

even in the language most commonly used in the Congress in promoting "free trade" it usually involves not only international government managed trade but subsidies as well, such as those obtained through the Import/Export Bank and the Overseas Private Investment Corporation and various other methods such as the Foreign Aid and our military budget.

Lastly, despite a Constitution which vests in the House authority for regulating foreign commerce (and raising revenue, i.e. taxation), this bill unconstitutionally delegates to the President the "authority" to, by Executive order, suspend the tax break by designating certain property "in short supply." Any property so designated shall not be treated as qualifying foreign trade property during the period beginning with the date specified in the Executive order.

Free trade should be our goal. We should trade with as many nations as possible. We should keep our tariffs as low as possible since tariffs are taxes and it is true that the people we trade with we are less likely to fight with. There are many good sound, economic and moral reasons why we should be engaged in free trade. But managed trade by the WTO does not qualify for that definition.

Mr. STARK. Mr. Speaker, I rise today in adamant opposition to H.R. 4986, the Foreign Sales Corporation replacement bill. This bill is a blatant form of corporate welfare, ruled illegal under international trade laws by the World Trade Organization (WTO). The U.S. has already missed two deadlines imposed by the WTO and the European Union for repealing the FSC. I don't know which is worse—that the current leadership is so incapable of governing that they can't meet an extended deadline, or that they have failed to comply with the WTO ruling by attempting to replace one export subsidy with something remarkably similar.

Then the Senate Finance Committee made some minor changes to the bill that appears to bring the U.S. closer to WTO compliance than the House version without sacrificing the current tax benefit received by Caterpillar Inc. This version came back to the House and was voted on in H.R. 2614, the \$240 billion GOP tax package. The House leadership thought they were doing their corporate constituents a favor by attaching the FSC to a bloated tax package. Now we're here once again because the majority leadership thought they could bait Clinton into signing a bad tax bill if they attached the FSC to it. No such luck! Clinton has threatened to veto the tax bill and the Senate has no intentions of acting on it.

The bill before us today is nothing more than corporate welfare for some of the nation's most profitable industries. The European Union has filed a complaint with the World Trade Organization (WTO) that the FSC is an export tax subsidy and therefore illegal under international trade laws. I completely agree. Yet instead of repealing the tax subsidy and complying with our international trade obligations, this bill seeks to remedy the FSC with a near exact replacement.

The Institute on Taxation and Economic Policy recently released a report that shows a rise in pretax corporate profits by a total of 23.5 percent from 1996 through 1998. At the same time, U.S. Treasury corporate income

tax revenues only rose by a mere 7.7 percent. In addition to the myriad of corporate tax deductions this Congress insists on expanding, programs such as the FSC can help explain the disparity in corporate profits and corporate income tax rates.

The FSC helps subsidize some of the most profitable industries such as the pharmaceutical, tobacco and weapons export industries. Why should Congress help out the pharmaceutical industry if the industry insists on charging U.S. consumers more for prescription drugs than they charge in Europe? We shouldn't! The pharmaceutical industry sells prescription drugs in the U.S. at prices that are 190–400 percent higher than what they charge in Europe. The U.S. subsidizes the pharmaceutical industry by approximately \$123 million per year through the FSC. This is unfair to the American taxpayer and must not be allowed to happen.

The top 20 percent of FSC beneficiaries obtained 87 percent of the FSC benefit in 1998. The two largest FSC beneficiaries, General Electric and Boeing, received almost \$750 million and \$686 million in FSC benefits over 8 years, respectively. RJ Reynolds' FSC benefit represents nearly six percent of its net income while Boeing's FSC benefit represents twelve percent of its earnings!

It is high time we stop allowing corporate interests to dictate U.S. spending. We didn't pass a prescription drug benefit for seniors in the 106th Congress so we shouldn't be rushing through a piece of legislation that gives corporations a \$5 billion per year tax break. I urge my colleagues to put working families, children and our seniors first, and oppose H.R. 4986.

Ms. KILPATRICK. Mr. Speaker, I rise today in opposition to the passage of H.R. 4986, the Senate Amendments to the Foreign Sales Corporation (FSC) Repeal and Extraterritorial Income Exclusion Act. While it is important that our nation's businesses have the benefit of a level playing field when competing against foreign businesses, we should not do so on the back of the American Public or to the detriment of the health and welfare of those outside of our borders. Let it not be said that we are a nation willing to sacrifice all principles for the welfare of our nation's businesses.

