important issue.

Mr. Chairman, in the wake of a seminal failure by S&P and Moody's in the Enron and WorldCom scandals, we must ensure integrity in the credit ratings process. This bill would inject greater competition, transparency and accountability in the credit rating industry. As a result, prices and anticompetitive practices will be reduced, credit ratings quality will improve, and firms will innovate.

Mr. Chairman, I strongly urge a ''no'' vote on the substitute amendment.

Mr. KANJORSKI. Mr. Chairman, may I inquire as to how many speakers are on the other side.

Mr. BAKER. Mr. Chairman, how much time is remaining?

The Acting CHAIRMAN. The gentleman from Pennsylvania (Mr. KANJORSKI) has 1½ minutes remaining. The gentleman from Louisiana (Mr. BAKER) has 5½ minutes remaining.

Mr. BAKER. Mr. Chairman, we will have two.

Mr. KANJORSKI. Then I will reserve my time.

Mr. BAKER. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina (Mr. MCHENRY), a valuable member of the Financial Services Committee.

Mr. MCHENRY. Mr. Chairman, I first want to begin by thanking my colleague from Pennsylvania for offering this substitute. I think it is important that on large issues coming before Congress that both sides are heard.

We dealt with this issue in committee. This bill, sponsored by my colleague from Pennsylvania (Mr. FITZPATRICK) was voted out of committee by a voice vote, certainly not a very controversial piece of legislation. Mr. KANJORSKI's amendment, offered in the nature of a substitute as well in the committee, which is substantially the same as he is offering here today, was voted down. So we have already dealt with this and wrestled with this issue in committee.

I also want to talk about the substance of his amendment today. What it does is retain the status quo. In essence, the SEC has endorsed an anticompetitive model for credit rating agencies. There are two dominating credit rating agencies that control 80 percent of the marketplace, and this is because of SEC regulation.

What Mr. FITZPATRICK's bill does is enable the private sector to come forward and actually increase the number of credit rating agencies in the marketplace so investors can decide. So it is a free market piece of legislation.

What Mr. KANJORSKI's bill does is retain the status quo that is anticompetitive, and beyond that, it has no accountability. It is a voluntary regime which Mr. KANJORSKI endorses, without any real mechanism of enforcement, and beyond that, it codifies this chicken and egg problem within the credit rating agencies today.

You have to be a nationally recognized credit rating rated agency in order to be a national recognized credit agency. Now here is the deal. You can operate all you want and call yourself a nationally recognized credit rating rated agency, but unless you are recognized by the SEC you cannot operate.

So, therefore, you are codifying in law a very complicated procedure that the SEC has put in place. It says you cannot actually function in the marketplace without the SEC endorsing it, but in order to get the SEC to endorse you, you have to be in the marketplace and operating. So, in essence, we have a very complicated piece of procedure that the SEC's put in place that is anticompetitive.

Beyond that, Mr. Speaker, in conclusion, I would say that what the gentleman from Pennsylvania is offering in the nature of a substitute is a question of who, not what. This is truly

about politics today. I think it is a question of who is sponsoring the legislation, who is moving the legislation, not what the underlying legislation does.

I would ask my colleague to vote with us on final passage, to move forward past this substitute and let us do the business of the House and the business of the people and endorse a free market solution.

Mr. KANJORSKI. Mr. Chairman, I think I have the right to close, so I will reserve my time.

The Acting CHAIRMAN. The gentleman from Louisiana (Mr. BAKER) has the right to close.

Mr. KANJORSKI. Mr. Chairman, I yield myself the balance of the time.

Mr. Chairman, I listened to the last speaker with somewhat dismay. He tended to quote a lot of votes. Yes, there was a vote that passed this on from the committee to the floor, and after the preceding vote that was held by the committee on the substitute he failed to inform the House that there were 35 against the substitute, 31 in favor of the substitute. This did not come out of the committee without contention. It came out on the voice vote because we saw the count was 35–31. We did not call for a vote.

Secondly, the gentleman charges my suggestion of the substitute as a definition to define and maintain the status quo. Either he has not looked at the substitute or we define the status quo in different proportions because this substitute does several things.

First and foremost, it would require the Securities and Exchange Commission to complete its definitional rulemaking of what constitutes an approved rating agency within 60 days of enactment. That does not give them unlimited time to continue to pursue. Within 60 days they have to have the definition.

The second position, it would require the commission to establish public guidelines about the process used to identify new nationally recognized agencies within 180 days of enactment, within 6 months. That is hardly the status quo.

Then, finally, we would encourage continuation and participation of the parties to expedite and complete a voluntary framework to improve the discipline and enhance rating quality.

This substitute accomplishes several things, moves the process along but does not create an entire new entity and process which is contradictory to international agreements and other conditions held throughout the world.

I urge the adoption of the substitute.

Mr. BAKER. Mr. Chairman, I yield myself the remaining time.

Mr. Chairman, it is appropriate, I think, to perhaps review the subject matter at hand from a little higher altitude than the debate has taken us.

We have an obligation in this House to ensure that hardworking American families who invest their money in the markets can do so in the most safe and sound manner possible. What we now know about the function of the credit rating agencies over the past decade is their performance has been less than what we should expect. In fact, days before corporate failures, they continued to report the highest investment grade analysis on many troubled companies. We know that we must act to ensure that pension fund investors, managers of perhaps rather large public schoolteacher or public employee investment funds have the best tools available to ensure that innocent third parties are not harmed by abhorrent actors in the capital markets.

I can assure my colleagues that this proposal moves us in an improved direction. Certainly, any legislation can be improved upon, but the bill we have before us is fully warranted, fully justified, and it is now timely for this House to act.

I commend Chairman OXLEY for his continued leadership in trying to bring out fiscal accountability in the capital markets. I commend Mr. FITZPATRICK for his hard work on this measure. But I ask this House to turn down the Kanjorski substitute and adopt H.R. 2990 as recommended by the Financial Services Committee.

Mr. Chairman, I yield back my time.

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. KANJORSKI).

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

RECORDED VOTE

Mr. KANJORSKI. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 198, noes 222, not voting 12, as follows:

[Roll No. 367]

AYES—198

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Case
Chandler
Clay
Cleaver
Clyburn
Conyers
Cooper
Costa
Costello
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Ford
Frank (MA)
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Harman
Hastings (FL)
Herseth
Higgins
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy
McCollum (MN)
McDermott
McGovern
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Melancon
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOES—222

Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole (OK)
Conaway
Crenshaw
Cubin
Davis (KY)
Davis, Tom
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Feeney
Ferguson
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Green (WI)
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Issa
Istook
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Norwood
Nunes
Nussle
Osborne
Otter
Oxley
Paul
Pearce
Pence
Petri
Pickering
Pitts
Poe
Pombo
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schmidt
Schwarz (MI)
Sensenbrenner
Shadegg
Shaw
Shays
Sherwood
Shimkus

Shuster
Simmons
Simpson
Smith (NJ)
Smith (TX)
Sodrel
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiberi
Turner
Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—12

Culberson
Davis, Jo Ann
Evans
McNulty
Northup
Peterson (PA)
Platts
Ros-Lehtinen
Sessions
Slaughter
Tiahrt
Watson

□ 1503

Mr. CARTER and Mr. HEFLEY changed their vote from ''aye'' to ''no.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

The Acting CHAIRMAN. 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 Acting CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. MCHUGH) having assumed the chair, Mr. SWEENEY, Acting Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill (H.R. 2990) to improve ratings quality by fostering competition, transparency, and accountability in the credit rating agency industry, pursuant to House Resolution 906, 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 committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute 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. OXLEY. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, this 15-minute vote on passage of H.R. 2990 will be followed by a 5-minute vote on the motion to suspend the rules on H.R. 5646.

The vote was taken by electronic device, and there were—ayes 255, noes 166, not voting 11, as follows:

[Roll No. 368]

AYES—255

Aderholt
Akin
Alexander
Allen
Andrews
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boustany
Boyd
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Cardoza
Carter
Case
Castle
Chabot
Chocola
Coble
Cole (OK)
Conaway
Costa
Cramer
Crenshaw
Cubin
Cuellar
Culberson
Davis (KY)
Davis, Tom
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Doolittle
Drake
Dreier
Duncan
Edwards
Ehlers
Emerson
English (PA)
Everett
Feeney
Ferguson
Fitzpatrick (PA)
Flake
Foley
Forbes
Ford
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Gene
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hinojosa
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Issa
Istook
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
Matheson
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McIntyre
McKeon
McMorris
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moore (KS)
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Norwood
Nunes
Nussle
Ortiz
Osborne
Otter
Oxley
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Poe
Pombo
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Royce
Ruppersberger
Ryan (OH)
Ryan (WI)
Ryun (KS)
Salazar
Saxton
Schmidt
Schwarz (MI)
Sensenbrenner
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (NJ)
Smith (TX)
Snyder
Sodrel
Souder
Stearns
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (NC)
Terry
Thomas
Thornberry
Tiberi
Turner
Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOES—166

Abercrombie
Ackerman
Baca
Baird
Baldwin
Barrow
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Carnahan
Carson
Chandler
Clay
Cleaver
Clyburn
Conyers
Cooper
Costello
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dingell
Doggett
Doyle
Emanuel
Engel
Eshoo
Etheridge
Farr
Filner
Frank (MA)
Gonzalez
Green, Al
Grijalva
Gutierrez
Harman
Hastings (FL)
Herseth
Higgins
Hinchey
Holden
Holt
Honda
Hooley
Hoyer
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Marshall
Matsui
McCarthy
McCollum (MN)
McDermott
McGovern
McKinney
Meehan
Meek (FL)
Meeks (NY)
Melancon
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore (WI)
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pomeroy
Price (NC)
Rahall
Rangel
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Smith (WA)
Solis
Spratt
Stark
Strickland
Stupak
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watt
Waxman
Weiner
Woolsey
Wu
Wynn

NOT VOTING—11

Davis, Jo Ann
Evans
Fattah
McNulty
Northup
Platts
Ros-Lehtinen
Sessions
Slaughter
Tiahrt
Watson

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining in this vote.

□ 1521

Mr. COSTELLO, Ms. CORRINE BROWN of Florida, and Mr. MEEKS of New York changed their vote from ''aye'' to ''no.''

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

TO STUDY AND PROMOTE THE USE OF ENERGY EFFICIENT COMPUTER SERVERS IN THE UNITED STATES

The SPEAKER pro tempore (Mr. SWEENEY). The unfinished business is the question of suspending the rules and passing the bill, H.R. 5646, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. ROGERS) that the House suspend the rules and pass the bill, H.R. 5646, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 417, nays 4, not voting 11, as follows:

[Roll No. 369]

YEAS—417

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Farr
Feeney
Ferguson
Filner
Fitzpatrick (PA)
Foley
Forbes
Ford
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McKinney
McMorris
Meehan
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Ney
Norwood
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Saxton
Schakowsky
Schiff
Schmidt
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stark
Stearns
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—4

Flake
Jones (NC)
Paul
Pickering

NOT VOTING—11

Davis, Jo Ann
Evans
Fattah
McNulty
Northup
Ros-Lehtinen
Sanders
Sessions
Slaughter
Tiahrt
Watson

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. There are 2 minutes remaining in this vote.

□ 1530

So (two-thirds of those voting having responded in the affirmative) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 2990, CREDIT RATING AGENCY DUOPOLY RELIEF ACT OF 2006

Mr. OXLEY. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 2990, the Clerk be authorized to correct section numbers, punctuation, and cross-references and to make such other technical and conforming changes as may be necessary to reflect the actions of the House.

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

There was no objection.

WE MUST DO BETTER FOR OUR SENIORS

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

Mr. LIPINSKI. Mr. Speaker, the Government Accountability Office recently released a report showing that Medicare providers are failing our seniors when it comes to providing information about their prescription drug coverage. The GAO report says that the phone centers operated by private Medicare providers gave accurate and complete answers only one-third of the time when people called. On more than half of the calls, inaccurate or incomplete information was given, and in 15 percent of the calls, no information was given.

It is absolutely inexcusable that providers seem to be incapable or unwilling to provide beneficiaries with good information. Our seniors should not be treated like this. Medicare must guarantee that these providers give accurate and complete information.

But this also points out another problem. If Medicare providers do not yet understand these plans, how can our seniors? Congress must act to give seniors more time to sign up for a drug plan without the lifelong penalty they are now facing. Seniors should also be given a chance, if they have a plan that is not working for them, to immediately change that plan. We see there are many problems with this program. Seniors need to be given more time.

Mr. Speaker, we must do better for our seniors.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. JINDAL). The Chair will remind all persons in the gallery that they are here as guests of the House and any manifestation of approval or disapproval of proceedings or other audible conversation is in violation of the rules of the House.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nebraska (Mr. OSBORNE) is recognized for 5 minutes.

(Mr. OSBORNE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

SILENT BACK DOOR OF ILLEGAL ENTRY—PUERTO RICO

Mr. POE. Mr. Speaker, I ask unanimous consent to take Mr. OSBORNE's time.

The SPEAKER pro tempore. Without objection, the gentleman from Texas is recognized for 5 minutes.

There was no objection.

Mr. POE. Mr. Speaker, more news from the front: The border war continues. Our terrorist field hearings last week proved one thing: The vulnerabilities on our southern border are monumental. But it is not just our southern border coming under attack. It is Puerto Rico, that silent back door of illegal entry into America.

This is something that we should be concerned with. Border agents there report a staggering lack of security. In fact, you can count on one hand the number of field agents that they have in Puerto Rico on patrol at any given time. Only four active patrol agents patrol this island at once, and they only have 23 agents on the whole island assigned to patrol an island with 363 miles of coastline. These field agents find themselves isolated with these limited resources. Our government even cherry-picks border agents there to send them to other spots, like our southwestern border.

What could be more vulnerable than one agent patrolling 90 miles of coastline? Even the Blackhawk helicopters that they used to use are so broken down they don't even fly anymore.

While we watch the southern border, the human smugglers, narcotics traffickers; and terrorists are not only watching our southern border, they are watching Puerto Rico, knowing it is an easy, back door gateway to America.

With rumors of amnesty spreading throughout the world, especially Latin America and Asia, human smugglers are seizing the moment, causing crime and violence at the borders to skyrocket.

This year Federal immigration officials say the waters off of Puerto Rico are filled with more human cargo than they have ever seen before. The tiny island just off Puerto Rico's coast, Mona Island, is a jumping-off spot for people who wish to illegally enter America.

Last year, it was the site of more than 6,500 arrests of illegals traveling on rickety wooden boats called yolas. They storm Puerto Rico's beaches as if they were troops landing at Normandy or the Marines in World War II as they island-hopped in the Pacific.

Out of 10 illegals that are crammed on one of these boats, border agents say they are lucky if they are able to capture two of them. And the smugglers who arrange these deadly and illegal invasions into Puerto Rico have seen a spike in their business.

In 2001, for example, less than five Cubans were captured on Mona Island illegally entering the United States. But in the past 9 months, almost 600 have arrived; and they pay between $1,500 and $2,000 apiece to their human smugglers, and the human smugglers have yet to be prosecuted. It is so lucrative smuggling humans in the United States that it pays even more than trafficking drugs.

But the most dangerous cargo are possible terrorists from Middle Eastern countries, China and Korea, that are easily masked by the thousands who rush the border monthly, thousands who rush the beaches; and Puerto Rico's leaders are worried that the island's drug traffickers could collaborate with terrorist organizations. Because, you see, once people get to Puerto Rico, they are home free to the rest of America if they do not stay in the Puerto Rico vicinity. They could stay there and destroy vital infrastructure that we have in Puerto Rico. For example, one of the two insulin plants that exist in the whole world is in Puerto Rico.

And, of course, Puerto Rico is unique because it has a cruise business. We don't have much of a cruise business down on the Texas-Mexico border with the Rio Grande River, but they certainly have a cruise business in Puerto Rico. It makes a unique security problem for the United States, so we certainly need to beef up border security in this area.

Once in Puerto Rico, illegal immigrants easily obtain false identification like birth certificates and driver's licenses. They fraudulently claim on these birth certificates and driver's licenses that they are U.S. citizens. So once they have convinced individuals at the border they are U.S. citizens, they easily assimilate into America. One official says getting a fake document in Puerto Rico is like getting a candy out of a candy jar.

And airport security is not an obstacle either. At the airport on the northwest portion of the island, the 4:00 a.m. flight to the mainland of the United States, it is always full of people, but the Border Patrol is never there because they don't have enough agents to cover that portion and time zone.

Mr. Speaker, Puerto Rico is an important part of America. It enjoys a unique relationship with the continental United States. It is part of America's homeland, and it is worth protecting from the sea of invasion by illegals.

It is important that we have more border agents in Puerto Rico, and Puerto Rico needs the services of the U.S. Coast Guard. It cannot become the silent back door of illegal entry into the United States. It is a homeland security problem, it is a border security problem, and it is a national security problem.

And that's just the way it is.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. BROWN) is recognized for 5 minutes.

(Mr. BROWN of Ohio addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

IRAQ OCCUPATION

Mr. MCDERMOTT. Mr. Speaker, I ask unanimous consent to claim Mr. BROWN's time.

The SPEAKER pro tempore. Without objection, the gentleman from Washington is recognized for 5 minutes.

There was no objection.

Mr. MCDERMOTT. Mr. Speaker, the bodies of 20 kidnapped and murdered bus drivers were found in Iraq today. That occurred just before a suicide bomber walked into a Baghdad restaurant and blew himself up, killing seven people.

Then Secretary of Defense Don Rumsfeld arrived on an unannounced visit and said: ''Each time I come to Iraq, I see progress.'' That is a direct quote from the UPI.

Iraq is convulsed by sectarian violence. It is a nation disintegrating into homicidal chaos. It is a killing zone where Iraqi citizens purchase fake documents in hopes of staying alive if confronted by militias. It is a place where the killing has moved from the streets to inside the homes of Iraqi citizens. It is a country whose leaders acknowledge it is on the brink of all-out civil war, and the President's secretary of war, the man controlling the fate of 129,000 U.S. soldiers in Iraq stands up and flat out misleads the troops who don't get to go home to the United States at the end of the day like Mr. Rumsfeld does.

America's independent government watchdog agency, the Government Accountability Office, just released a report that confirmed what everyone except the President and his political appointees already know: There is no adequate plan to stabilize Iraq, and the occupation by U.S. forces is fueling the sectarian violence.

Rumsfeld can claim things are getting better to reporters while standing inside a fortified U.S. base, but that flies in the face of the facts. U.S. troop strength in Baghdad has been increased from 40,000 to 55,000 people. The Los Angeles Times reported on Sunday about rampant corruption inside the Iraqi security forces, including direct ties to the insurgents.

Our soldiers are becoming surrounded by a growing insurgency, and the civilian leader says things are getting better.

Secretary Rumsfeld was going to meet with Iraqi government leaders to tell them how to deal with the crisis. He told reporters he was going to tell the Iraqi leaders to do this: ''They are going to have to persuade as many people as possible that it is in their interest to support the government and participate in the political process.'' He went on to say, ''And anyone who doesn't want to, they're going to have to go find and do something about.''

He neglected to say that plan was tried and failed last month. It was called Operation Forward Together, and it didn't work. How could it?

The presence of an occupying force is fueling the violence. And despite the

fact there are 267,000 Iraqi security forces, the American people are told repeatedly that they cannot defend Iraq on their own.

Three years later, the only plan the President and the secretary of war can articulate is to ''stay indefinitely.'' Our military generals know full well this so-called plan guarantees more needless U.S. casualties, and Iraqi leaders know it guarantees more sectarian violence.

In the past, I and others have called for the resignation of the Defense Secretary, Mr. Rumsfeld. Today, I offer a better plan. The President should keep his political appointee. In fact, the President should transfer Secretary Rumsfeld to Iraq. He should be stationed there until every last U.S. soldier leaves the Nation we are now occupying.

□ 1545

The Secretary says he sees progress every time he visits. Imagine what he might see by actually living and working there.

There is no higher priority for the President, the U.S. military and America these days than Iraq. It stands to reason that the President's military appointee should be directly able to report for duty in Baghdad. Rumsfeld could personally work with the leaders of the Iraq government and show them how to implement his plan. By working in Iraq, the Secretary could accept direct responsibility for generating more of what he calls progress every time he visits Iraq. He could show America and the rest of the world the progress that only he and the President pretend to see.

The only true thing we can say about Iraq today is that it is on the brink of dissolving into unspeakable violence.

We cannot pretend our way out of Iraq, and we cannot pretend that the Iraqi people believe that our presence is stabilizing the country.

Iraq needs a plan that does not include the occupation of that country by foreign soldiers, including U.S. soldiers. Until this administration admits that it cannot shoot its way to victory, Iraq will grow more and more violent.

If Defense Secretary Rumsfeld was stationed there, America might finally get an honest assessment of the war and a road map to peace.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. MCHENRY) is recognized for 5 minutes.

(Mr. MCHENRY addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

HONORING ''DOC'' LONG

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from North Carolina (Ms. FOXX) is recognized for 5 minutes.

Ms. FOXX. Mr. Speaker, I rise today to honor Mr. William Henry ''Doc'' Long, a decorated World War II veteran and a successful businessman. He has dedicated his life to serving his country, his community and his family, and that is why I honor him today.

Long before Doc owned many successful family businesses in North Carolina, he served in the highly decorated 79th Infantry Division in the U.S. Army. Every living American directly benefits from the actions of the men of the 79th, and the many military units of the World War II era.

While in France, Doc was wounded when he was hit in the left side of his chest. As he lay in the cold night for 18 hours, he was wounded again. When he was found the next morning and taken to the aid station, his clothes and shoes had been cut off. But his personal belongings, just a wallet and a small pocket New Testament with his name inscribed on the front, were saved.

After a few days, Doc noticed that his Bible, which was given to him by his aunt, had been hit by a piece of shrapnel which went through the entire Bible but caught the outer binding. Doc stated that the Bible, which he kept close to his heart, was a gift of life because it prevented the shrapnel from piercing his heart.

After he was wounded Doc was awarded the Purple Heart with the Oak Leaf Cluster, in addition to numerous other medals, including the Bronze Star, European-African-Middle Eastern Campaign Medal, Good Conduct Medal, American Campaign Medal, World War II Victory Medal, and the Combat Infantryman Badge.

After the war, Doc started his first trucking and construction business, Long Brothers of Summerfield, with his brother James. In 1952 the brothers started Long's Asphalt Paving of Greensboro. Later Doc and his brother split the companies. Since then, Doc's children have joined their father in his business and, with Doc's help, have owned or started their own businesses.

Doc and his late wife, Doris Westmoreland Long, were married for 44 years. Doris died in 1990, at the age of 66. Together the Longs have three children, Gurney Long, Patty Long-Hill and Charles, who passed away unexpectedly last year. They also have a number of grandchildren and great-grandchildren.

Today, at 82, Doc still loves to participate in the business decisions and operations of his founding companies. In 2003, Doc helped two of his grandchildren start a business, and they proudly adopted his original company name, Long Brothers. This company is now located in Winston-Salem, where they successfully operate 20 trucks and employ 23 full-time employees. These endeavors are commendable because only 3 percent of family-owned businesses ever make it to the third generation.

I ask my colleagues to join me in honoring Doc for his devotion to his family, his perseverance in all his business ventures and his honest and faithful service to his country during World War II. His story should be an inspiration for us all.

CLOSING OF CIA'S BIN LADEN UNIT

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, the more President Bush entangles this country of ours in the Iraq occupation, the less committed it seems he is to the real national security threat we face, global terrorism, al Qaeda and Osama bin Laden.

Over the holiday weekend, when few people were paying attention, it was reported that the CIA has closed down ''Alec Station,'' its special unit that was charged specifically with tracking down and capturing Bin Laden.

We've sure come a long way since the immediate aftermath of 9/11, when the President promised to get him, dead or alive. So much for Sheriff Bush. The tabloids are doing a better job of hunting down Tom Cruise's baby than this administration is at finding bin Laden. But this latest decision is of a piece with the Bush approach to bin Laden.

In the fall of 2001, he had bin Laden cornered at Tora Bora, but the President let him get away by relying on local warlords rather than moving American troops in to finish the job.

And a few months later, at a White House press conference, the President's cavalier approach to bin Laden was on full display. ''I don't know where he is,'' the President said. ''I just don't spend that much time on him. I truly am not concerned about him.''

Well, 300 million other Americans are concerned, and they want to know why we can spend hundreds of billions of dollars to occupy and foment civil war in Iraq, but we can't maintain a single intelligence operation office devoted to apprehending the man responsible for the murder of thousands of Americans. And this from a President who has never missed an opportunity to wave the flag of 9/11, to exploit that tragedy in order to score political points and justify the reckless use of American power in Iraq.

The evidence is clear. This President is not serious about fighting terrorism. If he were, he wouldn't have diverted energy and resources away from the struggle in order to chase this white whale in Iraq.

Saddam Hussein, as we know by now, was not an ally of bin Laden's and was not a threat to U.S. security. But by invading Iraq, President Bush has turned that devastated country into a jihadist breeding ground and made all of us less safe. The Iraq war has created terrorists rather than stopping them.

There is only one answer. It is time to bring the troops home and end the occupation of Iraq. Then we can redirect our resources, military and otherwise, toward finding bin Laden and

pursuing a true counterterrorism strategy, a counterterrorism strategy that instead of invading countries willy-nilly, makes use of multilateral partnerships and strong intelligence capabilities.

That, in addition to toppling the Taliban, would be the proper way to respond to 9/11. That would be the right strategy to meet the national security challenge of our time.

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.)

RAIL SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida (Ms. CORRINE BROWN) is recognized for 5 minutes.

Ms. CORRINE BROWN of Florida. First of all, Mr. Speaker, I want to thank Congressman BENNIE THOMPSON for his hard work on the Homeland Security Committee and for working with the Transportation Committee in developing very important and long overdue rail and transit security legislation.

Yesterday, in India, bomb blasts ripped through their commuter rail network, killing 142 people and injuring over 350. This is a terrible tragedy and again raises the serious question as to whether we are prepared in this country for a similar attack. Sadly, the answer is no. No.

When it comes to rail and transit security in this country, this administration, the Bush administration, and this Congress deserve an F for failing to develop a plan to protect our daily transit and rail commuters from harm.

It has been over 2 years since the train bombing in Madrid, 3/11/04, and just last week the 1-year anniversary of the transit bombing in London. Yet the Bush administration has done nothing to protect this Nation's freight and transit rail system and its millions of passengers.

We spend over $1 billion a week in Iraq. Let me repeat that. We are spending over $1 billion a week in Iraq. We are spending over $1 billion a week in Iraq, and yet the Bush administration can only come up with a measly $136 million to protect this Nation's rail and transit system for an entire year. That is pathetic. But that is the kind of fuzzy math that this administration is famous for, and it needs to stop before American citizens pay the price for this stupidity.

We can't keep treating our rail infrastructure as second class citizens. We have dedicated billions of dollars to the airline industry and created a grants program for the ports. But we have done little to invest in the security upgrade of our rail infrastructure needs.

Fortunately for the traveling public, the legislation introduced by Congressman THOMPSON and myself and other Democratic Members require comprehensive security plans. And let me just say, security should not be a Democratic issue or a Republican issue. It should be an American issue. Clear up the red tape. Improve training and exercise programs, improve communications and intelligence, share authority and $400 million in security improvement grants per year and add $26 million for additional rail inspectors.

Most important, it will help make sure our community, our first responders and our rail workers are safe. These are the concerns I hear over and over again as ranking member of the Railroad Subcommittee. And I believe that this legislation takes the necessary steps to create a rail security program that protects passengers and keeps the trains running on time. The millions of Americans who use trains and transit for travel each year deserve no less.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

(Mr. JONES of North Carolina addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

RAIL SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi (Mr. THOMPSON) is recognized for 5 minutes.

