SENATE—*Thursday, October 4, 2001*

The Senate met at 10 a.m. and was called to order by the Honorable HILLARY RODHAM CLINTON, a Senator from the State of New York.

The PRESIDING OFFICER. Today's prayer will be offered by our guest Chaplain, Bishop Eddie Long, of the New Birth Missionary Baptist Church, Decatur, GA.

PRAYER

The guest Chaplain, Bishop Eddie Long, offered the following prayer:

Father we bless You and we honor You for the unconditional love You show to us. We bless You for the mercy You have bestowed upon us and for the overflowing grace given us each day. Father, allow us this day to have the courage of David as we face those who wish to destroy our moral fabric.

O Lord, bless this Senate to have the patience of Your servant, Job, as they carve out a rational solution to eradicating the harshness of terrorism. We ask You to move now throughout these hallowed walls and use these men and women to rid our world of the evil scourge of terrorism. We pray now for the President of these United States. Give him wisdom and understanding. Let him have the endurance of a lion as he bears the ultimate weight of providing for our national security; grace him with the tenderness of a lamb as he nurtures our Nation from the wounds inflicted by the barbaric. We also pray for the commanders and the soldiers who may be sent into harm's way.

We also pray, Father, for the families of those who lost their lives as a result of the horrific acts which took place on September 11. Lord, we further our prayer for those who were wounded on that day and for the souls of those who exited this life. We pray Your grace on the rescue workers who have not ceased their efforts to bring normalcy back to our Nation. It is our prayer, Lord, that as we, the United States, seek Your face, You will truly hear from heaven and that You will comfort us in Your miraculous way; that You will wipe the tears from this Nation's eyes and that You surely will heal our land. We offer this prayer up to You, understanding we are hard-pressed on every side but not crushed, perplexed but not in despair; persecuted but not abandoned; struck down but not destroyed.

In Jesus' name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable HILLARY RODHAM CLINTON 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.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, October 4, 2001.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable HILLARY RODHAM CLINTON, a Senator from the State of New York, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mrs. CLINTON thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from Nevada.

SCHEDULE

Mr. REID. Madam President, this morning the Senate will resume consideration of the motion to proceed on the aviation security bill. There is every hope that sometime today we can begin consideration of that bill.

As I mentioned yesterday, there has been significant progress made on a number of different issues, not the least of which is the tremendous work done by the Judiciary Committee. Senator HATCH, working under the chairmanship of Senator LEAHY until about 3 this morning, I understand, completed their overall work in reaching an agreement on the antiterrorism legislation. It is very important that has been accomplished. It has taken tremendous time of that committee. They have worked literally night and day.

My former press secretary's husband works on that committee. I had the good fortune of being able to go to a long-scheduled dinner with him last Saturday. He had to change clothes in the car. He had been working all night Friday and Saturday. The staffs work very hard.

In spite of that and all the work they have done, the Judiciary Committee today is going to meet and report out an appeals judge from the State of New York, a district court judge from Mississippi, up to 15 U.S. attorneys, one Assistant Attorney General, and the Director of the U.S. Marshal's Service. They are going to have a hearing today dealing with a circuit court judge from Louisiana, two judges from Oklahoma, a district court judge from Kentucky, a district court judge from Nebraska. I am very happy to say that a professor from the University of Nevada-Las Vegas Law School is going to be, I hope, reported out of that committee soon. There will be a hearing on him today, Jay Bybee, to be Assistant Attorney General for the Office of Legal Counsel.

Next week they have already scheduled a long awaited hearing on John Walters to be the Director of the Office of National Drug Policy Control. They are going to have a hearing on October 16 on Tom Sansometti, and then on October 18 they are going to have a hearing on another circuit judge and 5 district court judges.

I say this because the Judiciary Committee is overwhelmed with work, and in spite of that we are moving at a very rapid pace. When Senator LEAHY became chairman of the Judiciary Committee, there had not been any judges reported out. That had been 6 months this year. We have done this much work already this year, which I think is significant.

During the first year of President Clinton's Presidency, it is my recollection—I do not have that before me—we had three circuit court judges during that entire year. We are going to surpass that this year quite easily.

This morning at 8, Senator BYRD called a meeting. Of course with him was the ranking member of the Appropriations Committee. He met with the 13 subcommittee chairs and the ranking members to talk about how we would move forward on appropriations bills. We now have the numbers, and we are going to move forward as rapidly as possible.

We still have five bills that have not received Senate action. Seven of them have received Senate action and we are waiting to complete a conference with the House. Under Senate rules, the only way we can move to other matters is by unanimous consent.

I have been in consultation with the majority leader, and as a result of the work done by the Judiciary Committee in arriving at final numbers, it is now appropriate we do things today other than be in morning business. We have work in the Senate that needs to be done and that can be done, in spite of the fact there is a motion to proceed on

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

this aviation security bill, which is so important.

UNANIMOUS CONSENT REQUEST—H.R. 2506

Mr. REID. I ask unanimous consent that the Senate now proceed to Calendar No. 147, H.R. 2506, the foreign operations appropriations bill.

The ACTING PRESIDENT pro tempore. The Senator from South Carolina.

Mr. HOLLINGS. Madam President, reserving the right to object, I admonish the body that we are ready to go forward and, as the distinguished assistant majority leader points out, we ought to be using the time available to conduct other business, if we cannot go forward with the airline security bill. I have been talking with Senator MCCAIN to coordinate this effort. While the managers' amendment is yet to be finalized, we have other amendments. It seems to me we could get some kind of agreement with respect to relevant amendments and consider these measures. It would not be time wasted.

This procedure of moving to another bill puts airport security in limbo. We are not having votes tomorrow or Monday, and certainly not on the weekend.

Reagan National is up and running again, and we have shuttles going to New York and Boston and otherwise, but the holdup in ensuring the security of our airports is now on the part of the Senate.

Mr. REID. I say to the chairman of the Commerce Committee, who has worked so hard on this issue and is our leader on this issue, the Senator is right. Once we get agreement to be able to proceed to this bill, which we wanted to do yesterday, of course, we could do that. In the meantime, whether it is an hour, 2 hours, or 3 hours, whatever Senator LEAHY could do would be time well spent.

Once there is any agreement that has been reached by the Senator from South Carolina with the minority, we would be happy to immediately move off of that.

The point we are making, I say to my friend from South Carolina, there is no need we be in morning business all day. We have things to do. The Senator can be assured that once there is any agreement on this vital legislation, airport security, we will get off of this. I have spoken with Senator LEAHY. He agrees. The Senator does not have to worry; We want to keep full focus on this legislation.

Mr. HOLLINGS. I thank the distinguished leader.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. THOMAS. I object to the unanimous consent request.

Mr. REID. Madam President, I am very disappointed. We need to move forward on this legislation. We had an objection yesterday on airport security. Now we have one on this appropriations bill. We have worked so well these past 3 weeks together. We need to continue. That is the reason I went through the list of work we are doing on the judges. We are working as hard as we can. We have been consulting with the majority leader and assistant minority leader on how to move forward. We are doing our level best to do that.

I am very disappointed there has been an objection by the minority to moving forward on an unfinished appropriations bill. It is too bad. I would, of course, ask we go to the Agriculture appropriations bill, but there would be the same objection, so that is a waste of the Senate's time. That is too bad.

The President has reached out to the majority in the Senate. We have done our best to work with the President. I am very disappointed. I am confident the President would like us to move forward on these appropriations bills. I think the President himself knows how hard we are working on these nominations. As I said, if you compare what we have done to the early years of the Clinton administration, we are doing just fine.

Madam President, this is not payback time for the fact that we didn't get many of our judges approved. This is not payback time. We are working through the process as quickly as we can. These judges have been nominated in an appropriate fashion. A lot of them were late getting here, but we are moving through them as quickly as we can. I think it is unfortunate we cannot move forward on these appropriations bills.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

AVIATION SECURITY ACT—MOTION TO PROCEED

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of the motion to proceed to S. 1447, which the clerk will report.

The assistant legislative clerk read as follows:

A motion to proceed to consideration of S. 1447, a bill to improve the aviation security, and for other purposes.

The ACTING PRESIDENT pro tempore. The Senator from Wyoming.

Mr. REID. Will the Senator withhold for a unanimous consent?

Mr. THOMAS. Certainly.

Mr. REID. It is my understanding the minority is having a party conference. If I could ask my friend, for the next hour or so perhaps we should go into morning business. Any objection to that?

Mr. THOMAS. No objection.

MORNING BUSINESS

Mr. REID. Madam President, I ask unanimous consent until the hour of 11:30 today we be in a period of morning business with Senators allowed to speak therein for a period of up to 10 minutes each.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PRIORITIZING

Mr. THOMAS. Madam President, I say to my friend from Nevada, all Members are anxious to move forward with this airport security bill. Unfortunately, the impediment basically has been the threat to bring up amendments that are unrelated. This ought to be held to moving that. There will be a conference going on designed to come to an agreement with regard to this bill. Hopefully, we will be back on the floor with it today.

I am pleased to hear the Judiciary Committee is finally moving on the judges. We have a total of 6 that have been confirmed. There are 107 vacancies; that is a 12½-percent vacancy. The total of nominees not yet dealt with is almost 50, 49. We certainly have an obligation to move forward on that issue.

I hope as we are working through all the items that are of such priority that we can set some priorities and take those that obviously are most important, those that deal with terrorism, those that deal with security. They have to be the highest priority. Those that deal with the economy have to be priorities. And of course we have to do our normal duties. I have been talking about this for several weeks. We have not moved very quickly.

Hopefully we will be able to come back to this bill very soon today.

I yield the floor and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KERRY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KERRY. Madam President, we are in morning business; is that correct?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. KERRY. I ask unanimous consent I be permitted to proceed for such time as I may consume.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NATIONAL SECURITY

Mr. KERRY. Madam President, as one of the original authors and cosponsors of the Aviation Security Act, I take a moment to underscore where the Senate finds itself at this moment, which I find distressing and deeply frustrating and less than an adequate response to the compelling requests made by the President of the United States a few days ago in a joint session of Congress. Only a few days ago, the Senate came together with the House to listen to the President describe a war, to describe the most compelling circumstances this Nation has faced certainly since Pearl Harbor, and perhaps in its history in the context of the nature of the attack on New York City and the Pentagon.

There is a danger in raising the level of rhetoric and not meeting it with the actions that the American public understand are required of a nation facing urgent circumstances. It is extraordinary to me that the Senate is in gridlock. That is where we are, essentially, stopped cold in our capacity, not just to do the Airport Security Act and let the Senate vote its will, whatever that may be—I don't know what the outcome will be—but let the democratic process of the Senate work, Rather than trying to hold it up completely, to subject it to some kind of prenegotiation that appears to be impossible when we even have meetings canceled and there is no negotiating going on.

We tried to go forward on the foreign ops bill. I cannot think of a bill, second to the Department of Defense authorization we just passed a few days ago, that is more important in the context of the circumstances in which we find ourselves. But we are not even permitted to proceed forward with that because, essentially, once again politics and ideology are rearing their heads with a stubbornness that suggests that a few Members of the Senate are unwilling to allow the entire Senate to work its will. What an incredible display at a time when the world is watching the greatest deliberative body, and the greatest nation on the face of this planet with its democracy, try to work effectively to respond to these needs. What is even more incredible to me is that common sense tells us what the realities are with respect to airport security and, I might add, rail security in this country.

We woke up this morning to the news that an airliner apparently has exploded and gone down over the Black Sea, a Russian airliner. We do not know yet to a certainty that it is terrorism, but we do know the early indicators of an eye witness report from the pilot in another aircraft is that he saw it explode and saw it disintegrate and go down into the sea. And Russian President Putin has said it appears as if there is some act of terrorism.

Leaving that aside, we have promised the American people we are going to provide them, not with a level of security, not with some sort of half-breed sense that we have arrived at a notion of what is acceptable, but we are going to provide the best security, the fullest level of security we are capable of imagining, that is well within the reach of this country and well within our capacity to afford.

I might add, what we are suggesting we want to provide to Americans, in terms of security, they have already suggested they are willing to pay for several times over. This is not a question of cost. It is not a question of our inability to afford this. It is a question of politics, ideology.

We have some in the Senate who do not like the idea that there might be more Federal employees, that there might be more people who might join a union even, that there might be more people who somehow might not have their political point of view but who nevertheless might perform an important function for our country. When I was in the military, what I learned about, sort of a hierarchy and about authority and about training and management, is that there is a brilliant effectiveness to the chain of command and to the manner in which a Federal entity is organized or a law enforcement entity is organized.

I do not think anybody in this body would suggest we ought to be contracting out the responsibilities of the Border Patrol, or contracting out the responsibilities of the Immigration and Naturalization Service, or contracting out the security of the Capitol, the security of the White House, or the security of a number of other efforts. But they are prepared to contract out to the lowest bidder, with unskilled workers, the security of Americans flying, notwithstanding everything we have learned. That is just unacceptable. It is unacceptable.