The measure before us, effective for transactions entered after September 30, 2000, will allow both individuals and companies an exemption from federal taxes of all income earned abroad (whether or not the product is manufactured in the United States or abroad). The measure does require that 50% of the components of the final product be manufactured in the United States. The measure also eliminates current law allowing for the creation of Foreign Sales Corporations. Although I supported the measure when it was originally considered in the House facts have come to light that have given me pause to support the measure.

I believe that there are questions concerning the process used to move this measure. The FSC is a complicated matter that warrants the full and deliberate consideration of the entire House. Considering this measure under suspension of the rules clearly inhibits this body's ability to make the most informed decision about this important matter which will affect the people we represent.

Policy questions concerning this matter also abound. For example, during consideration of the bill an amendment was pursued that would have exempted tobacco companies from the tax exemption provided under the measure. It is argued that this measure will give tobacco companies an estimated \$100 million in taxpayer subsidies to export cigarettes. It is further argued that this subsidy provides incentives to tobacco companies to maximize and promote sales in other countries. It gives me pause to think that the policy Congress endorses in this measure will give the impression that while we care about the health risks imposed by tobacco use on American lives, we are not concerned about the health risks imposed by tobacco use on foreign lives.

Questions have also been raised on the effect this measure will have on the U.S. economy. Proponents of the measure argue that the bill will spur domestic investment and employment through an increase in exports, while opponents point to studies that indicate that "export subsidies, such as FSC's, reduce global economic welfare and typically even reduce the welfare of the country granting the subsidy . . . [C]ompanies in import-competing industries reduce domestic investment and employment." I am hesitant to support a measure that may in fact be detrimental to the well being of our nation's economy.

Mr. Speaker, for these reasons I rise in opposition to H.R. 4986, and I recommend a nay vote on its passage.

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

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the motion offered by the gentleman from Texas (Mr. ARCHER) that the House suspend the rules and concur in the Senate amendment to the bill, H.R. 4986.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. STARK. 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 and the Chair's prior announcement, further proceedings on this motion will be postponed.

#### PROHIBITION OF GAMING ON CERTAIN INDIAN LANDS IN CALIFORNIA

Mr. GILCHREST. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5477) to provide that gaming shall not be allowed on certain Indian trust lands in California that were purchased with certain Federal grant funds, as amended.

The Clerk read as follows:

H.R. 5477

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

**SECTION 1. RESTRICTION ON RELINQUISHMENT OF LEASE.**

Prior to January 1, 2003, the Secretary of the Interior shall not approve the relinquishment of any lease entered into for the establishment of a health care facility for the members of seven Indian Tribes or Bands in San Diego County, California, unless the Secretary has determined that the relinquishment of such lease has been approved, by tribal resolution, by each of the seven Indian Tribes or Bands.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Maryland (Mr. GILCREST) and the gentleman from Colorado (Mr. UDALL) each will control 20 minutes.

The Chair recognizes the gentleman from Maryland (Mr. GILCREST).

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

Mr. Speaker, this legislation, authored by the gentleman from California (Mr. HUNTER), will establish a moratorium on the approval by the Secretary of Interior of the relinquishment of a release of a health clinic until that relinquishment has been approved by tribal resolution by each of the seven tribes which would comprise the Southern Indian Health Council in Alpine, California.

The clinic was acquired and constructed with Indian Community Development Block Grant funds and was constructed by the Southern Indian Health Council.

I ask for Members to support this legislation.

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

Mr. UDALL of Colorado. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 5477, as amended, is legislation which addresses the concerns of seven Indian tribes in Southern California to provide that lands purchased in part with Community Development Block Grant funding are used for health care facilities unless alternatives are approved by all of the tribes.

There have been a number of complicated issues with regard to the original version of this legislation; and through the work of the gentleman from California (Mr. HUNTER) and the gentleman from California (Mr. FILNER), those issues have been addressed.

We appreciate the work of our colleagues on this legislation and support its passage.

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

Mr. GILCREST. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. HUNTER).

Mr. HUNTER. Mr. Speaker, I want to thank the gentleman from Maryland (Mr. GILCREST) for yielding me this time and taking the leadership, along with the Democrat side of the aisle. I note that this is bipartisan legislation

supported by the gentleman from California (Mr. FILNER) and the gentleman from California (Mr. CUNNINGHAM) and the gentleman from California (Mr. BILBRAY) in the San Diego delegation.

Mr. Speaker, this is a fairly straightforward bill. This involves some 8-plus acres of land in the community in Alpine, California, in my congressional district in San Diego County. It is land that was purchased with Community Development Block Grant funds.

This land was purchased with these funds for the purpose of constructing a health clinic for the seven tribes that presently live or are located in that particular vicinity; and, indeed, the clinic today supports some 10,000 visits per year. Not only are tribal members admitted to the clinic but also non-tribal members, so it is a valuable asset.