Mr. THOMPSON of Mississippi. Mr. Speaker, last week marked the first anniversary of the London subway and bus bombing, which killed 56 people and injured more than 700 others.

Yesterday, we were reminded again of the terrorist threat to rail and public transportation systems when terrorists attacked trains in Mubai, India, killing over 100 and injuring far more.

The victims of these attacks were ordinary people, not that different from many Americans who are going about their usual routine of commuting to work, school or terrorist sites.

After the London bombing, Congress called on the administration to move quickly to reinforce our Nation's rail and public transportation systems to prevent such an attack from happening on American soil. Just last month, we learned that this threat is real when it announced that al Qaeda had planned to attack New York subways using poisonous gas.

Yet, nearly a year after the London attacks, Mr. Speaker, the Bush administration has failed to produce a comprehensive strategy to secure America's rail and mass transit systems.

The administration also continues to focus almost exclusively on aviation security, spending $9 per air passenger, compared to only one penny per rail and public transportation passenger.

The administration has also failed to ensure the front line employees of rail and public transportation systems are trained on how to prevent, prepare for and respond to a terrorist event.

Finally, Mr. Speaker, the administration has failed to devote significant resources to rail and mass transit research and development.

□ 1600

Yet we all know that the only way we can truly secure subways and buses, which carry millions more passengers than airplanes, is through new technologies.

To close these security gaps, last month Congresswoman BROWN, myself, and other Democrats introduced the Rail and Public Transportation Security Act of 2006. This bill will require the Department of Homeland Security to secure rail and public transportation systems using many of the same tools it is already using to secure ports.

First, this bill requires a National Rail and Public Transportation Security Plan. Second, the bill requires rail and public transportation systems to submit vulnerability assessments and security plans for approval. Third, the bill requires rail and public transportation systems to train their employees on how to prevent, prepare for, and respond to terrorist attacks. Finally, the bill provides the resources and manpower needed to truly increase security.

First of all, we plan to provide $400 million in authorized expenditures for a grant program dedicated to rail and public transportation security. Secondly, we authorize $150 million over the next 3 years for advanced research and development to uncover new solutions to the security threats faced by rail and public transportation systems. Finally, Mr. Speaker, $26.4 million per year is authorized over the next 6 years to hire 1,200 new rail security inspectors. For the record, there are only 100 rail inspectors in the country as we speak.

This Democratic bill provides genuine solutions to the security threats faced by rail and public transportation systems here in America. I urge my fellow Members on both sides of the aisle to support it.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 9, FANNIE LOU HAMER, ROSA PARKS, AND CORETTA SCOTT KING VOTING RIGHTS ACT REAUTHORIZATION AND AMENDMENTS ACT OF 2006

Mr. LINCOLN DIAZ-BALART of Florida, from the Committee on Rules, submitted a privileged report (Rept. No. 109–554) on the resolution (H. Res. 910) providing for consideration of the bill (H.R. 9) to amend the Voting Rights Act of 1965, which was referred to the House Calendar and ordered to be printed.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

(Mr. PALLONE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

IRAQ

Mr. LYNCH. Mr. Speaker, I ask unanimous consent that I be allowed to speak out of order.

The SPEAKER pro tempore. Without objection, the gentleman from Massachusetts is recognized for 5 minutes.

There was no objection.

Mr. LYNCH. Mr. Speaker, lately it seems that the national debate over the next move in Iraq has become bogged down in a way that really reflects the military struggle itself. The administration has dug in, believing that simply staying the course, we can simply outlast the military insurgency.

Conversely, there are some in my party who, angered understandably by war under false pretenses, are seeking a pell-mell evacuation complete with a publicly announced evacuation date, which I think makes the withdrawal of 136,000 troops more dangerous and more difficult.

But, Mr. Speaker, drawing upon the lessons of history, I would like to propose a third way: creating a mechanism to more effectively empower the new elected Iraqi Government, which will allow for a gradual but permanent U.S. troop reduction.

Mr. Speaker, I would like to take a moment to talk about a process that we went through in my office after five visits to Iraq to try to find a model that would allow us to shift the governmental operations in Iraq away from the U.S. military and to their new government. And the example that we came up with, that has been used by this government in the past, is actually the model that was developed during the Second World War.

In 1944, after driving Japanese forces from the Philippines with the help of the Filipino resistance, the United States military, like today in Iraq, found itself in complete control of the Philippines, over 7,000 islands. It found itself in complete control of the basic services that government would provide in the Philippines. And because of the recent occupation by Japanese forces, there was no incumbent government in the Philippines that could take the responsibilities for these government operations.

So, by default, the U.S. military took over these government operations; and while U.S. policy at the time strongly supported Filipino independence, the military had no choice but to temporarily exercise control under the fragile circumstances.

Clearly, that situation could not endure indefinitely. And what Congress did next, in 1944, under the tutelage of John W. McCormack and the Franklin Delano Roosevelt administration, and later the Truman administration supported, was instructive and I think worth repeating.

In 1944, this Congress passed and the President signed the Filipino Rehabilitation Act, which created a national commission comprised of three appointees each from the White House, the Senate, and the House, and their mission was to plan and coordinate and oversee the transition of government operations away from the U.S. military and over to the newly forming Filipino government.

Of course, there are certain arguable differences between the situation in the Philippines in 1944 and Iraq in 2006. However, after my five visits to Iraq and dozens of meetings with General George Casey and top generals in his office and in the field, as well as Iraqi President Jalal Talabani and members of the Iraqi Council of Representatives, I believe the critical weakness in our current strategy is this persistent inability to empower the new Iraqi Government.

With this in mind, I recently introduced the Iraq Transition Act of 2006, H.R. 5716, drawing from the Philippines model. And I give credit to those in 1944 who devised this. This is not original thought; this is borrowed from their example.

I have proposed the establishment of a national bipartisan commission comprised of appointees, again from the White House, the Senate, and this House, whose specific and targeted purpose would be to help facilitate the orderly, deliberate, and expeditious transition from U.S. military control to Iraqi civilian control of operations of government in Iraq. It is important to remember that the transition to civilian control in Iraq is a political process, and while I have many times witnessed the excellence with which our military has performed in Iraq, I also believe it is a strategic disservice to the military for us to add political reconciliation to the massive burdens of security and reconstruction that they are now shouldering.

Simply put, the newly created Commission on Iraqi Transition would be held directly responsible for working with the military leadership and the Department of State to accomplish the transition to Iraqi civilian control of government operations in Iraq and to regularly report its progress to the Congress, the President, and the American people.

While this approach may not satisfy the ''stay the course'' advocates or those who would prefer to announce a specific date for withdrawal, I believe it offers a responsible and workable plan for two important reasons.

In closing, firstly, this bill introduces a level of direct accountability to the political transition process that does not now exist and has made measuring progress extremely difficult. And secondly and lastly, it has precedent and success to support it and offers the best opportunity for the earliest withdrawal of U.S. forces, while leaving the Iraqi people with the greatest chance for preserving their newly found democracy.

I look forward to working with my colleagues.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. BURGESS) is recognized for 5 minutes.

(Mr. BURGESS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

TRADE BALANCING ACT OF 2006

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, newspapers across the world today carry the story that China has hit a new record in terms of its exports to countries like the United States. Surges in exports all over the world demonstrate that since last year, the Chinese have actually increased their exports by over 25 percent, and since the beginning of this year by 55 percent.

Truly, this Nation is the dump market of the world. We are absorbing everybody else's imports, and nations like China are not taking as many exports as they could from us in order that we have a balanced trade account. Newspapers like the Toronto Star indicate that this new record surpasses the record that was set last month in May.

As you think about the outsourcing of jobs in the United States of America, going to Mexico, going to China, it is very interesting that the United States is cashing itself out in order to float its currency and its borrowings during this period of time when the Bush administration and its allies here in the Congress are driving us into deeper and deeper debt, more and more borrowing. This is a reciprocal of that kind of phony economy here at home.

In China, even the Chinese admit that that country needs to rely more on domestic demand, selling things inside their own country rather than exporting everything to the United States. And if China's industrial boom, and they grew about 10 percent since the beginning of this year, is to be sustained, they have to start selling to their own people.

Years ago, they said the answer to the trade issues with the Asian countries, the Asian tigers, is to manipulate the currency rate. So you hear a lot of discussion in this country about the Treasury trying to rig the relationship between the yuan in China and the U.S. dollar. But the facts are that the United States is in a huge trade deficit with almost every other industrial country in the world, and we are having to borrow in order to float the borrowings that we are doing on the trade accounts in order to sustain the hollowing out of our economy.

Recently Maytag announced its closure in the State of Iowa. All the way back to when Goodyear first closed in Los Angeles, we have a reborn steel industry. Our steel industry was killed back in the 1980s, but guess what. It has been reborn all through foreign ownership. We don't even own it anymore.

Won't the American people recognize what is happening to the real wealth creation of this country?

I do not want America to be owned by transnational corporations that have no loyalty to the United States of America and the values for which we stand.

This is the latest example of why we never should have had permanent normal trade relations passed with China, because it only digs us deeper and deeper and deeper into debt. Our people do not have good middle-class jobs. They cannot hang on to their pensions. Their health benefits increase in cost. And we literally are making our children, as graduates of the colleges across this country, debtors, because we cannot even pay the educational bills of the next generation. What a sorry state to begin this new millennium and this 21st century here in the United States of America.

I am deeply distraught by these latest numbers from China, and surely, at a minimum, Members of Congress should sponsor my Trade Balancing Act of 2006, which basically says to any Presidential administration, if we have more than $10 billion of debt in trade with any nation in the world, we ought to go back and figure out why we do and then renegotiate those trade agreements.

We cannot depend on fiddling around with currency manipulation because they told us if we did that with Japan back in the 1980s, our accounts would just look terrific. If the dollar and the yen came into balance, the trade accounts would heal. But guess what. They never did because you know why? Japan never opened its market to our goods. And neither will China. So you have to deal with the Asian tigers in a different way.

Surely, surely this should be a wake-up call to the American people. Surely, surely this should be a wake-up call to the Members of this Congress who could change the trade laws of this country in order to create a balanced trading environment, a level playing field where our businesses, where our workers, where our communities have a chance to compete again.

Mr. Speaker, I will include in the RECORD this article from the Toronto Star, the title of which is ''China's Trade Surplus Hits New High.

And I would have to say as it hits a new high, America's economy hits a new low here at home.

[From the Toronto Star, July 11, 2006]

CHINA'S TRADE SURPLUS HITS NEW HIGH

(By Elaine Kurtenbach)

SHANGHAI—Month after month, China's export-driven economy pushes its trade surplus with the rest of the world to new heights.

June was no exception. Yesterday, China reported that its global trade surplus rose to a record monthly high of $14.5 billion (U.S.), after a record $13 billion surplus in May.

The data from China's Commerce Ministry is sure to raise the likelihood of more tension over Beijing's currency controls, especially with the U.S., which is one of China's $202 billion in 2005, has fanned antagonism over the persistent imbalance between the two countries. That figure is bigger than China's global trade gap because China has trade deficits with some nations.

June's increase raised the trade surplus for the first half of the year to $61.5 billion, a 55 per cent jump over last year's first-half surplus of $39.7 billion.

The surge in exports also has worried China's economic planners, who say the country needs to rely more on domestic demand than on exports and Investment to fuel growth if its industrial boom is to be sustained.

The economy grew at an annual rate of 10.3 per cent in the first quarter of the year. First-half figures have yet to be released but state media reports, citing authoritative government officials, have said it likely would remain at about 10 per cent.

But he added ''these numbers suggest that the PBOC is fighting back effectively.''

The latest trade figures were likely to ratchet up complaints over China's currency controls, which its trading partners say keep the value of the yuan artificially low, making the country's exports cheap in overseas markets.

China still limits daily movement in the yuan's value to just 0.3 per cent above and below its daily official rate. Chinese officials have pledged to make trading more flexible, but have shied away from setting a timetable.

In the meantime, the yuan has risen about 1.5 per cent since it was revalued by 2.1 per cent against the dollar to 8.11 yuan per dollar.

THE FEDERAL DEFICIT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. EMANUEL) is recognized for 5 minutes.

Mr. EMANUEL. Mr. Speaker, with very much fanfare yesterday, the President held a press conference to claim vindication for his economic stewardship and his fiscal policies. He announced, and I just now calmed down, that the United States Government would only have a $3 billion Federal deficit for the fiscal year 2006.

□ 1615

By this administration's standards, this qualifies as a monumental achievement? $300 billion deficit and the President wanted applause for what he had done because after creating the three largest deficits in history, you are making progress if you do not set any standards or any records.

This time it is only the fourth largest deficit ever in the United States. In the Nation's capital, the President's budget is becoming known as the ''World of Diminished Expectations.'' Let us go back a little.

In 2001, President Bush inherited a surplus of $284 billion, and it was predicted by the year 2006 we would have a surplus of $516 billion, and they are only off by $800 billion. By Washington's standards, that is just a rounding error. So it makes sense to put away the champagne glasses for a while.

In addition to celebrating the fourth highest deficit ever, the President touted the significance of his tax increases. What he did not know is, in his administration, we have added $3 trillion to the Nation's debt, $3 trillion in 5 years, the largest increase in the Nation's debt in the shortest period of time ever in American history, $3 trillion, and on the present course, with Iraq spending and spending by the Federal Government and the revenue structure, we are on course to add another $1 trillion in 5 years.

Now, here is what Greg Mankiw, the President's former Chief Economic Adviser, said about the President's claim that his tax cuts can be paid for and actually help on the economy: ''There is no credible evidence'' that ''tax revenues rise in the face of lower tax rates.'' That is the President's own economic adviser. He went on to compare an economist who says that tax cuts can pay for themselves to a ''snake oil salesman trying to sell a miracle cure.''

The Economist magazine recently wrote, ''Even by the standards of political boosterism, this is extraordinary. No serious economist believes President Bush's tax cuts will pay for themselves.''

Not only have they not paid for themselves, they have left a huge burden on the middle class families and their children for generations to come to pay for.

Let us look at what is also happening in the President's economic stewardship.

In July of 2001, 5 years ago, under President Bush gas was $1.33 a gallon. Today, in Chicago, my district, it is $3.40. It has more than doubled. Health care costs have gone up 73 percent in premiums to $11,000 a year for a family of four. College costs for a 4-year college education at a public school is up 38 percent. And incomes, the median income in this country has declined 2.3 percent.

So while college costs have gone up, energy costs have gone up, health care costs have gone up, the savings rates in this country are down in negative territory for the first time since World War II. Median incomes are flat, and the President wants your applause for a $300 billion deficit because it is so good.

So while the prices have spiraled out of control for middle class families and the standard of living is coming under increasing pressure from the global economy, energy costs, health care costs, college costs, savings rates, incomes have not gone up, in fact they are flat to declining. The American people need a raise. It is that simple.

Now, the well-to-do are doing well. It is time we make sure that this government is working on behalf of the American people, not the American people working on behalf of their government.

We do not have to go back so far as to remind people what happened in the past when we had an economic strategy that put our fiscal house in order and invested in the education, health care and energy independence of this country. We created 22 million jobs in the 1990s, record unemployment. We had low inflation, below 2 percent, a balanced budget and a surplus 3 years in a row, and we began to pay down the debt. Welfare rolls declined. Poverty went down. Children's health care coverage went up. All the while we also provided the middle class a tax cut so they could send their kids to college known as a HOPE scholarship and the lifetime earning credit. Anytime you want to go back to college, you got a tax cut to do so. So you had the skills and the capability to do what you needed to do to compete in a global economy.

That is when your government is putting its fiscal house in order, being responsible for your dollars and investing in education and health care independence. It is time for new economic priorities. It is time for a change. It is time to put the government back on the side of the American people.

FAILED FISCAL POLICY OF THE BUSH ADMINISTRATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

Mr. DEFAZIO. Well, following up on the theme of the failed fiscal policy of the Bush administration, I would like to emphasize two points made by my colleague.

The President's bragging on a $300 billion deficit. That means the government's borrowing about $800 million a day, $800 million a day to run the government, and they are handing the bill to future generations. He is bragging on that as great achievement, but that is not the whole story. He is also borrowing $182 billion from the Social Security surplus this year. So he is also borrowing from present and future generations. The total borrowing by the Federal Government this year will be $482 billion, and the President's bragging on it, and that means we are borrowing $1.3 billion a day to run the government, borrowing against the future, sending the bill to working Americans because we do not want to tax the rich people anymore, and the corporations are moving offshore to avoid taxes.

It is an extraordinarily fiscally irresponsible position for this government, and it is just part of the many failures of this administration, but I am going to talk about another failure today, one where the President has said we are also setting new records, trade policy.

America, month after month after month, is running larger and larger trade deficits. We are hemorrhaging jobs overseas to countries that exploit labor, countries like China where people work for 25 cents an hour they are so desperate, where they are not allowed to form labor unions, where U.S. capital is feeding their technological investment from corporations who are moving away from our country but want to sell their goods here.

Our trade deficit with China was $17.7 billion last month. One month, we borrowed $500 million a day from China to buy stuff from them that we used to make here in the United States of America. That is not sustainable. We are losing the jobs and we are mortgaging our future, and someday that debt is going to be called in by the Chinese and others.

The trade deficit overall went up to $63.8 billion. We are on track to have a trade deficit of $765 billion this year. Now, that is a lot of numbers. What does that mean? We are borrowing over $2 billion a day, $2 billion a day from foreign interests, number one being China, number two Japan, and others, to buy stuff made overseas that we used to make here. And the Bush administration touts this as a great success, free trade. Why?

Well, because the corporate CEOs, who have outsourced their jobs to China, are getting huge and growing compensation, an average of $12 million. They live in gated communities. They send their kids to private schools. They fly on private jets. They go to private resorts. They do not care about public infrastructure or public education. They do not care about the rest of us in this country. They do not even care about the American workers anymore because they are making stuff overseas. All they do is hope our credit cards hold up a little bit longer so we can buy more of the stuff they made over there that might be a tiny bit cheaper and put it on the credit card and they can cash in and get out of town before this house of cards collapses.

So we are borrowing over $1.4 billion a day to run the government. We are borrowing $2 billion a day to buy stuff made overseas, and President Bush is telling the American people that things are great and getting better, but on Main Street, America, they know that is not true.

Now, in the country clubs and in the boardrooms, sure, better than ever. Corporate CEO pay went up last year about 10 percent, about $1 million on average, which happens to be 100 times what a minimum-wage earner earns in this country. That was just their increase. The minimum wage has not gone up in 9 years. The Republicans refuse to bring it to the floor of the House because they are favoring these corporate CEOs. God forbid, they should pay more in taxes, and God forbid, they should have to pay the minimum-wage people who wait on their tables, who park their cars and who mow their lawns any more money. It would be a hardship for those rich folks.

So this is the Bush economic success. We are borrowing from overseas. We are borrowing from the Social Security Trust Fund. We are borrowing from other investors. We are financing it on the credit card, and they tout this as great for our country and a strong economy. What a lie.

GAS PRICES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. STUPAK) is recognized for 5 minutes.

Mr. STUPAK. Mr. Speaker, as Congress prepares to leave for the August recess, American families are being forced to make significant sacrifices just to be able to afford to drive to work, let alone try to take their family vacation this summer. I find it appalling that this body has not properly addressed high gas prices.

Over the Fourth of July, the national average price for a gallon of gas was approximately $3.00. Gas prices in my northern Michigan district exceeded $3.00, with many areas seeing a 20 to 25 percent increase in gas prices in 24 hours from July 2 to July 3, just in time for the July 4th holiday.

For almost a year now, we Democrats have been calling on the Republican leadership to allow a real price gouging bill to be passed into law.

One hundred thirty-five Members of this body have signed a discharge petition requesting that my legislation, the Federal Response to Energy Emergencies Act, the FREE Act, be brought to the floor for a vote.

After continuing lobbying from Democrats, Republicans finally introduced their own legislation, which was called price gouging, and it was a price gouging bill in theme only. That bill was passed by this body in May, and it has been stalled in the other body, controlled by the Republicans.

Unlike the Republican price gouging legislation, my bill, the FREE Act, would specifically set guidelines for the Federal Trade Commission to use to define price gouging, including provisions that would make it illegal to have unconscionable pricing, providing false price information, and market manipulation.

The FREE Act also contains a provision that would promote price transparency, helping consumers to understand whether or not oil and gas prices are fair and reasonable.

The FREE Act would also apply to natural gas and propane. Neither natural gas nor propane is addressed by the Republican bill.

Despite efforts to sugar coat the Federal Trade Commission's report recently released, called Invasion of Gasoline Price Manipulation and Post-Katrina Gas Price Increases, the Federal Trade Commission did find price gouging. Twenty-three percent of the refineries, 9 percent of the wholesalers and 25 percent of the retailers charged significantly higher prices. In other

words, they gouged the American people. And these prices were not attributable to either increased costs or national or international market trends.

Mr. Speaker, the American people are fed up. They know price gouging when they see it and they are being gouged. The Federal Government has responsibility to protect consumers from price gouging.

Price gouging legislation is long overdue. Congress needs to pass legislation to allow the Federal Trade Commission to prosecute price gouging.

Just as we must continue to work to protect consumers from gouging and predatory pricing at the pump, we must also investigate the effect that energy futures trading can have on gas prices.

Traditionally, trading of energy commodities such as crude oil, gasoline, diesel fuel and natural gas has taken place on the New York Mercantile Exchange, NYMEX, with oversight by the Commodities Future Trading Commission. However, an increasing amount of trading does not occur on NYMEX but in off-market deals known as over-the-counter trading.

According to the bipartisan Senate Homeland Security Committee report on oil and gas market speculation released on July 27, it says: ''As an increasing number of U.S. energy trades occurs on unregulated over-the-counter electronic exchanges or through foreign exchanges, the trading reporting system becomes less and less accurate, the trading data becomes less and less useful, and its market oversight program becomes less comprehensive.''

It is estimated that up to 75 percent of all energy trades are now over-the-counter, where speculation occurs without any regulation or oversight by the Federal Government.

Without effective oversight, there is no way to know whether energy speculators are basing their trades on market realities or instead taking advantage of the system to make money at the expense of hardworking Americans. Unregulated trades based on speculation, fueled by fear, result in greed, as we can see from the record profits of the oil companies.

In fact, a recent Justice Department investigation had led to charges against traders for the energy conglomerate, British Petroleum. It is alleged that several traders attempted to corner the market on propane in a pipeline network that serves the Midwest and the Northeast in order to drive up the price for propane in these areas. Court documents show that they were at least temporary successful in driving up artificially the price of propane.

Investigations into additional civil and criminal violations are ongoing.

When speculators, motivated by greed, take advantage of markets to drive up energy prices, the Federal Government must intervene to prevent this manipulation from being passed on to the American consumer.

Due to these concerns, I have introduce the Prevent Unfair Manipulation of Prices (PUMP) Act, H.R. 5248 to bring Over the Counter trading under the oversight of the Commodity Futures Trading Commission.

The PUMP Act would require off-market speculators to play by the same rules as on-market traders. This increased oversight will improve confidence in the market and help eliminate the unreasonable inflation of crude oil prices. The legislation would also increase penalties for speculators found to be unfairly manipulating the oil futures market.

Some economists estimate that oversight over all futures trades would lower the price of a barrel of crude oil by as much as $20.

Unfortunately, rather than proposing real solutions to bring down energy prices, Republicans have instead continued to propose bills to eliminate environmental standards, provide more tax breaks for bill oil, and promote the Republicans' favorite solution: drill, drill, drill.

I find it appalling that anyone could suggest that big oil needs more breaks, given their exorbitant profits. And we can not drill our way towards solving our addiction to oil.

Only by ensuring fair markets for American consumers and the promotion of alternative fuels can we truly reduce energy prices.

Our constituents are looking to us, to Congress, for relief. It is our duty to approve legislation that would provide real solutions, to protect Americans from the increased financial hardship that price gouging and high gas prices artificially created during the summer tourism months.

□ 1630

A MESSAGE FROM THE NORTH CAROLINA GENERAL ASSEMBLY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. PRICE) is recognized for 5 minutes.

Mr. PRICE of North Carolina. Mr. Speaker, I am here to deliver a message from the North Carolina General Assembly. It is a bipartisan, nearly unanimous message from our State House: Stop underfunding our schools.

Last week, 52 Republicans joined all voting Democrats in the North Carolina House of Representatives in passing a resolution that, ''urges the President of the United States and Congress to make a serious commitment to improving the quality of the Nation's public schools by substantially increasing the funding for the No Child Left Behind Act, the Higher Education Act, the Individuals With Disabilities Education Act, and other education-related programs.''

This resounding call from both sides of the aisle in my State is a sign that North Carolinians are exasperated with a President and a Congress that refuse to follow through on their commitments. They are simply fed up, Mr. Speaker.

By consistently underfunding No Child Left Behind, the Federal Government has failed to hold up its share of the bargain it made with our schools when No Child Left Behind was signed into law 4 years ago. In passing the law, the government promised to help improve failing schools by targeting the areas that needed support and providing that assistance.

By failing to come through on promised funding, the administration has turned No Child Left Behind into a program that punishes our schools instead of supporting them.

Two of the resolution's clauses tell the story more fully. ''Whereas the Federal government has decreased funding to North Carolina for No Child Left Behind in fiscal year 2006 by almost $11 million, and overall funding for public education by almost $12 million, including a deduction of $759,012 from programs that serve students with disabilities, and, whereas, in addition the Federal Government has cut almost $11 million from postsecondary education programs in North Carolina.''

Mr. Speaker, since No Child Left Behind was signed into law in 2002, counting the President's latest budget proposal, the Bush administration and the Republican Congress have underfunded this law by some $55 billion. In fact, the House is expected to debate an appropriations bill for the Department of Education soon that will cut the program by another $500 million as compared to last year.

And what about other Federal education programs? The story is much the same. The government is not fulfilling its promises. Since the passage of the Individuals With Disabilities Education Act in 1975, the Federal Government has failed to fully fund the education of children with special needs to the tune of $217 billion.

And this President and the leadership of this House have dropped the ball on making college more affordable for students and parents. Student loan rates are going up and Federal support for aspiring students is stagnant or decreasing while the cost of education continues to rise.

To put this in perspective, our alternative Democratic budget would invest far more in education smartly and strategically while at the same time balancing the budget sooner.

Mr. Speaker, North Carolina schools are no strangers to accountability. The teachers and parents and administrators in my State want our students to succeed like none other. They are simply asking that our Federal Government be a reliable partner and live up to its promise of support for the education of our children.

Mr. Speaker, I will insert at this point in the RECORD House Resolution 1811 from the North Carolina General Assembly adopted on July 5th, 2006.

A HOUSE RESOLUTION URGING CONGRESS TO INCREASE FUNDING FOR THE NO CHILD LEFT BEHIND ACT, THE HIGHER EDUCATION ACT, AND THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT.

Whereas, the State of North Carolina under the Standards of Learning Accountability System has long pursued the goal of improving the academic performance of all students, especially students of racial and ethnic backgrounds, lower economic status, and limited English proficiency, and with learning disabilities or challenges; and

Whereas, the State of North Carolina, therefore, applauds the President and United States Congress for putting forth the same goals in the No Child Left Behind Act of 2001 and emphasizing the urgency in closing these achievement gaps and improving the performance of these students; and

Whereas, the No Child Left Behind Act of 2001 has encouraged some needed changes in public education and was initially accompanied with relatively large increases in federal funding for public elementary and secondary education; and

Whereas, however, the increases in federal funding since the first year of the No Child Left Behind Act have been minimal and insignificant; and

Whereas, the federal government has decreased funding to North Carolina for No Child Left Behind Act in fiscal year 2006 by $10,777,346 and overall funding for public education by $11,931,500, including a deduction of $759,012 from programs that serve students with disabilities; and

Whereas, in addition, the federal government has cut almost $11,000,000 from postsecondary education programs in North Carolina; Now, therefore, Be it resolved by the House of Representatives:

SECTION 1. The House of Representatives urges the President of the United States and Congress to make a serious commitment to improving the quality of the nation's public schools by substantially increasing the funding for the No Child Left Behind Act, the Higher Education Act, the Individuals with Disabilities Education Act, and other education related programs.