I hear all kinds of excuses being made: There are transition problems; you might have contractors quit in the meantime. First of all, at a time of high unemployment and rising unemployment, I think common sense would tell us most of those contractors would leap at the opportunity to have a better-paid job and to get more training and they will stick on the job because they will be part of an important security corps of the United States of America and they would want to be part of that. And, incidentally, they would want to be part of it because they would then have the possibility of having benefits they do not get today, which is one of the reasons we have employees, notwithstanding all of their best efforts and all of their best intentions, who are, many of them, simply not fully enough trained or prepared to do the job they are being asked to do. It is not their fault, but it is the nature of the pay scale.

If you were to compare the difference between the civilian nuclear industry and the military nuclear industry—i.e., the U.S. Navy on ships—we have not had major incidents on ships of the U.S. Navy. We have had Navy ships running nuclear reactors, and highly successfully, for years now: Submarines, aircraft carriers, cruisers, and others. But the military has an unlimited human personnel capacity for redundancy, for certitude in the human checks, and therefore is capable of providing a kind of safety net that you cannot provide in the private sector because the private sector is always thinking about the shareholders, the return on investment, the cashflow, and the capacity to do it. So you do not get that kind of redundancy often unless it is required.

The same thing is true of the checking of the security process of people boarding aircraft. Moreover, we have now learned that this is something more than just a job, significantly more than just a job. It is part of the national security framework of our country. It is the way in which we will prevent a plane from being used as a bomb or a plane from simply being blown up, or passengers from being terrorized in some form or another. Passengers deserve the greatest sense of safety in traveling.

For those who are concerned about the economy, there is not one of us who has not been visited in the last weeks by members of the auto rental industry, restaurant industry, travel industry, hotels, and countless mayors who are concerned about the flow of tourist traffic to their cities. We need to get Americans to believe in the level of safety that their Government is providing for them.

It is extraordinary to me. We have been through this period of time where government has been so denigrated. We have had a long debate in this Senate with people arguing so forcefully the adage: It is not the Government's money, it is your money and you deserve a refund. But at the same time, you know, they are incapable of doing without the very people who have put on displays of courage that have been absolutely extraordinary over these last week. That was government people, paid by government money, who ran into those buildings to save lives in New York. It has been government people paid by government money who have saved so many people in the course of these weeks. It has been government people paid by government money who organized and managed people who have been homeless, people who searched for their loved ones, people who needed some kind of comfort. It has been a government display, if you will, of the effectiveness of money well spent when we invest it properly.

The same thing is true of airport security. I want to just highlight the differences between what is being proposed by those of us who think we need to have a Federal structure versus what the administration has currently offered. With respect to turnover, we raise the wages. We raise the wages to a level that would put the employees on a Federal civil pay scale. That means you will attract more qualified people and you will have a right to be able to raise the standards and raise the demands of performance, which is precisely what the American people want.

Under the administration's current proposal, they will only increase the wages and benefits if the legislation specifically mandates a living wage and health benefits for the employees. So there is no demand that the wages be raised. They want to leave it to the lowest bid process unless somehow there is a specific statement to the contrary.

With respect to training, we create a stepped scale based on management responsibilities and seniority so there is an incentive within the structure for people to assume management responsibilities, to become supervisors and to actually supervise with something more than 3 months on the job. Currently the turnover rate at Atlanta airport, Hartsfield Airport in Atlanta, is 400 percent. The turnover in New York, Boston, and Los Angeles ranges between 100 percent and 200 percent, 300 percent —extraordinary turnover rates.

You can't expect somebody to be on the job at low pay and be able to provide the kind of skill necessary to read the x-ray machine properly, to profile a person, to see suspect activity, or even to make the kind of personal searches necessary when that is needed.

Under the administration's current offer, the wage scale and the management decisions are left to the low bid contractor. Secretary Mineta was in front of our committee just the other day. I asked him specifically: Mr. Secretary, isn't it true that all of these companies are basically in a position where they take on the lowest bid, and it is a bid process that encourages low bids so that they can survive? He said yes. Jane Garvey said yes. That is precisely what the current proposal will continue.

It is simply impossible to build more rail, or gain the kind of efficiency, or gain the kind of accountability and manage this process effectively if we are not prepared to have a Federal civil service structure for these employees.

I might add that while the Europeans have a slightly amalgamated system, they have wage laws and they have labor laws that we do not have that guarantee the kind of pay structures and accountability structures which we are seeking in our approach.

While there is a distinction, it is really a distinction without a difference because in the end they have achieved the kind of Federal vision and the kind of employee quality which they have been able to attract as a consequence of the ingredients they put together.

For instance, Belgium has an hourly pay of $14 to $15, they have health benefits, and they have a turnover rate of less than 4 percent. The Netherlands: $7.50 an hour; England $8 an hour; in France, they receive an extra month's pay for each 12 months of work, and less than a 50-percent turnover rate plus health benefits.

We are looking at an extraordinary difference between what European countries are able to do as they face these kinds of terrorism, and they have much stricter standards than we have for a longer period of time.

It is imperative that we in the Senate get about the business of responding properly to the demands we face with respect to the security of our airports.

It seems to me that the transitional issues are easy to work out. It is certainly, first of all, normal to assume that those people who are under contract now will still be under contract. If they breach it, I think the full wrath of the Government and the American people would be ready to come down on them, not to mention the lawsuits for breach of contract, and not to mention the loss of jobs for all the employees.

Those transitional problems that are being conjured up simply don't hold up to scrutiny. The American public knows that if we had a Federal civil service corps which we could put under homeland defense, or where we could put it under the Defense Department, if the Department of Transportation is uncomfortable with it, what better an area for the security of our airports?

There is no distinction between providing security for our borders with the Border Patrol on the ground and providing security for our air traffic and for those people who fly through the air across those borders. It is the same concept. I think most people in the country understand that.

I hope the Senate is going to quickly get enough business of paying attention to this issue and resolving it today. It has been 3 weeks now. One would have thought this would have been one of the first things we would have done almost by edict and that it would have initially been on the table.

We have seen the extraordinary process of sort of back and forth going on now as to whether or not we ought to do it. I don't think this enters into the realm of politics. I don't think security has a label of Democrat or Republican on it. It has a common sense label.

What is the best way to guarantee that you are going to have security in an airport? If you have a whole bunch of different companies, each of which bid, even if you have the Federal standards, even if you have Federal supervision, they are hired by private sector entities. They belong in one airport to one group and in another airport to another group. You don't get the esprit de corps. You don't get the horizontal and vertical accountability and management that you get by having the civil service standard. That is why we have an INS. That is why we have a Border Patrol. That is why we have an ATF. That is why we have all of these other entities that are either State or Federal law enforcement entities, because they guarantee the capacity of the chain of command, they guarantee accountability, they guarantee the training, and they guarantee ultimately that we will give the American people the security they need.

I want to add one other thing. It is not on this bill. I think we have to pass this bill rapidly. There is a whole different group within the Senate who, because of their opposition to trains, Amtrak, ports and so forth, somehow have a cloudy view of what we may need to do to provide security for our rails. But there is absolutely no distinction whatsoever between those who get on an airplane and travel and those who get on a train and travel. In point of fact, there are more people in a tunnel at one time on two trains passing in that tunnel than there are on several 747s in the sky at the same moment—thousands of people. We have already seen what a fire in a tunnel can do in Baltimore. We have tunnels up and down the east coast. We have bridges. All of these, if we are indeed facing the kind of long-term threat that people have talked about—and we believe we are—need to have adequate security.

I was recently abroad, and I got on a train. I went through the exact same security procedures to get on that train as I do in an airport under the strictest examination—interview, examination of ID, and thorough inspection and screening of your bags. You can walk down to Union Station, go to any train station in America, and pile on with a bag. You can get off at any station and leave your bag on the train. Nobody will know the difference.

We have an absolute responsibility in the Senate to be rapid in resolving this question of train security just as we are trying to resolve this question of airline security.

A lot of these ideas have been around for a long time. We have always had the ugly head of bureaucracy raising its objections for one reason or another against common sense. We are not even looking for the amount of money that almost every poll in the country has said the American people are prepared to spend. Ask anybody. Ask any of the families in New York, or in Washington, or any part of this country who suffered a loss on September 11, what they would be willing to pay on any

ticket to guarantee that they knew their loved ones were safe. We are talking about a few dollars per ticket to be able to guarantee that we have the strongest capacity and never again have an incident in the air, certainly because we weren't prepared to do what was necessary.

There is no more urgent business before the Senate today. I hope the Senate will quickly restore itself as it was in the last few weeks to be able to discard ideology, discard politics, and discard sort of the baggage of past years to be able to find the unity and the common sense that have guided us these days and which have made the Nation proud. We need to do what provides the greatest level of security in our country, and that means a Federal system of screeners, and most of those people responsible for access to our aircraft and other forms of travel.

I yield the floor.

MILLIKEN JOINS HALL OF FAME FOR TEXTILES

Mr. HELMS. Madam President, on September 10, Roger Milliken, a distinguished American, was inducted as a charter member of the Textile Hall of Fame in Lowell, MA.

Roger Milliken has long been a leader in the textile industry and his induction as a charter member of the Textile Hall of Fame was well-deserved. But Roger Milliken is far more than an outstanding American industry leader. He is a true patriot, and his love of country constantly manifests itself in countless ways.

Roger Milliken's genuine commitment to the health of the American economy is unfailing and unyielding. It is typical of his nature and his fidelity to his country that he used the occasion of his induction into the Textile Hall of Fame to sound a warning about the continuing erosion of the U.S. manufacturing base—and the hollowing-out of the U.S. economy—by the displacement of solid manufacturing jobs in America to low-wage paying countries all over the world.

You see, Roger Milliken has steadfastly supported keeping American manufacturing strong but too often, his wise counsel has gone unheeded by the so-called ''trade experts.''

But make no mistake, in the name of globalization, our trade policy is, in fact, encouraging overproduction, as subsidized foreign industries flood the global market and bring prices in this country below the cost of domestic production.

The economic threat has been eating away at our manufacturing base slowly but surely. In this year alone, the malignancy will result in the loss of 1 million American manufacturing jobs. In the U.S. textile industry, more than 600,000 jobs have been lost since NAFTA and the Uruguay Round's Agreement on Textiles and Clothing became effective in 1995.

Sadly, precious little attention is being paid to the real victims of this trade policy: the small towns and medium-sized cities throughout America devastated by plant closings and job losses. The textile and apparel industry in the South is only one part of the tragedy. The same can be said of the auto industry, the steel industry, and even the high-tech semiconductor industry in California.

Roger Milliken's eloquent statement on behalf of American manufacturing rings clear, and it merits the attention of the Senate. I therefore ask that excerpts from the Milliken statement—entitled ''The Wealth of Nations: U.S. Manufacturing in Serious Trouble'' be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE WEALTH OF NATIONS: U.S. MANUFACTURING IN SERIOUS TROUBLE

(By Roger Milliken)

Today almost all of the manufacturing industries in the United States are in serious trouble. I would like to take this time and this place to light a fire of debate on the serious consequences of that statement on the future of our country. . . .

Thanks to Thomas Edison's invention of the electric light, our industry learned in World War I that textile machinery could run at night as well as during 12-hour daytime-only shifts.

At the end of that war, we found ourselves with 18 million spindles in place north of the Mason-Dixon line and 18 million spindles south of the Mason-Dixon line, all of which could be run around the clock. Our production capacity had been doubled.

Seventy years later, 1990, after a long period of fair competition, we found ourselves with 18 million modernized, surviving spindles in the South and 800,000 in the North, producing more products and higher quality than the 36 million spindles after World War I.

Today we are told that during that period the U.S. went from an agrarian economy to an industrial economy and that we are now similarly transitioning to an information-based economy.

As I see it, the main thing wrong with that comparison is that in the first transition our country did not lose either the farms or the products of those farms. In fact, agricultural production increased as new technologies were introduced. Today, our country continues to produce a surplus of agricultural goods.

During the current transition, the U.S. is losing both its manufacturing plants and the products manufactured in them, as well as the jobs they provide—thus putting at risk our leadership position as the strongest manufacturing economy in the world.

GLOBALIZATION'S FATAL FLAWS

Our founding fathers, specifically Alexander Hamilton, understood the importance of manufacturing. The second act of the First Congress imposed tariffs on manufactured goods from abroad. This encouraged our new nation, and its people, to develop our own manufacturing base rather than merely exporting low-value raw materials to our former colonial masters and importing back from them the high value-added finished goods. . . .

Now as our country stands alone as the world's last remaining superpower, we in textiles and almost all of U.S. manufacturing find ourselves at risk of losing what our forefathers fought so hard to create. This is neither necessary nor wise.

. . . At the current rate, we may end this decade with as few as seven economically viable manufacturing industries remaining in America.

A recent survey of manufacturing revealed that 36 of our 44 existing manufacturing industries had an adverse balance of trade and had cut substantial numbers of jobs this year. The hemorrhage continues.

All U.S. manufacturing employment is shrinking at a pace which will eliminate 1 million high-paying, middle-class jobs this year alone. This is four times what we lost in the year 2000. Actual employment levels in our vitally important manufacturing sector have already fallen to levels last seen in 1963.