Part of the land was put in the name of one of the tribes, the Cuyapaipe tribe, which is a wonderful tribe, some 17 members whose traditional homelands are about 50 miles away. They propose at this time, Mr. Speaker, to build a casino on this health clinic land that was purchased with CDBGs.

We think, Mr. Speaker, having looked at this, that this is a fairly substantial departure from the tradition of allowing the autonomy and all of the activities that take place once the reservation status is attached to a piece of land to allow that to be expanded to change a health clinic, which has been purchased with Federal taxpayer dollars and which resides on land that was purchased with Federal taxpayer dollars, to allow that to be converted into a totally different use; that is, one of a casino.

So this bill puts a 2-year moratorium on this transfer for this purpose. We hope that that is going to allow the tribes to try to work out some type of an adjustment, maybe some type of an arrangement. We think it is appropriate to pass it at this time to keep this project from going forward. Again, this is supported by all the Members of the San Diego delegation. It is a bipartisan bill, and the gentleman from California (Mr. FILNER) is a cosponsor of this resolution.

Mr. CUNNINGHAM. Mr. Speaker, I rise today to support H.R. 5477, introduced by my colleague from California. Members should be aware that this legislation sets no new standards on Indian gambling. It addresses one specific problem with one specific parcel of land in San Diego County, California.

I would hope that the matter before the House would be free from controversy. This legislation is supported by the entire San Diego delegation, with Mr. HUNTER, Mr. FILNER and myself as sponsors.

This legislation prevents the Cuyapaipe Indian tribe from using land and buildings not connected to the tribe's traditional homeland and purchased with HUD Community Development Block Grants (CDBGs) for the establishment of a massive Indian gaming casino.

The Cuyapaipe Community of Diegueno Mission Indians recently announced a proposal to relocate an outpatient health care clinic operated by the Southern Indian Health Council (SIHC) in Alpine, California. The stated purpose of the relocation is to permit the Cuyapaipe to construct a gaming casino on the clinic property, which the Cuyapaipe claim as their reservation. The Southern Indian Health Council was organized in 1982 by seven Indian tribes in southern San Diego County to provide medical care to their members. The Council's clinic provides vital health care services to Indian and non-Indian patients in a rural area of San Diego County, serving over 10,000 patients per year, many of whom are from low income families.

The Bureau of Indian Affairs (BIA) has recently rejected the Cuyapaipe tribe's application to build the casino, finding the paperwork incomplete. This provides a temporary stay of construction, leaving the door open to the future conversion of the Cuyapaipe's health care center into a casino. The legislation before us today prevents the tribe from using the clinic property to build a casino.

Nothing in this legislation will prevent the Cuyapaipe from establishing gaming facilities on their traditional homeland. This bill does not affect the ability of the Cuyapaipe to build a casino on their own reservation. In fact, as amended, the bill goes to great pains to avoid stepping on the sensitive question of Indian gaming. It does not amend the Indian Gaming Regulatory Act, and the amended version before us does not even deal with the question of the rights of tribes to conduct gaming operations, or the relationship between tribal and state governments.

Instead, the bill seeks to resolve a dispute among several tribes, by requiring that they achieve consensus before changing the use of land taken into trust for all of them. As one additional protection, the bill sunsets in January of 2003, so the prohibition is actually a two-year moratorium.

Mr. EVERETT. Mr. Speaker, I support my distinguished colleague's bill H.R. 5477, which would delay casino approval on Indian Trust Lands in California. I understand the distinguished gentleman's concern with Indian gaming and its effect on surrounding communities, especially when those effected communities are not in favor of such gambling operations. I have similar concerns and for that reason I, along with Congressman BOB RILEY, introduced legislation (H.R. 5494) to block any construction of a gambling operation on Indian burial lands in Wetumpka, Alabama, which is located in my district.

When the Creek Indians took possession of the burial lands in 1980, they did so with federal funds as part of an agreement with the federal government that the site would not be developed. In direct violation of the agreement, the Poarch Band of the Creek Indians now want to build a full-fledged casino on the property. H.R. 5494 would both block the establishment of a casino on the tribal grounds as well as order the Alabama Attorney General to pursue legal action in federal court against the Creeks if they go forward with the construction project.

In closing, let me say I understand why communities are concerned about such activities going on in their backyard. Moral objections to casino gambling notwithstanding, such gaming activities place untold burdens on local police, fire, rescue, and other public services, not to mention the stress on local utilities and infrastructure.