SECTION 2. The House of Representatives requests the President, Congress, and the United States Department of Education to offer states waivers, exemptions, or whatever flexibility possible through regulations from the requirements of the No Child Left Behind Act in any year that federal funding for public elementary and secondary education is decreased to prevent states from spending state and local resources on activities that are not proven effective in raising student achievement and may not be the priority of an individual state.

SECTION 3. The Principal Clerk shall transmit a certified copy of this resolution to the President, the members of the North Carolina Congressional Delegation, and the United States Department of Education.

SECTION 4. This resolution is effective upon adoption.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. LORETTA SANCHEZ) is recognized for 5 minutes.

(Ms. LORETTA SANCHEZ of California addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

SUPPORT THE VOTING RIGHTS ACT REAUTHORIZATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. LEWIS) is recognized for 5 minutes.

Mr. LEWIS of Georgia. Mr. Speaker, the Voting Rights Act was good for America in 1965 and it is good and necessary in 2006. We must strengthen our resolve and complete the job that we began almost a year ago in a bipartisan way and pass the reauthorization of the Voting Rights Act tomorrow without amendment.

The struggle for voting rights was not so long ago. It was not 75 or 100 years ago. It was 41 years ago that this Voting Rights Act was passed. This is not ancient history. Yet so many Members of the House are too young to remember our very dark history of segregation and voting discrimination.

The history of the right to vote in America is a history of conflict, of violence, of struggle for the right to vote. Many people died trying to gain that right. I was beaten and jailed because I stood up for it. The experience of minorities today tell us that the struggle is not over, and that the special provisions of the Voting Rights Act are still necessary.

We do not want to go back to our dark past, and we must not go back. Forty-one years ago it was almost impossible for people of color to register to vote in many parts of the American South, in Georgia, in Alabama, and in Mississippi. Forty-one years ago, the State of Mississippi had a black voting-age population of more than 450,000, and only about 16,000 blacks were registered to vote.

Just 41 years ago, people of color had to pay a poll tax, pass a so-called literacy test in some States in the South. There were black men and women who were professors in colleges and universities, black lawyers and black doctors who were told they could not read or write well enough to register to vote.

They were asked to interpret certain sections of the Constitution in southern States. Some were asked to count the number of bubbles in a bar of soap, others were asked to count the number of jelly beans in a jar.

People stood in unmovable lines for the opportunity to register to vote. In some States voters could register only on 1 or 2 days a month; but those lines never moved, and those would-be voters were never registered. People were beaten, arrested, jailed, people even shot and killed for attempting to register to vote. It was a matter of life and death.

On March 7, 1965, about 600 of us black men and women and a few young children attempted to peacefully march from Selma, Alabama, to Montgomery to the State capitol to dramatize to the Nation and to the world that people of color wanted to register to vote. The world watched as we were met with nightsticks, bullwhips, we were trampled by horses, and teargassed.

Eight days after what became known as Bloody Sunday, President Johnson came to this podium and spoke to a joint session of Congress and began by saying, ''I speak tonight for the dignity of man and for the destiny of democracy.'' And during that speech, President Johnson condemned the violence in Selma and called on the Congress to enact a Voting Rights Act. He closed his speech by quoting the rights of the civil rights movement saying, ''And we shall overcome.''

I was sitting next to Martin Luther King, Jr., in the home of a local family in Selma, Alabama, as we listened to Lyndon Johnson say, ''And we shall overcome.'' Tears came down his face. And we all cried. Dr. King said, ''John, the Voting Rights Act will be passed, and we will make it from Selma to Montgomery.''

Congress did pass the Voting Rights Act. On August 6, 1965 it was signed into law.

There was an elderly black man who lived in Selma, Alabama, who after Johnson had signed the Voting Rights Act became registered to vote for the first time. He was 91 years old. He said, ''I am registered now. I can die and go home to my Lord.''

Today, people no longer meet attack dogs and bullwhips and fire hoses as they demonstrate or attempt to register to vote. Today, the tools of discrimination are not poll takes and literacy tests. But make no mistake, discrimination still exists. Look at Florida in 2000. Look at Ohio.

The tools of discrimination are much more difficult, but just as dangerous. Today, the discrimination comes in the form of redistricting and annexation plans, at-large elections, polling place changes.

In my own State of Georgia, the legislation went back to a period in our dark history by passing a voter ID law that would make it more difficult for the elderly, the poor and minorities to vote. Both a State and a Federal court jurist have called the law unconstitutional and stopped it from taking effect.

We can do better. We must do better, and pass the Voting Rights Act without amendment tomorrow.

ARMY BUDGET PROBLEMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. SKELTON) is recognized for 5 minutes.

Mr. SKELTON. Mr. Speaker, ''Help is on the way.'' That was the promise this administration made to our country and to our servicemembers before the election in 2002. And look what it has come to mean.

The Army cannot pay its utility bills, defense workers are on the unemployment lines, and equipment readiness is slipping to historic lows. So I ask, exactly who is being helped? I am sure that the administration will blame the Army's money problems on the war. There is no doubt that the $350 billion excursion into Iraq has placed stress on the Army as well as the other services.

But this Congress has continually provided these supplemental funds the administration has requested to wage the war, and has even increased the defense budget by 19 percent since 2001.

So I ask, how can it be that the Army is closing or curtailing the family support programs and laying off employees? The answer is clear. The administration is not requesting sufficient funds to provide for the national defense beyond the war in Iraq. This Congress has already provided $166 billion to the Army in 2006. That is $2 billion more than the administration requested.

Obviously it is not enough. Because I am hearing of reports in the media about bases like Fort Sam Houston where the utility bills have not been paid since March. The Army knows it has a problem. They even requested more money, but the President's Office of Management and Budget cut $4.9 billion from the Army's request for the 2006 war supplemental before it was presented to Congress.

So now the Army is trying to pinch pennies by closing libraries, reducing trash pickup, closing dining facilities, and reducing support for vital training activities. This is a move that is certain to damage morale and sends the wrong message to our troops. This is not the way to reward the courage and sacrifice of our soldiers and their families.

Several weeks ago, I spoke here on the floor about the dismal readiness posture of the Army's equipment. Readiness rates for equipment have fallen so far that I fear that they will now present a strategic risk to our ability to respond to contingencies beyond our current commitments in Iraq and Afghanistan.

In addition to this problem, the Army is now laying off engineers working on some of the high priority modernization programs in order to pay bills elsewhere in the Army.

The needs of the current and future Army are being neglected. As a candidate in 1999, President Bush said that ''The previous administration wanted to command great forces without supporting them, to launch today's new causes with little thought of tomorrow's consequences.''

Unfortunately, it appears that the words now apply to his own administration. He is failing to request the funds the military needs to fight the war on terror, the war in Iraq, and also remain ready to defend the Nation if other needs arise.

This country is at war. Americans have a right to expect the administration to realistically budget for national defense. That is not happening, and every day it continues to put this country at greater risk.

□ 1645

RAILWAY SECURITY

Mr. NADLER. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Without objection, the gentleman from New York is recognized for 5 minutes.

There was no objection.

Mr. NADLER. Mr. Speaker, the Bush administration constantly crows about protecting us from terrorists, but when you get down to nuts and bolts it is clear that the administration and the Republican leadership of this Congress have no idea what they are doing. Just yesterday, terrorists killed more than 180 people by attacking the mass transit system in Mumbai, India. You had better believe that every one of the 4 million subway riders in New York took a deep breath before getting on the train this morning. New Yorkers know that, when terrorists strike, they go after high density, high profile targets. Every time you read in the newspapers that a terrorist abroad has been apprehended, you find the plans to strike at the United States are of Washington or New York, the maps in their possession or on their computers are of New York. Evidently this is yet to dawn on the Department of Homeland Security. Their ignorance is nothing short of disgusting.

We need to step up not only the distribution of funds to the right places, to the targets in this country, we need to step up rail security protections in this country. The Democratic Rail and Transportation Security Act proposes to appropriate $400 million a year for the next 6 years for a grant program to beef up the rail and public transportation security on our mass transit systems in the country as a whole, New York and elsewhere, but the administration and the Republicans in Congress say no.

The Democrats propose to spend $150 million over the next 3 years for advanced research and development to find more advanced solutions to the security threats faced by rail and public transportation systems. Again, the Bush administration and the Republicans in this Congress say no. We ought to be spending roughly $26 million a year over the next 6 years to hire 200 new rail security inspectors per year. Is this really necessary? You bet. Right now there are only 100 rail security inspectors for the whole country.

We need to increase our intelligence efforts to prevent attacks, develop plans to respond to attacks, and ensure the timely restoration of our rail infrastructure should an attack occur. The Democrats have advanced plans to do this, while the Republican leadership of this Congress and this administration waste their time designating insect zoos and bean festivals as terror targets as was revealed in the front page of the New York Times today from the list of targets on the Homeland Security target list.

Is there no end to their incompetence? First they cut funding for the prime target in this country, New York, by 40 percent. Then they declare an excuse that New York contains no national landmarks or icons, and now we learn they are designating a kangaroo conservation center as a key terrorist target. There is no excuse for short-changing this country's top targets. As the Inspector General has wisely determined, folksy appeal cannot be the chief criterion for the allocation of anti-terrorist funding.

It has been over 1 year since terrorists struck London's mass transit system, over 2 years since the rail bombings in Madrid, yet little has been done in the United States to protect our rail and mass transit systems. This administration, the leadership of this Congress must open its eyes to reality and put our resources where they are really needed before we have another catastrophe, a preventable catastrophe, on our hands. And then it will be little comfort to know that the blame lies with the administration and the Republican leadership of this Congress.

We don't want to be laying blame. We don't want to be saying it is their fault. We want to prevent it. So let us learn a little, and let us pray that the administration and the Republican leadership of this Congress has their heads examined and opened their eyes.

HOMELAND SECURITY FUNDING FOR NEW YORK

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Mrs. LOWEY) is recognized for 5 minutes.

Mrs. LOWEY. Mr. Speaker, I thank the gentleman from New York for his remarks.

I rise today to express my continuing frustration with the Department of Homeland Security and its inability or unwillingness to focus our limited resources of time, money, and attention on the real risks that we face as a Nation. Yesterday, the bombing of railways in India reminded us not only that terrorists remain committed to senseless and horrific violence, but that they remain attracted to certain types of targets.

Mr. Speaker, in 2001, terrorists attacked New York and Washington. Two years ago, terrorists attacked commuter trains in Madrid. Last year, terrorists attacked subways in the heart of London. Two days ago, rail systems in Mumbai were bombed. There have also been rail and transit attacks in Japan, South Africa, and Israel, and so far unsuccessful plans for attacks on New York's transportation system.

On the streets of Iraq, insurgents are perfecting the use of IEDs against our troops. When those terrorists look to transfer their skills to the United States, where will they look to use them? The pattern is clear, the message is deafening: High density, high profile targets are the most attractive targets for terrorists, and rail and transit systems remain dangerously vulnerable.

Like many of the Members of this House, I was pleased when Secretary Chertoff took office and stressed in his

first public speech that DHS must base its actions on threat, vulnerability, and consequence. Unfortunately, action has not measured up to that rhetoric. Last month, the Department cut by 40 percent for New York and Washington, D.C., cut funding by 40 percent, two cities that have been attacked and the two cities that remain the most likely targets for future attacks.

We are all looking for the best way to spend the limited money that has thus far been allocated to homeland security. The Department perfected the art of allocating funds the wrong way.

In addition to ignoring the plain facts about risk and vulnerability, DHS has sat on the sidelines in developing standards for safety and security. This void is being met in some areas such as New York where the Metropolitan Transit Agency has added 200 officers and 25 K–9 bomb detection units since September 11. New York City has 1,000 counterterrorism officers. The city and the MTA are working to develop and install state-of-the-art air monitoring devices in the transit system.

We knew that communications interoperability presented a problem for first responders in Oklahoma City. Those problems turned deadly on September 11. Nearly 5 years after September 11, first responders are still waiting for the administration to issue an actual interoperability plan. This abdication of responsibility has forced many cities and States to dig their own deficits deeper to put national security measures in place. That is not a plan, it is not a strategy, it is a failure of leadership that we are seeing again and again.

Mr. Speaker, our homeland security efforts are a race against the clock. We have received several wakeup calls. We don't need another study or another office or another Under Secretary; we need action. And next week I hope the House Committee on Homeland Security markup of the Department of Homeland Security authorization bill will provide us a real opportunity to strengthen our homeland security and spur DHS to act more quickly to protect the American people.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

(Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

INCREASING THE MINIMUM WAGE

Mr. GEORGE MILLER of California. Mr. Speaker, I ask unanimous consent to speak out of turn.

The SPEAKER pro tempore. Without objection, the gentleman from California is recognized for 5 minutes.

There was no objection.

Mr. GEORGE MILLER of California. Mr. Speaker, Members of the House, earlier today we had a motion to instruct on the vocational education conference, and the motion to instruct was about the minimum wage and about the need of 6 million people who work at the minimum wage for an increase in that minimum wage. These individuals have been stuck at $5.15 since 1997. They are earning 1997 wages in the year 2006.

Over 80 percent of Americans from all across the country, obviously if it is 80 percent of Americans, from every walk of life, from every social economic strata, believes that these people are entitled to an increase in their wages, and they believe that out of fairness, they believe that out of a sense of fair play for these individuals. They know when they look at their own life, be they middle class or be they rich, the fact of the matter is they recognize that costs have gone up, that the cost of food has gone up, that the cost of bread has gone up, that the cost of milk has gone up, that the cost of education has gone up, that the cost of utilities has gone up, the cost of gasoline of course has soared. And these people in many ways are dependent, whether it is on public transit or whether it is on their own automobiles, it costs them more to go to work.

And so America understands this very clearly. But the critical piece to getting these people the minimum wage is to get the Republican leadership in the House of Representatives to understand the morality of this decision to provide for a minimum wage, because these people are working under a Federal minimum wage that was imposed in 1997. And until the Republican leadership decides to go forward, these people will not get that increase in the wages that they so desperately need.

Now, there is a glimmer of hope, because today 64 Republicans made the decision to support the motion to instruct. I assume they understood that this motion to instruct will not become law. I hope they didn't vote for it because it won't become law; I hope that it wasn't about posturing. I talked to many of them before the vote and after the vote, and they told me that they wanted to speak and vote on the minimum wage and to send a message. And they did that today. Hopefully that message will start to be received by the Republican leadership in the House of Representatives and they will schedule a minimum-wage bill for an up or down vote on this House floor, and we will get to speak our wills and hopefully we will reflect what the American people want us to do, and that is to give these people an increase in the minimum wage.

So I would hope that this vote that was taken today will be the beginning of the Republican leadership walking toward that decision to provide for an increase in the minimum wage. I would hope that they would do that because it is the right thing to do. I would hope that they would do that without tricking up the bill, without making the bill so that it can pass the House but it can't get passed in the Senate or it won't get done in conference. I hope they will do it soon enough so that it can become the law of the land.

We all understand the political games that can be played, but these political games are tragically almost lethal to these families. These people go to work every day for a whole year and they end up with $10,700, and out of that $10,700 not only are they substantially below the official poverty line, so you are making a decision that the official minimum wage in this country will keep these individuals locked in poverty.

That is not the only part of it. It means that those people, those people will have more difficulty in providing the necessities for their families, for their children, because many of these minimum wage workers have children who rely on that wage as a means of holding the household together. So as rents have continued to go up and energy has continued to go up and telecommunications has gone up, all of these things have gone up, these people struggle with this every day.

I dare say most of us in Congress, we work an 8-hour day or 10-hour day or 12-hour day, but when we go home we are done. These people have a second job. They have to figure out how to economically hold their household together, how to provide for their children, how to provide food and rent and health care and all of these things together on $10,700 a year. That is difficult. That is tough.

I hope that today's vote with 64 Republicans sending a message to their leadership that they want to speak out, they want to vote on the minimum wage, that the Republican leadership will respond in kind and give the House of Representatives the vote that the American people desire.

□ 1700

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

(Ms. JACKSON-LEE of Texas addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

RAIL SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Indiana (Ms. CARSON) is recognized for 5 minutes.

Ms. CARSON. Mr. Speaker, we face a grave and growing threat. The safety of America's rails and subways is on shaky ground almost five years after September 11th. We need to take a hard, honest look at the issue of rail security and give America's rail passengers the same level of confidence that airline passengers get everyday.

In recent years, we have experienced an annual average of 30 terrorist attacks on passenger rail across the world. The past three

years have seen the sadness and heart-wrenching agony caused by three major attacks on rail systems in Madrid, London and disturbingly yesterday in India. These three attacks alone have led to some astonishing numbers, 22 bomb blasts, 15 trains destroyed, 390 people dead and over 1,650 injuries and countless lives forever altered. The shock, horror and loss of life resulting from these acts of terrorism are reminders that the United States must do more to strengthen rail security.

Our passenger rail systems are vulnerable potential targets for terrorists. The 9/11 Commission's final report noted that "surface transportation systems such as railroads and mass transit remain hard to protect because they are so accessible and extensive." Throughout the country, there are over 300,000 miles of freight rail lines and over 10,000 miles of commuter and urban rail system lines. On a typical weekday, 11.3 million passengers use rail or mass transit, and at any given time, hazardous materials are transported throughout the country.

Yet we still do not have a comprehensive national strategy for rail security. The Transportation Security Administration has not yet implemented adequate security guidelines for rail and mass transit systems similar to those required for airports. The Department of Homeland Security does not even require rail and mass transit systems to complete vulnerability assessments or submit security plans to the Department. Nor are we providing adequate funding for rail security. Over the past four years, the Department of Homeland Security and the Transportation Security Administration have spent on average $9 per air passenger, as compared to only one penny for each rail or mass transit passenger. One penny to prevent bombs, chemical and biological agents does not go far enough for tools, prevention and training.

It is clear that many of our rail and mass transit employees lack adequate security training. In a 2005 survey of the International Brotherhood of Teamsters, 84 percent of those surveyed said they had not received "any training" or "additional training" related to terrorism prevention and response in the previous twelve months. We in Congress must have a frank discussion about our rail system, from AMTRAK, to the Metro in DC, the L in Chicago and the T in Boston and of course the subway in New York City. It is time for the U.S. to implement a coordinated national strategy for rail security, to provide adequate security training for rail and mass transit employees, and to fully fund rail security programs.

I commend my colleagues for introducing the Rail and Public Transportation Security Act. The reforms in this bill are long overdue. We have seen over and over again the pain these terrorist acts have brought to ordinary citizens. We cannot afford to wait until tragedy strikes again to improve this country's rail security.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. OBERSTAR) is recognized for 5 minutes.

(Mr. OBERSTAR addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

REAUTHORIZATION OF THE VOTING RIGHTS ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON) is recognized for 5 minutes.

(Ms. EDDIE BERNICE JOHNSON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, the passage of the 1965 Voting Rights Act was our greatest accomplishment in the long struggle against discrimination and oppression. It has changed the face of this Nation and enabled millions of Americans the opportunity to vote.

During the 1960s, we saw many brave men and women rise up against the oppression of Jim Crow and demand an equal voice in our democracy. In this battle for the most basic of rights, many heroic Americans were beaten and imprisoned, saw their churches burned or bombed, or were killed in the name of freedom and justice. I am proud to serve alongside Congressman JOHN LEWIS, whose bravery and presence during that historic march in Selma changed this Nation.

There are many young people who may not know of this battle towards equality. It is imperative we recognize and celebrate our great accomplishments as a nation. We cannot develop future policies or laws without applying the lessons we have learned from the past.

This August will mark the 41st anniversary of the Voting Rights Act. There are many who say there is no longer a need for the Voting Rights Act. Unfortunately, this is not the case. It is true that we have made remarkable progress since 1965, however, there is still much work to be done.

Minorities continue to face an uphill battle of misinformation over polling locations, the purging of voter rolls, scare tactics, and inaccessible voting locations. Prior to the 2004 elections, students at Prairie View A&M were told they could no longer register to vote in Waller County, Texas. The fear was that the eight thousand students at this Historically Black College would elect someone the local District Attorney didn't want.

The Voting Rights Act helped protect these students from becoming disenfranchised voters. This change in voter registration was not pre-cleared by the Department of Justice, as required by Section 5. Ultimately, the Texas Attorney General and the Department of Justice intervened and provided these students with the access and opportunity to vote. This is just one example of why we still need Section 5 and the Voting Rights Act.

Section 5 is current, necessary and protects the rights of millions of Americans. The reality is that there are still some people out there who don't want minorities to vote.

As part of the backlash against illegal immigration, there have been calls to eliminate bilingual voting assistance. I feel that Americans should be able to speak English; however, I do not endorse testing language abilities as a prerequisite to vote. Those who receive bilingual voting assistance are American citizens. They weren't required to pass a language test to pay taxes or serve in the military, so they shouldn't have to prove their language skills in order to vote.

The Voting Rights Act was not and never will be about special rights—it is about equal rights. Our democracy and our values as Americans are contingent upon the idea that every person should have the right to vote and have that vote counted.

We have made amazing progress since the enactment of the Voting Rights Act, but progress does not mean that we stop trying. Now is the time to reauthorize this historic cornerstone of civil rights. It is imperative to our rights, our freedom and our democracy.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ENGEL) is recognized for 5 minutes.

(Mr. ENGEL addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

SUPPORTING SERGEANT FIRST CLASS TREVOR J. DIESING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. KIND) is recognized for 5 minutes.

Mr. KIND. Mr. Speaker, I rise today to honor Sergeant First cLass Trevor J. Diesing of Plum City, WI. Trevor rose to the call to serve his country in her time of need, and gave the ultimate sacrifice in her defense. He was killed in Iraq when an improvised explosive device detonated near his position. Today, I bear witness that Trevor's efforts and the efforts of all our service men and women will forever be remembered. This Friday at the courthouse in Prescott, Wisconsin a plaque will be dedicated in Trevor's memory.

Trevor is a true national hero. Born to Debbie and Lonnie Diesing in Plum City, WI, Trevor felt a call early in life to serve his country and to help make the world a better place. After marrying his wife Lori and raising three beautiful children, Trevor's passion to defend what he loved was only strengthened. Friends and family described him as someone you always wanted on your side— a hard working and caring person who was always willing to lend a hand. When we step back and realize the incredible service of our men and women in uniform, we must always remember Trevor, for he was one of our finest.

The presence of men and women from Wisconsin serving in Iraq is a great blessing to our country as a whole. They all are doing a terrific job under very difficult and dangerous circumstances. We will be forever grateful for the sacrifice made by Sergeant First Class Trevor J. Diesing. Trevor was in essence a true patriot, serving his country selflessly while giving to the Iraqi people the greatest gift of all, their freedom. He also gave the children of America a great hope, the chance to grow up in a world that is a little more safe.

As a husband, father, son, and friend, Trevor will live on in our hearts as a hero and his legacy will never be forgotten. I pledge to do all that I can to ensure that Trevor's life was not lost in vain.

Perhaps President Franklin Delano Roosevelt said it best: "He stands in the unbroken line of patriots who have dared to die, that freedom might live, and grow, and increase its blessings. Freedom lives, and through it, he lives—in a way that humbles the undertakings of most men."

May God bless Trevor, and take him into his care. And may God's special blessing bring comfort to Trevor's family and friends always.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. BLUMENAUER) is recognized for 5 minutes.

(Mr. BLUMENAUER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

IMMIGRATION

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, the gentleman from Texas (Mr. CARTER) is recognized for 60 minutes as the designee of the majority leader.

Mr. CARTER. Mr. Speaker, I wanted to address this House about an issue that, at least as I travel around my district, as I travel around my State, is one of the defining issues of our time, and that is the issue which we are hearing about every day: What are we going to do about the immigration policy and the immigration influx into this country?

I thought I would come down here today and see if we could not analyze this the way we sort of like to analyze evidence as we do in the courtroom. We need to take a look at what is the problem that brings us to this point that we have to address this thing, and I would propose first and foremost we need to look at the big problem and decide where is the crisis today as we stand here on this floor on July 12.

Where would the American public define the crisis to be as we deal with people who are coming into this country from other countries? And when I say other countries, I mean many, many other countries but predominantly I am addressing today the crossing of our southern border out of Mexico. Where are we concerned and why are we concerned?

Many people say, let us look at the big picture of this issue, which is that we have an estimate that is somewhere between 12 million and 15 million people that have come into this country since we granted amnesty back in 1986 or 1987 under the Reagan administration and opened the doors to the people who are here and gave them a fast track to American citizenship. We then said that we would go to the border and protect our borders and crack down on those people who would offer employment to folks who wanted to come in here illegally and we would prevent that. Mr. Speaker, the number, and whatever it may be but it is in the millions, clearly above 10 million and less than 20 million by most estimates, that are here in this country, as some like to say hiding in the shadows of our economy today, they are here. Now, why are they here?

Did we enforce the border? No. Did we crack down on employers that were employing these people? No. Did we do what we promised the American people we would do when we basically granted amnesty to 3 million people back in the 1980s? And that 3 million, by the way, grew in great proportion, because when those people received amnesty they were also able to bring in their families, their children and their wives and their extended families, until that number grew to substantially more than what was estimated.

We will not go into that today, but did we do our job? Did we, as Democrats for a long time and as Republicans for a long time, did we do our job? I submit to you that the evidence shows we did not. And because the great prize of being forgiven of your sins, if you will, was granted in the 1980s, millions more came.

So is that the crisis? Those people, are they the crisis that have people so concerned across the country today? It is of interest. People are somewhat concerned, but I would submit, Mr. Speaker, that is not the crisis that people are concerned about and that is on their minds when they sit down to breakfast in the morning or when they talk to their families at night or when they visit with their neighbors or when they go out in public. That is not the concern. The concern is that border and those people coming across.

Mr. Speaker, we hear from people in this country, and there is certainly a valid economic argument for it, that we need these folks to come in here and take the jobs that Americans don't want. And there is some validity to that argument. There is some validity to many of these diligent hardworking people who have come to this country to take really tough jobs out there, working in the heat in Texas in the summertime, which is, believe me, having done it, it is a hard job. No matter where you are, if you are out digging post holes, laying asphalt, or putting a roof on in Texas, you are earning your pay. It is hot, tiring, almost thankless work. So we say we need these folks to build those fences, put those roofs down, and lay that asphalt. We need them. We have to have them. And there are those who can present evidence to that effect and make an argument for it.

But is that the crisis that people are worried about in this country? Is that what people, your neighbors, are visiting with you about? Is that what you are talking about when you gather in your community: Oh, we have such a shortage of workers here. We have so many jobs that people are not doing. We are just really in such desperate need of help, it is a crisis in our country. Mr. Speaker, I would also submit that is not the crisis that the American people are concerned about.

So then let's examine this picture further. Let's say, well, the statistics seem to show us that pretty regularly 1,000 people cross the Mexican-U.S. border into the United States every single day. That probably on many days is a very conservative estimate, but the average that both the Border Patrol and those who are down there that are trying to determine what is happening, that is pretty much what everybody agrees to, that at least 1,000 people a day are crossing our border, at least 30,000 to 31,000 people a month are crossing this border, or 365,000 people a year are crossing the southern border of the United States into our country. And they are doing it, Mr. Speaker, no matter what you want to call it, they are doing it illegally.