We are in an era of so-called globalization, and everyone talks about the new economy. We have been lured into thinking that the negative aspects of these trends are both unstoppable and inexorable.

Isn't it our leaders' responsibility to ensure that this country and its people survive this period strong and prosperous?

A fatal flaw of the current idea of globalization is the lack of recognition that subsidized global production creates a strong incentive to create overproduction that outstrips global demand.

A further flaw is the lack of recognition that in emerging economies the people and manufacturing production workers are not paid enough to buy what they make. Instead, the fruits of their labor are subsidized and shipped to the United States, which serves as the market of first and last resort.

In the process, our standard of living is undermined, and both political and economic instability is increased. . . .

Mounting consumer debt helped fuel the boom of the 1990s. Despite strong productivity growth, the 80 percent of our country's wage earners and their families who work for others have not seen an increase in their real income over the past 20 years.

As increase in purchasing power stagnated because of the massive shifts of good, well-paying jobs to low-cost emerging economies, we continued our growth of consumer spending, but we did it on credit. Consequently, the American consumers have been spending more than their earnings at the expense of savings. The result is that we are consuming a billion dollars more in manufactured goods each day than we produce. These facts are a prescription for social, political and economic unrest.

Our manufacturing base is being eroded as dollars are diverted from wealth creation to wealth consumption. If economic history has any lesson for us, it is that a nation's well-being is determined by what it produces, not by how much it consumes.

ALTAR OF FREE AND UNFETTERED TRADE

While technologies always present new opportunities and challenges, globalism is not a new idea. It was born around the time of Columbus, and most of world politics has been about how to control it ever since. Past and present administrations in Washington seem to think globalization is something new for which the lessons of history are irrelevant.

George Santayana is quoted as saying, ''Those who can't remember the past are condemned to repeat it.''

A Spanish leader in 1675 bragged about Spain's trade deficit, asserting ''all the world's manufacturing serves her and she serves nobody.'' However, when its gold and silver ran out, Spain found that its industrial development had withered; it had only debts to show for its orgy of manufactured imports and consumption. That Spanish empire collapsed, and those countries who had expanded their manufacturing capabilities by selling to Spain were the new world powers.

Thus it also was with the later demise of the Dutch empire and subsequently the great British Empire, ''upon which the sun never set.''

Beguiled by the siren songs of banking, insurance, shipping and services, they ultimately surrendered their world pre-eminence as nations. The Spanish, Dutch and British had all neglected their nations' manufacturing bases.

Could this happen to the U.S.A.? Or more to the point, is it happening?

I believe the process is already under way, and if we continue sacrificing our manufacturing base on the altar of free and unfettered trade, we will go the way of others.

I believe it is happening because our leaders in Washington remain unconcerned about our near three trillion dollars of accumulated debt flowing from the dramatic growth of our adverse balance of trade. In the span of the last dozen years, we have gone from being the world's largest creditor nation to being its largest debtor nation. And no end and no limits are in sight. . . .

Lester Thurow, of MIT fame, in his book ''The Future of Capitalism'' (1996) said: ''If there is one rule of international economics, it is that no country can run a large trade deficit forever. Trade deficits need to be financed, and it is simply impossible to borrow enough to keep up with the compound interest. Yet all the world trade, especially that on the Pacific Rim, depends upon most of this world being able to run trade surpluses with the United States that will allow them to pay for their trade deficits with Japan. When the lending to America stops, and it will stop, what happens to current world trade flows?''

BANKRUPTING RACE TO THE BOTTOM

I believe that in a world where the American standard of living, as well as power, is being daily challenged, our political leaders in Washington must defend the economic base upon which Americans depend for their security and their livelihoods.

Our leaders cannot expect to keep the public trust if they abdicate their responsibilities to the electorate by making decisions to placate bankers and Wall Street-pressured corporate managers who exhibit diminishing national concerns.

Everyone forgets that when Adam Smith called his seminal work on economics ''The Wealth of Nations,'' he was arguing against the notion that trade was the source of national wealth when, to the contrary, he was arguing that domestic manufacturing was the true source of national wealth.

In his hierarchy of economic activity, agriculture came first because of the need to feed the people; a strong domestic manufacturing base was second as the core of national growth; trade was rated third in importance, and was to be used only to acquire resources or luxuries not available at home.

Smith understood that those nations who focus on trade to the neglect of domestic manufacturing industry may be enriching themselves but may also be doing the country great harm.

''The beginning of wisdom on trade, and indeed all economic policy, is to understand that the purposes of a national economy are to enrich all its people, to strengthen its families, its communities and thereby stabilize society. The economy should serve us, not the other way around.''

My friend the late Sir James Goldsmith understood this imperative. He also understood that the U.S. economy—and the world economy itself—cannot be returned to a sustainable course unless we redress the recent massive global imbalances between consumption and growing overproduction. He recognized that only one basic approach to globalization could accomplish this goal.

He proposed that the United States make clear to its trading partners, and its own multinational companies, that if their products are to be sold in the United States, they must be made substantially in the United States.

As Sir James argued: ''America should use its matchless market power to ensure that foreign and American corporations become good corporate citizens of the United States. They should bring us their capital and their technologies and invest in the U.S.A. This would require them to hire workers in the U.S., pay American wages, pay U.S. taxes, preserve the environment, ensure human rights, and compete on the level playing field that does exist among the 50 states. . . .''

They should be reminded that since the American market is by far the most important in the world, entry is not a right, but a privilege. In other words, there should be a price and a reward for doing business in the United States—making meaningful, long-term contributions to America's continued security and prosperity, and preserving the global environment.

Only then can we make sure we are engaging our people in a race to the top, in living standards; economic stability; quality of life; and personal security—not in a bankrupting race to the bottom. . . .

ORDER OF BUSINESS

The PRESIDING OFFICER (Ms. CANTWELL). The Senator from Nevada.

Mr. REID. Madam President, just for purposes of making an announcement, there have been a number of Senators who have contacted Senator DASCHLE and myself asking about next week's schedule. We will have a Tuesday morning vote. So everyone should understand that.

The PRESIDING OFFICER. The Senator from Illinois.

THE AVIATION SECURITY BILL

Mr. DURBIN. First, Madam President, I ask unanimous consent to be added as a cosponsor of S. 1447, the Aviation Security Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

AFTER SEPTEMBER 11

Mr. DURBIN. Madam President, since September 11 there has been such a flood of emotions in America over the events of that day. I think all of us have been transformed by the experience and transformed by some of our fellow Americans and what they have said and what they have done.

Some of the things that have been written are extraordinary. In just one moment, I am going to submit for the RECORD one that I think is exceptional, a piece from the BusinessWeek magazine of October 1, 2001, by a writer named Bruce Nussbaum entitled, ''Real Masters Of The Universe.'' I will not read the entire article, but I will submit it for the RECORD. I would like to quote a few sentences from it. He said some things with which I agree and I think help to put our experience into some perspective:

A subtle shift in the American zeitgeist took place on Sept. 11. It's hard to define, and it may not last. But on the day of the World Trade Center cataclysm, the country changed. Big, beefy working-class guys became heroes once again, replacing the telegenic financial analysts and techno-billionaires who once had held the Nation in thrall. Uniforms and public service became ''in.'' Real sacrifice and real courage were on graphic display.

Maybe it was the class reversals that were so revealing. Men and women making 40 grand a year working for the city responding—risking their own lives—to save investment bankers and traders making 10 times that amount. And dying by the hundreds for their effort. The image of self-sacrifice by civil servants in uniform was simply breathtaking.

For Americans conditioned in the '90s to think of oneself first, to be rich above all else, to accumulate all the good material things, to take safety and security for granted, this was a new reality. So was the contrast of genuine bravery to the faux values of reality TV shows such as Survivor.

He concludes:

Tragedy has the power to transform us. But rarely is the transformation permanent. People and societies revert back to the norm. But what is the ''norm'' for America? Where are this nation's true values? Have we stripped too much away in recent years in order to make us lean and mean for the race to riches? It is hard to look at the images of the World Trade Center rescue again and again. At least once, however, we should look at what the rescuers are teaching us, about what matters—and who.

Madam President, I ask unanimous consent this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Business Week, Oct. 1, 2001]

REAL MASTERS OF THE UNIVERSE

(By Bruce Nussbaum)

A subtle shift in the American zeitgeist took place on Sept. 11. It's hard to define, and it may not last. But on the day of the World Trade Center cataclysm, the country changed. Big, beefy working-class guys became heroes once again, replacing the telegenic financial analysts and techno-billionaires who once had held the nation in thrall. Uniforms and public service became ''in.'' Real sacrifice and real courage were on graphic display.

Maybe it was the class reversals that were so revealing. Men and women making 40

grand a year working for the city responding—risking their own lives—to save investment bankers and traders making 10 times that amount. And dying by the hundreds for the effort. The image of self-sacrifice by civil servants in uniform was simply breathtaking.

For Americans conditioned in the '90s to think of oneself first, to be rich above all else, to accumulate all the good material things, to take safety and security for granted, this was a new reality. So was the contrast of genuine bravery to the faux values of reality TV shows such as Survivor.

SEA OF FLAGS

Noteworthy, too, was America's quick return to family, community, church, and patriotism in the aftermath of the tragedy. People became polite and generous to one another without prodding. On that day and the days that followed, they told their wives and husbands and children and parents and significant others they loved them. And the flags, the sea of flags that appeared out of nowhere and spread everywhere, worn by business-suited managers and eyebrow-pierced, tattooed teenagers. As if by magic, city taxicabs, building canopies, and nearly every truck in sight were flying flags.

The offerings of food, money, and blood were overwhelming. The generosity was unsurpassed in our memories. But the manner in which perfect strangers went out of their way to help one another in all kinds of situations was most amazing. To the surprise of its residents, New York became a small-town community. The day-to-day antagonisms among the citizenry melted away.

The rush to church, synagogue, and, yes, mosque was equally unusual. People returned to their religious ceremonies and congregations in huge numbers for support and guidance. The overflow at the doors demonstrated that many who had not visited in years showed up to participate in the familiar and comforting liturgies of their childhoods. They joined with their neighbors in mourning.

LESSONS TAUGHT

It was, for a moment, an old America peeking out from behind the new, me-now America. We saw a glimpse of a country of shared values, not competing interest groups; of common cause, not hateful opposition. There were a few exceptions: Jerry Falwell declaring we brought the death and destruction down on ourselves because of homosexuality, abortion, and the American Civil Liberties Union. A silly, stupid comment to be dismissed in light of the comity of the day—but an extremist remark nonetheless made in the name of God. How sad.

Tragedy has the power to transform us. But rarely is the transformation permanent. People and societies revert back to the norm. But what is the ''norm'' for America? Where are this nation's true values? Have we stripped too much away in recent years in order to make us lean and mean for the race to riches? It is hard to look at the images of the World Trade Center rescue again and again. At least once, however, we should look at what the rescuers are teaching us, about what matters—and who.

Mr. DURBIN. I recall a few days after this tragedy making a telephone call to a friend of mine, a very successful business executive in Chicago, just to ask him how things were going. He said to me on the phone what this article said. He said: The roaring nineties are over. We are going into a new era.

As this article says, he believes it is an era that focuses on a lot of other things, whether it is family, community, and church, values that all of us hold dear, and certainly a new respect for this great Nation, which has been symbolized by the sea of flags that you see in every community across Illinois and across the Nation.

It is a time of testing for this country, and we will rise to that challenge, I am certain. We will count our friends.

Madam President, I would like to also make a part of the RECORD—I will ask for consent in a moment—one of the most amazing speeches that I have read. It is a speech by someone who is not an American but who commented on our experience and then pledged his alliance, his friendship, and his solidarity to help us in our effort. I refer to British Prime Minister Tony Blair, who gave an exceptional speech on solidarity with the United States in our war on terrorism. But it was much more than that. It was a call to united international action to work for democracy, prosperity, and freedom.

Out of this tragedy, Prime Minister Blair sees an opportunity to remake our world and to reflect the values we hold dear. His inspiring call is for a progressive vision of the future where the world community, as a community, works for economic growth and social justice, and to end regional conflicts. We, in the United States, have been too caught up in dealing with our immediate crisis, from time to time, to see that this is, as Prime Minister Blair says, ''a moment to seize.''

Madam President, I ask unanimous consent that Prime Minister Blair's entire speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

SPEECH BY BRITISH PRIME MINISTER TONY BLAIR

In retrospect, the Millennium marked only a moment in time. It was the events of September 11 that marked a turning point in history, where we confront the dangers of the future and assess the choices facing humankind.

It was a tragedy. An act of evil. From this nation, goes our deepest sympathy and prayers for the victims and our profound solidarity with the American people.

We were with you at the first. We will stay with you to the last.

Just two weeks ago, in New York, after the church service I met some of the families of the British victims.

It was in many ways a very British occasion. Tea and biscuits. It was raining outside. Around the edge of the room, strangers making small talk, trying to be normal people in an abnormal situation.