Mr. UDALL of Colorado. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. GILCHREST. Mr. Speaker, I have no more requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Maryland (Mr. GILCHREST) that the House suspend the rules and pass the bill, H.R. 5477, as amended.

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

The title of the bill was amended so as to read:

“A bill to establish a moratorium on approval by the Secretary of the Interior of relinquishment of a lease of certain tribal lands in California.”

A motion to reconsider was laid on the table.

#### FSC REPEAL AND EXTRATERRITORIAL INCOME EXCLUSION ACT OF 2000

The SPEAKER pro tempore. The pending business is the question of suspending the rules and concurring in the Senate amendment to the bill, H.R. 4986.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. ARCHER) that the House suspend the rules and concur in the Senate amendment to the bill, H.R. 4986, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 316, nays 72, answered “present” 1, not voting 43, as follows:

[Roll No. 597]

YEAS—316

Abercrombie	Biggart	Calvert
Aderholt	Billbray	Camp
Allen	Billirakis	Campbell
Archer	Bishop	Cannon
Armey	Blagojevich	Capps
Baca	Bliley	Cardin
Bachus	Blumenauer	Castle
Baird	Blunt	Chambliss
Baker	Boehlert	Clay
Barcia	Boehner	Clayton
Barr	Bonilla	Clement
Barrett (NE)	Bono	Clyburn
Barrett (WI)	Borski	Coble
Bartlett	Boswell	Collins
Barton	Boucher	Combest
Bass	Boyd	Cooksey
Bentsen	Brady (TX)	Cox
Bereuter	Bryant	Cramer
Berkley	Burton	Crane
Berman	Buyer	Crowley
Berry	Callahan	Cubin

Cummings	John	Ramstad	Jackson (IL)	Nadler	Shows
Cunningham	Johnson (CT)	Rangel	Jones (OH)	Oberstar	Slaughter
Davis (FL)	Johnson, E. B.	Regula	Kilpatrick	Obey	Stark
Davis (VA)	Johnson, Sam	Reyes	Kucinich	Oliver	Strickland
Deal	Jones (NC)	Reynolds	LaFalce	Pallone	Stupak
Delahunt	Kanjorski	Rodriguez	Lee	Payne	Taylor (MS)
DeLauro	Kelly	Roemer	Lewis (GA)	Peterson (MN)	Thurman
DeLay	Kildee	Rogan	Lipinski	Rahall	Tierney
DeMint	Kind (WI)	Rogers	LoBiondo	Rivers	Udall (CO)
Deutsch	King (NY)	Rohrabacher	Luther	Rothman	Udall (NM)
Diaz-Balart	Kingston	Ros-Lehtinen	Maloney (CT)	Roybal-Allard	Velázquez
Dicks	Knollenberg	Roukema	Markey	Rush	Visclosky
Dixon	Kolbe	Royce	McGovern	Sanders	Waters
Dooley	Kuykendall	Ryan (WI)	McKinney	Saxton	Watt (NC)
Doolittle	LaHood	Ryun (KS)	Menendez	Schakowsky	Waxman
Doyle	Lampson	Sabo	Miller, George	Serrano	Woolsey
Dreier	Lantos	Salmon			
Duncan	Larson	Sanchez			
Dunn	Latham	Sandlin			
Edwards	LaTourrette	Sanford			
Ehlers	Lazio	Sawyer			
Ehrlich	Leach	Scarborough			
Emerson	Levin	Schaffer			
Engel	Lewis (CA)	Scott			
English	Lewis (KY)	Sensenbrenner			
Eshoo	Linder	Sessions			
Etheridge	Lofgren	Shadegg			
Everett	Lowe	Shaw			
Ewing	Lucas (KY)	Shays			
Fletcher	Lucas (OK)	Sherman			
Foley	Manzullo	Sherwood			
Ford	Martinez	Shimkus			
Fossella	Mascara	Shuster			
Fowler	Matsui	Simpson			
Frank (MA)	McCarthy (MO)	Sisisky			
Franks (NJ)	McCollum	Skeen			
Frelinghuysen	McCrery	Skelton			
Frost	McDermott	Smith (MI)			
Gallegly	McHugh	Smith (NJ)			
Gekas	McInnis	Smith (TX)			
Gephardt	McIntyre	Smith (WA)			
Gibbons	McKeon	Snyder			
Gilchrest	McNulty	Souder			
Gillmor	Meek (FL)	Spence			
Gilman	Meeks (NY)	Spratt			
Gonzalez	Metcalf	Stabenow			
Goode	Mica	Stearns			
Goodling	Miller (FL)	Stump			
Gordon	Miller, Gary	Sununu			
Goss	Minge	Sweeney			
Graham	Mink	Tancredo			
Granger	Mollohan	Tanner			
Green (TX)	Moore	Tauscher			
Green (WI)	Moran (KS)	Tauzin			
Greenwood	Moran (VA)	Terry			
Gutknecht	Morella	Thomas			
Hall (OH)	Murtha	Thompson (CA)			
Hall (TX)	Myrick	Thompson (MS)			
Hansen	Napolitano	Thornberry			
Hastings (FL)	Neal	Thune			
Hastings (WA)	Nethercutt	Tiahrt			
Hayes	Ney	Toomey			
Hayworth	Northup	Towns			
Herger	Norwood	Trafficant			
Hill (IN)	Nussle	Turner			
Hill (MT)	Ortiz	Upton			
Hilleary	Ose	Vitter			
Hilliard	Owens	Walden			
Hinojosa	Oxley	Walsh			
Hobson	Packard	Wamp			
Hoefl	Pastor	Watkins			
Hoekstra	Pease	Watts (OK)			
Hooley	Pelosi	Weldon (FL)			
Horn	Petri	Weldon (PA)			
Houghton	Phelps	Weller			
Hoyer	Pickering	Wexler			
Hunter	Pickett	Whitfield			
Hutchinson	Pitts	Wicker			
Hyde	Pombo	Wilson			
Inslie	Pomeroy	Wolf			
Isakson	Portman	Wu			
Isakson	Stoike (NC)	Wynn			
Istook	Pryce (OH)	Young (AK)			
Jackson-Lee	Quinn	Young (FL)			
(TX)	Radanovich				
Jenkins					

