

In closing, Mr. Speaker, I would simply emphasize that this bill is but the beginning of our efforts to deny Hamas or any other foreign terrorist organization the economic resources, the political legitimacy and the excuses to pursue their threatening agenda. Hamas and other Islamic terrorist entities and their supporters are now put on notice.

We clearly outline in this bill the path to peace and security, requirements that include those outlined in international agreements. It is up to Hamas leaders to heed this call. If they do not, we will return to the floor next year to address developments on the ground. Until that time, we must undertake efforts to ensure that the United States taxpayers are not directly, nor indirectly, contributing to Hamas activities and policies.

This bill, Senate bill 2370, provides a critical tool towards such protections and safeguards. I ask my colleagues to render their full support for this bill.

Mr. BLUMENAUER. Mr. Speaker, I rise in support of S. 2370, the Palestinian Anti-Terrorism Act.

This Senate-passed bill is light-years better than the version passed by the House, which I opposed. It focuses on the Hamas-led government and reinforces the goal of a two-state solution, with a secure Israel living side-by-side with an independent Palestinian state in peace.

While I don't believe this legislation is necessary, as there is already a prohibition on U.S. assistance to foreign terrorist organizations, I recognize the progress made in this legislation toward prioritizing on the basis of our strategic interests and maintaining flexibility in our efforts to promote a peace process between Israel and the Palestinians.

I have two hesitations: One, I hope this is not read as a signal in the region—by either side—that the United States is more interested in didactics than negotiations. Two, I hope that Section 9, related to diplomatic contacts, will be interpreted as narrowly as possible, so as to allow for contact with a Hamas-led government if it is determined that such contacts could promote Israel's security and a peaceful two-state solution.

However, I greatly appreciate the changes made to this legislation and the flexibility shown by its sponsors in considering the concerns of many Members of Congress, the Bush administration, and outside experts. Because of this progress, I intend to support the bill.

Mr. CROWLEY. Mr. Speaker, I rise today in support of this legislation.

While this bill does not go as far as the House version, which passed overwhelmingly this past May, it is still provides the Administration with the necessary tools they need to bring about real peace.

The goal of this Congress is to create a peaceful solution to the conflict.

But I want to clear that the goal of this legislation is not to cause a humanitarian catastrophe but to isolate this terrorist led government, this legislation will allow funding for the basic health needs of the Palestinian people.

This solution cannot come about with Hamas in control of the Palestinian Authority while they continue to support terrorist operations on innocent civilians.

Hamas officials continue to endorse and carry out suicide bombing and missile strikes against our friend and ally Israel.

As long as Hamas continues to choose terrorism instead of peaceful coexistence, it will meet with financial and diplomatic isolation from the United States and our allies.

I have read the statements of several groups opposed to this legislation because this will create a road block towards negotiations.

What I want to know is how do you negotiate with a government who is hell bent on your destruction.

Would any member of this House negotiate with al Qaeda, I would hope not.

Hamas must be isolated not coddled and that is what this legislation will do.

Hamas would rather cling to the impossible dream of the destruction of Israel than work toward a two state solution that will bring prosperity and an end to the bloodshed that has tainted this region for so many years.

Hamas refuses to change so they must be treated like the terrorist they are.

I'm sure like me, my colleagues would rather be supporting a Palestinian Authority-led government working toward a peaceful two state solution but instead we face the realities of a Hamas-led government bent on the destruction of Israel.

Until this Hamas-led government recognizes Israel's right to exist as a Jewish State, renounces violence, dismantles its terrorist infrastructure, and halts all anti-Israel incitement the United States should never provide assistance to the Palestinian Authority-led government of Hamas.

Mr. PRICE of North Carolina. Mr. Speaker, I rise today to speak about S. 2370, the Senate-passed version of the Palestinian Anti-Terrorism Act before us today.