And as you crossed the room, you felt the longing and sadness; hands clutching photos of sons and daughters, wives and husbands; imploring you to believe them when they said there was still an outside chance of their loved ones being found alive, when you knew in truth that all hope was gone.

And then a middle-aged mother looks you in the eyes and tells you her only son has died, and asks you: why?

I tell you: you do not feel like the most powerful person in the country at times like that.

Because there is no answer. There is no justification for their pain. Their son did nothing wrong. The woman, seven months pregnant, whose child will never know its father, did nothing wrong.

They don't want revenge. They want something better in memory of their loved ones.

I believe their memorial can and should be greater than simply the punishment of the guilty. It is that out of the shadow of this evil, should emerge lasting good: destruction of the machinery of terrorism wherever it is found; hope amongst all nations of a new beginning where we seek to resolve differences in a calm and ordered way; greater understanding between nations and between faiths; and above all justice and prosperity for the poor and dispossessed, so that people everywhere can see the chance of a better future through the hard work and creative power of the free citizen, not the violence and savagery of the fanatic.

I know that here in Britain people are anxious, even a little frightened. I understand that. People know we must act but they worry what might follow.

They worry about the economy and talk of recession.

And, of course there are dangers; it is a new situation. But the fundamentals of the US, British and European economies are strong.

Every reasonable measure of internal security is being undertaken.

Our way of life is a great deal stronger and will last a great deal longer than the actions of fanatics, small in number and now facing a unified world against them.

People should have confidence.

This is a battle with only one outcome: our victory not theirs.

What happened on 11 September was without parallel in the bloody history of terrorism.

Within a few hours, up to 7000 people were annihilated, the commercial centre of New York was reduced to rubble and in Washington and Pennsylvania further death and horror on an unimaginable scale. Let no one say this was a blow for Islam when the blood of innocent Muslims was shed along with those of the Christian, Jewish and other faiths around the world.

We know those responsible. In Afghanistan are scores of training camps for the export of terror. Chief amongst the sponsors and organisers is Usama Bin Laden.

He is supported, shielded and given succour by the Taliban regime.

Two days before the 11 September attacks, Masood, the leader of the opposition Northern Alliance, was assassinated by two suicide bombers. Both were linked to Bin Laden. Some may call that coincidence. I call it payment—payment in the currency these people deal in: blood.

Be in no doubt: Bin Laden and his people organised this atrocity. The Taliban aid and abet him. He will not desist from further acts of terror. They will not stop helping him.

Whatever the dangers of the action we take, the dangers of inaction are far, far greater.

Look for a moment at the Taliban regime. It is undemocratic. That goes without saying.

There is no sport allowed, or television or photography. No art or culture is permitted. All other faiths, all other interpretations of Islam are ruthlessly suppressed. Those who

practice their faith are imprisoned. Women are treated in a way almost too revolting to be credible. First driven out of university; girls not allowed to go to school; no legal rights; unable to go out of doors without a man. Those that disobey are stoned.

There is now no contact permitted with western agencies, even those delivering food. The people live in abject poverty. It is a regime founded on fear and funded on the drugs trade. The biggest drugs hoard in the world is in Afghanistan, controlled by the Taliban. Ninety per cent of the heroin on British streets originates in Afghanistan.

The arms the Taliban are buying today are paid for with the lives of young British people buying their drugs on British streets.

That is another part of their regime that we should seek to destroy.

So what do we do?

Don't overreact some say. We aren't.

We haven't lashed out. No missiles on the first night just for effect.

Don't kill innocent people. We are not the ones who waged war on the innocent. We seek the guilty.

Look for a diplomatic solution. There is no diplomacy with Bin Laden or the Taliban regime.

State an ultimatum and get their response. We stated the ultimatum; they haven't responded.

Understand the causes of terror. Yes, we should try, but let there be no moral ambiguity about this: nothing could ever justify the events of 11 September, and it is to turn justice on its head to pretend it could.

The action we take will be proportionate; targeted; we will do all we humanly can to avoid civilian casualties. But understand what we are dealing with. Listen to the calls of those passengers on the planes. Think of the children on them, told they were going to die.

Think of the cruelty beyond our comprehension as amongst the screams and the anguish of the innocent, those hijackers drove at full throttle planes laden with fuel into buildings where tens of thousands worked.

They have no moral inhibition on the slaughter of the innocent. If they could have murdered not 7,000 but 70,000 does anyone doubt they would have done so and rejoiced in it?

There is no compromise possible with such people, no meeting of minds, no point of understanding with such terror.

Just a choice: defeat it or be defeated by it. And defeat it we must.

Any action taken will be against the terrorist network of Bin Laden.

As for the Taliban, they can surrender the terrorists; or face the consequences and again in any action the aim will be to eliminate their military hardware, cut off their finances, disrupt their supplies, target their troops, not civilians. We will put a trap around the regime.

I say to the Taliban: surrender the terrorists; or surrender power. It's your choice.

We will take action at every level, national and international, in the UN, in G8, in the EU, in NATO, in every regional grouping in the world, to strike at international terrorism wherever it exists.

For the first time, the UN security council has imposed mandatory obligations on all UN members to cut off terrorist financing and end safe havens for terrorists.

Those that finance terror, those who launder their money, those that cover their tracks are every bit as guilty as the fanatic who commits the final act.

Here in this country and in other nations round the world, laws will be changed, not to deny basic liberties but to prevent their abuse and protect the most basic liberty of all: freedom from terror. New extradition laws will be introduced; new rules to ensure asylum is not a front for terrorist entry. This country is proud of its tradition in giving asylum to those fleeing tyranny. We will always do so. But we have a duty to protect the system from abuse.

It must be overhauled radically so that from now on, those who abide by the rules get help and those that don't, can no longer play the system to gain unfair advantage over others.

Round the world, 11 September is bringing Governments and people to reflect, consider and change. And in this process, amidst all the talk of war and action, there is another dimension appearing.

There is a coming together. The power of community is asserting itself. We are realising how fragile are our frontiers in the face of the world's new challenges.

Today conflicts rarely stay within national boundaries.

Today a tremor in one financial market is repeated in the markets of the world.

Today confidence is global; either its presence or its absence.

Today the threat is chaos; because for people with work to do, family life to balance, mortgages to pay, careers to further, pensions to provide, the yearning is for order and stability and if it doesn't exist elsewhere, it is unlikely to exist here.

I have long believed this interdependence defines the new world we live in.

People say: we are only acting because it's the USA that was attacked. Double standards, they say. But when Milosevic embarked on the ethnic cleansing of Muslims in Kosovo, we acted.

The sceptics said it was pointless, we'd make matters worse, we'd make Milosevic stronger and look what happened, we won, the refugees went home, the policies of ethnic cleansing were reversed and one of the great dictators of the last century, will see justice in this century.

And I tell you if Rwanda happened again today as it did in 1993, when a million people were slaughtered in cold blood, we would have a moral duty to act there also. We were there in Sierra Leone when a murderous group of gangsters threatened its democratically elected Government and people.

And we as a country should, and I as Prime Minister do, give thanks for the brilliance, dedication and sheer professionalism of the British Armed Forces.

We can't do it all. Neither can the Americans.

But the power of the international community could, together, if it chose to.

It could, with our help, sort out the blight that is the continuing conflict in the Democratic Republic of the Congo, where three million people have died through war or famine in the last decade.

A Partnership for Africa, between the developed and developing world based around the New African Initiative, is there to be done if we find the will.

On our side: provide more aid, untied to trade; write off debt; help with good governance and infrastructure; training to the soldiers, with UN blessing, in conflict resolution; encouraging investment; and access to our markets so that we practise the free trade we are so fond of preaching.

But it's a deal: on the African side: true democracy, no more excuses for dictatorship, abuses of human rights; no tolerance of bad governance, from the endemic corruption of some states, to the activities of Mr Mugabe's henchmen in Zimbabwe. Proper commercial, legal and financial systems.

The will, with our help, to broker agreements for peace and provide troops to police them.

The state of Africa is a scar on the conscience of the world. But if the world as a community focused on it, we could heal it. And if we don't, it will become deeper and angrier.

We could defeat climate change if we chose to. Kyoto is right. We will implement it and call upon all other nations to do so.

But it's only a start. With imagination, we could use or find the technologies that create energy without destroying our planet; we could provide work and trade without deforestation.

If humankind was able, finally, to make industrial progress without the factory conditions of the 19th Century; surely we have the wit and will to develop economically without despoiling the very environment we depend upon. And if we wanted to, we could breathe new life into the Middle East Peace Process and we must.

The state of Israel must be given recognition by all; freed from terror; know that it is accepted as part of the future of the Middle East not its very existence under threat. The Palestinians must have justice, the chance to prosper and in their own land, as equal partners with Israel in that future.

We know that. It is the only way, just as we know in our own peace process, in Northern Ireland, there will be no unification of Ireland except by consent—and there will be no return to the days of unionist or Protestant supremacy because those days have no place in the modern world. So the unionists must accept justice and equality for nationalists.

The Republicans must show they have given up violence—not just a ceasefire but weapons put beyond use. And not only the Republicans, but those people who call themselves Loyalists, but who by acts of terrorism, sully the name of the United Kingdom.

We know this also. The values we believe in should shine through what we do in Afghanistan.

To the Afghan people we make this commitment. The conflict will not be the end. We will not walk away, as the outside world has done so many times before.

If the Taliban regime changes, we will work with you to make sure its successor is one that is broad-based, that unites all ethnic groups, and that offers some way out of the miserable poverty that is your present existence.

And, more than ever now, with every bit as much thought and planning, we will assemble a humanitarian coalition alongside the military coalition so that inside and outside Afghanistan, the refugees, millions on the move even before September 11, are given shelter, food and help during the winter months.

The world community must show as much its capacity for compassion as for force.

The critics will say: but how can the world be a community? Nations act in their own self-interest. Of course they do. But what is the lesson of the financial markets, climate change, international terrorism, nuclear proliferation or world trade? It is that our self-interest and our mutual interests are today inextricably woven together.

This is the politics of globalisation.

I realise why people protest against globalisation.

We watch aspects of it with trepidation. We feel powerless, as if we were now pushed to and fro by forces far beyond our control.

But there's a risk that political leaders, faced with street demonstrations, pander to the argument rather than answer it. The demonstrators are right to say there's injustice, poverty, environmental degradation.

But globalisation is a fact and, by and large, it is driven by people.

Not just in finance, but in communication, in technology, increasingly in culture, in recreation. In the world of the internet, information technology and TV, there will be globalisation. And in trade, the problem is not there's too much of it; on the contrary there's too little of it.

The issue is not how to stop globalisation.

The issue is how we use the power of community to combine it with justice. If globalisation works only for the benefit of the few, then it will fail and will deserve to fail.

But if we follow the principles that have served us so well at home—that power, wealth and opportunity must be in the hands of the many, not the few—if we make that our guiding light for the global economy, then it will be a force for good and an international movement that we should take pride in leading.

Because the alternative to globalisation is isolation.

Confronted by this reality, round the world, nations are instinctively drawing together. In Quebec, all the countries of North and South America deciding to make one huge free trade area, rivalling Europe.

In Asia. In Europe, the most integrated grouping of all, we are now 15 nations. Another 12 countries negotiating to join, and more beyond that.

A new relationship between Russia and Europe is beginning.

And will not India and China, each with three times as many citizens as the whole of the EU put together, once their economies have developed sufficiently as they will do, not reconfigure entirely the geopolitics of the world and in our lifetime?

That is why, with 60 per cent of our trade dependent on Europe, three million jobs tied up with Europe, much of our political weight engaged in Europe, it would be a fundamental denial of our true national interest to turn our backs on Europe.

We will never let that happen.

For 50 years, Britain has, uncharacteristically, followed not led in Europe. At each and every step.

There are debates central to our future coming up: how we reform European economic policy; how we take forward European defence; how we fight organised crime and terrorism.

Britain needs its voice strong in Europe and bluntly Europe needs a strong Britain, rock solid in our alliance with the USA, yet determined to play its full part in shaping Europe's destiny.

We should only be part of the single currency if the economic conditions are met. They are not window-dressing for a political decision. They are fundamental. But if they are met, we should join, and if met in this parliament, we should have the courage of our argument, to ask the British people for their consent in this Parliament.

Europe is not a threat to Britain. Europe is an opportunity.

It is in taking the best of the Anglo-Saxon and European models of development that Britain's hope of a prosperous future lies. The American spirit of enterprise; the European spirit of solidarity. We have, here also, an opportunity. Not just to build bridges politically, but economically.

What is the answer to the current crisis? Not isolationism but the world coming together with America as a community.

What is the answer to Britain's relations with Europe? Not opting out, but being leading members of a community in which, in alliance with others, we gain strength.

What is the answer to Britain's future? Not each person for themselves, but working together as a community to ensure that everyone, not just the privileged few get the chance to succeed.

This is an extraordinary moment for progressive politics.

Our values are the right ones for this age: the power of community, solidarity, the collective ability to further the individual's interests.