NAYS—72

Andrews	Chabot	DeGette
Baldacci	Chenoweth-Hage	Dingell
Baldwin	Condit	Doggett
Bonior	Conyers	Evans
Brady (PA)	Cook	Gutierrez
Brown (OH)	Costello	Hinchee
Capuano	Davis (IL)	Holt
Carson	DeFazio	Hostettler

Jackson (IL)	Nadler	Shows
Jones (OH)	Oberstar	Slaughter
Kilpatrick	Obey	Stark
Kucinich	Oliver	Strickland
LaFalce	Pallone	Stupak
Lee	Payne	Taylor (MS)
Lewis (GA)	Peterson (MN)	Thurman
Lipinski	Rahall	Tierney
LoBiondo	Rivers	Udall (CO)
Luther	Rothman	Udall (NM)
Maloney (CT)	Roybal-Allard	Velázquez
Markey	Rush	Visclosky
McGovern	Sanders	Waters
McKinney	Saxton	Watt (NC)
Menendez	Schakowsky	Waxman
Miller, George	Serrano	Woolsey

ANSWERED “PRESENT”—1

Paul  
NOT VOTING—43

Ackerman	Gejdenson	Meehan
Ballenger	Goodlatte	Millender-
Becerra	Hefley	McDonald
Brown (FL)	Holden	Moakley
Burr	Hulshof	Pascrell
Canady	Jefferson	Peterson (PA)
Coburn	Kaptur	Porter
Coyne	Kasich	Riley
Danner	Kennedy	Stenholm
Dickey	Kleczka	Talent
Farr	Klink	Taylor (NC)
Fattah	Largent	Weiner
Filner	Maloney (NY)	Weygand
Forbes	McCarthy (NY)	Wise
Ganske	McIntosh	

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Messrs. SAXTON, COSTELLO, COOK and RUSH, Ms. VELÁZQUEZ, Mr. VISCLOSKY, Mr. BRADY of Pennsylvania and Ms. SLAUGHTER changed their vote from “yea” to “nay.”

Messrs. HALL of Ohio, FORD, CUMMINGS and ENGEL changed their vote from “nay” to “yea.”

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendment was concurred in.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. RILEY. Mr. Speaker, I was unavoidably detained for rollcall No. 597, H.R. 4986, the Foreign Sales Corporation (FCS) Repeal and Extraterritorial Income Extension Act. Had I been present I would have voted “yea.”

Stated against:

Mr. FILNER. Mr. Speaker, on rollcall No. 597, I was in my Congressional District on official business. Had I been present, I would have voted “nay.”

#### PROVIDING FOR CONDITIONAL ADJOURNMENT OF THE HOUSE AND CONDITIONAL RECESS OR ADJOURNMENT OF THE SENATE

Mr. ARMEY. Mr. Speaker, I offer a privileged concurrent resolution (H. Con. Res. 442) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 442

*Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on the legislative day of Tuesday, November 14, 2000, or Wednesday, November 15, 2000, on a motion offered pursuant to this*