Earlier this year, the House considered a version of this legislation. I rose in strong opposition to that bill, because it would have unfairly punished the average Palestinian citizen for the crimes of extremist Hamas leaders. It would have shut off all aid but the most narrowly defined humanitarian assistance, ending U.S. support for successful non-governmental efforts to promote democracy, tolerance, and peace in the region. In short, though well-intentioned, it would have undermined our ability to stop attacks against Israel and to achieve our most important foreign policy goals in the region.

I was joined by several of my colleagues in opposing the bill. Though the House passed this flawed legislation, we were able to send a vital message: at this critical moment, we cannot afford to pull the rug out from those working for democracy and reconciliation in the region.

The Senate heeded our message, and passed a much improved bill. Specifically, the bill addresses two significant concerns we raised during the House debate.

First, the Senate bill provides the Administration far more flexibility to deliver aid to the Palestinian people and to those working for a peaceful resolution to the conflict. In addition to broader humanitarian aid, it explicitly authorizes "assistance to promote democracy, human rights, freedom of the press, non-violence, reconciliation, and peaceful co-existence."

Second, the bill expands the Administration's options for engaging diplomatically with

Palestinian leaders not associated with Hamas, including Palestinian Authority (PA) President Mahmoud Abbas, who will be a critical ally if we are to negotiate a peace agreement.

I am greatly pleased to see the improvements the Senate legislation has made, and for that reason I will support the bill's passage. However, because events have evolved since this legislation was first considered, I want to add a few words, lest our action today send the wrong message at the wrong time.

After a summer of crisis, during which the kidnapping of an Israeli soldier led Israel to send its military into Gaza, there have been several recent positive developments. First, Israeli Prime Minister Ehud Olmert and PA President Abbas negotiated a ceasefire to end the violent confrontation in Gaza. Second, both Prime Minister Olmert and President Abbas have recently made clear their commitment to resuming peace talks. And third, Palestinian leaders are reportedly on the verge of forming a unity government that would end Hamas's sole control of the PA.

Passage of this legislation at this time should not be interpreted as unawareness of these positive developments or unwillingness to support them. Such progress should be rewarded with an increased U.S. commitment to work for peace in the region, not punished by the erection of new obstacles or the imposition of new sanctions.

With that said, however, I strongly support the goals of isolating Hamas and encouraging the Palestinian leadership to renounce violence and recognize Israel's right to exist, practical and principal steps toward the resumption of negotiations aimed at a two-state solution. This bill would accomplish those goals and I will support it. I hope it will serve not as an endpoint but as a launchpad for reinvigorated U.S. action to support a settlement that will bring a lasting peace to Israelis and Palestinians.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Florida (Ms. ROS-LEHTINEN) that the House suspend the rules and pass the Senate bill, S. 2370.

The question was taken; and (two-thirds of those voting having responded in the affirmative) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

FEDERAL DEPOSIT INSURANCE ACT AMENDMENT

Mr. HENSARLING. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6345) to make a conforming amendment to the Federal Deposit Insurance Act with respect to examinations of certain insured depository institutions, and for other purposes.

The Clerk read as follows:

H.R. 6345

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

SECTION 1. AMENDMENT TO THE FEDERAL DEPOSIT INSURANCE ACT.

Paragraph (10) of section 10(d) of the Federal Deposit Insurance Act (12 U.S.C.

1820(d)(10)) is amended by striking "\$250,000,000" and inserting "\$500,000,000".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas (Mr. HENSARLING) and the gentleman from Massachusetts (Mr. FRANK) each will control 20 minutes.

The Chair recognizes the gentleman from Texas.

GENERAL LEAVE

Mr. HENSARLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 6345.

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

There was no objection.

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

Mr. Speaker, I rise today in strong support of H.R. 6345 which makes a minor but important change to the Financial Services Regulatory Relief Act of 2006. The Regulatory Relief Act, a strong bipartisan bill which was recently signed into law, is a strong first step in reducing the excessive regulatory burden on America's insured financial institutions in order to benefit consumers and to benefit the overall economy. This bill, which is virtually identical to the provision included in our House regulatory relief bill, which passed with overwhelming bipartisan support and which I had the honor to coauthor, will make it even better.