The law says you can't do that, that it is against the law. You can call it whatever you want to call it, but it is breaking the laws of these United States, and these people are coming in at least in those numbers. And in addition to those people, or as a part of those people, who else is coming across our southern borders? Do we know?

Well, we know a little bit. We know that last year we caught 68,000 what we call OTMs. Those are people that are ''other than Mexicans.'' And that is a term that has been adopted to define people from any other country but Mexico that have been caught and apprehended crossing our southern border. The Border Patrol and the immigration authorities have determined to call them OTMs, ''other than Mexicans.''

We have heard in testimony at hearings, just as recently as last week, that 30,000 Brazilians were shipped home a short time ago; that people from the Middle East, people from China, people from all over the Southern hemisphere have come into this country illegally crossing the Mexican border into the United States. Mr. Speaker, I would submit that that is the crisis.

Mr. Speaker, I would submit that when people discuss what they are very concerned about, what they think has the potential to change their lives, to threaten their lives, it is who is coming across our southern border in these huge volumes. That is what the American people see as a crisis.

Now, we are called upon, as we look at what is going on here in Congress, we are called upon to address these issues, and I submit to you, Mr. Speaker, that what we are called upon to do is to address the crisis first. I have used this example before, but if a series of wreck victims is brought in from a car wreck out on the highway outside of Washington, DC, today, and brought into the emergency room of the hospital, and we have one man who has a broken arm and we have one man who is skinned up because he slid on the pavement and maybe he has a broken hand and maybe a sore back, and then we have one man who has arterial bleeding from the throat, where is the crisis? The man with the arterial bleeding from the throat is going to bleed out and die in seconds if the emergency room does not immediately go and stop the bleeding where it is occurring because it doesn't take long for the heart to pump the body dry out of a main artery. Of course, our well-trained medical professionals in this country would recognize to go to the crisis and meet the crisis where the bleeding is.

The bleeding, Mr. Speaker, is at the border. That is where the bleeding is.

We have to do what we have to do to address how to stop the bleeding on the issue of immigration.

Right now we have two bills that are about to be discussed in conference committee that supposedly the two Houses of Congress are looking at what is important to take care of so that we can start down the road of having a responsible immigration process.

I would submit to you, Mr. Speaker, that after three trips to the border in the last 9 months, I am absolutely convinced that not only is the need most important that we secure our borders, but what the American people want us to do is secure our sovereignty and our borders, both on the southern border and the northern border of these United States, but the bleeding right now and the numbers coming across are clearly in the south.

I think the bill which has passed the House of Representatives is a bill that deals with the issue that is in crisis in America today on the issue of immigration. And I am going to submit to you, Mr. Speaker, that if any of our Members, and many of them have, and so I want to praise them for doing so, but if any of them will travel to the border towns of Texas, and I would highly recommend a trip to Laredo, Texas, or El Paso, Texas, or Del Rio, Texas, or Brownsville, Texas, or McAllen, Texas, or any of the other border crossings, but this day I recommend Laredo, Texas, and if you are not frightened about what you learn from the Nuevo Laredo citizens and from the Border Patrol immigration and ICE as to what is going on in Laredo, Mexico today, then your wood is mighty wet because you just don't see it.

The fact is there is a drug war raging in Nuevo Laredo. That is a cartel war going on with people firing automatic weapons at both civilians and members of the police force and the army in Mexico right across the Texas border. Live fire is received across the Texas border constantly. Ask the Border Patrol, they will tell you about it. They know about it.

Congressman JOHN CULBERSON and I were there, with our colleague Mr. CUELLAR, visiting on the southern border. JOHN was walking out on the bridge and his foot slipped on something on the international bridge, a bridge, by the way, that being a native Texan who spent at least 45 years of his life in the central Texas area, I have crossed as many times as there are Members of the House of Representatives I would certainly venture to say, because I have a great love for the country of Mexico.

I have visited Nuevo Laredo on numerous occasions. I have taken my wife Erica, my mother-in-law and father-in-law from the Netherlands, German visitors that have visited us from Germany, my wife's nieces and nephews from Germany, I have taken all these people across that border to have a good meal, to go shopping for souvenirs from Mexico, which are very, very cherished in Europe, and enjoyed a camaraderie with the Mexican people that was wonderful. It was a good place to take people to show them the fellowship between Texas and Mexico.

Mr. Speaker, I wouldn't recommend anybody crossing that international bridge today. Not one soul. Because what JOHN CULBERSON stepped on on that bridge was a spent round of a nine millimeter automatic weapon that had been fired at our Border Patrol. Not because they were shooting at them, just because they were shooting in that direction. It had pock marks, where we could see on the international bridge that it had ricocheted off and ended up on the ground, and Mr. CULBERSON stepped on it.

Mr. CULBERSON can show you that spent round, and I'm sure, Mr. Speaker, you have seen it.

□ 1715

We asked the Border Patrol, what's this?

Oh, that is a 9 millimeter. About 3 days ago they kind of sprayed the bridge a little bit. It happens a lot. We kind of just duck and then keep the traffic moving.

What kind of world are those people living in there? And then that night and every night before and every night thereafter, 1,000 breakers of the law cross that international line from San Diego to Brownsville and break the laws of the United States.

Mr. Speaker, as we analyze the evidence here, it is pretty clear. We have a crisis on our southern border. Now, how are we going to deal with that crisis? The House bill says, let's go and target sealing up our borders as best we can. Nobody in their right mind who has ever been to south Texas or west Texas and seen those miles and miles of Texas that we are all so proud of, they all know it is going to be a tough job to secure Texas borders alone.

And Arizona is just the same desert. It is the same wide-open country. And God bless Arizona and New Mexico and California, they don't have the ankle-deep Rio Grande to protect their borders. All they have is a barbed wire fence. So it is not an easy job for us to secure that border.

But, Mr. Speaker, we have the technology and the know how. We have the people who can do the job. If we provide the resources, we can make it much more secure and move towards making it secure so those law-breakers who want to enter our country find it very difficult to enter our country. They find themselves being detained, being deported.

Those people who come into this country from other countries find themselves not with a get-out-of-jail-free pass as they can wander among the populace of the United States as it used to be with our catch-and-release program, but under the House bill we would detain these people, these OTMs coming into this country. The Mexicans we would take back to Mexico and we would enforce the law.

The people say to me in my district, when we start talking about immigration, at least 20 percent of the questions I have in my town hall meetings are, What's wrong with enforcing the laws we already have? I can't say a word because I agree with them. I agreed with them when I sat on the bench as a district judge and we would call Immigration to ask them to come pick up people who were clearly illegally in this country and have reluctance to do so.

I saw it with a number of our people sitting in our jails in Williamson County, Texas, who were illegal aliens, taking up jail space that our taxpayers are spending good, hard-earned dollars for. I saw them at the emergency rooms in our little local hospitals and in our big metropolitan hospitals, overwhelming our medical system; and we could not get the response we needed.

We have neglected our job, and now the House is saying we are ready to get the job done and we are submitting the resources and the ideas and the manpower and the technology to the Border Patrol and those agencies, including our Texas sheriffs and other law enforcement people in Texas and Arizona and New Mexico and California, so we can start to meet the crisis at the border and stop the bleeding. That is what our House plan says.

And it says, this is a start. We will back this up with action. We will do the job and we will support the laws that exist, and we will make better laws on the books.

Now the Senate has another plan. The Senate sees all those things that I listed in our evidence that we were looking at as to what is the crisis in immigration. The Senate is sitting there saying, We have to address all of them. In fact, they seem to be more interested in those things that our evidence shows are not bleeding than they seem to be interested in where the bleeding is at the border.

Now, they have some things in what I would like to call the Reid-Kennedy bill, and I will explain that in a minute, but the bill that came out of the Senate. What they have done, they have some border enforcement provisions. I don't want to deny that. But they spend a lot of time trying to deal with what are we going to do with these people that are here, that are already here illegally, and what are we going to do about a work program.

So they come up with a convoluted plan that, I am going to title part of this plan as the ''illegal document industries job security plan,'' all right, because one of the things we know, and I know that the Speaker knows this from his past experience, and others know, that most of the people, in fact, all of the people who are illegal aliens working in the United States, our employers 90 percent of the time are making sure that they have some documentation to show at least on their

books that that person is legally in the country. And they are taking this documentation and putting it into files.

But there is a real, solid industry along the borders of the United States producing false documents, false Social Security cards, false driver's licenses, false pay stubs, pretty much anything you want. It is interesting to note that part of that industry grew up and got its birth out of what, out of amnesty in the 1980s because it took some documentation to show that you had been in this country for awhile so we could give you that fast track to citizenship. So those people who came over last night were quickly out there looking for somebody to mass produce for them documents to show they have been here for a period of time.

Now the Senate gives us a plan that says if you have been here so many years, you have to do this. So many other years, you have to do this, but you are on track for citizenship; and if you have been here 10 years or whatever their number is, you are in line, but you are behind everybody else. But you are in line for citizenship. We are going to require proof that you have been here that period of time, and the illegal document printing presses are rolling today in anticipation of the Reid-Kennedy bill, and it is now approaching a several million dollar industry.

These poor people who came here to work are paying sometimes a month's pay just to get a false Social Security card or get a false document showing that you have been here for a certain period of time to meet this deadline. Or here are 20 paychecks dating back 10 years so you get in that other good line so you can become an American citizen.

This provision of the Senate bill is a Federal Government boost to an illegal industry producing illegal documentation for the United States.

Mr. Speaker, why do we know that? Because we have experience to prove it. The few cases that have been prosecuted, we find all kinds of fraud and illegal documentation on Social Security cards.

Something that is interesting in my district, I have a lady who got a call from the IRS. I am going to say something on this. I am going to say the IRS seems to be doing at least some thinking outside of the box. The Social Security system, obviously everything must be computerized because there don't seem to be any human beings with common sense in the Social Security system. If you have a Social Security card, and I heard a number today of the billions of dollars of money that comes into Social Security, and everybody says it is all on ten Social Security cards and it is coming from 100 different sources on one Social Security card. They know it is there. They say, Hmmm, that's interesting.

But I have a lady in my district who gets a call from the IRS. They said we looked at your last tax return and we show three sources of unreported income for you that you did not declare on your tax return.

She said that is impossible because I am a stay-at-home mother and wife. My husband is the only source of income in our family.

The IRS said, No, ma'am, according to our records you have three jobs in Arkansas working in chicken processing plants in three different cities. You would think that the man would realize just by his very statement that didn't make any sense.

She said, How can I work in three different cities in three different processing plants every day? How would that work?

He said, Yes, I guess that is right. Maybe we better take a look at this. It looks like somebody is using your Social Security number.

They tracked down that Social Security number. A little stink was raised to try to get it done. Guess what. Not only did these three people have that Social Security number, but, lo and behold, they had gotten a valid copy of a Texas birth certificate to go along with it because as it turns out, all it takes to get your birth certificate is a Social Security number.

So these people have been running up her income and reporting it on that Social Security number by the employers, and they thought they were going to hold her responsible for that income.

Mr. Speaker, that kind of false documentation is all over America today. So the Senate in that one section is creating, I would argue, another illegal industry in this country.

Mr. Speaker, I have a background, and many of you in the House know, and I know you know this, Mr. Speaker, I spent 20 years as a judge on the bench in what I would argue, and you won't get much argument back in Texas, in the toughest county in the State on criminals. I spent 20 years putting people in prison for illegal behavior.

We have prosecutors who do their jobs. We have law enforcement officers who do their jobs, and we have judges and juries who tell people: You do crime, and you do time in Williamson County, Texas. This is the world I grew up in, and it is the world I believe in, and it is the reason that today and for the last 10 to 12 years at least that I know of, the lowest crime rate in the State of Texas was in Williamson County, Texas. It is because criminals knew if you want to go into the criminal business, find some other county because in Williamson County, the cost of doing business is high. And I am proud to say my colleagues that were on the bench with me are maintaining that kind of standard in Texas today.

But why do we do that? Because we want the citizens of our county and I want the citizens of my entire district to feel like they live and raise their children and go to work in a safe community, a community that respects the rule of law and does not tolerate unlawful behavior.

And yet we have created an immigration system that for the vast, vast majority of people coming into this country, they are coming in illegally.

There are good, hardworking, honest people who are doing it right to come into the United States. We are that beacon of freedom, liberty and opportunity. We are the same beacon we have always been. But the difference is, these people wait in line.

If you are from the Philippines, they tell me you wait 16 years to come into the United States. It took my district director 18 months to bring his wife and two children. His wife was educated at the University of Texas in El Paso. To bring them in from Canada, he did it legally, and it took 18 months; the woman never even had a parking ticket.

So there are honest, hardworking people that are doing it the right way, and those are the immigrants that we reference when we say: We are a nation of immigrants. That is right, we are a nation of immigrants that came here legally and came here to be Americans and to be part of America and to contribute to America and to learn to be part of our society. They didn't come in to live in the shadows of our Nation. That's the kind of immigrants we need to encourage. But our system now is so overwhelming that it is 50-to-1 illegal-to-legal people coming into this country today.

Some of the other interesting things that the bill will do, the amnesty part of the bill that the Senate has passed, as a result of the amnesty provisions they have created, over 60 million new immigrants will be allowed in this country over the next 20 years. Do we need 60 million new people? I don't know, but it is an overwhelming number.

Mexico, under the Senate bill, would have to be consulted before we built any barriers on our borders, protecting our sovereignty. We have to call up the President of Mexico and say, Excuse me, we are thinking about building a fence.

□ 1730

We are thinking about building a wall. We are thinking about building barriers where you can't drive your vehicles loaded with dope across our border. Would that be okay? Oh, it's not? Sorry. We will call you later. What kind of thinking is that, Mr. Speaker?

And then, you know, whether you believe the rhetoric that went on in the Social Security system argument that took place in this House a year ago or not, all logical thinking people will tell you our Social Security system has got some real problems meeting its obligations. Once the baby boomers are in the system it is going to be a problem. But the Senate doesn't see a problem because they are wanting to guarantee Social Security benefits would be provided to illegal immigrants. For the time they were in this country illegally we are going to give them Social

Security benefits in this country. I hope the teachers back in Texas who don't get their Social Security benefits, and should, are hearing this message, that the Reid-Kennedy bill thinks they should have Social Security benefits, but unfortunately, Texas teachers don't get it.

Also, I happen to have been blessed with four beautiful children and I am real proud of them. But when you get ready to send them to college you have got to be proud of them because they cost a lot of money, okay? And my wife and I can testify that sending four kids to college is one of the great experiences of life. Of course it is not going to be too bad an experience for illegal immigrants because rather than being out-of-state tuition payers like anybody from any other State or country that would come into this country, oh, no, the bill will guarantee them in-state tuition. And believe me, in Texas the difference between in-state and out of state, as you well know, Mr. Speaker, is a substantial plus for these illegal immigrants, these people who broke the law. Some of them crossed that border, Mr. Speaker, 10 or 15 times before they dodged that Border Patrol.

You know, you meet with those Border Patrolmen out there in the bushes and you talk to those guys and when you get them to kind of open up with you, they say, you know, kind of one of the frustrating things is some of these guys I know them by their first name. I catch these guys every other day until they finally slip past me. I know who their kids are just about, I have visited with them so much. But they ultimately get by and they ultimately get in, and then we don't find them.

And I am just touching on a few points. So we are also going to create a worker program under the Senate bill to bring people in here. So let's see, we are going to deal with, somehow deal with the citizenship aspect of 12 to 15 million people who are already here.

Then we are going to have a program that is going to bring in, I don't know the number, 250, 300,000 a year under a work program.

Let me tell you something, Mr. Speaker, and I know you have experienced this in your part of the country too and your part of the State. People who are waiting to do this thing legally, waiting to get their background checks, waiting to do the right thing, you know, to have sponsors that will vouch for them so they won't be a burden on our welfare system, this is what people who come in here legally do. They have to have a background check. The FBI checks them to make sure they are not terrorists, make sure they are the kind of people we want here. Someone has to stand up for them and say when they come here I will make sure they are not a burden on our society; I will guarantee that they will have a place to be and a job and these type of things. That is how it works legally. Of course these illegal people, none of that is done.

So as we are going to process these people, at a minimum, and I would argue much more, but at a minimum, we put 15 million people into the system, all of whom are going to need background checks. If not, then how do we know that the one we don't give a background check to is not a terrorist? Because we know for a fact, we have caught people coming across our border from Iraq, from Iran, from Afghanistan, from Pakistan, and from areas that have harbored terrorists all over the Middle East have crossed our southern border. We know that because we have caught them, and we have actually caught some that are on the terrorist lists.

Now, does that mean we are just going to, for this 15 million that are already here because they have been here for at least a couple of days, up to maybe 10 or 15 years, how do we know what their background is if we don't do a background check?

So we are going to dump that 15 million people into the system. Then each year, in addition to that, we are going to dump 350,000 guest workers into a system, into a system, Mr. Speaker, my office that works in my part of the State of Texas in San Antonio, into a system where right now people who are trying to get clearances on their visas or trying to get clearances to become citizens of the United States. The San Antonio office is working on the years 1998, 1999, 2000 and 2001, with just the normal legal immigration issues that are in the system now.

How are those folks going to deal with that 10 million or 150 million people that we are going to have to do all that processing on that we are going to all of a sudden anoint with some kind of route to citizenship? How are those people going to do in San Antonio, Texas with that 350,000 people that cross the border and have to have those things?

Mr. Speaker, I would submit that the evidence of what has happened in the United States since amnesty, back in the 1980s, the evidence is overwhelming that when the system becomes overwhelmed by its burden, the system breaks down to where the system doesn't work. And I find nobody even thinking out just that little simple part of this as to how in the world are you going to be able to make this thing work without overwhelming people that are in the immigration and naturalization business? How are you going to do it?

I would submit, Mr. Speaker, that is exactly what is going to happen to those folks if the Senate bill passes. I want to tell you, I keep calling this the Reid-Kennedy bill and it has a different title. But I think that is an appropriate title because this is actually a bill that was pushed through the Senate by the Democrats.

And let me tell you just a couple of examples. Among the many Democrat amendments to the bill that was submitted when they started out with the Senate immigration legislation, our friend Mr. KENNEDY offered one that would allow illegal immigrants who have worked less than 40 days to be eligible for green cards. The amendment was adopted with the support of 42 Democrats. 41 Republicans opposed it.

The Senate legislation included a provision to award Social Security benefits, which I have already talked about, to illegal immigrants. The Republicans offered an amendment to strip this provision from the bill. Mr. KENNEDY led the fight, the Democrats cast their vote, and now, under their bill, we are giving Social Security benefits to illegal immigrants.

An amendment sponsored by Senators HARRY REID and TED KENNEDY rejected English as our national language and supplanted a Republican amendment that would have required those seeking citizenship to learn English. And guess what? That is the law. You are supposed to.

You know, when my wife became an American citizen, and that is something I ought to tell everybody and all of the Members of the House ought to know this, and I think many of them do. I certainly am not anti-immigrant. I am married to one, and she gave me four beautiful children, and she is a great American and proud to be a naturalized American citizen of the United States. But she had to demonstrate a proficiency in English to become an American citizen, as did those soldiers that I was at a ceremony where we swore them in who have served their country and earned the right to American citizenship less than a month ago when I was with a bunch of soldiers at Fort Hood, Texas who became American citizens because of their service in our United States Army. They have proficiency in English. And yet, the Democrats in the Senate don't think you need proficiency in English.

This issue, this is one I want to talk about just a little bit. This creates a lot of turmoil. Proficiency in English, English as the language.

Now, folks, if you don't know English is the national language of the United States, you are brain dead, and that is all I can say. Anybody speaking any other language than English in here today, when you respond to me, Mr. Speaker, I expect you will respond in English, and my colleagues over on this side of the aisle will respond in English, although many of them are probably multi-lingual, and some over here are, but English is the language our society functions in, and it has functioned in since we created this country.

This issue was debated by the Continental Congress. This issue was voted on by the Continental Congress, and at least the stories I have heard told is that what happened was German lost by like two votes or we would all be speaking German today. The whole face of the world might have changed. But we didn't. We selected English as the national language.

Now, are there people in this country that want to create a whole society of second class citizens who don't speak our language, so they will always be kept down on that lower rung of a society, an English speaking society?

I would submit that is a question that ought to be asked because I don't want any of our colleagues in this country, any American citizen to be a second class citizen.

We heard a very impassioned speech about the Voting Rights Act today, and I highly respect that. And let me say, I don't want anybody of any color, any background, any language, to be a second class citizen. And in order to be a first class citizen in this country you have got to be able to function in the economy and the world we live in, and that function is in English.

So you are not discriminating against people. You are giving them a lift up by saying, we need you to know how to function in an English speaking society.

But not the Senate. They don't think that is a good idea. And our Democratic colleagues in the Senate made sure that the provision that we recognize America as an English speaking land was not in there. The majority of the Democrats in the Senate voted for the Reid-Kennedy immigration bill. The majority of Republicans in the Senate voted against the Reid-Kennedy bill. So that is why I am calling it the Reid-Kennedy bill, because this is the Democrats' version of the solution for what we need to do in America today on immigration.

Now, I have talked probably way longer than I should, but I am now very happy to be joined by one of my colleagues who wanted to also be heard on this issue today, so I am going to yield to the gentlewoman from Florida (Ms. GINNY BROWN-WAITE), a very distinguished Congresswoman from that fine State, and I am proud to say a member of my class in this Congress, as much time as she wishes to consume.

Ms. GINNY BROWN-WAITE of Florida. I thank the gentleman from Texas for yielding me some time.

I come to the floor this evening to speak out against the Senate's amnesty plan because, let's be honest, that is really what it is.

Since the Senate decided to forego sensible, I am repeating, sensible border security and grant a sweeping amnesty program to illegal immigrants, everyday citizens have had to virtually consider taking matters into their own hands.

Some of my constituents have actually been sending bricks, and why they are sending bricks to us is to send a message to finish the wall, to build the wall so that we have a secure border. That, ladies and gentlemen, is what our constituents want. Obviously, if they feel so compelled to be sending these bricks to Members of Congress, they feel very strongly about it.

Mr. Speaker, our borders are hemorrhaging with Americans looking on daily in disgust at the Senate's bill and wondering what is going on here in Washington. Instead of tougher border security that Judge Carter has said should be an absolute first step, and enforcing current laws, our constituents saw the Senate granting a free pass to law breakers.

The Senate bill is fundamentally unfair as it applies only to those who broke our laws instead of those who applied legally to come to our country. The Senate bill should be called the ''No Illegal Alien Left Behind Act,'' because it gives aliens, for example, instate tuition rates at colleges, and it prohibits local law enforcement from working in cooperation with border patrol to make sure that our borders are secure and that illegal aliens are apprehended.

The bill in the Senate also counts time illegally in our country toward the 10 years, or 40 quarters, that a person must work to be in the Social Security system.

□ 1745

That is just wrong. They were here working illegally.

Even their attempt to get it right is kind of wimpy. They cited English as the ''common and unifying language'' instead of making it the official language that we all know that it is. The Senate also says that they want a fence, but their language provides one that is too small to really do any good.

Further, in the Senate bill, it would allow 217 million new immigrants over the next 20 years. That is two-thirds of our current population. That is just not an acceptable public policy.

When I was back home over the break, I believe it was during Memorial Day, a young man asked for an appointment. And, Judge, I am sure that when people ask for an appointment, they usually want something, they want us to support something. And I always meet with people who want to meet with me who feel that compelled that they want to spend the time to give me their opinions.

And this young man was from Bosnia. And like every Member of Congress, we have people whom we will never forget, who truly touch our hearts. He was 17 years old when we went into Bosnia, and he went over to the American consulate, and he asked for the ability to come to this country as a political prisoner. And he told me a story, that he loves America so much, he actually has applied to become a naturalized citizen. And, of course, I am thinking, Okay, this is where he asks me for something.

He did not ask me for anything. He put in his application in 2001 in August. He knew that they were only up to February. But his comment was so poignant, he said, I did everything right. I didn't come here illegally. I came here under political asylum. I applied for the right to be a citizen in your great country, to be a naturalized citizen in your great country. And he said, What really worries me is that we are going to let all of these other people in line, people who came here illegally. People who truly do not love our country.

And his comment, I just will absolutely never forget. His comment was so poignant and he was so passionate. He said, As everyone here, we don't object to their applying to come to this country, but let them do it legally. Do not let it be a back-door pass to get in the front of the line to become a citizen.

I am sure that every Member of Congress's caseload is very similar to mine. You have upwards of probably 200 immigration cases, 200, 300 immigration cases, that every single office is trying to help. These are people who came here legally. These are people who are trying to stay here legally and/or to bring over some of their relatives. And to count time illegally in our country towards Social Security is something that our forefathers must be turning over in their grave, Judge. I can only assume that.

So with the bill that the Senate passes, I am so pleased that Americans can differentiate between the Senate giveaway bill and the House bill that says we need to secure our borders first. When I am back in the district, I tell my constituents, I do not believe government can multitask. I do not believe that we can do both. I think we need to secure our borders and then look at some sort of a guest worker program that really works.

Certainly, like every Member of Congress, I have businesses in my district who are using immigrant labor. Hopefully, they are legal immigrants, but we want to have a guest worker program that truly works. But first and primarily, we must secure our borders.

I do not think that my constituents are any different than the gentleman from Texas's constituents. Actually, they probably feel even more passionately about it.

I was recently down at the border in El Paso and spoke to some sheriffs there who say, No, secure border, finish the fence. Where we were, there actually was a fence, but they are concerned about all the other areas on the border where there are no fences. And most of the sheriffs along the southern border have joined together and are working cooperatively with our Border Patrol. And that is a good thing. That is a very good thing. Under the Senate bill, they would be prohibited from doing that.

That is not what we want. If we ask our citizens back home what they really believe we should do, they want the borders secured.

I was over in my office, and I heard the good judge talking about the fact that other than Mexicans are coming over. So this obviously is not just an issue of border security and immigration. It is a national security issue. Keeping our borders secure is so important. If you do not know who is coming

and going across those borders, that is where a danger to our country, to our security, actually exists.

Those of us who are parents know that you do not reward bad behavior. I am just not certain that that is the slogan in the Senate, because it appears as if they are rewarding bad behavior. You break the law, you come here, you stay here, we do not know anything about your criminal background, and we are going to reward you. That just is not in the American tradition of fairness. That is not what our citizens want. If the Senate bill only benefits those who came here illegally, overstayed their visa or violated their visa terms, that is not what our citizens want.

Do we really want these law-breakers as new citizens of our great Nation? Should we cave to law-breakers who take to our streets waving other countries' flags and demanding rights?

Mr. Speaker, I am not opposed to legal immigration in any way, shape, or form. As a matter of fact, everyone here, their ancestors were immigrants. I have certainly come to respect the process that people go through to become Americans. Obviously, we in Florida, in particular, have a lot of immigrants who came here from a very dictatorial country, Cuba, and these people are some of the most passionate people about the rights of citizenship in America and how the illegals should go through the process legally. They want to make sure that their neighbor, the person who may be driving their children on a school bus, that they have had some sort of a background check. They are angry at people who kind of sneak in the back door and that those people might get preference to those patiently waiting in line.

And you know what? They are right to be angry. Toying with mass amnesty is a slap in the face to those who are fighting to keep our borders secure. If Congress condones the crime of crossing our borders illegally, then what have we been fighting for? If we do not mean what we say and illegal entry is okay, why even have immigration laws at all?

The Senate bill is kind of like some fashionable religions that think that the Ten Commandments are just suggestions because they totally ignore the fact that these people have broken the law. So many of us in this House believe that the key to our homeland security is border security; and I cannot agree with and I cannot support the Senate plan that pits border security against a free-for-all amnesty plan. We do not have the resources to hold back the tide of illegal immigrants, and promising amnesty will only bring millions more rushing to our shores.