People ask me if I think ideology is dead. My answer is:

In the sense of rigid forms of economic and social theory, yes.

The 20th century killed those ideologies and their passing causes little regret. But, in the sense of a governing idea in politics, based on values, no. The governing idea of modern social democracy is community. Founded on the principles of social justice. That people should rise according to merit not birth; that the test of any decent society is not the contentment of the wealthy and strong, but the commitment to the poor and weak.

But values aren't enough. The mantle of leadership comes at a price: the courage to learn and change; to show how values that stand for all ages, can be applied in a way relevant to each age.

Our politics only succeed when the realism is as clear as the idealism.

This party's strength today comes from the journey of change and learning we have made.

We learnt that however much we strive for peace, we need strong defence capability where a peaceful approach fails.

We learnt that equality is about equal worth, not equal outcomes.

Today our idea of society is shaped around mutual responsibility; a deal, an agreement between citizens not a one-way gift, from the well-off to the dependent.

Our economic and social policy today owes as much to the liberal social democratic tradition of Lloyd George, Keynes and Beveridge as to the socialist principles of the 1945 Government.

Just over a decade ago, people asked if Labour could ever win again. Today they ask the same question of the Opposition. Painful though that journey of change has been, it has been worth it, every stage of the way.

On this journey, the values have never changed. The aims haven't. Our aims would be instantly recognisable to every Labour leader from Keir Hardie onwards. But the means do change.

The journey hasn't ended. It never ends. The next stage for New Labour is not backwards; it is renewing ourselves again. Just after the election, an old colleague of mine said: ''Come on Tony, now we've won again, can't we drop all this New Labour and do what we believe in?''

I said: ''It's worse than you think. I really do believe in it.''

We didn't revolutionise British economic policy—Bank of England independence, tough spending rules—for some managerial reason or as a clever wheeze to steal Tory clothes.

We did it because the victims of economic incompetence—15 per cent interest rates, 3m unemployed—are hard-working families. They are the ones—and even more so, now—with tough times ahead—that the economy should be run for, not speculators, or currency dealers or senior executives whose pay packets don't seem to bear any resemblance to the performance of their companies.

Economic competence is the pre-condition of social justice.

We have legislated for fairness at work, like the minimum wage which people struggled a century for. But we won't give up the essential flexibility of our economy or our commitment to enterprise.

Why? Because in a world leaving behind mass production, where technology revolutionises not just companies but whole industries, almost overnight, enterprise creates the jobs people depend on.

We have boosted pensions, child benefit, family incomes. We will do more. But our number one priority for spending is and will remain education.

Why? Because in the new markets countries like Britain can only create wealth by brain power not low wages and sweatshop labour.

We have cut youth unemployment by 75 per cent.

By more than any government before us. But we refuse to pay benefit to those who refuse to work. Why? Because the welfare that works is welfare that helps people to help themselves.

The graffiti, the vandalism, the burnt out cars, the street corner drug dealers, the teenage mugger just graduating from the minor school of crime: we're not old fashioned or right-wing to take action against this social menace.

We're standing up for the people we represent, who play by the rules and have a right to expect others to do the same.

And especially at this time let us say: we celebrate the diversity in our country, get strength from the cultures and races that go to make up Britain today; and racist abuse and racist attacks have no place in the Britain we believe in.

All these policies are linked by a common thread of principle.

Now with this second term, our duty is not to sit back and bask in it. It is across the board, in competition policy, enterprise, pensions, criminal justice, the civil service and of course public services, to go still further in the journey of change. All for the same reason: to allow us to deliver social justice in the modern world.

Public services are the power of community in action.

They are social justice made real. The child with a good education flourishes. The child given a poor education lives with it for the rest of their life. How much talent and ability and potential do we waste? How many children never know not just the earning power of a good education but the joy of art and culture and the stretching of imagination and horizons which true education brings? Poor education is a personal tragedy and national scandal.

Yet even now, with all the progress of recent years, a quarter of 11-year-olds fail their basic tests and almost a half of 16 year olds don't get five decent GCSEs.

The NHS meant that for succeeding generations, anxiety was lifted from their shoulders. For millions who get superb treatment still, the NHS remains the ultimate symbol of social justice.

But for every patient waiting in pain, that can't get treatment for cancer or a heart condition or in desperation ends up paying for their operation, that patient's suffering is the ultimate social injustice.

And the demands on the system are ever greater. Children need to be better and better educated.

People live longer. There is a vast array of new treatment available.

And expectations are higher. This is a consumer age. People don't take what they're given. They demand more.

We're not alone in this. All round the world governments are struggling with the same problems.

So what is the solution? Yes, public services need more money. We are putting in the largest ever increases in NHS, education and transport spending in the next few years; and on the police too. We will keep to those spending plans. And I say in all honesty to the country: if we want that to continue and the choice is between investment and tax cuts, then investment must come first.

There is a simple truth we all know. For decades there has been chronic under-investment in British public services. Our historic mission is to put that right; and the historic shift represented by the election of June 7 was that investment to provide quality public services for all comprehensively defeated short-term tax cuts for the few.

We need better pay and conditions for the staff; better incentives for recruitment; and for retention. We're getting them and recruitment is rising.

This year, for the first time in nearly a decade, public sector pay will rise faster than private sector pay.

And we are the only major government in Europe this year to be increasing public spending on health and education as a percentage of our national income.

This Party believes in public services; believes in the ethos of public service; and believes in the dedication the vast majority of public servants show; and the proof of it is that we're spending more, hiring more and paying more than ever before.

Public servants don't do it for money or glory. They do it because they find fulfilment in a child well taught or a patient well cared-for; or a community made safer and we salute them for it.

All that is true. But this is also true.

That often they work in systems and structures that are hopelessly old fashioned or even worse, work against the very goals they aim for.

There are schools, with exactly the same social intake. One does well; the other badly.

There are hospitals with exactly the same patient mix. One performs well; the other badly.

Without reform, more money and pay won't succeed.

First, we need a national framework of accountability, inspection; and minimum standards of delivery.

Second, within that framework, we need to free up local leaders to be able to innovate, develop and be creative.

Third, there should be far greater flexibility in the terms and conditions of employment of public servants.

Fourth, there has to be choice for the user of public services and the ability, where provision of the service fails, to have an alternative provider.

If schools want to develop or specialise in a particular area; or hire classroom assistants or computer professionals as well as teachers, let them. If in a Primary Care Trust, doctors can provide minor surgery or physiotherapists see patients otherwise referred to a consultant, let them.

There are too many old demarcations, especially between nurses, doctors and consultants; too little use of the potential of new technology; too much bureaucracy, too many outdated practices, too great an adherence to the way we've always done it rather than the way public servants would like to do it if they got the time to think and the freedom to act.

It's not reform that is the enemy of public services. It's the status quo.

Part of that reform programme is partnership with the private or voluntary sector.

Let's get one thing clear. Nobody is talking about privatising the NHS or schools.

Nobody believes the private sector is a panacea.

There are great examples of public service and poor examples. There are excellent private sector companies and poor ones. There are areas where the private sector has worked well; and areas where, as with parts of the railways, it's been a disaster.

Where the private sector is used, it should not make a profit simply by cutting the wages and conditions of its staff.

But where the private sector can help lever in vital capital investment, where it helps raise standards, where it improves the public service as a public service, then to set up some dogmatic barrier to using it, is to let down the very people who most need our public services to improve.

This programme of reform is huge: in the NHS, education, including student finance,—we have to find a better way to combine state funding and student contributions criminal justice; and transport.

I regard it as being as important for the country as Clause IV's reform was for the Party, and obviously far more important for the lives of the people we serve.

And it is a vital test for the modern Labour Party

If people lose faith in public services, be under no illusion as to what will happen.

There is a different approach waiting in the wings. Cut public spending drastically; let those that can afford to, buy their own services; and those that can't, will depend on a demoralised, sink public service. That would be a denial of social justice on a massive scale.

It would be contrary to the very basis of community.

So this is a battle of values. Let's have that battle but not amongst ourselves. The real fight is between those who believe in strong public services and those who don't.

That's the fight worth having.

In all of this, at home and abroad, the same beliefs throughout: that we are a community of people, whose self-interest and mutual interest at crucial points merge, and that it is through a sense of justice that community is born and nurtured.

And what does this concept of justice consist of?

Fairness, people all of equal worth, of course. But also reason and tolerance. Justice has no favourites; not amongst nations, peoples or faiths.

When we act to bring to account those that committed the atrocity of September 11, we do so, not out of bloodlust.

We do so because it is just. We do not act against Islam. The true followers of Islam are our brothers and sisters in this struggle. Bin Laden is no more obedient to the proper teaching of the Koran than those Crusaders of the 12th century who pillaged and murdered, represented the teaching of the Gospel.

It is time the west confronted its ignorance of Islam. Jews, Muslims and Christians are all children of Abraham.

This is the moment to bring the faiths closer together in understanding of our common values and heritage, a source of unity and strength.

It is time also for parts of Islam to confront prejudice against America and not only Islam but parts of western societies too.

America has its faults as a society, as we have ours.

But I think of the Union of America born out of the defeat of slavery.

I think of its Constitution, with its inalienable rights granted to every citizen still a model for the world.

I think of a black man, born in poverty, who became chief of their armed forces and is now secretary of state Colin Powell and I wonder frankly whether such a thing could have happened here.

I think of the Statue of Liberty and how many refugees, migrants and the impoverished passed its light and felt that if not for them, for their children, a new world could indeed be theirs.

I think of a country where people who do well, don't have questions asked about their accent, their class, their beginnings but have admiration for what they have done and the success they've achieved.

I think of those New Yorkers I met, still in shock, but resolute; the fire fighters and police, mourning their comrades but still head held high.

I think of all this and I reflect: yes, America has its faults, but it is a free country, a democracy, it is our ally and some of the reaction to September 11 betrays a hatred of America that shames those that feel it.

So I believe this is a fight for freedom. And I want to make it a fight for justice too. Justice not only to punish the guilty. But justice to bring those same values of democracy and freedom to people round the world.

And I mean: freedom, not only in the narrow sense of personal liberty but in the broader sense of each individual having the economic and social freedom to develop their potential to the full. That is what community means, founded on the equal worth of all.

The starving, the wretched, the dispossessed, the ignorant, those living in want and squalor from the deserts of Northern Africa to the slums of Gaza, to the mountain ranges of Afghanistan: they too are our cause.

This is a moment to seize. The Kaleidoscope has been shaken. The pieces are in flux. Soon they will settle again. Before they do, let us re-order this world around us.

Today, humankind has the science and technology to destroy itself or to provide prosperity to all. Yet science can't make that choice for us. Only the moral power of a world acting as a community, can.

''By the strength of our common endeavour we achieve more together than we can alone''.

For those people who lost their lives on September 11 and those that mourn them; now is the time for the strength to build that community. Let that be their memorial.

ACTIVATING GUARD AND RESERVE UNITS

Mr. DURBIN. Madam President, one of the other things I did just a few days

ago—and I hope my colleagues will consider doing the same—was to visit some of the Guard and Reserve units that are being activated.

When I asked for the opportunity to go to Scott Air Force Base in Belleville, just to spend a few moments with the men and women of the 126th Air Guard Refueling Wing, I wasn't certain whether they would consider this a colossal waste of time to have to have some political figure come and drop by. Exactly the opposite happened.

It was an important experience for me, and I also think for many of them, just to come by, have a few kind words, and to really thank them for the sacrifice they have shown for this country.

This is an Air Guard unit that has been activated many times. It was originally based at O'Hare and now is at Scott Air Force Base. They refuel planes and are very important to any military effort of the United States. There were about 340 members of this unit, men and women, who have joined the military, understanding their lives would be on the line. To go through the crowd there and meet each one of them, to talk for a few moments about their hometowns and their families, baseball, and so many other things that are just part of American life, was so refreshing and encouraging and, in a way, inspiring—spending that time with them and General Kessler, who is their commanding officer at Scott Air Force Base.

Theirs is a unit that has been activated, in part. And I am sure others will be as well. The 182nd Airlift Wing in Peoria is also a unit that is likely to be mobilized—the 183rd Air National Guard Fighter Wing in Springfield, the 954th Air Reserve Support Unit out of Scott Air Force Base, the 182nd Air National Guard Security Forces, the 126th Air National Guard Security Forces, and the 183 National Guard Security Forces out of Springfield.

The one thing they raised to me—and I think at least bears some comment in this Chamber—was their concern about their families once they left. That is a natural feeling. It is one we ought to remind ourselves of, that we have passed laws to protect these men and women in uniform who are activated so that they can return to their jobs without any loss of status, and also to help them in some financial circumstances.

But beyond the laws, and beyond the Federal commitment, beyond the political speeches, I hope that every community across the United States will offer a helping hand to the families of those in the Guard and Reserve who are now called on to serve our country, as well as the active-duty men and women who are in harm's way at this moment in service to our Nation.

Many times, as I went around Illinois, people would say: Senator, what can I do? I have given blood. I have sent my check in. The President has said to embrace my family. I did it; I do it every day. Is there anything more I can do? Think about the families of the men and women in uniform in your community who just may need a helping hand or a word of encouragement of perhaps a little more. That is something every one of us should do.