H.R. 6345, which is sponsored by Subcommittee Chairman BACHUS, as well as Chairman OXLEY and Ranking Member FRANK, gives banking regulators the discretion to grant well-managed and well-capitalized institutions with good ratings an 18-month bank examination cycle rather than a 12-month cycle.

The bill that we are considering today is consistent with the goals of the Regulatory Relief Act that again was signed recently into law. Prior to passage of the Regulatory Relief Act, well-managed, well-capitalized insured depository institutions that had less than \$250 million in total assets and that had an outstanding rating qualified for an 18-month exam cycle instead of the 12-month exam cycle.

In addition, the Federal banking regulators had the discretion to grant, through regulation, eligibility for the 18-month cycle to well-capitalized and well-managed institutions with good ratings, which the regulators have indeed done. The Regulatory Relief Act of 2006 included language to extend the exam cycle from 12 to 18 months only for outstanding rated institutions with assets up to \$500 million but did not make a conforming change for institutions with good ratings. H.R. 6345 simply makes that parallel change.

H.R. 6345 is commonsense legislation. Changing the current discretionary threshold from \$250 million in assets to \$500 million gives the regulators more

flexibility to focus on troubled institutions, while still examining well-capitalized, well-managed institutions at least once every 18 months. Nonetheless, the legislation would not prevent a Federal banking agency from conducting an examination of any institution more frequently, if deemed necessary.

Mr. Speaker, at this time, I insert into the RECORD a December 4, 2006 letter requesting this change, signed by the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, and finally, the Office of Thrift Supervision.

DECEMBER 4, 2006.

Hon. RICHARD SHELBY,
Chairman, Committee on Banking, Housing And
Urban Affairs U.S. Senate, Washington,
DC.

DEAR MR. CHAIRMAN: Before adjourning the 109th Congress, we urge you to consider the attached additional regulatory burden relief amendment that would allow the appropriate Federal banking agency to extend, from 12 months to 18 months, the on-site examination cycle for all qualifying highly rated banks and savings associations with total assets of up to \$500 million if the agency determined that such action was consistent with safety and soundness.

The Financial Services Regulatory Relief Act of 2006 ("FSRRA"), Pub. L. No. 109-351, made many important changes that relieve unnecessary burden on our nation's depository institutions. One such amendment in Section 605 raised, from \$250 million to \$500 million, the total asset threshold below which an insured depository institution may qualify for an 18-month (rather than a 12-month) examination cycle. In order to qualify for an extended 18-month exam cycle, a small insured depository institution also must be well capitalized and well managed and meet certain other supervisory conditions set forth in section 10(d) the Federal Deposit Insurance Act. See 12 U.S.C. §1820(d).

One of these other supervisory conditions relates to the composite condition of the institution. Prior to FSRRA, all insured depository institutions that had less than \$250 million in total assets (the then effective total asset limit) could qualify for an 18-month exam cycle if the institution had received a composite rating of "outstanding" or "good" at its most recent examination. This was because Federal law authorized the Federal banking agencies to permit institutions with assets of up to \$250 million in total assets and a "good" composite rating to qualify for an 18-month exam cycle if the agencies determined, as we did, that such action was consistent with principles of safety and soundness. See id. at §1820(d)(10); 63 Federal Register 16378 (April 2, 1998).

Although FSRRA raised the total asset threshold for an 18-month exam cycle to \$500 million in section 10(d)(4), the Act did not make a corresponding change to section 10(d)(10) to allow an institution with between \$250 million and \$500 million in total assets to qualify, with agency approval, for an extended exam cycle if the institution has a "good" composite rating. Accordingly, numerous well capitalized, well managed and well run community banks and savings associations currently are not able to benefit from the increased regulatory flexibility granted by section 605 of FSRRA.