The gentleman from Texas and I worked and spoke very favorably about the bill that we passed in this House, H.R. 4437. And it is a good bill that secures our borders. It is a bill that sends a very strong message that we are not going to tolerate illegal aliens, and one that does not give away citizenship like free candy.

When I started receiving these bricks, I initially wrote back to my constituents suggesting that they send them over to the Senate. But I am afraid that once the Senate passed that bill, they will not be sending them. They might be throwing them.

Judge Carter, I appreciate the opportunity that you have given me this evening to join you in discussing the differences between the Senate and the House plan.

Mr. CARTER. Mr. Speaker, I thank the gentlewoman from Florida for joining me here and giving a very good presentation of what a Representative of another State besides Texas feels about this, one that is not on the border, but sees the crisis on the southern border of the United States. And, again, I thank the gentlewoman for joining me.

It is my understanding, Mr. Speaker, that my time is about to run out. I want to tell you that one of the things we all in the House should be proud of, and we over on this side of the aisle, the word I am hearing is we are going to stand fast and we are not going to reward unlawful and illegal behavior by giving a free ride to anybody. We are going to say we will enforce our border, and then we will take a hard, studied, intelligent look at what we need to do to deal with the rest of these, part of the big picture, but not crisis issues that are addressing our country today.

And we have got great thoughts and great ideas, biometric identification on your Social Security. Many, many great ideas, all of which we should take our time, do it right, because with all I have talked about, about enforcement of the law, which is my background, I still remember we are talking about human beings. And if we do not plan right, with compassion, do it to where it makes sense, then a couple of questions come to mind. If our bureaucrats get overwhelmed, what happens to the people that are here? They are going to be overwhelmed too. And what are they going to do? Stay in the shadows.

I hear so many people using the rhetoric, ''You can't deport them all.'' I have not heard anybody in this House talk about deporting them all. But if they do not get in the program because it is so overwhelming and it is not well planned and they stay in the shadows, then what do we do with them? Nobody has even talked about it. They assume everybody is just going to just step up and say, It works like a clock, no problem, we will all be processed in 30 to 60 days, hallelujah, praise God, we are Americans.

Mr. Speaker, it has not been thought out. The plan submitted to us, the Reid-Kennedy bill, it does not have any of these hard questions thought out. And it will bring worse chaos to a chaotic system that has laws in place we could enforce today.

I hope that our friends across the country will contact our friends in the Senate and say, please, let us think this national issue out long and hard and right, always promising we are going to resolve it. I am not saying run from it, but let us go where the bleeding is.

Go to the border. Stop the bleeding. Enforce the House bill, border security first. And with that, Mr. Speaker, we will be walking down the road to making a better life for all those who wish for liberty, freedom, and economic security of the greatest Nation on Earth.

I thank the Speaker for giving me the time to address this House tonight.

□ 1800

30-SOMETHING WORKING GROUP

The SPEAKER pro tempore (Mr. MCCAUL of Texas). Under the Speaker's announced policy of January 4, 2005, the gentleman from Ohio (Mr. RYAN) is recognized for 60 minutes as the designee of the minority leader.

Mr. RYAN of Ohio. Mr. Speaker, we appreciate the opportunity again for the 30-something Working Group to be down here to talk about issues that are pressing not only to the country but to those people who are in their 20 somethings or 30 somethings and how some of the policies here in Washington, D.C., are playing out in their day-to-day lives.

The previous speakers talked a lot about making sure that we secure our border, and the Democratic Party has been very supportive of trying to fund Border Patrol and take different measures that we are going to make sure that we did actually secure the border. I think all Americans can agree that if we do not secure the border, any policy that we try to deal with afterwards will not be effective until we actually do secure the border.

I would like to go through a list here of different amendments that Democrats have tried and tried and tried to get passed since 2001 that the Republican majority has voted against. Now, this is not a partisan issue. You would think it is an issue all Americans should be concerned about, but sometimes when you get one-party control of the House and the Senate and the White House, you get obstruction and this is what happened. These are all dated and these can all be found on our Web site.

In 2001, vote 454, November 28, Republicans voted against consideration of an amendment that would have added $223 million for border security. In 2003, another one, Republicans voted against consideration of an amendment that would have added $300 million for border security. 2003, vote 305, Republicans once again voted against consideration of an amendment that would have added $300 million to enhance border security, adding border agents and inspectors along our border. June 16, 2004, vote 243, Republicans voted against

consideration of an amendment that would have added $250 million, Mr. Speaker, in order to meet the promises that the Republican majority made regarding the PATRIOT Act. Again in 2005, vote 160, Republicans again voted against a motion to send a report back to conference with instructions to add $284 million. And for fiscal year 2006 and 2007, Republicans have repeatedly broken the promises they made on border security in the intelligence reform bill, the 9/11 Act of 2004, which included 2,000 additional border patrol agents, 800 additional immigration agents and 8,000 additional detention beds per year from fiscal year 2006 to 2010.

Democrats have consistently tried to increase border security, and the Republican majority has consistently voted against it. I am not done. Again, 2005, vote 174, Republicans voted against consideration of an amendment that would have added $400 million for border security to meet the promises that Congress made for the 9/11 Act, again increased immigration agents, increased border patrol agents.

2005, vote 187, Republicans voted against a Democratic substitute to the homeland security authorization bill that was designed to fulfill the promises again in the 9/11 Act, and it goes on and on, again vote 188, in 2005; vote 56 in 2006; vote 210 in 2006 in May, where the Republicans finally voted against consideration of an amendment that would have added $2.1 billion for border security.

We have tried and tried and tried to put the proper legislation and the proper funding in place, Mr. Speaker, to secure our border, and that needs to be the message. Before we get on to any other discussion regarding immigration in the United States of America, if we do not secure that border then nothing will matter, and that is exactly what we have been trying to do.

I think, Mr. Speaker, when you look around the world, and it hit me as I was reading the Sunday Times from this past Sunday, why it is so important for the United States to maintain a strong position in the world, promoting peace and democracy and liberty and freedom and capitalism, all of the basic tenets of our society, all the basic structures of our society. If America does not do it, it will not happen, and it will not happen.

All you have to do, if you do not believe me, we like the third party validators here, look what is happening in Russia. We hear a lot about what is happening in China, crackdown, dissent, human rights abuses. We hear a lot about what is going on, currency manipulation, suppression of religious freedom, but look what is going on in, quite frankly, state-run enterprises that are putting American businesses into bankruptcy.

We also see what is happening in Russia. Russia offered to help North Korea protect their nuclear weapons with technology, and then this is a special report in the paper, the Kremlin tightens reins on free market, where President Putin is having a Cabinet meeting and those major members of the Cabinet are also running major enterprises in the state.

It is imperative for the United States of America to maintain this position of strength, and it is nice to see that I have been joined here by my friends from Florida and from Boston and our other friends who made it here, too, to have this discussion about why it is so important for America to maintain this position. The Democrats have consistently tried to take this country into a new direction, into another direction and get ourselves out of this wageless recovery and this endless occupation that we are in.

I would be happy to yield to my good friend from Massachusetts.

Mr. DELAHUNT. Mr. Speaker, I thank Mr. RYAN for yielding the time.

As I was waiting to come over, I had an opportunity to watch our friends and colleagues on the other side of the aisle speak about immigration, and I discovered something tonight, and that is that they really have a great sense of humor.

Now, we know individual Members over there that are friends of ours, we enjoy them, and they have a sense of humor, but collectively they have a sense of humor. They were eloquent in their comments and their observations, and I noted that they continued to refer to the Senate bill, Mr. Speaker, as the Reid-Kennedy bill. Well, I guess we must be playing some sort of funny game because I am going to ask my colleagues to help me.

Whatever happened to JOHN MCCAIN? Did he just disappear? I thought it was Senator MCCAIN, who there is a rumor, Mr. Speaker, that he might be a candidate for the Republican nomination for President, that he had something to do with that Senate bill. Has anybody seen Senator MCCAIN? Congresswoman WASSERMAN SCHULTZ, have you seen Senator MCCAIN?

Ms. WASSERMAN SCHULTZ. Mr. Speaker, I am going to have to get out the bloodhound.

Mr. DELAHUNT. Congressman RYAN, have you seen Senator MCCAIN? It used to be the McCain bill, and now it is the Reid-Kennedy bill. I mean, who is kidding who?

Now, you have a Senator, I believe, from Florida by the name of MARTINEZ, Senator MARTINEZ. I thought that he was involved in the amended version of the Senate bill that eventually passed. Am I correct?

Ms. WASSERMAN SCHULTZ. My understanding, Mr. DELAHUNT, is it was Senator HAGEL, Senator MARTINEZ, Senator MCCAIN. So how this became the Reid-Kennedy bill——

Mr. DELAHUNT. Do you think it has anything to do with politics?

Ms. WASSERMAN SCHULTZ. No.

Mr. DELAHUNT. You are all silent. I mean, can you help me, please? I am just confused, Mr. Speaker. Whatever happened to JOHN MCCAIN? Does he still support this bill, this possible candidate for the Republican nomination for the presidency in 2008? Whatever happened to Senator MCCAIN?

Mr. MEEK of Florida. Mr. Speaker, well, let me just say that it is an honor being here tonight with my colleagues and 30-something Working Group, and I am so glad that Mr. RYAN was here to catch the hour. I notice that he has taken the high road here or the high ground here tonight, and it is so good to be in the well.

But I just want to say to Mr. DELAHUNT, it goes back to our discussion the last two evenings. Our Republican colleagues on the Republican side of the aisle, which is the majority, what is not a great value of that majority and the leadership is being straight with the American people.

Mr. DELAHUNT. Well, yeah.

Mr. MEEK of Florida. So this is a consistent theme of not being straight with the American people. They take value in not being straight with the American people, need it be deficit spending, record breaking borrowing. I read an article just last night or the night before as it relates to the President saying that we have to send a message to Congress that we want control on spending and their appetite on spending the taxpayers' dollars, to let the American people know that we are fiscally responsible. Then the next day signing the largest pork barrel bill, transportation bill in the history of the republic. Being straight with the American people. Not a week later, but the next day.

Telling us here on this floor that a prescription drug program costs one thing, find out a week or two later that it has doubled in costs, and then months later, several hundred million dollars more.

So when we start looking at being straight with the American people, and I think that is the frustration of Republicans and Democrats and Independents, and voters, period, out there is the fact that the Republican majority has decided that being straight with the American people and leveling with them is not a value. Oil prices, price gouging, protecting special interests, K Street Project, a number of other issues that are here on this floor with the special interests takes the high ground, and they are protected and the American people are not.

When we talk about the minimum wage, Mr. RYAN has the charts over there, 1997, there has not been an increase in the minimum wage since 1997, and on that chart we have the Republican leadership saying not over my dead body is this going to happen, in so many words, that we are not going to allow it to happen.

Here on this chart you have the minimum wage down here. Mr. DELAHUNT is familiar with this. 1997, you know, starting with the oil, starting with the minimum wage here, zero. Here in 2006, it has been that way since 1997. Whole milk has gone up 24 percent; 25 percent,

bread has gone up; 4-year public college has gone up 77 percent; health insurance has gone up 97 percent; and regular gas has gone up 136 percent and still climbing.

We have folks here that are saying, hey, give us a pay raise. I am going to tell you right now, if someone has to keep two homes and travel between and do all of those things, yeah, I would like a pay raise, but at the same time I have a conscience about this.

Our leadership has said, and we have said that we are not going to take a pay raise unless the American people get a pay raise.

Ms. WASSERMAN SCHULTZ. Mr. Speaker, I interrupt only because I want you to read the quote from the Republican majority leader about where he is and his conference is on the minimum wage increase.

Mr. MEEK of Florida. Well, he is a good friend of mine, but I am just going to read this because I think it is important. I guess this is the position here: I have been in this business for 25 years and I have never voted for an increase in the minimum wage. I am opposed to it, and I think that a vast majority of our conference is opposed to it. That was just June 20 of 2006.

I mean, obviously this is the philosophy that has been picked up all the way from the former Member of this House who was the majority leader because it has not been increased federally since that time.

Mr. DELAHUNT. Mr. Speaker, I have to get back to the point that you made when I yielded to you about the missing JOHN MCCAIN. Since tonight listening to their remarks about immigration, somehow they want to put it on the Democrats that the problem is and was created by Democrats.

□ 1815

Well, nothing could be further from the truth. I mean, if you want to give this Senate bill a label, the truth is, it is supported by President Bush. Now, can you help me? Is President Bush a Republican, Mr. MEEK, or is he a Democrat?

Mr. MEEK of Florida. I think the President and some members of his party are struggling to know what his party affiliation is. Because I know some Republicans that are very concerned about what the President has done and what he is doing. But he says he is a Republican under the line that he is a fiscal conservative, but that is not the case.

So we do not know what to believe. Ideological wise, he is a Republican President, but at the same time some of the stuff we hear here on the floor would say that it is some other kind of party or philosophy that is out there.

But to the answer your question, yes, he is a Republican President.

Mr. DELAHUNT. So he is a Republican. So why do not we refer to it then as the Bush-McCain bill that is distinct from the other bill?

Mr. MEEK of Florida. I personally, I am representing the 17th Congressional District of Florida, you know Dade and Broward County. But, you know, I do not want to be them, Mr. DELAHUNT. I do not want to come to this floor and start talking about what they are saying, so we are going to rebut what they are saying. I do not want to be them. I want to make sure that we are who we are.

We are being straight with the American people. If it is the Bush-McCain or it is the Kennedy-Martinez bill II, Arlen Specter bill II, so that if someone sees us here on the floor and they heard, well, they call it the Bush-McCain bill, they say, well, they left the Democrats out, and then we have just done what they have done. I know how that can be contagious sometimes because it happens so much here on this floor.

Mr. DELAHUNT. I am not going to refer to it again as the Bush-McCain bill.

Mr. MEEK of Florida. I know you are just making a point, sir.

Mr. DELAHUNT, I am so glad that you were witnessing that. I was in the oversight committee and I could not see it.

Mr. DELAHUNT. I know that we worked hard. And I will yield to the gentlewoman in a moment. That we have worked hard to secure the borders. That is what we have been trying to do for the past 6 years.

I am going to refer to my notes here for a minute.

We, as a party, have filed amendment after amendment as appropriations bills have come to the floor. If they had been adopted, there would be 6,600 more Border Patrol agents today patrolling our border, 14,000 more detention beds, and, Mr. Speaker, 2,700 more immigration agents along our borders than now exist. But those amendments were not adopted because the Republican majority voted against them. That is why. That is why we have the problem today that is causing this contentious atmosphere in this Chamber and in the other Chamber.

But let's speak to the truth. Let's not just simply politicize this debate. Let's put the facts out. Who has been in charge of this institution for the past 12 years? It is the majority Republican party, Mr. Speaker. And across this Capitol building, who has been in charge, Mr. Speaker? It is the Republican Party, and George Bush has been the President of the United States since January of 2001.

Today we have a problem with illegal immigration. Who is responsible?

MS. WASSERMAN SCHULTZ. Mr. DELAHUNT, let's play a game. Let's see which caucus is really for border security and which conference is playing ''let's pretend.'' And we will deal just with facts here, just with factual information, unlike what they do, which is either, A, make it up as they go along; or, B, say something that is not true enough times so that people believe it; or, C, just pick and choose the numbers that work best for them and represent that they are doing something when they are really not. So any of those three things is what happens on the other side.

Here is the reality on border security, Democrats versus Republicans: From 1993 to 2000, under the Clinton administration, on average, 642 new Border Patrol agents were added every year. Despite the fact that 9/11 highlighted the need for more border security, in its first 5 years the Bush administration added, on average, only 411 new Border Patrol agents.

Under the Clinton administration, 642 new Border Patrol agents were added every year. Under this administration, since 2001, since 9/11, only 411.

It gets better. Between 1999 and 2004, we are talking about enforcement, you know what, the Republicans talk a good game about it, we have got to increase enforcement, we have got to make sure that we crack down on illegal immigration, we have got to make sure that employers are not harboring illegal immigrants and breaking the law in hiring them. Well, let's see if they really mean that.

Between 1999 and 2004, work site immigration enforcement operations against companies were scaled back 99 percent by INS. Subsequently, INS was merged into the Department of Homeland Security and now it is called CIS. But in 1999, the United States, this is the year before President Bush took office, the United States of America initiated fines for hiring illegal immigrants against 417 companies. Mr. DELAHUNT, in 2004, it issued fine notices to three companies. Three.

1999, the year before President Bush took office, the United States initiated fines against 417 companies for hiring illegal immigrants. In 2004 they initiated three.

Mr. DELAHUNT. So in the space of some 5 years, enforcement actions against employers who were hiring illegal immigrants——

Ms. WASSERMAN SCHULTZ. I have another one. The Bush administration also has a worse record than the Clinton administration on pursuing immigration fraud cases. In 1995, during the Clinton administration, 6,455 immigration fraud cases were completed. In 2003, guess how many? One thousand three hundred eighty-nine, 78 percent fewer immigration fraud cases completed.

And then if you take the statistics that they brag about, the Bush administration brags that in its first 5 years it caught and returned 6 million undocumented individuals. That is actually a drop from any 5-year period that you can demonstrate during the Clinton administration.

So that is what I mean when I say they just put up the statistics that make them look good and leave out all the other relevant information.

Mr. MEEK of Florida. Mr. Speaker, number one, we need Mr. Manatos and others to get us a chart on that.

Ms. WASSERMAN SCHULTZ. We have got to have a chart.

Mr. MEEK of Florida. We have got to have a chart. Because, folks, they cannot quite capture those numbers on that small piece of paper you have. If a Member was in his office or her office watching us here on the floor, we want them to visually see their track record on what they have done.

It reminds me of when the President flew over the Hurricane Katrina-affected area and came back to the White House and said, We are sending food and water down, and blankets, and this is just the beginning.

Well, that was 3 days after the storm. And I can tell you this right now, in the heat of the summer, I do not know what good blankets would have done, but that is a whole other issue.

The bottom line is, just because they say it, and I am taking from Gingrich, just because they say it, ''they'' is what Mr. Gingrich is calling the Republican majority, just because they say it does not necessarily mean that it is true. It does not necessarily mean, just because they say it, that it is true.

I will share what Mr. Gingrich has called this Republican majority. We do not have to do it; Republicans and Americans are saying it. This is the former Speaker of the House, Mr. Speaker, who said in the Knight Ridder newspaper, Friday, March 31, 2006, ''They,'' talking about the Republican majority, ''are seen by the country as being in charge of a government that cannot function.''

And this is what we are seeing, Mr. DELAHUNT. Folks coming to the floor seeing things that they know are altered. They are altering it. They are saying, well, this is the written word and these are the facts. But that is not good enough for me; I am going to erase it, and I am going to go to the floor and I am going to fool the American people. I am going to mislead the American people, because it is an everyday occurrence here by this majority.

And the reason why so many Democrats, and I would say a very few Republicans are outraged by the fact, when they hear the facts, when we all sit in our offices and we hear altered information; we have third-party validators. If we say the U.S. Department of Treasury came up with these numbers, they came up with the numbers. If we say that the deficit is record-breaking borrowing in the history of the Republic, we have third-party validators.

Some Members come to the floor, and it is their prerogative, and if they want to mislead, let them mislead. But we are going to make sure that we continue here in the 30-Something Working Group and on this side of the aisle, in sharing the truth with the American people. This is not a place where someone comes up and says, this is a Democratic Party meeting or this is a Republican Party meeting or this is a Reform Party meeting, Ms. WASSERMAN SCHULTZ, this is the U.S. House of Representatives, the People's House the only Chamber that you have to be elected to.

You can be appointed as Senator by a governor. But you have to be elected to the House. There are no appointments here. So I think it is important that folks really appreciate what we are doing here.

Ms. WASSERMAN SCHULTZ, I want to thank you for bringing those numbers, and I want to make sure that we get it into a chart.

Let me just say this real quick. I have got this chart here, just as an example of who we are as it relates to sharing information that is accurate, versus some on the majority side that are well documented for not sharing accurate information to not only the Members of Congress and the minority side and some of their own Members, but also the American people.

Case in point: $1.05 trillion that President Bush and the Republican Congress that you see here, borrowed from foreign nations, foreign nations, between 2001 and 2005. $1.05 trillion have dethroned—that is the new word—42 Presidents before this President; 224 years of the history of this country, they have only been able to borrow $1.01 trillion.

Now, Mr. DELAHUNT, this is my point. This is from the U.S. Department of Treasury, it is right here. Folks can go on the Web Site and get it. Now, if we were meeting in the 30-Something Working Group and say, well, $1.05, well, maybe we need to, even though it happened all in 4 years and it took 224 years for this to happen, let's say $1.09, that sounds better. That would be misleading the American people and the Congress.

Members are on the floor, and they take what we say to be truth to power, that we come and we are here leveling on behalf of the American people. We are not here to say what sounds good or what would sway a certain segment of the population to feel one way or another.

Folks woke up early one Tuesday morning from representation, not for someone to mislead them through statements here on this floor that are not accurate. That is the reason why we are in the situation that we are in now. Even when it comes down to the war in Iraq. Even when it comes down to the pursuit of Osama bin Laden in Afghanistan.

The information is not accurate that has been shared with the American people and that is the reason why so many individuals are suffering as it relates to gas prices. These gas companies and these petroleum companies have been allowed to come into this Chamber with Members carrying their will and voting the way that they want them to vote against their constituents.

This is something that we all feel passionate about and the American people feel passionate about. And, Mr. RYAN, as I yield to you, as they go to the pump and hesitate before they put their debit card or credit card or whatever it may be into that pump about, how much is it going to cost me today to fill my tank up, they need to think about the individuals that are allowing these petroleum companies to take advantage of the American people, misleading the American people. And if I had my way and we were in the majority, I tell you, I guarantee you, that that practice would no longer take place. And when it does take place, we will come to the floor and knock it down.

I commend Mr. DELAHUNT for bringing the misleading of the American people as it relates to information on who is sponsoring immigration bills in the Senate, and pointing out the fact that there would not be an immigration bill that passed out of the Senate if it was not for the Republican majority voting in the affirmative for the legislation, the same way as here in the House.

□ 1830

Mr. RYAN of Ohio. The same thing with the deficit. With the fourth largest annual deficit in the history of the United States of America, the President makes his way out, Madam Speaker, and touts it like it is some great success, like we should all be pounding our chests and proud of this. The fourth largest deficit in the history of the country. And we are borrowing the money from Japan and China and OPEC countries and all these other countries that give them real leverage on us when we try to act in a diplomatic way, whether it is with North Korea or Russia or China or whatever it may be.

What would the Democrats do and what have the Democrats attempted to do time and time again? The Democrats have tried to reestablish the PAYGO rule, and we have tried to do it numerous times in the past several years.

Now, what is PAYGO? PAYGO basically says that we will not spend any money in Congress unless we can pay for it. We are not going to go out and borrow the money. We have got to pay for it. Here it is, and there have been numerous—this is just a couple: The Spratt substitute for the budget resolution in 2006 failed, not one Republican voted for it, rollcall vote number 87.

We are not making this up. We tried to put PAYGO rules into the budget process and the Republican Congress voted against it, because that would limit their ability to provide corporate welfare to the oil industry, to subsidize tremendously the health care industry. Again, Congressman SPRATT, vote rollcall number 91, failed again for the budget resolution in 2005, 194 to 232. How many Republican votes? Zero.

And I know DENNIS MOORE has tried to do it, Charlie Stenholm, when he was in Congress, he tried to do it. Time and time and time again, Ms. WASSERMAN SCHULTZ, Democrats have tried to implement basic structural

changes so that we could balance the budget.

It is not a coincidence that when President Clinton was in and the Democrats passed the budget in 1993 and we began to implement some of these rules, we had a tremendous explosion of economic expansion that lifted everyone up; and then, in 1997, passed an increase in the Federal minimum wage which, actually—there is a statistic here that I just love from American Progress, 4 years after the last increase in the minimum wage, the economy enjoyed its strongest growth in over 3 decades, adding 11 million new jobs. And, the small business employment between 1997 and 2003 grew more in States that had a higher minimum wage than the Federal minimum wage.

Raising the minimum wage is good for the economy. It is a different philosophy, it is different, but it works.

Ms. WASSERMAN SCHULTZ. That makes me want to pull out another third-party validator, because this week we got to experience the exciting midyear opportunity to hear the President with his Republican leadership surrounding him to cheerlead the supposed success they have on the economy.

Now, it would be one thing if we were standing up here as DEBBIE WASSERMAN SCHULTZ and TIM RYAN and KENDRICK MEEK and BILL DELAHUNT and saying, well, that is a lot of baloney. Anyone in America looking at this economy and looking at this deficit would say, what is there to celebrate about?

But it is not just us. This morning editorial page in USA Today had this to say about the midyear review of the economy that the administration just trotted out.

They say, ''Forgive us if we don't break out the party hats. It is hard to get excited about an abysmally large deficit in the range of $300 billion that is somewhat less gargantuan than earlier predicted. Even accepting the administration's assurances that it does not purposefully overestimate the numbers in a Wall Street-like game of beating expectations, this habitual midyear crowing masks the seriousness of the Nation's bleak fiscal outlook.''

Well, if that doesn't say it, all right there in a nutshell, I don't know what does.

Mr. RYAN of Ohio. There was a gentleman at work who worked for President Bush, Douglas Eakin. Holtz-Eakin, former director of CBO for President Bush said, ''The long-term outlook is such a deep well of sorrow that I can't get much happiness out of this year.'' This guy used to work for President Bush.

Ms. WASSERMAN SCHULTZ. And what they were doing this week is saying, Wow, the deficit wasn't $423 billion, it was only $300 billion.

Now, what is clear, and what USA Today is not letting the President get away with, is that they began by inflating the number that they said the deficit would be at, so that when what happened occurred, when they knew it would be much lower than that, it would look like an accomplishment.

Well, if they are excited about a $300 billion deficit, then I really want to know what their definition of fiscal responsibility is, because that apparently for years has been the cornerstone of the Republican Party's platform, that they are fiscally responsible. A $300 billion deficit is fiscally responsible. And then on top of that they are passing tax cuts for the wealthiest among us? And this is how those tax cuts break out for folks?

I mean, we just passed a tax reconciliation bill just a few weeks ago that, if you look at how it benefits people by their income, this is what it really boils down to: That tax cut bill, which virtually all the Republicans voted for, if you make between $10,000 and $20,000 a year, which is around minimum wage, the one that they haven't raised since 1997, you get about enough back to buy a Slurpee. If you make between $40,000 and $50,000 a year, somewhat more than minimum wage, you get enough back in that tax cut bill offered by the Republicans to buy a gallon of gas.

Mr. MEEK of Florida. Maybe.

Ms. WASSERMAN SCHULTZ. Maybe. Because depending on how high the price goes, you actually might not get all that back.

But then let us look at the folks who make more than $1 million, you get enough money to buy a Hummer.

Now, I don't know about you, but I really think, if we are going to pass tax cut legislation at all, if we are going to give tax dollars back to the people, first and foremost, let's eliminate the deficit. Do you keep passing—I mean, tax cuts are spending, Mr. MEEK. It is not free. We don't just print more money.

I just took my 7-year-old son to the Mint yesterday, and I watched them print the money. But the tour guide didn't tell us, ''You know, when we run out, we just print more.'' It doesn't work that way. They obviously didn't go to Econ 101; otherwise, they wouldn't think it was responsible to do what they have been doing.

Mr. RYAN of Ohio. And just to clarify, if you don't mind, Ms. WASSERMAN SCHULTZ, as you stated, we do not have the money to give to these millionaires to go out and buy a Hummer. So where do we get it? I don't know even if we have a chart here.