TRANSPORTATION SECURITY

Mr. DURBIN. I would like to address this issue of aviation security, which has been addressed on the floor by my colleague from Massachusetts, Senator KERRY. I note that Senator TORRICELLI is also in the Chamber. We were in a meeting yesterday to discuss security transportation security, not just aviation security. There are many of us served by Amtrak who believe that George Warrington, the CEO of Amtrak, has given us fair notice that he needs additional resources to make certain that Amtrak continues to be one of the safest ways to travel in America.

I believe there are over 600 Amtrak stations across this country. They are putting in place the kind of security we want, to make certain that no terrorist will see a target of opportunity in the metroliners or Amtrak trains that crisscross America.

I am happy, as I have noted at the beginning of my statement, to be a cosponsor of S. 1447 on aviation security. There are many provisions that I think are excellent. I am happy to join Senator HOLLINGS and so many others, on a bipartisan basis, to support the bill. But we would be remiss to believe that passing a bill on aviation security takes care of our obligation, our responsibility. Beyond that, we have to look to the traveling public and other vulnerabilities.

I agree with my colleagues who also have Amtrak service that we need to give to Amtrak the resources and the authority to make certain they can upgrade their security and take a look at a lot of their vulnerable infrastructure.

In this Chamber yesterday, Senator TORRICELLI talked about some of the tunnels. George Warrington of Amtrak has brought this to my attention. Many of these tunnels date back to the Civil War in their construction.

They do not have adequate safety in the tunnels so that if anything occurred, the people on the train would be in a very perilous situation. As these trains pass in the tunnels, literally hundreds if not thousands of passengers are trusting that we are doing everything we should do for the security of their transportation. I don't think we are doing enough. In fact, I believe we should include in this aviation security bill the authorization for Amtrak to receive additional funds for security.

I am troubled—I have to say this with some regret—that a lot of my colleagues in the Senate who have had a very negative view of Amtrak as a governmental function are translating that into a reluctance to address these security and safety measures. I am not one of them. If we take a look at the annual expenditure for transportation at the Federal level, we spend roughly $33 billion a year on highways, $12 billion a year on airports—before the crisis—and about $500 million a year on Amtrak. Anyone in the State of Illinois and in many States across the Nation knows that if we are going to have a balanced transportation system, we need all three. We need aviation, good highway transportation and mass transit, and a national rail passenger corporation such as Amtrak.

It is no surprise to me, as I have been on the trains more often since September 11 than before, that more and more Americans are turning there.

We have an obligation to protect them, not to wait until there is an accident or something worse. I hope my colleagues will reconsider their opposition to Amtrak security authorization and appropriations. We should do it, and we should do it now without question.

Our commitment should be to every American to make their transportation as safe as humanly possible.

Let me address the aviation security issue for a minute. Yesterday, in my office I had representatives of the three major international corporations involved in aviation airport screening and security. They told me an interesting story. For those who may not be aware, until this moment in time, we have given to the airlines the responsibility to contract out the security and screening stations at the airports. We have found, as we have looked into it, that going to the lowest bidder in some circumstances meant that you didn't have an employee who was adequately compensated or trained.

I will quickly add that in my hometown of Springfield, IL, and many airports I have visited, the people working the screening equipment are doing an extraordinarily good job. Any one of us who has been through an airport at any time in the past few years knows that too often you have found at those security stations employees who were not taking it seriously.

Examine the analysis from the GAO, and it turns out that the turnover in some of the airports is 100 percent a year, 200 percent a year and, in the worst case, over 400 percent a year. The employees come and go if they are given an opportunity to take a job at Cinnabon or anywhere else in the airport. They are quickly gone from the screening stations. We have not taken this responsibility seriously, nor have the airlines.

Now we face a new day. The private contractors who came to me yesterday said that it is a different world altogether overseas. In fact, one of them

noted the fact that in Israel it is a private company that handles the security at the airport with certification by the Government and supervision by the Government, as is the case in many European capitals. I don't know if we can safely move in our own minds from what we see today with these same companies to a model using those companies in a different context.

When I asked Secretary Mineta last week to describe for me how this might work, the details were still forthcoming. That left me a little bit cold. Many of my colleagues share the belief that the safest way to address this, as we do in the bill, is to say that we will federalize the security and safety at airports. This bill goes beyond the screening station and talks about the responsibility under this bill. Let me quote from it on the security operations:

> The administrator shall establish and enforce rules to improve the fiscal security of air traffic control facilities, parked aircraft, aircraft servicing equipment, aircraft supplies, automobile parking facilities, access and transition areas at airports served by other means of ground or water transportation.

The important thing is that this bill goes far beyond the screening stations at the airports. I believe if we are going to maintain safety at airports and on our airplanes, it has to be a secure environment. That means we are not only conscious and sensitive to what passengers bring onto airplanes but every single person who has contact with an airplane. A caterer, a clean-up crew, refueling personnel, someone who is a mechanic coming on board, or baggage handlers, all of them have to be supervised to make certain that those airplanes are secure. This bill does it. It does it through federalization.

I think we should view the safety of our airports and airplanes as matters of national security. After September 11, we can do no less.

I hope we enact this legislation and do it very quickly so that we can have in place a system that will help restore confidence in the flying public.

I am happy to report in my own personal experience more and more people are returning to airports. I am glad that is the case.

FIGHTING TERRORISM

Mr. DURBIN. As a member of the Judiciary and Intelligence Committees, we have had a number of requests from the administration for new authority to collect information to fight terrorism. You will find that the vast majority of requests by the administration will be honored in the bill we will consider this week or next.

We will say to FBI and the CIA, other law enforcement agencies: Here are new tools for you to fight terrorism.

We should give to it them because we need to provide them what is necessary to protect our Nation. Certainly we need to keep our laws up to pace with the changes in technology so that when communications are moving by e-mail or through the use of cell telephones, we give to law enforcement the authority and the opportunity to make certain they have access to them.

I am concerned, as are many on the Judiciary Committee, that it isn't just a question of the new authority to collect information but a more fundamental question: Do these agencies of law enforcement have the infrastructure and the capacity to collect, process, evaluate, and distribute this information?

It was only a few weeks ago that the Senate Judiciary Committee had its first oversight hearing in 20 years on the FBI.

The information that came to us suggests that FBI computer capabilities are archaic, that no successful business in America could operate with the computers we have given to the premier law enforcement agency in America. Is there any doubt in anyone's mind that computer capability is as important, if not more important, than additional authorization in the law to collect information?

Things are being done. A man by the name of Bob Dies left the IBM Corporation and came to the Department of Justice to modernize their computer systems. I trust him. I believe he has a good mind. He can help us out of this terrible situation into modern computer technology.

When I sat down with Mr. Dies yesterday and asked him the problems he ran into, he gave me an example. We know there is software available that would allow us to see the coordinates of any location in America, cross streets in the city of Boston or the city of Chicago, and then with this software, with concentric circles, see all of the important surrounding structures, the buildings, the hospitals, whether there is any type of nuclear facilities or electric substations, all within that region. Think of how valuable that is when we are fighting terrorism.

If they receive a notice at the FBI that there has been an explosion at a certain location, by using this software they can immediately see before them all of the potential targets and all of the worrisome areas around that explosion. That seems to be an obvious tool. Wouldn't you assume the FBI already had it? They don't. They don't have access to it because when Mr. Dies said he wanted to buy this software for the FBI—and they were excited about receiving it—he was told: First you have to draw up, under Federal procurement laws, a request with specific elements in it as to what you want in this software, and then we have to have it put out for bid. We think in about a year we can get it for you.

The average American can go right now and buy the software off the shelf. It is absolutely unforgivable that that basic tool and so many others are being denied to the FBI and other law enforcement agencies because of the bureaucratic mess we have in procurement in this Nation.

I am working at this moment on legislation that will allow an exception to our procurement laws in areas of national need and national emergency. We should have a certification process that will allow us to step back from this morass of bureaucracy and get to the point of bringing modern computers into the FBI so that all the names and all the tips and all the information collected can be processed, formulated, evaluated, and distributed so that the names of suspects can be given to the Federal Aviation Administration and, in turn, given to all of the airlines so that they can do their job when people apply for a ticket.

The PRESIDING OFFICER (Mr. NELSON of Nebraska). The time for morning business has expired.

Mr. DURBIN. I ask unanimous consent for 1 additional minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURBIN. Mr. President, I hope that during the course of considering antiterrorism legislation we don't stop short of giving new authority to collect information but also give to the FBI, CIA, and other Federal law enforcement agencies the infrastructure to use that information. We need to create an extraordinary process for extraordinary times.

I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KERRY. Mr. President, I ask unanimous consent to proceed as in morning business and, after I have completed, Senator TORRICELLI be recognized.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROBLEMS WITH THE FBI

Mr. KERRY. Mr. President, I thank the Senator from Illinois for his comments. He could not be more correct about the problems with the FBI. In fact, the FBI had a lot of information regarding the potential of the events on September 11 4 and 5 years ago, I have learned, in certain compartments. Regrettably, just because of the compartmentalization and the process, that information was never adequately followed up on, as I think we will learn over the course of the next few months. We regret that.

There needs to be an enormous amount of work done in the coordination of the processing of information between the CIA and the FBI. The FBI, obviously, has been much more focused on prosecuting crimes after they happen and not necessarily on taking information and evaluating it in the context of a crime that may happen. The

CIA has been much more involved in the processing of information. Their human intelligence component in the CIA has been so devastated in the last 10, 15 years, that we are light years behind where we ought to be.

I will correct my colleague. We had the security chief from El Al in yesterday with Senator HOLLINGS. He said that every facet of airline security is in fact Government managed at this point—in fact, the employees. I don't know if that was an older process or what. Yesterday, El Al gave us a clear description of how they are doing it now. It is entirely managed by the Government, which is precisely what we are suggesting ought to happen here.

(The remarks of Mr. KERRY pertaining to the introduction of S. 1499 are printed in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. KERRY. Mr. President, I thank the Senator from New Jersey for his courtesy in allowing me to step in front of him to introduce this legislation.

The PRESIDING OFFICER. The Senator from New Jersey.

ESTABLISHING A BOARD OF INQUIRY

Mr. TORRICELLI. Mr. President, when this Chamber was new and Members of the Senate were gathering in their first years, they were confronted with the reality of a civil war which had consumed over 860,000 lives and the rebuilding of our Republic. Even with those daunting tasks, there was a recognition that somehow the institutions of our Government had failed to deal with the crisis, to avert the struggle.

Even in that atmosphere, those who preceded us created a board of inquiry as to the reasons of the war and how it was executed and what might lie ahead for the country.

That civil war debate created a foundation which through two centuries has created a consistent pattern for this Congress. In times of national trouble or trauma, part of dealing with the realities of our problems and preparing for the future required a dispassionate analysis of the problem.

While survivors were still being taken out of the North Atlantic from the sinking of the *Titanic*, a board of inquiry met to determine the failures of maritime safety.

Three weeks after the Japanese attack on Pearl Harbor, a board of inquiry began to examine why our Nation was not prepared and how the institutions of our country had failed to respond to the looming threat and the reality of the attack.

In the ensuing years, we returned again and again to this trusted form of analysis that allowed our people to trust a result and the Congress to prepare to avoid the same circumstances in the future: a commission that was formed after the assassination of President Kennedy and the board that convened after the *Challenger* accident.

In each of these instances, I have no doubt a Senator rose and said it is difficult to deal with examining the reasons for the war of 1861 because our time is consumed with the reality of the situation. How can one deal with the reality of the situation if we do not know the reasons for the problem?

How can we simply give more resources to the same institutions, more power to those institutions if we doubted they had the ability or used those powers or resources properly in the first instance? Indeed, one can only imagine when President Roosevelt required a board of inquiry on preparedness and the response to Pearl Harbor how admirals and generals, scrambling to defend the Nation and execute the war, must have felt about diverting resources to deal with the inquiry.

It was recognized by those who sat in these chairs before us, as we should recognize now, that the credibility of the institutions involved, the confidence in their leadership, a dispassionate, removed analysis of their powers is a foundation before implementing a new policy to avert the same problems.

A number of my colleagues are joining with me in the coming days in introducing legislation to create a board of inquiry regarding the terrorist attacks of September 11. It is my intention to offer it as an amendment to legislation that is currently working its way through the Senate dealing with this tragedy.

As the Senate properly responds to the administration's request for more power in Federal institutions, the people need to know how those institutions use the power they possess and to restore confidence in those institutions as they execute these powers.

The Senate properly allocates billions of dollars more for national security and law enforcement and the protection of our people. People of our country justifiably will want to know, as antiterrorist activities in the last 5 years increased by 300 percent, why that money was not sufficient or why it failed to protect our country.

It speaks well of this Congress that we are willing to do so much to protect our country, to avert a future terrorist attack, but I have 3,000 families in New Jersey who have a husband or a mother or a wife or a child who will never come home. Of the 6,500 potentially dead victims of the New York attack alone, and the hundreds of families in Virginia, the families of New Jersey are going to want to know not simply what are we doing in the future, but what happened in the past.