Consistent with prior law, we respectfully request that you consider the attached additional burden relief amendment before ad-

journing. The amendment would authorize the appropriate agency, if it determined the action was consistent with safety and soundness, to permit a well capitalized and well managed institution that has between \$250 million and \$500 million in total assets and a composite rating of "good" to potentially qualify for an 18-month exam cycle. The Federal banking agencies have used this authority effectively to examine institutions with assets under \$250 million and believe that the 18-month examination cycle would also be effective for institutions that have assets of between \$250 million and \$500 million where the institution meets all of the other statutory qualifying criteria and has at least a good composite rating. Notably, the law does not prevent a Federal banking agency from conducting an examination of any institution more frequently if deemed necessary and the same would be true if the attached amendment is adopted.

We thank you in advance for your consideration of this amendment.

Sincerely,

BEN S. BERNANKE,
Chairman, Board of
Governors of the
Federal Reserve System.

JOHN C. DUGAN,
Comptroller of the
Currency.

SHELIA C. BAIR,
Chairman, Federal Deposit Insurance Corporation.

JOHN M. REICH,
Director, Office of
Thrift Supervision.

This legislation is also, Mr. Speaker, supported by the American Bankers Association, the Independent Community Bankers of America and the Conference of State Bank Supervisors.

In closing, let me thank again Subcommittee Chairman BACHUS for bringing this bill to the floor today, as well as Chairman OXLEY and Ranking Member FRANK for their support of H.R. 6345 and their continued commitment to providing commonsense regulatory relief to our financial institutions.

Mr. Speaker, I urge my colleagues to support this important legislation.

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

Mr. FRANK of Massachusetts. Mr. Speaker, I join with the gentleman from Texas in urging the House to pass this bill. It is an example, I think, of how we should be flexible in our approach to regulation. Regulation plays a very important role in a sensible, capitalist economy, but it can only play that role if it is flexible and appropriate, and overregulating does damage in ways different, but still quite tangible, than underregulating.

We are in particular here responding, our committee is, in a bipartisan way to a very important group of officials, the State bank supervisors. In fact, it was the Conference of State Bank Supervisors who most pushed for this because what they have asked us to do is to give the Federal regulators with whom they work the flexibility that most of them have on their own.

As Members know, Mr. Speaker, some banks, depending on how they are chartered, are entirely Federal in their

regulation but some are State-chartered and are regulated by both State and Federal regulators in various ways. This bill will allow better coordination between State and Federal regulators. It will give the regulators the discretion, not the mandate, to be more flexible in the timing of regulations.

It is an example of how we should make regulation appropriate, not unduly burdensome, and therefore, I am glad to join with the gentleman from Texas in urging passage of this bill.

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

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

I want to conclude and say again, I very much thank the ranking member for coming to the floor personally to urge passage of this legislation and to also, on a personal note, congratulate him as he will soon become the chairman of our Financial Institutions Committee.

As a Republican, I did not look forward to Democrat control of this House, but if I have to be stuck with somebody, I cannot think of one I respect more than the gentleman from Massachusetts who brings unparalleled wisdom and wit to the committee. I have no doubt that the great tradition of bipartisanship that Chairman OXLEY established in this committee will be further carried out under his leadership.

Mr. FRANK of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. HENSARLING. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Speaker, that is very gracious of the gentleman from Texas. I guess I should note that this may be the first of many collaborations between myself as chairman and his role, and I congratulate him as the new chairman of the Republican Study Committee, but he is absolutely right.

The parting chairman, the gentleman from Ohio (Mr. OXLEY), set a very good tone for this committee of bipartisan cooperation. As I have said often, bipartisan cooperation does not mean that legitimate differences between the parties disappear. It means that we pursue those where they exist in a civil manner so that differences there do not poison our ability to work together on areas where there is no partisan difference as this one.

The gentleman from Texas has been a part of that tradition and I look forward to working with him and the other Members in that way, and I appreciate very much his kind remarks.

Mr. HENSARLING. Mr. Speaker, I thank the gentleman for his gracious comments as well.