Mr. MEEK has a chart. I will yield to the gentleman in a minute.

Mr. MEEK of Florida. I will give you my chart.

Mr. RYAN of Ohio. We don't have the money to give, so we have to go out and get it somewhere. We borrow this money from China, OPEC countries, Japan, to give to a millionaire so that he can get a Hummer.

No American, I can guarantee you, believes that that is a good idea. That can't be a good idea. Because now we owe China money, and we have given the wealthiest people in our society a Hummer, and our kids are left to foot the bill.

Ms. WASSERMAN SCHULTZ. Mr. RYAN, you have people in America who, the agony and the angst in the pit of their stomach that they have over their credit card debt and the things that they actually need, like the ability to fill up their gas tank, I mean, the churning that we know is going on inside of mothers and fathers across this country over how much debt they have versus what they have coming in.

I guess that churning isn't going on on the Republican side. There doesn't appear to be any angst, there is no hand-wringing, there is no worrying about it. Where is the outrage? It is nonexistent. They just keep spending and spending and spending. The deficit keeps ballooning, and then they say, Yeah, the deficit isn't $423 billion, it is $300 billion.

Well, it is just, it is too shocking for words. And then they have the nerve, Mr. MEEK, to call themselves the party of fiscal responsibility. It is a joke.

Mr. MEEK of Florida. Thank you, Ms. WASSERMAN SCHULTZ. Just because they say it, ''they,'' going back to what Mr. Gingrich has called the Republican majority, he who used to be Speaker of the House but now calls his former colleagues ''they'' because it is foreign to him now, ''Just because you say it doesn't necessarily mean that it is true.''

Now, Mr. DELAHUNT, this is true. What is true is the fact that we have borrowed $53.8 billion from Canada because we can't afford to pay our bills, so they bought our debt. Korea, $66.5 billion. Germany, $65.7 billion. OPEC nations.

Who are these OPEC nations? We hear about them on the news, but we don't know who they are. They are Iran, they are Iraq, they are Libya, they are Saudi Arabia, they are Venezuela, Nicaragua, Kuwait, United Arab Emirates, Ecuador, and on and on and on, Qatar, on and on and on. They have said, since America and the United States majority House of Representatives and the President wants to overspend and give away the money and they can't afford to do what they are doing, we will buy their debt. Taiwan, $71.3 billion. The Caribbean, $115.3 billion. The U.K. is at $223.2 billion. And you have China that is at $249.8 billion and Japan which is at $682.8 billion. And folks wonder, why are we in the situation where we are now?

It pains me to silhouette the country, silhouette of the continental United States and put those countries over it, but we have to break this down and let the American people know this is not about party, this is not about what you may feel about a man or a woman representing you.

This is about representation for you. Forget about what convention you went to last time. Forget about if you have an R or an I or an Independent. It is about America. And what the Republican majority has done effectively,

they have borrowed themselves into a situation so that when parents are going to schools, let us just look at this, here is the education budget and what we invest in education and this is in the billions as relates to this chart.

This is what we invest in homeland security. This is in the billions. Our veterans allowing us to salute one flag, Mr. RYAN, this is what we invest in veterans and their health care and their needs. And, this is what we invest, thank you, a la the Republican majority here in this House, the rubber-stamp Congress and the President of the United States, who I do not fault personally. I don't fault the President for doing what he does. I fault the U.S. House of Representatives and the Senate for allowing it to happen with very little oversight.

Mr. RYAN of Ohio. I wouldn't be too complimentary. This President hasn't vetoed one spending bill, and he comes to the Rose Garden and says the Republican Congress needs to control their spending. He has not vetoed one spending bill.

Mr. MEEK of Florida. Because you came in on the back end of my words, I am telling you this. The President is the President of the United States. At the end of his term he can no longer run for President of the United States.

Guess what the difference is between Members of Congress and the President. We are up every 2 years. The American people can bring about change in November, and then a transition of power in January for representation. No matter what their party affiliation is, I know Republicans personally that I know that I represent in my own district and outside of my district that have a problem that we are spending more on the debt, paying down the debt, than we are investing in education, homeland security of all things, and veteran affairs.

There are individuals right now, and I just went through the veterans hospital during the Fourth of July break to go visit those individuals that just returned to Iraq and Afghanistan and those individuals that fought before them, and I can tell you they are not getting what they deserve. They are having to wait in some rural areas because the rural clinic is only open 2 days out of a month.

These are the people that have laid their blood down. These are the people that their friends have died beside them, and they are asking them to suck it up.

Meanwhile, back at the ranch, the Republican majority is allowing this debt to overwhelm. You can stack eight of the veteran investments up to the debt, you can stack lower homeland security probably 10 up to the stack as it relates to the $250 billion that we are paying on the debt. And as it relates to education, you can go two more times as it relates to investment in education. And, meanwhile, folks come down here with a straight face, Mr. DELAHUNT, and say that we are fiscal conservatives and we know how to govern?

□ 1845

The American people know it. That is the reason why the polling is showing they are fed up with what is going on here. They are willing to give Democrats or somebody else an opportunity to lead.

Mr. RYAN, that is the reason why I said that I am not concerned with the President of the United States. He is going to do what he has been doing and will continue to do. Just like he said, if there is going to be a change in Iraqi policy, that is something for future presidents, not him. He said that as though he lives in a kingdom. This is a democracy.

The only way we will be able to represent those troops and those individuals that deserve representation is that the American people are fully aware and educated with the facts, and that is the reason why we are on this floor, to share that.

Mr. DELAHUNT, thank you for yielding, sir.

Mr. DELAHUNT. Well, I think you have summed it up. What irony that at this moment in American history the American people are borrowing from Communist China so that the most affluent among us, truly the most affluent among us, 1 percent of the population, receives a disproportionate tax cut. I mean, if this was written in a novel 10 or 15 years ago, people would be shaking their heads.

We are borrowing money from Red China so that the wealthiest Americans can buy a Hummer, because that is really what is happening. That is connecting the dots. Of course Democrats support tax reduction, or tax cuts, tax cuts that are fair. That is the difference. You know, a family that is supporting their sons and daughters in terms of their tuition bills for college education, there should be tax credits, there should be tax deductions. I mean we could list a vast number of thoughtful tax cuts that would benefit everybody, that would benefit the middle class rather than creating a society in these United States of those that have and those that are getting less and less every day. Real income, real income for that family right square in the middle of our population has declined, and that is why people are unhappy.

And of course we are all supporting with our tax dollars the war in Iraq. It is costing us $8 billion a month, or $2 billion a week. Just imagine if that money was going into building roads here, to rehabilitating schools, to providing scholarships for American children to go to college, to invest in our national health system what we could do with that money. But we are doing all of those things not in the United States, we are doing it in Iraq. And we are losing the war on terror because of the distraction by this administration from the real enemy, because they wanted to go to war in Iraq and remove Saddam Hussein, and that is what is happening in this country.

Yet you are so right, Mr. MEEK. What do we hear? We hear, boy, there is an immigration problem and it is a hot button issue. And it is a hot button issue. But they refuse to accept responsibility. It is like they live in an alternate reality. It is not the real world. How did we get to the point where there are somewhere between, the numbers I hear are 10 million to 12 million illegal immigrants? Because they refused to provide the funding for detention centers, for immigration agents, or for border control officials.

When we brought them to the floor, and I know that I voted for those increased fundings, yet we hear from our friends today about they are standing up, but I wonder how they voted. I would hope that each and every Member of this Congress on both sides of the aisle would go back, review their voting record on all of the amendments that we put forth to increase border security and see how they voted, and then come to this floor and acknowledge that vote before they speak.

Mr. RYAN of Ohio. If the gentleman would yield, it is not just the eight or nine that I listed, as you were probably walking down here, the eight or nine times that Democrats have offered to increase border security and border patrol and actually fund it and not just make the promise to do it. Think about the Medicare prescription drug bill. One of the first things we will do when there is a change of power in January is make sure that with the Medicare prescription drug bill we will allow the Secretary of Health and Human Services the ability to negotiate down the drug prices to save the taxpayers' money.

Now, that is good policy from any party that is running the government, but our friends on the other side have refused to implement that basic thing. So we have tried for border security, we have tried to reduce the cost of the Medicare prescription drug bill, giving the Secretary of HHS the ability to negotiate down the drug prices, and we will increase the minimum wage on the first day we are here when we take over in January. That means a pay raise for all Americans because that will trickle up and push everybody's wages up.

That was proven. When we raised the minimum wage in 1997, the economy grew 11 million new jobs. And in the States that had a higher minimum wage than the national minimum wage, there was increased numbers of small businesses that were created, new start-ups, and retail small businesses were increased. This is good for the economy.

In the first week we will be here in January, we will reduce student loan interest rates and we will cut them in half, both for parent loans and for student loans. We will have a significant impact in the lives of many, many Americans just in the first couple of

days from what we are going to pass out of the House: Increase in minimum wage, lower student loan rates for you and your family, increased border security, and allowing the Secretary of Health and Human Services to begin to negotiate on behalf of all the Medicare recipients.

This is not brain surgery. We are not saying we have this grand elaborate scheme that we cooked up somewhere and we are bringing it before the American people. This is basic fundamental stuff. But when you are not so attached to the special interests, when you don't have a K Street Project in which there is this give and take with the big lobbying firms down here, you are able to govern in a way that benefits all of the American people. And that is what we are trying to get at.

Let us take the country in a new direction, where we have a philosophy where everybody contributes to America and everybody benefits. We are actually looking out for the common good. We will provide for the common defense and we will increase the common wealth.

You know, I go to some of these States like Virginia and Pennsylvania and Massachusetts, and they are all commonwealths. That philosophy, what do we have in common, how can we pool the common wealth to benefit everyone? Everyone contributes and everyone benefits. And what we have now, Mr. DELAHUNT and Mr. MEEK, is a situation that has set up a system that has been corroded and corrupted. Now, I am not saying by individual Members. I think over time this happens.

Jefferson said that every few years we need to have a revolution. Well, we need a bloodless rebellion to shift power out of the hands of the Republican controlled House, Republican controlled Senate, and the Republican White House. This is George Bush's Congress, Mr. DELAHUNT. Let us make no mistake about it. They do what he says. They follow his lead. They are afraid to stand up to him.

He hasn't vetoed one spending bill or one bill that this Congress has passed out. They rubber stamp the Bush philosophy and they consistently agree with the President. This is his Congress.

I yield to my friend.

Mr. DELAHUNT. Well, I think that is underscored by the fact when we hear them express concerns about immigration, about illegal immigration, we have not heard a single voice from our friends on the Republican side criticizing the President for the failure to enforce. Well, maybe one voice. Maybe he is here tonight. But no criticizing the President for the failure to enforce our immigration laws, particularly against employers.

Imagine, three enforcements against American businesses for hiring illegal immigrants in the year 2004 when in the last year of the Clinton administration there was far in excess of some 400. That is a disgrace. And it is the responsibility of this Republican Congress to criticize their lack of aggressive oversight on this issue. The problem has become all of ours, but it was created by the lack of funding to strengthen our borders while Democrats have been putting forth proposal after proposal to increase those numbers.

With that, I yield back to my friend from Ohio.

Mr. RYAN of Ohio. I appreciate your yielding as we begin to wrap up. Maybe Mr. MEEK could get that chart down there and give us the Web site as we begin to close.

I think you can be an amateur historian to recognize what has happened here; that in 1994 there was a move afoot to change things. Newt Gingrich, Dick Armey, and there was a crew of them who came to this floor, like we come to this floor, and like we will continue to come to this floor, to talk about issues. They were talking about balancing the budget and they were talking about instilling fiscal discipline. Mr. MEEK showed earlier the quote from Mr. Gingrich, and I read last week in the Boston Globe a comment from Dick Armey, the former House Republican leader, who said ''I'm not sure what this Congress has accomplished.''

These are two of the main leaders of that revolution. The Republicans have gotten very far away from what they wanted to accomplish and, I think, what this country deserves. And when that happens, Madam Speaker, it becomes time for a change in America. I think that is where we are.

Again, if you just look at what the Democratic Congress will do within the first couple of days that we get in, that this Republican Congress has failed to do in the past 5 or 6 years under complete Republican dominance, we will raise the minimum wage, we will cut student loans in half for both student loans and parent loans, we will implement the 9/11 recommendations to make sure we provide for the common defense of the United States of America, and we will allow the Secretary of Health and Human Services to negotiate down drug prices for the Medicare bill to not only save the taxpayers money but drive down drug costs for everyone.

We are going to invest in the small business, as our small businesses are trying to retool themselves. We need assistance for them with the Manufacturing Extension Program and with the SBA 7(a) loan program. We want to give local community development organizations the tools they need to help their small businesses, and some of these programs help businesses. They send out a couple of engineers to help them retool, to make sure that they are streamlining their businesses, to make sure they can find export markets. This is a positive thing, because many small businesses can't afford to do it.

So we've got an agenda. Put us in, coach, we are looking for an opportunity to play. We have an agenda, and I think the American people will recognize in just a few short days what the difference is between the current Republican leadership and what the Democrats will do.

Our Web site is www.House Democrats.gov/30something, and all of these charts and statistics are available on that, Madam Speaker.

□ 1900

SHORTEN REAUTHORIZATION OF VOTING RIGHTS ACT

The SPEAKER pro tempore (Miss MCMORRIS). Under the Speaker's announced policy of January 4, 2005, the gentleman from Iowa (Mr. KING) is recognized for 60 minutes.

Mr. KING of Iowa. Madam Speaker, it is a privilege to have the opportunity to address you this evening and take up a number of issues that I believe are important to the American people.

As I come in here and listen to the tail end of the dialogue that takes place here on the floor, I thank the gentleman from Massachusetts (Mr. DELAHUNT), my friend whom I serve with on the Committee on the Judiciary, for acknowledging that some of us will stand up and speak to the lack of enforcement on the part of this administration.

In fact, in our private conversation, I reiterated something that I put into the RECORD the night before last in that if you are an employer in the United States and you are knowingly and willfully hiring illegals, you were 19 times more likely to be sanctioned under Bill Clinton's administration than you are under the current administration. That is the level that this enforcement has drifted to. That is the issue that they speak to.

However, I would say on the other side of this argument, we have seen an acceleration of enforcement on the border. It is too little too late to satisfy me and many of my colleagues here in Congress. But the point missing from this dialogue is when amendments are offered on the floor; if they are serious about passing those amendments, it takes homework to get that done. You have to reach across to the other side of the aisle and identify some people to work with on the other side of the aisle and get those sponsors and cosponsors for those amendments so when it comes to the floor it is ready for passage.

A late-arriving amendment that is not designed to pass, but makes a statement has very little opportunity to actually make it into law, and some of those amendments are viewed that way by myself and many others. So I am looking forward to a bipartisan effort on this enforcement. It is one of the reasons that I have talked so long and relentlessly on many things that we need to do.

But I came tonight to talk about another issue, and that is an important

issue that is in front of us tomorrow. Tomorrow the House of Representatives will be taking up the legislation that is proposed to reauthorize the Voting Rights Act.

Now, the Voting Rights Act was first written into law in 1965. It was an essential piece of legislation in 1965. We were in the middle of the civil rights demonstrations that were taking place. Those of us who lived through that time, and I can say during that period of time it was a very impressionable point in my life. If my math is correct, I was a sophomore in high school. The television was full of mostly peaceful marches and peaceful demonstrations.

It was an issue that those of us who lived in the Midwest were pretty much protected from that and didn't see the necessity for those kinds of demonstrations right away, but the demonstrations on television, and it was important that television did carry that message at the time, that educated the American people.

I look back on that time, that time in history, when we saw mostly peaceful marches. We saw fire hoses and dogs, yes, and there was violence and there were people that died in the process. But for the size nation that we are, for as large a problem that we had, and the problem we had was the institutionalization of racial segregation primarily in the South. And there were millions of Americans who were citizens in good standing that were shut out of the polls and shut out of many of the other avenues of what we consider normal life today.

It is hard for the generations that are sophomores in high school today to understand what it was like in those years back in the middle 1960s and in many of the years before them.

The circumstances of the segregation in the South and the discrimination that was there, the poll taxes, the literacy tests, many of the Jim Crow laws that were put in place to keep African Americans from going to the polls and being able to vote and help select our national leaders and their Members of Congress and their State leaders, and participate fully in the life of freedom that had been earned by the blood of hundreds of thousands a century earlier; and it took a century to get the Voting Rights Act in place after the end of the Civil War. That is how big this issue was back in 1965.

This sore festered for a century. In a century, this Nation couldn't find a way to come to grips with the issue of discrimination in the South. For me, it is hard for me to have that reference point except for what I saw on television and read in the newspaper, and what my teachers and classmates and family had to say.

Some of that, I have to admit, is a little vague in my memory. But I can say there was an incident that framed it for me. That was some years ago my wife and I needed to go down to New Orleans for a conference down there. We decided that we would drive down on the east side of the Mississippi River and come back on the west side of the Mississippi River. I like to see what is in this country. So when we do those trips, we weave back and forth and take side trips.

As we went down, we stopped also at Vicksburg to see the battlegrounds of the great Civil War battles that took place in Vicksburg, Mississippi. That was an experience, to stand on that hallowed ground and understand the battle that took place there and the price that was paid to move forward more on liberating and freeing the people that were enslaved the hundreds of years before that.

But the thing that impressed me the most was the stop that we made in Port Gibson, Mississippi. Port Gibson, Mississippi, was a location where a priest that had grown up in our hometown, Father Tony Pudenz. Father Pudenz had been the pastor in St. Joseph's Church, I believe it is St. Joseph's, in Port Gibson, Mississippi. That was his favorite parish. That was the place he wanted to retire. In fact, he was on the edge of retirement at that moment.

But as we went through Port Gibson, I knew he had lived there. He had grown up in our hometown, and he was about 75 years old. So we drove through the town and I looked for the church and rectory. When I found the rectory, we pulled in and I knocked on the door. Father Tony Pudenz came to the door, actually astonished that someone from Iowa would drop in on him unannounced with a surprise, to the rectory at St. Joseph's Parish in Port Gibson, Mississippi.

Well, that visit turned out to be one that framed this for me because he took us over to the church which was just a few steps across the yard. He said, I want to show you my church. He pointed out that the church was built in 1848, and it was built originally with $10,000 that was contributed to the parish by the family of Jim Bowie.

Jim Bowie was killed at the Alamo more than a decade earlier, but the family had significant presence in Mississippi and somehow they had enough money to make that kind of contribution to that parish in 1848. In fact, a lot of woodwork in that church, as I understand the way it was told to me by Father Tony Pudenz, was carved by the Bowie family.

As I looked at that woodwork, I thought about how that tied back to the history of the United States and to the history of Texas, and how it anchored back to a time before the Civil War.

As we stood in that church, and the glass in that church is all blue tint so it is like standing inside of an iceberg. It is like the sun would shine through if you were standing with ice windows rather than these blue-tint windows, and it gives almost a surreal sense with the woodwork done by the Bowie family and that sense of standing inside an iceberg or standing inside an igloo, perhaps, that was done with fairly clear ice.

As we stood there, he pointed up to the balcony. And the balcony, very similar to the balcony that the press sits in here in the United States Congress, and he said this church was built by these families and the floor of the church was for the white families and the balcony was for the black families.

And I looked at that. To stand there in that place and understand that in a house of God they would construct a house of God to be segregated for one color of people to go up to the balcony and for another color of people to be seated downstairs, and for their minds, never the twain shall meet; even though they go to church together, they would be separate. And I will say certainly equal in the eyes of God, but not equal in the eyes of fellow Christians going to church in Port Gibson, Mississippi, probably some time well prior to 1848, but the church was built beginning in the year 1848.

As we stood there in the aisle on the floor of that church, he said that last week, the previous week, they had buried the editor for the newspaper in Port Gibson. This editor of the newspaper was the individual who, in 1967, had, with the segregation still in the church, went in and sat down with his family, several children, sat down in a floor pew, and sat there with his family. And a moment before mass began, he got up, took his family and hand in hand they went to the back of the church and went up the steps in the back of the church and sat down in the balcony with the African Americans that were there to go to mass.

No longer was that church segregated because the editor of that paper had the courage and principle to take his family up to the balcony to sit with the black families and worship with them together.

When that happened, part of the people, some of the families, got up and walked out of the Catholic Church and walked across the street to the Episcopalian Church where those families and their descendants worship to this very day.

At that time, that little parish of St. Joseph was, I think he said, about 75 families, maybe it was 90 families, and a mix of three-quarters white, one-quarter black, but they go to mass together seated together as part of God's family like they really are. That is what it was like in 1967. That is what it was like in 1965 when the Voting Rights Act was passed.

It is no longer like that in the South today. That is something, an experience for me that frames a lot of this issue, and an understanding of what went on.

It was important to pass the Voting Rights Act in 1965. It was important to enfranchise every one of the adults that are all viewed to be the same as God's children. And we are God's children, all of us.

We need to guarantee those voting rights to everyone. The Voting Rights

Act was a quantum leap to do that. The discrimination statistics that were there, the statistics that were gathered up beginning in 1964, and the measurement of those statistics in 1968, and then in 1972 showed that there were lower percentages of blacks voting than whites voting. And there were lower percentages of blacks that were registered to vote than there were whites registered to vote, and something needed to be changed.

And so those criteria and other criteria were established and the Department of Justice was charged with the enforcement of the Voting Rights Act to guarantee a path to the polls for every legitimate voter in America, and no longer would there be Jim Crow laws, and no longer would there be people who didn't have an opportunity to voice their opinion in the polls and choose their local and national leaders.

The Voting Rights Act has been an extraordinarily successful act. It was designed to be temporary. No one believed in 1965 that we couldn't cure this problem and at some point we could make enough changes that we could move away from the need for those requirements. They were strict. They are tough.

The voting districts that are still under that today are locked in in statistics that are measured from 1964, 1968 and 1972. We are not using 2004 data to evaluate whether Georgia still should be a covered district. We are using 1964, 1968 and 1972 data; not 2004, not 2000, not 1996 data.

So those districts that have been declared to be racist, bigoted districts that demonstrated that by the statistics that are there, the measurement criteria, are stuck in time.

If we pass this legislation tomorrow with the Voting Rights Act, and we use those 1964, 1968 and 1972 statistics to measure States like Georgia, Texas and the locales within 16 States across this country, they are locked in. They are locked in and can't move a voting booth from the Catholic Church to the Episcopalian Church across the street, or from the post office to the school. They can't move a voting booth 10 feet without prior authorization by the Department of Justice.

That will be the case fixed in time from 1965 until 2032. By 2032, that is almost four generations. Four generations could come and go, and we are using the same measurement of people in 2032, if we pass this legislation as presented to this Congress.

Thomas Jefferson declared a generation to be 19 years. That is not too bad a measure. We know generations turn over a little faster or slower than that. But truthfully, 19 years, multiply it out, it is almost four generations between 1965 and 2032. But it will be true, there won't be anyone voting in 2032 who remembers what it was like in 1965 when they passed the Voting Rights Act. That would be a simple fact.

And if you want something to be institutionalized in perpetuity in legislation in America, then you reauthorize that for a quarter of a century or a half a century. By the time that comes up, no one remembers what the debate was. No one is vested in any other alternative. They just think, huh, that is the way it was then, that is the way it always has been, why would we want to change something after all these years? It seems to have worked pretty well and they got so used to it they can't conceive of not having it in place.

□ 1915

So I submit that we need to take a look at shortening up the reauthorization so that we can do a better look at the effects of any changes in this reauthorization for the Voting Rights Act. And I submit that districts that are covered, districts today need to have an opportunity to work their way out of that that is not as stringent as the very, very tight district requirements that are in it today so that they can work their way out. And to measure someone by 1964 standards in 2032 is just utterly wrong. Back in 1964, to think that the great-grandchildren of the people that made that decision will be voting in 2032, and they are responsible? How can we hold them responsible for decisions that were part of the culture in 1965?

So we have come a long way, America, and we will never eradicate racism in this country totally. There will always be some elements of it because there will always be the levels of prejudice, and they might not always be something that can be defined as racism. It might just be prejudice that comes from other reasons because there will always be competing forces in this society. But the evidence of it has diminished significantly and dramatically. And I would like to give the people in Georgia and Texas and these other States an opportunity to move out of that list. And I would like to, if it is good enough for Georgia and Texas, it ought to be good enough for the rest of us. That would be the standard that I would go by and then shorten this reauthorization time.

There is another aspect of this that is an essential piece, and that is the Federal mandate for foreign language ballots, and that is a piece that we will be debating here on the floor tomorrow.

The Federal Government, the Congress, in I will say an unexpected move in 1975, put into place temporary measures to require a Federal mandate for foreign language ballots. Now, I don't remember that there were people in America clamoring for the foreign language ballots in 1975. It may have been the case, but it was designed to be a temporary measure. They thought the need for it would diminish as assimilation increased.

What we have seen since 1975 is partly because we are the enablers there has been less assimilation instead of more assimilation. The direction for more languages in America has increased towards more and more languages in America instead of less, and we still have in place this mandate for foreign language ballots.

The reason that I am opposed to requiring them at the Federal level is because if you are a naturalized citizen here in United States, by law you will have had to demonstrate your proficiency in both the spoken and written word of the English language. That is the standard that is required before you can be a naturalized citizen. And so if you are a naturalized citizen in America, you have no claim to a foreign language ballot because the certification of your citizenship says you are certified to vote in English. That is one of the important responsibilities of citizenship. And if the standard wasn't high enough that you can read a ballot, we need to raise the standard, not lower the standard and hand you a ballot in a language where there may be errors in because we don't have enough interpreters to interpret into other foreign languages.

I simply want to lift the mandate. I want to allow localities to make the decision on whether they need to provide foreign language ballots, not the Federal Government. I don't want to be printing millions of ballots that aren't used. I don't want to get any more letters like this letter that I have here in front of where the gentleman who wrote it said, in all five elections where I have served as a judge, no foreign language ballots were requested in my precinct. Yet in the last election in that precinct they printed 33 different kinds of ballots, not because there were 33 different languages but because there were 11 different parties and three different languages that were required.

This is a subject that is easy to understand. It is relatively simple. But it's important and it's essential because if we send the message out of this Congress that we are going to chase you down and hand you a foreign language ballot, whether you want it or not, then we are also sending a message that we really aren't serious about assimilation.

And if we are going to be bringing into America 10 million or 60 million or 90 million new Americans in the next generation, 19 years generation, if we are going to do that, we have got to be invested in assimilation.

No nation in the world has ever assimilated the numbers of people or the percentage of the population that we have here in this country. But there is a limit to what we can do. And if we send the message that says we are not serious about assimilation, we are going to be enablers for people to live in ethnic enclaves. And if we do that we are ensuring that they will not be able to access the American dream.

That is the wrong message to send. We have to lift the mandate. And if it is necessary to have foreign language ballots at the localities, then they can make that decision locally. They are paying for it anyway.

And so, Madam Speaker, that is the basis and the core of my argument. But there is a gentleman here from New Jersey who is articulate on this subject matter, someone whom I look forward to hearing from, and I would be very happy to yield as much time as he may consume to the gentleman from New Jersey (Mr. GARRETT).

Mr. GARRETT of New Jersey. I appreciate the gentleman from Iowa for yielding me the time. And I also appreciate the gentleman from Iowa for your work on this issue. I came to the floor to address the issue that you were just touching upon, and that was the issue of bilingual or multi-lingual ballots.

But before I get there, let me just touch on something you mentioned because you raised an important point, and that is that the current extension of the Voting Rights Act, as you referenced going forward for 25 years, looks all the way back to the initial status and the initial data from the early 60s, mid-60s.