How did an intelligence community that is larger financially than the military establishments of our largest rivals fail to uncover the intentions of these terrorists? How did all of our technology prove unable to intercept their communications? How, with all of the interceptions that have taken place, were we unable to analyze the information and predict the attack? How, indeed, in law enforcement, given the presence of these same terrorist organizations in previous attacks from the same locations on the same target, were we unable to infiltrate these organizations?

It may well be that there is a good explanation for each of these failures. Indeed, it may prove that everything that was humanly possible was done to the fullest extent conceivable. It may be there are institutional failures and conflicts, so that all the money conceivable will not prevent a future attack if powers are not properly distributed or the proper people do not have authority or there are breakdowns in command or communication.

I cannot predict any of these answers, but what is important is neither can anyone else in this Congress or the administration because without some analysis, as we have done throughout our country's history, we will never know. Indeed, if we fail to have a board of inquiry in the midst of this crisis about these circumstances, I believe history will instruct us it will be the first time in the history of the Republic that the Government did not hold itself accountable and subject to analysis when our American people have faced a crisis of this magnitude.

The people deserve an answer. The Government should hold itself accountable, and only a board of inquiry, independent of the Congress and the Executive, has the credibility to do it.

Dealing with the issue of accountability for the past, I want to, for a moment, deal with prevention in the future. This Senate is rightfully responding to the problem of the hijackings by comprehensive legislation dealing with airline security. It is only right and proper we should do so. Our Nation is dependent on the airlines. The economic contagion from this tragedy has affected every State in our Union. Cynics will decry that we are simply closing the barn door, but indeed there is no choice but to do so lest terrorists travel through that barn door again.

What is significant is it is not adequate to respond to these terrorist attacks, enhancing the security of our people, by responding in one dimension. It is unlikely these terrorists or others who would conspire with them, or act in concert with their actions, will respond again in the same manner by the same mode as the last terrorist attacks. If indeed the bin Laden organization is responsible, the history of their actions suggests each time they strike they strike in a different mode,

in a different method, sometimes in a different place.

Obviously, I support this airline security legislation but it is not enough. From our reservoirs to our powerplants to other modes of transportation, we need to secure the Nation. It needs to be more comprehensive.

The PRESIDING OFFICER. The Senator's time in morning business has expired.

Mr. TORRICELLI. Mr. President, I ask unanimous consent for 5 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TORRICELLI. Many of my colleagues have joined me in insisting the Airline Security Act also include rail security. We do so for the following reason: In my State alone, nearly a quarter of a million people ride railroads every day, many of them through old tunnels. The tunnels under the Hudson River were built between 1911 and 1920. As this photograph illustrates, they are largely without ventilation. This is a single fan to exhaust smoke from a fire in a two and a half mile tunnel.

Every Amtrak Metroliner, if fully loaded, under the Hudson River or the Baltimore tunnels, or even the approaches to Washington, DC, carries 2,000 passengers, more than three times the number of people on a 747. The tunnels do not have ventilation and they do not have escapes.

As this second photograph illustrates, under the East River of New York and under the Hudson River, a single spiral staircase serves to exit 500 to 2,000 passengers. The same spiral staircase would be used for firefighters getting to the train. It is obviously not adequate.

Last August, before these attacks occurred, the New York State Commission said it was a disaster waiting to happen. Those are not the only problems. We need police officers on Amtrak trains. We need to screen luggage. We need to ensure that switching mechanisms are safeguarded and secure. This Congress will do a good deed for the American people if indeed we secure our airlines, but it is unlikely we would be so fortunate that terrorists will choose this same method and mode for the next attack.

Securing Amtrak and commuter trains is essential. The legislation we will offer, $3.2 billion, will secure the tunnels, hire police officers, assure screening, and bring our train transportation network to the same new high standards as our aircraft.

It is essential. It is timely, and I hope my colleagues around the country understand those of us in the Northeast and the great metropolitan areas of Los Angeles, Chicago, Miami, and Boston cannot yield on this point, not with hundreds of thousands of commuters having their lives depending upon it every day.

I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia.

AVIATION SECURITY

Mr. ROCKEFELLER. Mr. President, the day of September 11 has been eloquently described by the preceding speaker, Senator TORRICELLI. Its consequences are unknown. In fact, one of the great questions none of us can answer at this point is: What are the unintended consequences of what will follow this attack over a period of weeks and months?

However, this is not our purpose. Our purpose is to get an aviation security bill done. That is why this Senator from West Virginia chooses to speak.

I wish to make a couple of very clear points. We have not yet passed an aviation security bill. There were those who said, no, you cannot work on the aviation industry's financial condition until you have done an aviation security bill. That was an understandable argument, as well as those who talk about people who have lost their jobs. There really was not much point in doing an aviation security bill if there weren't any airplanes flying. That had to be done as a first order of business.

They are flying. They have picked up a modest amount of business. It has increased about 7 percent in the last week, but they are still in a very bad position, even with the money we gave them after forcing them to ground all of their airplanes for a period of time.

In any event, that and the loan guarantees part is done and so now we move on to aviation security, which we ought to do. One could say, well, that is a fairly easy subject. We could go ahead and do that promptly and without much fuss.

That is not quite the case. There is a lot involved, which is serious, which is complex, a lot of back and forth about which is the best agency to do this or that and how do people feel about it, what are the costs involved.

That being said, the Department of Transportation, under President Bush's leadership, immediately after September 11, took some very strong steps with respect to our airports and our airlines. Within days, Congress sent, as I have indicated, its strong support with an emergency financial package that, in fact, included $3 billion, still unknown to most people, for airport security. That was included to be used at the discretion of the President, which was fine. Most of that has been used for sky marshals and other items. Urgent aviation security efforts are already in place. The money is there. Now we are talking about a bill for a broader aviation security purpose.

In the few weeks that have passed since September 11, a large group has been working around the clock through a lot of very contentious issues, not easy issues, to try to resolve what should be in an aviation security bill that would best serve the Nation, not just in the next months but in the coming years. One can say, therefore, that the Aviation Security Act is a result of these efforts. It is not finally worked out. There was to be a meeting this morning with the Secretary of Transportation. He was called to the White House. There are still details pending. That is not the point. We are on it and moving at the point, for those who come down to speak on it, because we want this done if at all possible this week, with the American people knowing that aviation security is at the top of our legislative agenda.

I am very proud to have joined Senator HOLLINGS, Senator MCCAIN, Senator HUTCHINSON as original cosponsors, and I rise in strong support of the managers' amendment because we have been working closely with Senator LOTT and Senator DASCHLE. I can report there is broad bipartisan support within this body on both sides of the aisle as to what we ought to do. That has come through in meetings and compromises. That is a very important fact and bodes well for the bill.

The truth is, the horrific attacks of September 11 do reflect broad intelligence and other failures.

EXTENSION OF MORNING BUSINESS

Mr. REID. Mr. President, if the Senator will yield, I ask unanimous consent that the morning hour be extended for 1 hour, until 12:30, with Senators permitted to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROCKEFELLER. I ask unanimous consent for an additional 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROCKEFELLER. The fault of these attacks clearly lies with those who perpetrated them, but the failures are all our shared responsibilities. There is no way to get away from that.

On the other hand, they are also a shared opportunity. I have long argued and made many speeches that we have a habit in the Congress, and to some extent in our country, of taking aviation for granted, knowing very little about its details, complaining when we are delayed but not making the effort to understand what aviation entails, what happens when passenger traffic doubles—as everybody knew would happen before September 11, and which I believe will come to be true again. This is an opportunity, this horrible tragedy, to set a number of accounts straight in terms of the way we secure our airports.

We have to develop, we have to fund, we have to implement a better and

changed way of providing security—particularly true after September 11. Had it never happened, we still should have been doing it. Instead, we were concentrating on air traffic control, runways, matters of this sort that are tremendously important, but we were not focused on security. That has to change. The Aviation Security Act gives us the chance to do exactly that.

First and foremost, the bill restores the basic responsibility for security to its rightful place. That is with Federal law enforcement rather than with the airlines and the airports, which can neither afford it nor do it properly. This is not a question of private security companies. There is absolutely no other segment of American life in which we need national security contracted out to the private sector. Until last month, the airports' private security companies had in fact managed to ensure that ours was the safest system in the world. Let that be said. It always has been, always will be. But there is public concern that if there is an accident, it will be of a very large nature; if there is terrorism in our future, it will be of a very large nature. We have to begin to think about all things more seriously. We want the safest system in the world. We have the safest system in the world, but it has to be a lot better.

Law enforcement has to be fulfilled by the Federal Government. Everybody agrees on that, both sides of the aisle. The Bush administration is working on that, leaning towards that. We owe it to the American people to take profitability out of aviation safety altogether.

This bill, still subject to some details that have to be worked out—but that is good, that is not bad; we are moving—creates a new Deputy Secretary for Transportation Security, with ultimate responsibility for interagency aviation security, and expands the air marshal program to provide armed, expert marshals on both domestic and international flights, and increases Federal law enforcement for airport perimeter and for air traffic control facilities—not just getting in and out of airports but the complete perimeter of the airport. Screening will also be monitored as it has never been monitored before by armed Federal law enforcement. It will be conducted in virtually all cases by a Federal screening workforce.

When you walk into a small airport, you will see uniforms, pistols, screeners who, like everybody else in this country, are going to have to be trained more or less from ground zero because the training is insufficient, the turnover is horrendous. It is a national embarrassment. The whole level of training will have to be raised very dramatically in urban and in rural airports. In rural airports there is a possibility, where there are five or six flights a day, you don't need full-time security. There we would have deputized local police officers who are federally trained at the highest levels and who are federally funded. So there is no net difference, no first and second class airport. It is a question of making sure the rural airports have the security they need. We will be sure of that.

On board the aircraft, the bill requires strengthening cockpit doors. We had a fascinating discussion at length with El Al. They have a double set of doors with space in between so if even a hijacker were able to get through one, he or she probably could not possibly get through the second. That, obviously, would take reconfiguration, would take some time, and it would take some costs. We have to do what is necessary. Does a pilot come out of a cockpit, for example, to use the lavatory? I am not for that. I think lavatories ought to be inside the cockpit. A cockpit should be absolutely inviolate—nobody gets in. If nobody gets in, there will be no more hijackings. El Al has not had any, and I don't expect them to. Even flight attendants will not have keys to be able to get into the cockpit. No one will be able to access the plane's controls other than the pilot.

The PRESIDING OFFICER. The Senator has spoken for 10 minutes.

Mr. ROCKEFELLER. I ask unanimous consent for an additional 4 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROCKEFELLER. It will take some time. People should understand that. We cannot take a workforce without sufficient training and upgrade it in a day, in a month. You don't quickly reconfigure airplanes in the way we will have to with sky marshals, through cockpit arrangements. It will take time. People need to understand that. If they want airport security totally now, we can give them a lot of that, but we cannot give it all to them immediately; it will take time. The federalization will give people confidence this will be done at the highest level.

We have anti-hijack training for pilots and flight attendants. We propose to pay for this with passenger security fees, authorizing DOT to reimburse airports for the costs incurred by them since September 11. Most have no idea that is coming, but it is. We will help them pay their costs. We will give airports temporary flexibility to pay for their security responsibilities under the AIP program. They can't do that now. We will give them that flexibility. They can pay for security equipment and infrastructure, but they cannot pay for any direct expenditures such as salaries and the rest.

It will be a very good bill.

We are looking at security with biometric and hand-retina recognition devices. As the bill comes before us and as we debate it, there can be no higher order of magnitude for our Senate concentration than this bill as it emerges.

I strongly urge my colleagues to support it.

I thank the Presiding Officer. I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Mr. President, just over 2 weeks ago I came to this floor and talked about the 20-year history of aviation security. I did so for a simple reason. There has been a very clear pattern on this issue over the last 20 years. Again and again there has been a tragedy in the sky. Again and again there has been widespread public outrage. Again and again there has been widespread agreement on what needs to be done to improve aviation security. Again and again the real reforms weren't implemented because of political infighting.

I come to the floor of the Senate today to say that this time it really has to be different. This time the Senate needs to come together on a bipartisan basis and make sure these changes are actually implemented. I wanted to make this appeal for bipartisanship because that is what Chairman HOLLINGS—I see my friend Senator MCCAIN on the floor as well—and Senator MCCAIN are trying to do in the Senate Commerce Committee with the legislation that we would like to have taken up.

I happen to believe that, as a result of the determination and the persistence of Chairman HOLLINGS and Senator MCCAIN, we are now talking about legislation that will bring new accountability on this aviation security issue. The bill is not about political ideology. The Hollings-McCain legislation is about accountability—about ensuring that the Federal Government on a national security issue is accountable. Nobody in the Senate would ever think about subcontracting out our national security. But that is regrettably what has happened in the aviation sector for so many years.