Mr. Speaker, I urge passage of the bill and yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. HENSARLING) that the House suspend the rules and pass the bill, H.R. 6345.

The question was taken; and (two-thirds of those voting having responded in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

RECOGNIZING THE 50TH ANNIVERSARY OF THE COMMISSION ON INDEPENDENT COLLEGES AND UNIVERSITIES

Mr. KUHL of New York. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 343) recognizing the 50th anniversary of the Commission on Independent Colleges and Universities.

The Clerk read as follows:

H. CON. RES. 343

Whereas the Commission on Independent Colleges and Universities is a voluntary consortium of more than 100 nonprofit, private institutions of higher education located in New York;

Whereas the Commission on Independent Colleges and Universities was founded in 1956 to develop a consensus among a diverse membership of independent institutions of higher education and to advance higher education public policy;

Whereas the Commission on Independent Colleges and Universities represents 109 member campuses with more than 450,000 enrolled students, including 300,000 residents of New York;

Whereas the Commission on Independent Colleges and Universities produces several informative publications for students, parents, and schools about member colleges and universities, college admissions, and financial aid;

Whereas the Commission on Independent Colleges and Universities is one of the largest organizations of independent sector institutions of higher education in the world; and

Whereas the member institutions of the Commission on Independent Colleges and Universities provide access to high-quality education and opportunity for hundreds of thousands of students: Now, therefore, be it Resolved by the House of Representatives (the Senate concurring), That Congress recognizes the Commission on Independent Colleges and Universities for 50 years of service and contributions to higher education and higher education public policy.

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

The Chair recognizes the gentleman from New York (Mr. KUHL).

GENERAL LEAVE

Mr. KUHL of New York. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on H. Con. Res. 343.

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

There was no objection.

Mr. KUHL of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H. Con. Res. 343, a resolution recognizing the 50th anniversary of the Commission on Independent Colleges and Uni-

versities, and I want to thank my friend and colleague from New York (Mr. BOEHLERT) for introducing this resolution and recognizing the important role that the Commission for Independent Colleges and Universities plays in educating New York students about their options for obtaining a postsecondary education.

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This institution was founded in 1956 and incorporated in 1972, and the Commission on Independent Colleges and Universities enjoys a diverse membership with a shared goal of shaping and strengthening public policies in higher education. Its membership institutions, which include more than 100 private nonprofit institutions of higher education, enroll close to 460,000 students, including 300,000 New York residents, and award 59 percent of our State's baccalaureate degrees and 81 percent of the doctoral and first professional degrees earned in the State. In my congressional district, there are nine campuses, which include Alfred University, Elmira College, Houghton College, CUCA College, Nazareth College of Rochester, Roberts Wesleyan College, Rochester Institute of Technology, St. Bonaventure College, and Saint John Fisher College.

Independent sector campuses promote diversity in their missions and academic program offerings and in their student bodies. Approximately one in four, or 80,000, full-time and part-time graduates enrolled in New York State independent colleges and universities are considered nontraditional students. At dozens of campuses, more than one quarter of all undergraduates are age 25 or older. Sector-wide, one in four enrolled students, 26 percent, is Asian, African American, and/or Hispanic, nearly double the percentage of minority students who were enrolled in 1980, which was 15 percent.

The importance of independent colleagues and universities to the New York economy is significant. A recent study produced by the Nonpartisan Center for Governmental Research estimates that the total annual contribution to the economy made by independent colleges and universities rose 42 percent over the past decade to \$41.4 billion in 2005, up from \$29 billion in 1995. This figure includes \$20.8 billion in direct campus spending and \$20.6 billion in spillover spending.

In addition to their importance to the economy, the independent campuses each year provide billions in aid to thousands of lower-income students, working to ensure that every single qualified student can earn a college degree. Access to college education will provide access to better jobs and certainly more opportunities for our young people.

The Commission on Independent Colleges and Universities also participates in a number of outreach and educational efforts. For example, the commission produces publications for students and families that provide helpful