You could step back for a moment and say what was the fundamental problem that they were trying to address, legitimately so, at that time? And I think you might say you would put it into two categories, one personal and the other institutional. Personal, just meaning the individuals who may have been involved in the particular voting districts at the time that may have been creating illegitimate voting barriers for people of different nationalities or different race or what have you. And the other would be institutional, and that is to say that at that point in time, there were in actuality in America, unfortunately, particular institutional barriers as well in place. So you could look and say there was two elements that the Voting Rights Act had to address. But that, as you also pointed out accurately so, was 40 some odd years ago. Those institutional barriers fortunately have all been removed. The personal ones, though, interesting, I would think just by the advent of time also have to have been removed as well because the people who were elected to office in the mid-60s, for one reason or another, are no longer with us today, at least not in elected office. So the two aspects that the Voting Rights Act were specifically going to address from the data back then and the specifications of who was in place and what the institutions are no longer with us, not to say that we may not have other personal situations that may crop up today in the future. And that is why I think you come to the floor, and other Members do, such as myself, says that we should strive in this House, and in the House just down the halls from here as well to make sure that all barriers, personal or institutional, today and in the future, will always be removed, and that you will have the fullest level of political participation that you can have. So I appreciate you bringing out that point of just exactly what we are dealing with when we are dealing with the Voting Rights Act.

But I came to the floor to address the issue of the multi-lingual ballots. And I want to begin by giving credit where credit is due, because those who are listening here tonight, realizing that the bill is coming to the floor tomorrow, may think, based upon some of your comments and other things, that things are moving forward just in a legitimate and a good manner, and that we are going to succeed in this area of eliminating multi-lingual ballots.

Well, the credit, as my dad always said, ''give credit where credit is due.'' And the credit, if we are successful in the amendment coming to the floor tomorrow, are due to the gentleman to my right, the gentleman from Iowa, because I will say this, that it was in an RSC meeting, Republican Study Committee meeting, which meets on Wednesday afternoons here, where you came to address the group, brought this to my attention, and I think to the attention of a lot of people in the RSC for the first time.

I was struck by it, that this is an issue that needed to be addressed. And I was a little bit concerned that there was not enough agitation, aggravation or concern among my colleagues that this was going to be addressed. But you were a driving force and reassured me, you said, ''Scott, I think we are going to be able to build up the momentum on this. I think we are going to be able to get the word out on this, and I think once people realize just exactly what is in the Voting Rights Act, what the problems are and what the changes are needed, we are going to be successful.'' I was not as positive as you were at that moment, but you were dogged on that like you are dogged on so many other things, and I think that with the support of our colleagues here tomorrow, and if we hear from the voters who listen to this each evening, if they make sure that their Members hear from their concerns that we will be successful on this. So I come initially just to applaud you and salute you for your dogged determination.

The problem with the Voters Rights Act and the multi-lingual ballots, I think, can be said also to fall under a couple of different categories. First is the length of time that you would look for if we do not eliminate it, that it would continue for. It will continue for 25 years. And so just as there was a problem of looking back to the 60s and looking at that past data that is incorrect now as we here try to legislate today, I would hazard a guess that the circumstances in this country will be significantly different than they are today 25 years hence.

Now, I have been here now for 3 years, just as the gentleman from Iowa has been as well, and I can think of many other very important significant legislations that we have reauthorized. But for the life of me, and I stand to be corrected, I cannot think of any other bill, any other important issue, whether you are dealing with the air, the water, the environment, our schools, our education or our health, our defense or otherwise, I cannot think of any other areas, and again I stand to be corrected, where we have reauthorized something for two and one-half decades. So I think that is the first area that we need to be addressing, and you are rightfully so for bringing it up.

Just as a side note on this, I did put in an amendment that would limit this down to 6 years, but that was the proverbial compromise amendment if we were not successful in getting your amendment to the floor tomorrow which would eliminate the multi-lingual ballots entirely. But as I understand, the Rules Committee has met, 4 hours ago, around 3:00, and they saw the wisdom of going your road of at least allowing the vote on the floor. So we will go for that vote and not for the limitation of 6 years.

The second part, the difficulty or the problem with the current status of the VRA, one being the length of time, the second one being what is in the current law right now. We are really not, by allowing multi-lingual ballots to continue, we are not really enforcing current law. Current law, and I should have it right here, says that if you come into this country, legally and become a legal naturalized U.S. citizen and therefore have the right to vote, current law states that you must, according to the law, under section 312 I think you referenced, if not on the floor tonight, in previous times, an applicant must demonstrate, ''an understanding of the English language, including an ability to read, write and speak in ordinary usage the English language.''

So when you think about it, who are the people who are allowed to vote in this country? Well, they fall into two categories, one, you were born here and so you are a legal citizen, which means you went through the entire education process, age 1 through 18 in this country. So hopefully you have gone through our fine public schools or private or otherwise schools and so you should be able to read the English language.

Second is the naturalized citizens. Naturalized are those who come through and come through the process, and those individuals are those people I have just cited section 312, who have certified, attested to, they have taken a test, a citizenship test, if you will, to become a citizen of this country. That test is administered in English. And at the end they basically certify that they can, that they possess the ability to read, write and speak the English language. So if they are able to do that, if they are able to take a test in the English language, then you would think they should also be able to complete a simple U.S. ballot in any municipality or county or state. So that is the second point, that we are basically ignoring current law by continuing on with multi-lingual ballots.

Thirdly, the problem is that this is, once again, another unfunded Federal

mandate on the county governments, municipal governments and the like. I was on the phone about I guess 3 weeks ago, some time after you were speaking at the RSC, and I was speaking with election commissioners throughout the State, my State of New Jersey, and they were telling me about the costs that they have to be engaged in to pay for it. It comes out of the taxpayers' pockets to print up and publish and mail out these multi-lingual ballots. That comes out of local taxpayers. Doesn't come out of this House. Doesn't get appropriated from Washington. And so that is just another example of where we are sending down the rules. We are putting out the mandates by passing the VRA with this language in it, but someone else foots the bill. So there is another problem with the VRA, that it is an unfunded mandate.

Another, fourth aspect is the basically arbitrary and capricious nature in the way that the multi-lingual ballots are implemented under the VRA and have been in the past and will be unless the King amendment is passed tomorrow.

□ 1930

And I think you have touched upon this in the past, but let us make the point clear to those who don't follow it, that the way you look to determine whether or not a multilingual ballot is necessary and required under the VRA is to say whether or not 5 percent of the population in that respective voting district cannot speak the English language.

One of the primary functions or processes in order to determine that is to look at the surnames of those individuals, and I think you have already given examples, and other people that have come to this floor have given examples, that just because you have an Asian surname, it does not necessarily mean that that is your language and you cannot speak English. Just because you have an Hispanic surname does not mean that you cannot read or write the English language. And in some sense, therefore, it is insulting to those individuals.

So the fourth aspect is the arbitrary and capricious nature of the way that the multilingual ballot law is required and enforced; and because it is arbitrary and capricious, it creates two things: It creates a disincentive for those people who are new to this country to assimilate into this Nation and learn the predominant language, which is English, so it is a disincentive to them.

And, secondly, I guess the word to be almost an insulting nature to them, that just because you are new to this country or may have been here for several years as naturalized citizens that you don't possess the ability to learn to read and write the English language.

And I will close on this. When I had the opportunity to speak with some election commissioners, they have told me that they have received letters from voters in their district complaining that they got a multilingual ballot, saying, in essence, What are you saying about me? Is the government saying that I am not smart enough to read and speak the English language? So the people, basically, were insulted, if you will, by the fact that just because they have an Hispanic surname or another surname of sorts that the government has taken the position that they cannot read and write the English language.

So there are one, two, three, four problems: that it is an overly extended time for reauthorization; that we are not complying with or basically ignore the current law, which is a law that requires people, when they come into this country, to attest to the fact that they can speak and read and understand the English language; thirdly, that this is yet again another unfunded mandate by the Federal Government; and, fourthly, that it is basically an arbitrary and capricious standard that we are applying to the States.

Applying the 5 percent rule in basically an insulting and discriminatory matter, discriminatory in the sense that if there is another ethnic group, another individual group there that has maybe 4 percent, 4.5 percent, they do not rise to that level, but someone at 5 percent does rise to that level.

So there are four basic problems that lead the gentleman from Iowa and me to believe that there is not a fundamental reason for us to continue the VRA multilingual ballot.

And I would hope that we will get sufficient votes tomorrow, Mr. KING, to pass your amendment and move forward to correcting this portion of the VRA.

Mr. KING of Iowa. Mr. Speaker, reclaiming my time, I thank the gentleman from New Jersey for his contribution to this discussion and this debate here this evening. And, also, I thank him for his dogged determination on a number of sound causes that he and I have worked together on.

And sometimes I just simply admire the work that Mr. GARRETT does. And I am not always over there to lend a hand, but I want him to know that, if needed, I am willing to on any subject that I can think of that Mr. GARRETT has brought forward. And I appreciate the leadership and support that has been there on this cause.

It has not been an easy task. I had not thought about it as dogged determination; I had simply thought about it as a cause and a principle that needed to be established. Simple common sense if you are going to have a Nation that promotes assimilation and one of the standards of that promotion of assimilation is a Federal law that defines the standards by which people that come to this country are naturalized, conditions they must meet before they can get a hold of that brass ring called citizenship.

And, Mr. Speaker, citizenship needs to be precious. It needs to have great value. If we are going to be a strong nation, we have got to look at this flag and feel that lump come into our chest when it comes down in the parade. We have got to have a sense of common history, a sense of unity, a sense of common cause. And if we market citizenship off cheaply and if we diminish those standards, then we are going to find that our values also are scattered and diluted and diminished.

But when we pull ourselves together with this and we promote the idea of assimilation, and that is that the language requirements for demonstration of English proficiency are in the Federal Code 4, it is to set that standard high enough that anyone who then is naturalized as an American citizen has a significant amount of English proficiency that will let them go out into the rest of the world and access this American Dream.

And we know that the lowest numbers that I can find are that those who speak English in the United States earn at least 17 percent more than those who do not speak English in the United States. Those who speak English well earn more than twice as much as someone who does not. So these issues are important.

Some of the standards that we used to require in our Federal mandate, the standards that we use that establish the determination that there will be foreign language ballots imposed into these districts, whether anyone actually asks for one or not, the issue that was brought up by Mr. GARRETT that the standards of 5 percent or 10,000 people, whichever comes first, is the standard that would then require limited English proficiency groups, would require those ballots to go into a district. And, now, how do you measure who speaks English in a limited-English-proficient manner? And the manner that was brought up by Mr. GARRETT, the surname analysis, can you imagine having a computer program, and in that program you run through it the last names of all of the voters that are registered in that voting district, and you have software set up that picks up things like the little apostrophe over the ''O'' in maybe an Hispanic name or the configuration of the vowels and the consonants when it comes in a certain way that indicates that it is a surname of a certain nationality.

So this surname analysis will do a measure of likely Hispanic last names, or I should say Spanish last names, or maybe likely Asian or Chinese last names. I do not know if it picks out the Irish or not, but I can go through the phone book and do that. So it kicks out these names. And if it kicks out 10,000 names that have a Spanish last name or 10,000 names that are Chinese last names, or 5 percent or more of that voting district that are Spanish, Chinese, Lithuanian, whatever the subject might be, then by Federal law there will be ballots printed in those languages at that locale, paid for by

the local election board or the county taxes or whoever is the one in each particular State that determines that, a Federal mandate, an unfunded mandate.

And I especially think it is ironic about Spanish surnames, because some of these people that have a Spanish surnames are descended from immigrants that came here in the 1500s. They have been here since about before the Mayflower, before Jamestown. They came up to the Southwest. They were Americans long before anybody else that I know of, and yet we would presume by their last name alone the prejudicial preconception that we have to send them Spanish language ballots.

It is a lousy measure. It has never been a good measure. It is actually, I believe, a prejudiced measure, to be so prejudiced that because of your name, they can determine whether you can speak English. That should be anathema to all of in this Chamber, Mr. Speaker, and I hope that we fix that tomorrow.

But another measure that is equally as ridiculous is the census, another way that we determine whether people can speak English well enough to qualify for all-English ballots or whether we have to give them a ballot in another language and impose that upon them whether they want it or not.

So the United States Census puts out this questionnaire, and presumably there is someone sitting down interpreting the questionnaire. I do not think it just gets mailed out in other languages. But they ask the question, How well do you speak English? A, not at all; B, not well, do not speak English well; C, speak English well; or, D, speak English very well.

Now, if you say that you don't speak English at all or not well or even if you say that you speak English well, all three of those categories, A, B, and C, are all measured as limited-English-proficiency speaking. Even if you say you speak English well, you have to say that you speak English very well in order to not be qualified as having limited English proficiency that would trigger the foreign language ballots.

So I think there have to be English professors, high school literature teachers, probably politicians as well, who make their living with this language, who will read that and think ''I have never reached the standard that I thought I ought to; so I do not want to be so proud that I put down I speak it very well. I think I will just put down I speak it well. And, inadvertently, they will be putting themselves in a category that will be calling for a foreign language ballot.

And with the Chinese language, how many dialects are there, 300 and some dialects? At least it used to be. But which version of Chinese is it? Is it Mandarin? Is it Cantonese? Is it any other version there?

There is really no way we can administer this effectively with an equal protection perspective as long as it is a Federal mandate. And it is a Federal mandate. It is a federally unfunded mandate that imposes foreign language ballots on voting districts whether anyone wants them or not and whether anyone calls for them or not. In fact, I do not know that there are records kept on these ballots and how many are actually used. If there were, I would like to have seen those records.

But to give you an example, Mr. Speaker, this letter came, and it is dated June 24, so it is fairly fresh. And I just happened to be going through my mail a couple of days ago; and I get a packet of it, and I read through it, and try to be tuned in to what the American citizens have to say about the work that we are doing here.

And this gentleman has freed me up to speak about this openly and publicly and into the RECORD. But I think for the sake of avoiding the kind of things that might come, I will just read it to you and represent it without identifying him individually. But this is an individual who is a judge in a voting district out in California. He has a Ph.D., and he is an educator, a professor. He has a good handle on the English language.

But it says in his letter: ''Dear Congressman KING, let me express my support for your efforts to let the multilingual ballot provision of the Voting Rights Act fade into the sunset. For several years I have served as an election judge in a polling place in my hometown,'' which is in California. ''My precinct over the years has around 650 registered voters. In the June, 2006, primary, we had 11 parties on the ballot.'' That would be political parties. ''We had available 33 separate ballots because members of each of the 11 parties had ballots available to them in three languages—English, Spanish, and Chinese. In the primary, general, and special elections over the past years in which I have served, no voter has ever requested a ballot in a language other than English.'' I will repeat that. ''No voter has ever requested a ballot in a language other than English.

''Putting aside the question of the appropriateness of ballots in languages other than English, I would simply point out the large cost to the county in complying with the Voting Rights Act. The waste of public money is significant. As a Republican, I would be truly disappointed if a Republican majority in the House and the Senate cannot repeal at least the multiple language provisions in the Voting Rights Act.

''Very truly yours . . . '' A copy sent to the chairman of the Judiciary Committee as well.

So we made contact with this gentleman. And in there again he reiterated that in all five elections where he has served as a judge, no foreign language ballots were ever requested in his precinct even though they had 33 different versions in this last primary election. Thirty-three, not one other than English was called for. And it cost his county, and I believe this to be a low-population county, $100,000 approximately per election to print foreign language ballot materials and to administer and to translate.

So $100,000 does not sound like a lot to a Member of Congress when we deal with billions and, in fact, trillions of dollars, but it adds up over this country. We have thousands of counties in America. And of those that are compelled to print these foreign language ballots, the dollars contribute.

And it isn't just the cost of it. It isn't just the burden of the administration. But it is the risk of the mistakes that come when we translate into foreign languages.

We have to have a standard. We have to have an official ballot. And when you start translating into foreign languages, you lose the sense and the meaning. And there are languages out there that their voice inflection determines the meaning and its context determines the meaning, so it becomes a judgment call on how it is interpreted.

And, again, we do not interfere with the right of the localities to print foreign language ballots if they so choose. What we do is just remove the unfunded Federal mandate that requires foreign language ballots and we let the localities make the determination on how they are going to provide ballots that can be read and utilized by the people that are there in the fashion that they see fit. There is nothing that prevents them from doing that. In fact, there is nothing that prevents them from doing that today, Mr. Speaker.

In fact, I have here a copy of yesterday's USA Today.

□ 1945

It lays out circumstances in the State of Wisconsin. The headline in this story is, ''Lawmaker critical of Wisconsin translations.'' We are going to disagree about these things across the country. It is part of our system, but the story reads like this.

''The Wisconsin State election board began translating voter registration forms and absentee ballot applications into Spanish and Hmong this year, a move that one State lawmaker says could swing an election.

'' 'This is for people who function on a day-to-day basis in languages other than English but want to acclimate to Wisconsin and to participate in the democratic process,' Elections Board spokesman Kyle Richmond says.

''Translating the voting materials was not required under the Voting Rights Act because Hmong- and Spanish-speaking residents make up fewer than 5 percent of the State's eligible voters.''

Mr. Speaker, we do not address that issue. We leave that intact. If States want to determine they are going to print foreign language ballots, they will print them.

We also protect and preserve the Federal statute that exists that allows an

individual to bring a translator into the voting booth with them. So, if ballots can be printed in foreign languages because of the local government, if we protect the tenth amendment, the States rights issue, and let them determine their election process, and if we lift the foreign language ballot, the Federal mandate, the unfunded mandate for foreign language ballots, then we have got the principles of the tenth amendment there, the States rights issue. We have got that and we support that. We support the Federalism issue that government is better off if it is devolved to the States and remains in the States rather than bring the power here to Washington, D.C. It is time to get it back to the States where they belong.

I would submit another issue that seems to be a bit of a curiosity to me, Mr. Speaker, and that is the issue of what will be the case when we get to that point where there are voting districts where no one in that district speaks English. Is it presumed by law that one would have to then qualify under this Federal mandate to get an English language ballot, even if no one wanted one in that district?

Well, it seems a little hard to conceive of this today, but it is far easier to conceive of this today than it was easy to conceive of this in 1965 when this was not part of the law, but in 1975, when it was put into the law and they believed that it would be temporary then, those who voted for this provision, this unfunded Federal mandate for foreign language ballots are the people who, if they are watching us today, if they are on this planet or looking down on us from above, would be astonished that we would still have this in place. They would be astonished that we have this difficult of a debate going on about whether we can simply let the sunset take place, let these provision requirements expire and allow States rights to take place and allow localities to make these decisions.

This is just an interesting subject that we will take up tomorrow, Mr. Speaker. We will debate this significantly and intensively, and I am hopeful that the wisdom of this Chamber will be reflected in a positive vote on the floor here in the United States House of Representatives.

I am quite appreciative of all the effort that has gone into this. This has been a spontaneous effort, not an orchestrated effort but a spontaneous effort, and sometimes when you stand up and take a stand it reflects through the hearts and the philosophies of those of us who are charged with representing the wishes of the people in all of America.

I know that when this bill, the reauthorization of the Voting Rights Act until 2032 came to the Judiciary Committee and I offered a couple of amendments then to try to improve it, the climate in the committee at that time was not very conducive to amendments being adopted. Yet, I made the argument, offered the amendments, and there were nine that voted with me on the amendment that would have eliminated this Federal mandate for foreign language ballots. That was a significant amount on the amendment.

But on final passage, then I found myself as the sole voice that voted ''no'' on the reauthorization of the Voting Rights Act in the Judiciary Committee, 33–1 was the vote, and I have often said when I found myself the lone vote, dissenting from everyone else, I use a defense, it is a little ditty that I simply memorized, and it talks about the people's judgment, people's judgment being a democratic vote, a majority vote that rules here in this House, as it should, and it goes like this: Nor is the people's judgment always true, but most can err as grossly as the few.

In this case, I do not want to point out the people that disagreed with me on this issue as necessarily erring, but I want to point out the necessity to stand on principle and how a single vote can make a big difference, and with that 33–1 vote, had I not put that vote up, it would have been unanimous coming out of the Judiciary Committee. Had it been unanimous, it would have been very difficult for anyone to make an argument we should reconsider the cover districts arguments from Georgia, Texas and other covered districts that have been led so well by LYNN WESTMORELAND and CHARLIE NORWOOD.

That team has been strong and powerful, and they have been dogged in their determination, and they have been relentless, and they believe powerfully in their cause. I support the spirit of their efforts, but that would have, I believe, have fallen on deaf ears if it had been a unanimous vote out of the Judiciary Committee, but one ''no'' vote gave them a small beachhead to go to work on and their beachhead gave a beachhead for the rest of us to head our positions together here and our need to allow the sunset of the foreign language ballot mandate to take place.

I reflect back upon the moment when I gave a Memorial Day speech in Denison, Iowa, and as I finished my speech and as the ceremonies concluded, the mayor came up with his little baby in his arms, and I suppose he was 6-weeks-old at the time. So I took a look, good look at that healthy, little boy, and I said to the mayor what is his name. Well, his name is John Quincy. I said John Quincy. John Quincy said always vote for principle, though you may vote alone. You can take the sweetest satisfaction in knowing that your vote is never lost. He looked at me and he smiled and he held that little boy, and he said that is why I named him John Quincy. He will be a man of principle.

That always matters to vote your principle, though you may vote alone, but your vote is never lost. There are stories after stories on how important it is how one vote can make a significant difference in America.

This may be one of those times. I am hopeful it will be one of these times, Mr. Speaker, but I believe strongly that there is not a necessity out there for the Federal Government to mandate foreign language ballots. I believe strongly that we need to send a message that we are a Nation that welcomes legal immigrants with open arms, we encourage them to come into this fold.

I go and speak at the naturalization services whenever I have the opportunity. They are some of the most moving experiences that I have. When I look people in the eye and I can see that mist, that moistness in their eyes, that sense that that event in their lifetime ranks right up there with the wedding day or the day that their firstborn child might be born with important moments in their lives, and there are many of them that will say that is the most important moment in their lives.

So I have had the opportunity at those naturalization services to remark about how important it is, from my perspective, and how I am moved by the stories that came through my family about my ancestors who came here, and I sign and autograph a Constitution for each one of the newly naturalized citizens I have had the privilege to speak to at a ceremony and pass them out and congratulate them and ask them to keep that Constitution close to them, close to their heart like mine is close to my heart, read it, study it, understand it, linking it to this history, becoming part of this shared experience that we have, reach out and reach towards this American dream, this American dream that really is to leave this world a better place than it was when we came, to lay the groundwork so our children can have a better opportunity than we have had.

We think it gets harder every generation, but it is hard every generation, and our parents gave us more opportunity than they had. So it goes, back through the generations, and so it needs to go on through the succeeding generations in the same fashion.

If America is going to be this glorious Nation that we have become, if we are going to take ourselves to the next level of our destiny, we always have to reach out and ask to challenge people to follow through in this American dream, to make America a better place.

So we can do that by promoting this great unifying idea of a common language. It is the most powerful unifying force known throughout history for all humanity. It is true for all languages. It just happens to be that we are fortunate in this country that our language is the English language, the language of business for the world, the language of the maritime industry for the world, the language of air traffic controllers and all air traffic communications in the world and this language that has been the companion to freedom everywhere throughout the world.

As I read the book written by Winston Churchill called, the History of the English-Speaking Peoples, and I followed through on that history, as each tracks the English-speaking peoples around the globe and a part of its conquest and trade and colonization, but the English people never doubted and never lacked for faith in their civilization, in their culture, in their destiny, in their duty, and they promoted those values around the globe. As they did so, wherever they went, they left the English language, and wherever the Americans have gone, we have left the English language. If you go places today, and follow the English language wherever the English language is, you will find freedom, also.

Freedom's been a companion to the English language wherever it has gone around the globe. We should be very grateful we are descended from English common law that respects these values that we have. We have taken up that cause, and we have advanced it beyond this constitutional republic that we have that is rooted in this responsibility to be an informed citizen and active citizen and informed voter. Part of that responsibility is to get informed within this English language so you can understand this culture of America.

It is very difficult to understand the decisions that have been made if you are not able to access the common newspapers that are there, not able to get on the Internet and not able perhaps to carry on in conversations around your entire regular travels that you have. It is very difficult. It is not impossible, but if we allow the localities to make the decisions on whether or not there are going to be foreign language ballots and what languages they might be in.

You can bet that those localities will be looking at these like this county in California, this particular voting district in California with the 650 registered voters, and they would say, well, we printed the last five elections in 33 different ballots and three different languages and no one in all that time has asked for a foreign language ballot; you suppose maybe this time we ought to cut those numbers down and maybe eliminate it all together and just put English language ballots out there like we did in the past? I think the answer is, yes, let us stop that waste; let us stop being bigoted in saying everyone cannot understand a language because of their last name.

Then perhaps there will be others like Wisconsin in this other USA Today article that is here, Mr. Speaker, where they decide at the locality, we want to spend the money, we want to take that responsibility, we want to reach out to the Hmong- and the Spanish-speaking people and give them a ballot in a language that they can understand and be comfortable with.

Now, I would question why it would be that they could be American citizens in Wisconsin and not speak the English language well enough to vote. I would question that, but that is a debate for Wisconsin, not a debate for this Congress.

So I submit, Mr. Speaker, that tomorrow we will make a decision. It will be a big decision. It will be a decision that will have long-term implications. Those long-term implications do not seem very big today as we talk about the simplicity of this argument. No one will be disenfranchised from being able to vote. I ask them to become informed voters, and that is a challenge out there to English speakers and to other speakers to become an informed voter.

But what is down the line is the message that we are sending to the newly arriving Americans that 10 or 20 or 60 or 90 million Americans that we might have within the next generation, that message that here is our language, learn this language. We will not be able to say that if the first thing we do is hand them a foreign language ballot. How do we ask them to assimilate if we are going to be enablers?

That is the question that is before us. That is the long-term implication of these questions that are before us, Mr. Speaker, and I am going to ask this body tomorrow to make a long-term, wise decision, save millions of taxpayer dollars, take the oppressive thumb off the back of localities, let them make the decisions themselves, let them reach out to people and take care of them in that fashion, save the money, provide better, more efficient services, do the right thing, preserve the tenth amendment, preserve the idea of Federalism and move this Nation to the next level of its destiny so that we can be a Nation that welcomes all, with equal opportunity for all and prejudice against none and prejudice towards none.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. SLAUGHTER (at the request of Ms. PELOSI) for today.

Mrs. NORTHUP (at the request of Mr. BOEHNER) for today and the balance of the week on account of personal reasons.

Mrs. JO ANN DAVIS of Virginia (at the request of Mr. BOEHNER) for today on account of personal reasons.

Mr. TIAHRT (at the request of Mr. BOEHNER) for today on account of attending a funeral.

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. MCDERMOTT) to revise and extend their remarks and include extraneous material:)

Mr. BROWN of Ohio, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Mr. EMANUEL, for 5 minutes, today.

Mr. GEORGE MILLER of California, for 5 minutes, today.

Mr. LYNCH, for 5 minutes, today.

Mr. MCDERMOTT, for 5 minutes, today.

Mr. STUPAK, for 5 minutes, today.

Mr. SKELTON, for 5 minutes, today.

Mr. THOMPSON of Mississippi, for 5 minutes, today.

Ms. LORETTA SANCHEZ of California, for 5 minutes, today.

Mrs. LOWEY, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Ms. CORRINE BROWN of Florida, for 5 minutes, today.

Ms. CARSON, for 5 minutes, today.

Mr. OBERSTAR, for 5 minutes, today.

Ms. EDDIE BERNICE JOHNSON of Texas, for 5 minutes, today.

Mr. PRICE of North Carolina, for 5 minutes, today.

Mr. LEWIS of Georgia, for 5 minutes, today.

Mr. ENGEL, for 5 minutes, today.

Mr. KIND, for 5 minutes, today.

Mr. BLUMENAUER, for 5 minutes, today.

(The following Members (at the request of Ms. FOXX) to revise and extend their remarks and include extraneous material:)

Mr. POE, for 5 minutes, July 18.

Ms. FOXX, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. NADLER, for 5 minutes, today.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1509. An act to amend the Lacey Act Amendments of 1981 to add non-human primates to the definition of prohibited wildlife species; to the Committee on Resources.

S. 2430. An act to amend the Great Lakes Fish and Wildlife Restoration Act of 1990 to provide for implementation of recommendations of the United States Fish and Wildlife Service contained in the Great Lakes Fishery Resources Restoration Study: to the Committee on Resources.

ADJOURNMENT

Mr. KING of Iowa. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 p.m.), the House adjourned until tomorrow, Thursday, July 13, 2006, 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:

8486. A letter from the Secretary, Department of Agriculture, transmitting a copy of

draft legislation entitled, ''To establish a program to be administered by the Secretary of Agriculture for the purpose of aiding Federal agriculture conservation programs''; to the Committee on Agriculture.

8487. A letter from the Secretary, Department of Agriculture, transmitting a copy of a draft bill entitled, ''Commodity Credit Corporation (CCC) Budget proposals''; to the Committee on Agriculture.

8488. A letter from the Acting U.S. Global AIDS Coordinator, Department of State, transmitting a report on the President's Emergency Plan for AIDS Relief: Blood Safety and HIV/AIDS, as requested in House Report 109-152, accompanying H.R. 3057; to the Committee on Appropriations.

8489. A letter from the Liaison Officer, Office of the Secretary, Department of Defense, transmitting the Department's final rule—Civilian Health and Medical Program of the Uniformed Services (CHAMPUS)/TRICARE; Coverage of Phase II and Phase III Clinical Trials Sponsored by the National Institutes of Health National Cancer Institute (RIN: 0720-0057) received June 22, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

8490. A letter from the Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting the Department's final rule—Defense Federal Acquisition Regulation Supplement; Sole Source 8(a) Awards to Small Business Concerns Owned by Native Hawaiian Organizations [DFARS Case 2004-D031] received June 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

8491. A letter from the Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting the Department's final rule—Defense Federal Acquisition Regulation Supplement; Free Trade Agreement—El Salvador, Honduras, and Nicaragua (DFARS Case 2006-D019) received June 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

8492. A letter from the Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting the Department's final rule—Defense Federal Acquisition Regulation Supplement; Security-Guard Services Contracts (DFARS Case 2006-D011) received June 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

8493. A letter from the Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting the Department's final rule—Defense Federal Acquisition Regulation Supplement; Contractor Personnel Authorized to Accompany U.S. Armed Forces (DFARS Case 2005-D013) received June 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

8494. A letter from the Director, Defense Procurement and Acquisition Policy, Department of Defense, transmitting the Department's final rule—Defense Federal Acquisition Regulation Supplement; Berry Amendment Exceptions—Acquisition of Perishable Food, and Fish, Shellfish, or Seafood (DFARS Case 2006-D005) (RIN: 0750-AF32) received June 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

8495. A letter from the Counsel for Legislation and Regulations, Department of Housing and Urban Development, transmitting the Department's final rule—Community Development Block Grant Program; Revision of CDBG Eligibility and National Objective Regulations [Docket No. FR-4699-F-02] (RIN: 2506-AC12) received June 7, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

8496. A letter from the Counsel for Legislation and Regulations, Department of Housing and Urban Development, transmitting the Department's final rule—Prohibition on Use of Community Development Block Grant Assistance for Job-Pirating Activities [Docket No. FR-4556-F-03] (RIN: 2506-AC04) received June 7, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

8497. A letter from the Assistant Secretary, Securities and Exchange Commission, transmitting the Commission's final rule—Fund of Funds Investments [Release Nos. 33-8713; IC-27399; File No. S7-18-03] (RIN: 3235-AI30) received June 23, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

8498. A letter from the Director, International Cooperation, Department of Defense, transmitting pursuant to Section 27(f) of the Arms Export Control Act and Section 1(f) of Executive Order 11958, a copy of Transmittal No. 14-06 which informs of an intent to sign the Bio Inspired/Derived Approaches for the Development of Materials and Sensors Project Arrangement between the United State and Singapore, pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

8499. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting Copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b; to the Committee on International Relations.

8500. A letter from the Deputy Director, Defense Security Cooperation Agency, transmitting pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, Transmittal No. 06-21, concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance to Korea for defense articles and services; to the Committee on International Relations.

8501. A letter from the Director, Defense Security Cooperation Agency, transmitting pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, Transmittal No. 06-35, concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance to Japan for defense articles and services; to the Committee on International Relations.

8502. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of intent to obligate funds for purposes of Nonproliferation and Disarmament Fund (NDF) activities, pursuant to Public Law 102-511, section 508(a); to the Committee on International Relations.

8503. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting pursuant to section 36(d) of the Arms Export Control Act, certification regarding the proposed license for the manufacture of defense equipment from the Government of the Japan (Transmittal No. DDTC 030-06); to the Committee on International Relations.

8504. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a possible unauthorized transfer of U.S.-origin defense articles pursuant to Section 3(e) of the Arms Export Control Act (AECA); to the Committee on International Relations.

8505. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting pursuant to section 36(c) and (d) of the Arms Export Control Act, certification regarding the proposed transfer of major defense articles or defense services to the Government of Japan (Transmittal No. DDTC 023-06); to the Committee on International Relations.

8506. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting pursuant to section 36(c) of the Arms Export Control Act, certification regarding the proposed license for the export of Signifcicant military equipment to the Governments of Italy, Kazakhstan and Russia (Transmittal No. DDTC 017-06); to the Committee on International Relations.

8507. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting pursuant to section 36(c) of the Arms Export Control Act, certification regarding the proposed license for the export of defense articles the Hashemite Kingdom of Jordan (Transmittal No. DDTC 004-06); to the Committee on International Relations.

8508. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the Department's Human Rights Report for International Military Education and Training Recipients, in accordance with Section 549 of the Foreign Assistance Act of 1961; to the Committee on International Relations.

8509. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a report on activities under the Tropical Forest Conservation Act of 1998, pursuant to Public Law 105-214, section 813; to the Committee on International Relations.

8510. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting Pursuant to the Anti-Economic Discrimination Act of 1994, part C of Title V, Foreign Relations Authorization Act, Fiscal Years 1994 and 1995, as amended (Public Law 103-236), the Secretary's determination suspending prohibitions on certain sales and leases under the Anti-Economic Discrimination Act of 1994 and the accompanying Memorandum of Justification; to the Committee on International Relations.

8511. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting pursuant to section 36(d) of the Arms Export Control Act, certification regarding the proposed manufacturing license agreement for the manufacture of signficant military equipment in Germany (Transmittal No. DDTC 016-06); to the Committee on International Relations.

8512. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting pursuant to section 36(c) of the Arms Export Control Act, certification regarding the proposed license for the export of defense articles and services to the Government of Israel (Transmittal No. DDTC 059-05); to the Committee on International Relations.

8513. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting consistent with the Authorization for Use of Military Force Against Iraq Resolution of 2002 (Pub. L. 107-243), the Authorization for the Use of Force Against Iraq Resolution (Pub. L. 102-1), and in order to keep the Congress fully informed, a report prepared by the Department of State for the February 15, 2006–April 15, 2006 reporting period including matters relating to post-liberation Iraq under Section 7 of the Iraq Liberation Actof 1998 (Pub. L. 105-338); to the Committee on International Relations.

8514. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the sixth annual Trafficking in Persons Report, pursuant to Public Law 106-386, section 110; to the Committee on International Relations.

8515. A letter from the Chairman, U.S.-China Commission, transmitting the record of the Commission's February 2-3, 2006 hearing on ''Major Internal Challenges Facing the Chinese Leadership''; to the Committee on International Relations.

8516. A letter from the Director, Office of Personnel Management, transmitting the Office's final rule—Prevailing Rate Systems; North American Industry Classification System Based Federal Wage System Wage Surveys (RIN: 3206-AK94) received June 16, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

8517. A letter from the Director, Office of Personnel Management, transmitting the Office's final rule—Classification Under the General Schedule and Prevailing Rate Systems (RIN: 3206-AH38) received June 23, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

8518. A letter from the Director, Regulatory Management Division, Office of Executive Secretariat, Department of Homeland Security, transmitting the Department's final rule—Affidavits of Support on Behalf of Immigrants [DHS 2004-0026; CIS No. 1807-96] (RIN: 1615-AB45) received June 22, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

8519. A letter from the Acting Director, Executive Office for United States Trustees, Department of Justice, transmitting the Department's final rule—Application Procedures and Criteria for Approval of Nonprofit Budget and Credit Counseling Agencies and Approval of Providers of a Personal Financial Management Instructional Course by United States Trustees [Docket No. EOUST 100] (RIN: 1105-AB17) received June 26, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

8520. A letter from the Administrator, Office of Foreign Labor Certification, Department of Labor, transmitting the Department's final rule—Labor Condition Applications and Requirements for Employers Using Nonimmigrants on H-1B Visas in Speciality Occupations and as Fashion Models; Labor Attestations Regarding H-1B1 Visas (RIN: 1205-AB38) received July 6, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

8521. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Revisions to the Civil Penalty Inflation Adjustment Rule and Tables [Docket No. FAA-2002-11483; Amendment No. 13-33] (RIN: 2120-AI52) received June 20, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

8522. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a semi-annual report concerning emigration laws and policies of Azerbaijan, Kazakhstan, Moldova, the Russian Federation, Tajikistan, Ukraine, and Uzbekistan, as required by Sections 402 and 409 of the 1974 Trade Act, as amended, pursuant to 19 U.S.C. 2432(c) and (d); to the Committee on Ways and Means.

8523. A letter from the Secretary, Department of Health and Human Services, transmitting the Department's Annual Report On Child Welfare Outcomes 2003, pursuant to Public Law 105-89, section 203(a); to the Committee on Ways and Means.

8524. A letter from the Regulations Coordinator, Administration for Children and Families, Department of Health and Human Services, transmitting the Department's final rule—Reauthorization of the Temporary Assistance for Needy Families Program (RIN: 0970-AC27) received June 30, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8525. A letter from the Director, Regulations and Rulings Division, Alcohol & Tobacco Tax & Trade Bureau, Department of the Treasury, transmitting the Department's final rule—Establishment of the San Antonio Valley Viticultural Area (2004R-599P) [T.D. TTB-46; Re: Notice No. 45] (RIN: 1513-AB02) received June 19, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8526. A letter from the United States Trade Representative, Executive Office of the President, transmitting consistent with section 2105(a)(1)(B) of the Trade Act of 2002, a description of the change to an existing law that would be required to bring the United States into compliance with the United States-Peru Free Trade Agreement; to the Committee on Ways and Means.

8527. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule—Mixed Service Costs (MSC) Industry Directive—received June 13, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8528. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule—Erickson Post Acquisition, Inc. v. Commissioner [Docket No. 8218-00; T.C. Memo. 2003-218] received June 13, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8529. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule—Postponement of Filing Date for Form 8898 [Notice No. 2006-57] received June 20, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8530. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule—Application of the Federal Insurance Contributions Act to Payments Made for Certain Services [TD 9266] (RIN: 1545-BE32) received June 20, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8531. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule—Determination of Issue Price in the Case of Certain Debt Instruments Issued for Property (Rev. Rul. 2006-35) received June 20, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8532. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule—Last-in, First-out Inventories (Rev. Rul. 2006-33) received June 20, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8533. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule—Distributions of Interests in a Loss Corporation from Qualified Trusts [TD 9269] (RIN: 1545-BC00) received June 23, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8534. A letter from the Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule—Factoring of Receivables Audit Techniques Guide—received June 23, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8535. A letter from the Chief Government Affais Officer, Investment Company Institute, transmitting a copy of the 46th edition of the Investment Company Fact Book; to the Committee on Ways and Means.

REPORTS ON 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. LINCOLN DIAZ-BALART of Florida: Committee on Rules. House Resolution 910. Resolution providing for consideration of the bill (H.R. 9) to amend the Voting Rights Act of 1965 (Rept. 109–554). Referred to the House Calendar.

Mr. THOMAS: Committee on Ways and Means. H.R. 5640. A bill to amend part B of title IV of the Social Security Act to reauthorize the safe and stable families program, and for other purposes; with an amendment (Rept. 109–555). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. ALEXANDER:

H.R. 5765. A bill to amend the Internal Revenue Code of 1986 to allow employers a credit against income tax for employing members of the Ready Reserve or National Guard; to the Committee on Ways and Means.

By Mr. TIAHRT (for himself, Mr. TOM DAVIS of Virginia, Mr. PORTER, Ms. GINNY BROWN-WAITE of Florida, Mr. BLUNT, Mr. ENGLISH of Pennsylvania, Mr. DOOLITTLE, Mr. GINGREY, Mrs. JO ANN DAVIS of Virginia, Mr. CASE, Mr. CARTER, Mr. CONAWAY, Mr. MACK, Mr. NORWOOD, Mr. INGLIS of South Carolina, Mr. RYUN of Kansas, Mr. AKIN, Mr. NEUGEBAUER, Mr. OXLEY, and Mr. WILSON of South Carolina):

H.R. 5766. A bill to provide for the establishment of Federal Review Commissions to review and make recommendations on improving the operations, effectiveness, and efficiency of Federal programs and agencies, and to require a schedule for such reviews of all Federal agencies and programs; to the Committee on Government Reform, and in addition to the Committees on Rules, and the Budget, 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. KENNEDY of Minnesota (for himself, Mr. DAVIS of Tennessee, Mr. HOSTETTLER, and Mr. DANIEL E. LUNGREN of California):

H.R. 5767. A bill to prohibit a convicted sex offender from obtaining approval of immigration petitions filed by the offender on behalf of family members; to the Committee on the Judiciary.

By Mrs. NAPOLITANO:

H.R. 5768. A bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to provide standards and procedures for the review of water reclamation and reuse projects; to the Committee on Resources.

By Mr. MATHESON:

H.R. 5769. A bill to establish wilderness areas, promote conservation, improve public land, and provide for high quality economic development in Washington County, Utah, and for other purposes; to the Committee on Resources.

By Mr. CONYERS (for himself, Mrs. CHRISTENSEN, Mr. DAVIS of Illinois, Mr. JACKSON of Illinois, Ms. JACKSON-LEE of Texas, and Mr. BISHOP of Georgia):

H.R. 5770. A bill to amend the Public Health Service Act to increase the physician manpower in the areas of primary care, psychiatric care, and emergency medicine in federally designated physician shortage areas, and for other purposes; to the Committee on Energy and Commerce.

By Mr. BOSWELL (for himself, Mrs. NAPOLITANO, Mr. EVANS, Mr.

MICHAUD, Ms. CORRINE BROWN of Florida, Mr. FILNER, Mr. FORD, Mr. SALAZAR, Ms. HARMAN, Mr. EDWARDS, Mr. ROSS, Mr. HOLDEN, Mr. THOMPSON of California, Mr. TANNER, Mr. MARSHALL, Mr. ETHERIDGE, Mr. MELANCON, Ms. BEAN, Mr. TAYLOR of Mississippi, Mr. BOREN, Mr. BERRY, Mr. MCDERMOTT, Mr. STARK, Mr. CLEAVER, Mr. HOYER, Mr. FRANK of Massachusetts, Mr. OLVER, Mr. LARSON of Connecticut, and Mr. MURTHA):

H.R. 5771. A bill to reduce the incidence of suicide among veterans; to the Committee on Veterans' Affairs.

By Mr. BOUSTANY:

H.R. 5772. A bill to amend title 10, United States Code, to direct the Secretary of Defense to prohibit the unauthorized use of names, images and likenesses of members of the Armed Forces; to the Committee on Armed Services.

By Mr. FOLEY:

H.R. 5773. A bill to require the Attorney General to establish and implement a program to make grants to States for fingerprinting programs for children; to the Committee on the Judiciary.

By Ms. HARRIS (for herself and Mrs. MYRICK):

H.R. 5774. A bill to require the Secretary of Veterans Affairs to publish a strategic plan for long-term care, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. OSBORNE:

H.R. 5775. A bill to amend the Internal Revenue Code of 1986 to provide a credit to certain concentrated animal feeding operations for the cost of complying with environmental protection regulations; to the Committee on Ways and Means.

By Mr. PEARCE:

H.R. 5776. A bill to amend the Help America Vote Act of 2002 to establish standards for the distribution of voter registration application forms, and for other purposes; to the Committee on House Administration.

By Mr. PEARCE:

H.R. 5777. A bill to amend the Help America Vote Act of 2002 to prohibit a State receiving payments under such Act from using the payments for public communications which promote or oppose a candidate for public office or political party; to the Committee on House Administration.

By Mr. RAHALL:

H.R. 5778. A bill to provide further incentives for the commercialization of coal-to-liquid fuel activities; to the Committee on Energy and Commerce, and in addition to the Committees on Science, and Ways and Means, 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. UDALL of Colorado:

H.R. 5779. A bill to establish the treatment of actual rental proceeds from leases of land acquired under an Act providing for loans to Indian tribes and tribal corporations; to the Committee on Resources.

By Mr. UDALL of Colorado:

H.R. 5780. A bill to amend the Indian Financing Act of 1974 to provide for sale and assignment of loans and underlying security, and for other purposes; to the Committee on Resources.

By Mr. YOUNG of Alaska:

H.R. 5781. A bill to grant rights-of-way for electric transmission lines over certain Native allotments in the State of Alaska; to the Committee on Resources.

By Mr. PAUL:

H. Con. Res. 445. Concurrent resolution commending the National Aeronautics and Space Administration on the completion of the Space Shuttle Discovery's mission; to the Committee on Science.

By Mr. CROWLEY (for himself and Mr. WILSON of South Carolina):

H. Res. 911. A resolution expressing sympathy for the people of India in the aftermath of the deadly terrorist attacks in Mumbai on July 11, 2006; to the Committee on International Relations.

By Mrs. BIGGERT (for herself and Mr. KANJORSKI):

H. Res. 912. A resolution supporting the goals and ideals of National Life Insurance Awareness Month; to the Committee on Government Reform.

By Mr. HASTINGS of Florida:

H. Res. 913. A resolution expressing the condolences of the House of Representatives to the victims, their families and friends, and the people of India for the loss suffered during the terrorist attacks in Mumbai, India, on July 11, 2006; to the Committee on International Relations.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 97: Mrs. EMERSON.
H.R. 347: Mr. INGLIS of South Carolina.
H.R. 503: Mr. ROGERS of Kentucky.
H.R. 550: Mr. JEFFERSON and Mr. SIMMONS.
H.R. 772: Mr. RAMSTAD, Mr. JONES of North Carolina, and Ms. CORRINE BROWN of Florida.
H.R. 822: Mr. KENNEDY of Rhode Island.
H.R. 830: Mr. CAPUANO and Mr. AL GREEN of Texas.
H.R. 1020: Mr. UPTON.
H.R. 1059: Mr. CUMMINGS and Mr. WYNN.
H.R. 1249: Mr. PASCRELL and Mr. FERGUSON.
H.R. 1369: Mr. GONZALEZ.
H.R. 1447: Mr. DAVIS of Alabama.
H.R. 1548: Mr. MCINTYRE.
H.R. 1578: Mr. LARSON of Connecticut.
H.R. 1806: Mr. ISRAEL.
H.R. 1951: Mr. SHUSTER and Mr. PICKERING.
H.R. 2239: Mr. MILLER of Florida.
H.R. 2429: Mr. SHAYS.
H.R. 2568: Mr. MOORE of Kansas.
H.R. 2569: Mr. BAIRD.
H.R. 2736: Mr. GORDON.
H.R. 2758: Mr. FRANK of Massachusetts and Mr. FILNER.
H.R. 3049: Mr. PETRI.
H.R. 3055: Ms. JACKSON-LEE of Texas and Mr. PAYNE.
H.R. 3063: Mr. BROWN of Ohio.
H.R. 3082: Mr. MICHAUD.
H.R. 3502: Mr. MCDERMOTT.
H.R. 3715: Mr. FRANK of Massachusetts.
H.R. 3882: Mr. SANDERS.
H.R. 4033: Mr. JACKSON of Illinois, Mr. DOOLITTLE, Mr. BERRY, and Mr. ADERHOLT.
H.R. 4059: Mr. PICKERING.
H.R. 4215: Mr. GRIJALVA.
H.R. 4217: Mr. DAVIS of Tennessee and Ms. BEAN.
H.R. 4264: Mr. NEY and Ms. BORDALLO.
H.R. 4542: Mr. BRADLEY of New Hampshire.
H.R. 4562: Mr. CARNAHAN, Mr. CANNON, Mr. PLATTS, Mr. PRICE of North Carolina, Mrs. SCHMIDT, Mr. BARROW, Mr. WILSON of South Carolina, Mr. NEY, Mr. HOYER, and Mr. SHUSTER.
H.R. 4597: Mr. PETERSON of Minnesota.
H.R. 4751: Mr. HOEKSTRA.
H.R. 4772: Mr. HOLDEN.
H.R. 4823: Mr. LIPINSKI, Ms. KAPTUR, Mr. LEACH, Mr. DINGELL, and Mr. SHIMKUS.
H.R. 4873: Mr. OBERSTAR.
H.R. 4949: Mr. GOODLATTE.
H.R. 4993: Mr. HINOJOSA and Mrs. DAVIS of California.
H.R. 5005: Mr. GREEN of Wisconsin.
H.R. 5013: Mr. REHBERG and Mr. HAYWORTH.
H.R. 5018: Mr. MELANCON.
H.R. 5022: Mr. DICKS, Mr. TIERNEY, Mr. SCHWARZ of Michigan, Mr. CUMMINGS, Mr. INGLIS of South Carolina, Mr. FRANK of Massachusetts, Mr. LEWIS of Georgia, Mr. SAXTON, Mr. HALL, and Mr. DELAHUNT.
H.R. 5023: Ms. BALDWIN.
H.R. 5024: Mr. HINOJOSA.
H.R. 5139: Mr. GEORGE MILLER of California.
H.R. 5140: Mr. GEORGE MILLER of California.
H.R. 5159: Mrs. DRAKE.
H.R. 5202: Ms. HERSETH.
H.R. 5230: Mrs. BLACKBURN and Mr. JINDAL.
H.R. 5249: Mrs. SCHMIDT, Mr. BOUSTANY, and Mr. MCGOVERN.
H.R. 5265: Mr. WU.
H.R. 5278: Mr. ANDREWS.
H.R. 5291: Mr. TIBERI.
H.R. 5339: Mr. OWENS and Mr. BRADY of Pennsylvania.
H.R. 5348: Mr. VAN HOLLEN, Mr. WYNN, Mr. UDALL of Colorado, and Mr. MEEHAN.
H.R. 5382: Mr. LINCOLN DIAZ-BALART of Florida.
H.R. 5424: Mr. NUNES.
H.R. 5468: Ms. SLAUGHTER, Mr. SERRANO, and Mr. BISHOP of New York.
H.R. 5479: Mr. MCINTYRE, Mr. OTTER, and Mr. BOOZMAN.
H.R. 5482: Ms. WATERS and Mr. LANTOS.
H.R. 5484: Mr. CAMPBELL of California and Mr. GORDON.
H.R. 5499: Mr. BOEHLERT, Mr. BRADLEY of New Hampshire, and Mr. FOLEY.
H.R. 5536: Mr. LARSEN of Washington.
H.R. 5562: Mr. KING of New York.
H.R. 5583: Mr. BOSWELL, Mr. CARDOZA, Mr. DAVIS of Tennessee, Mr. ENGEL, Mr. ETHERIDGE, Ms. HERSETH, Mr. HIGGINS, Mr. JACKSON of Illinois, Mr. MARSHALL, Mr. BROWN of Ohio, and Mr. SALAZAR.
H.R. 5598: Mr. MCDERMOTT.
H.R. 5624: Ms. JACKSON-LEE of Texas.
H.R. 5657: Mr. JEFFERSON.
H.R. 5669: Mr. BISHOP of Georgia, Mr. RANGEL, Ms. HART, Mr. ENGLISH of Pennsylvania, and Mr. CLEAVER.
H.R. 5671: Mr. STRICKLAND.
H.R. 5674: Ms. MOORE of Wisconsin.
H.R. 5682: Mr. HALL, Mr. SMITH of Texas, and Mr. NEUGEBAUER.
H.R. 5704: Mr. KIND, Ms. SLAUGHTER, and Ms. BALDWIN.
H.R. 5733: Mr. FOSSELLA, Mr. BERMAN, Mr. BISHOP of Georgia, Mr. BISHOP of New York, and Mr. OWENS.
H.R. 5740: Mr. DENT and Mr. KUHL of New York.
H.R. 5758: Mr. BISHOP of Georgia.
H.J. Res. 88: Mr. KINGSTON.
H.J. Res. 90: Ms. EDDIE BERNICE JOHNSON of Texas, Mr. BRADY of Pennsylvania, and Mr. WU.
H. Con. Res. 346: Mr. HERGER.
H. Con. Res. 416: Mr. SERRANO, Ms. BORDALLO, Mr. MORAN of Virginia, Ms. JACKSON-LEE of Texas, Mr. ENGLISH of Pennsylvania, Mr. CROWLEY, Mr. MCGOVERN, and Mr. ISRAEL.
H. Con. Res. 434: Mr. VAN HOLLEN, Mr. SAXTON, Mr. PAYNE, Mr. BISHOP of New York, and Ms. WOOLSEY.
H. Res. 295: Mr. KUCINICH, Mr. CASTLE, Mr. PAYNE, Mr. BOOZMAN, Mr. ETHERIDGE, and Mr. MCGOVERN.
H. Res. 490: Mr. CUMMINGS, Mr. CONYERS, and Mr. MEEKS of New York.
H. Res. 533: Mr. PRICE of Georgia, Mr. ADERHOLT, Mr. WESTMORELAND, Mr. CAMPBELL of California, Mrs. DRAKE, Mr. KIRK, Mr. MCHENRY, Mr. FORBES, Mr. CONAWAY, Mr. DAVIS of Kentucky, Mr. DEAL of Georgia, Mr. FEENEY, Mr. MILLER of Florida, Mr. WILSON of South Carolina, Mr. MACK, Mr. MANZULLO, Mr. TERRY, Mr. MEEK of Florida, Mr. HALL, Mr. SIMPSON, Mrs. WILSON of New Mexico, Mr. MCCAUL of Texas, Mr. CARTER, Mr. ROGERS of Michigan, Mr. MURPHY, Mr. KING of Iowa, and Mr. DICKS.

H. Res. 605: Mr. LAHOOD, Mr. BUYER, Mr. WALDEN of Oregon, Mr. SHIMKUS, Mr. NORWOOD, Mr. BASS, Mr. STEARNS, Mr. UPTON, Mrs. MYRICK, Mr. PITTS, Mr. HALL, Mr. TERRY, Mr. SULLIVAN, Mr. MURPHY, Mr. SHADEGG, Mrs. BONO, Mr. BARTON of Texas, Mrs. BLACKBURN, Mr. RADANOVICH, and Mr. ENGEL.

H. Res. 848: Mr. BURTON of Indiana and Mr. WAXMAN.

H. Res. 852: Mr. GOODE.

H. Res. 863: Mr. RANGEL and Mr. OWENS.

H. Res. 903: Mr. ENGLISH of Pennsylvania, Mr. COSTA, Mr. GOHMERT, and Mr. MILLER of Florida.