I went back through some of the history almost 2 weeks ago on the floor of the Senate. It started really after the Pan Am Flight 103 bombing over Lockerbie in 1988. We saw it again after the TWA Flight 800 crashed near Long Island. In each case Presidential commissions were established, and there was unanimity about what needed to be done, with the General Accounting Office and the Department of Transportation inspector general outlining the vulnerabilities and then political infighting started.

I am very hopeful the Senate will support the bipartisan effort being led by Chairman HOLLINGS and Senator MCCAIN. I have felt for way too long that there isn't enough bipartisanship on important issues of today. Senator

SMITH and I are trying to do it in our home State of Oregon. I think Chairman HOLLINGS and Senator MCCAIN are trying to do it in this Chamber with this legislation.

If we don't get this done, I fear we will be back on the floor of this body in 6 months or a year with Senator after Senator taking their turn once again in a procession of floor speeches about how sorry and upset the Senate is that another tragedy has occurred—that another tragedy occurred because the Senate failed to act promptly to put in place the safeguards that I have documented on the floor of this Senate and that have been called for now repeatedly in the last 20 years.

I am hopeful that in the hours ahead—I appreciate what Chairman HOLLINGS and Senator MCCAIN are trying to do—we can deal with the additional issues that are outstanding and get this legislation reported.

Let me touch on two other matters. The second issue I would like to mention is this: The rule and the procedures that are going to be set out will define what the aviation industry is all about for years and years to come. I am talking now about the rule that is going to be set in place with respect to loans and loan guarantees that are going to go a long way in determining whether there is real competition in the airline sector, affordable prices, and whether places in rural Nebraska and rural Oregon are serviced. I have outlined what I think are six or seven key principles that ought to govern how those loans and loan guarantees are made.

What concerns me is that those decisions are being made behind closed doors. They are being made outside the public debate. There is considerable discussion about whether the large airlines may, in fact, have an agenda that will crush the small airlines. I am very hopeful that Members of this body will weigh in between now and Saturday with the Office of Management and Budget as they make the rules that are going to govern these loans and loan guarantees.

One last point: Something that I and Senator SMITH are together on is the pride in our State and our citizens. A number of Oregonians, strong-willed people in our State, are mounting an operation that they call Flight for Freedom, answering the national call for all of us to get on with our lives and come to the aid of those hurt in the attacks of September 11. In a show of solidarity with their fellow Americans, more than 700 Oregonians are making the statement this weekend by heading to the hotels and Broadway shows and restaurants in New York City that are fighting for economic survival in the aftermath of the attack. With Oregonians' Flight for Freedom, the people of my State are standing shoulder to shoulder with the citizens of New York in an effort to make clear that no terrorist can break the American spirit.

I congratulate Sho Dozono and the other organizers and participants in Oregon's Flight for Freedom for their generous efforts. I urge all Americans to follow their example. Oregonians are showing this weekend that we are going to stand against terrorism by reaching out to fellow citizens and enjoying what American life has to offer in our centers of commerce across this great Nation. Because of these kinds of efforts, we can send a message that terrorists can't extinguish the American spirit.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I thank my colleague from Oregon for his kind words about the work we have done together on the Commerce Committee on other issues. It has been a distinct honor for me to have the benefit of the relationship we developed over the years. I am very grateful for his involvement in issues such as Internet tax, aviation, and many others. I believe he is correct in that we have been able to display from time to time the degree of cooperation working together on common goals about which I think the American people are very pleased.

If you believe the latest polls, Americans have never been more pleased at the way we have been performing in a bipartisan fashion. I thank the Senator from Oregon for his kind words.

I wish to take a couple of minutes to talk about where we are and where we need to go on airport security and airline security. I am sure all of us by now know that a Russian airliner was shot down a few hours ago. They are not exactly sure why. But I think that may, at least in the minds of some of us, emphasize the need for us to proceed with whatever measures we can take to ensure safety but also as importantly to restore confidence in the American people in their ability to utilize air transportation in America in as safe a manner as possible.

There is no doubt that there are millions of Americans who are still either concerned about or afraid of flying on commercial airlines. We need to move forward with this legislation.

What is hanging it up? One is there is a disagreement between sponsors of the bill, Senator HOLLINGS, myself, Senator HUTCHISON, Senator ROCKEFELLER, and the administration on the issue of federalization of employees. There are different approaches. But I think we can at least have serious negotiations and come to some agreement. I believe that is not only possible but probable.

The second point is the concern about the addition of nongermane amendments to the legislation—whether it be Amtrak, whether it be on the so-called Carnahan amendment which extends unemployment benefits and other benefits to people whose lives were affected by the shutdown of the airlines.

I think all of us are in sympathy with those individuals, all of them, particularly those at National Airport, who had a more extended period of unemployment as a direct result of an order of the Federal Government. I am not sure how a conservative or liberal could argue the point that since it was a Government action it would be hard for us to not justify some assistance to those people whose lives were directly affected.

As we all know, hundreds of thousands or so of airline employees' lives are affected by layoffs that the major airlines have already announced. So there is a significant problem out there. But I would make a strong case that this is an airline/airport security bill. This is to improve aviation security. It is not a bill for unemployment compensation or any other. This legislation is directly tailored to aviation security and airline safety.

Last week, we passed a bill to give financial relief to the airlines. That was what it was about. That is for what it was tailored. We did not add extraneous amendments.

So I have to say to my colleagues that I think it is not the time to add that to an aviation security bill, especially in light of the fact that we all know within a week or two we are going to take up a stimulus package. Clearly, that issue would be addressed in some shape or form when the stimulus package is considered.

So I intend to oppose any nongermane amendment to this legislation. I believe there are at least 41 of us, if not 51 of us, who would object, so therefore we would not have the bill become bogged down in extended debate.

Those who insist on putting a nongermane amendment on an aviation security bill would then be responsible for preventing passage of a bill that has to do with aviation security.

So I hope those Members who are concerned and committed to assisting those whose lives have been severely disrupted by the shutdown of the airlines—we are in complete sympathy with them and we intend to act. And we intend to negotiate a reasonable package that would provide some benefits and compensation, depending on how directly their lives were affected, et cetera—something that, by the way, we would have to have a lot of facts and figures about, too. But to put it on this bill would be obfuscation, delay, and prevention of us acting to ensure the safety and security of airlines and airline passengers throughout America.

So I want to make that perfectly clear, that we should not have any amendment, no matter how virtuous it may be, on an airport and airline security bill.

I hope we can move forward with this bill. There are a lot of Members who want to talk about it. There are not too many amendments. We could get this thing done today if we could move forward on it and have some agreement.

I also remind my colleagues that we are in negotiation and will continue to try to work with the administration. We also have to work with the Members of the House on this legislation as well. But for us to delay because we have our own pet agendas, our own specific priorities, and not act as speedily as possible to restore confidence on the part of the American people in their ability to get on an airline is somewhat of an abrogation of our responsibilities.

I am pleased that Senator HOLLINGS, the distinguished chairman of the committee, has also pledged to oppose any nongermane amendments as well.

So, Mr. President, I really want to emphasize that we need to move forward. I think it would be wrong of us to go into the weekend without doing so, at least making some progress. We are prepared to do so, and I hope we can.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. Mr. President, I want to discuss for a little bit the airline issue. I thank my friend from Arizona for the work he has done on this issue. Certainly, security in flying is an issue on which all of us want to move forward. So this is not a failure to act.

Some people have said we are holding it up, it is slow, and so on. I do not think that is the case at all. I think what is the case is that this is a very important issue. This is an issue that could be done in several ways. I think there is a legitimate effort to try to ensure that we think it through enough to come up with a process that would most likely achieve the goals that we have; that is, of course, safety and security on airlines.

There are a number of different issues that need to be talked about, but I do not think there is a soul in this body who does not want to move forward on airline security. It is the security issue of the moment.

There needs to be some major changes in the process. We have had security for some time. We have a higher security level now, I believe, than we did before September 11. I happen to have been in Wyoming three times since then and have found that there is security. There are armed people in Dulles, for example—more security. Is it enough? Probably not. We probably need to do it better and more professionally. And that is what this is all about.

But I do want to make the point that I think you will see airline passenger numbers going up. There is more security than there has been in the past, but we need to change the process. And we need to do it as quickly as we possibly can.

We need to have more experienced people there, particularly in baggage examination. We need to do it so that we do not develop a long-term Federal bureaucracy. That is an opinion that some do not share. But, nevertheless, in order to achieve the goals we want, we have to make some changes. And even though I would like to see it done in the next 15 minutes, and move out of here, I must say, I am glad that we are taking the time to examine these issues and to come up with what we think is the best solution, even if it takes a little longer.

As I say, we now have substantially more security than we did have. In some of the smaller States, the National Guard has been made available to help, and so on. One of the puzzles, of course, is to find the proper agency. I don't know that it is a puzzle, but it is a challenge to find the proper agency to supervise and be responsible for airline security. Many believe—and I am one of those who think it—that it ought to be a law enforcement agency and not really belong in the FAA. Those people have responsibilities, but law enforcement is not one of those responsibilities. So that is one of the issues.

I see my friend from Texas is in the Chamber. She has been very involved in this issue. I yield my time to her.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I appreciate very much the Senator from Wyoming, who has also been working on this issue, coming forward.

I see the Senator from Montana in the Chamber; he is a very important part of the negotiations on this issue.

The bottom line is, we want to go to the bill. The American people expect us to pass a bill to securitize the airplanes and the airports in this country. What is holding us up is people who want to offer extraneous amendments. Some of them I agree with; some of them I do not.

But the point is, we cannot put every amendment, on any different subject, on the security bill and pass it. We have legitimate disagreements on how to best securitize our aviation system.

Let us go to the bill and start talking about those differences because I think we can work them out. I believe we are 90 percent there. There are a few things on which we are going to continue to negotiate, but we need to be on the bill. We cannot go to the bill if we are worried about having extraneous amendments, whether it is on employee problems and benefits or whether it is on Amtrak security—all of which I think are very legitimate issues. I want to add security to Amtrak, as long as we add security for the entire system and not just one part of the system.

But the bottom line is, we have an aviation security package that is a very good first step forward, where we would put sky marshals in the air, where we would secure the cockpit, where we would have better trained and equipped screeners, where we would have better equipment. All of these things must be done. And we can do it this week if we can get to the bill.

I urge my colleagues not to have process drag us down. The Senate has a bill before it that is good, solid legislation. We are working with Democrats and Republicans and with the administration to make sure we do what we do well, correctly, and give the flying public the confidence that when they get on an airplane, they are going to be safe.

If we can do that, it will be the beginning of rebuilding our economy. If we can secure the airlines so people will come back and fly, then more of those people who have been laid off by the airline industry will be called back to work.

The travel industry will be uplifted. We will have people staying in hotels. We will have people renting cars, employed in the airports, and in the shops. These are the things that will stimulate our economy.

We are talking about a stimulus package, which I hope we will look at next week. That is very important. We can stimulate the economy with an aviation security package. We can put people back to work in the aviation industry and stop the domino effect to our economy caused by layoffs in the airline industry because people are not coming back to fly.

I appreciate the cooperation we are getting. Senator HOLLINGS, Senator ROCKEFELLER, Senator MCCAIN, and I have worked well together to try to get a consensus. We are very close. If we can go to the bill and if people will agree not to offer amendments that delay the ability for us to consider relevant amendments, we can work it out this week and send something to the House and hopefully go to the President and do the very important part of the stimulus package, and that is to beef up the aviation industry.

I thank my colleague from Wyoming, and I certainly thank my colleague from Montana, who has been a very important part of the aviation subcommittee, working to put something together that all of us will be able to support.

The PRESIDING OFFICER (Mr. BAYH). The Senator from Wyoming.

Mr. THOMAS. Mr. President, I thank the Senator from Texas who has worked very hard on aviation matters. We are moving forward. No one is seeking to hold up this bill. All of us agree aviation security is something that needs to be done and needs to be done very soon.

The Senator from Montana has been a part of this committee and has

worked very hard. I yield to the Senator from Montana.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. Mr. President, I thank my good friend from Wyoming.

When we examine this issue, we find several approaches we have to take a look at. We do want to move forward on it because there is a sense of urgency, if not in this body, in America.

Last weekend when I was in Montana, that is what they discussed: How do we travel; how do we know we are safe; and the anger they feel because of the events on September 11. Whatever was important to us on September 10, by September 12 it was not important anymore.

Now we have before us the very important issue of airport security and this legislation. Let's talk about the areas of concern: intelligence and passenger lists, who is in charge of those, who can better manage those; security at airports on the perimeter, the total facility, the check-in area, the departure gate, the cargo, which includes baggage and how they handle baggage, and the tremendous tonnage of air freight that moves through each airport and each facility every year; how do we secure the area where the aircraft are parked; and finally, and most importantly, the security of the aircraft.

We had an opportunity to visit with the security people who are in charge of passenger safety and security for El Al. It is a Government-owned airline by the country of Israel. If there is one thing of which the Israeli people are apprised and aware, it is terrorism. How do they handle this? Granted, their domestic air transportation isn't as great as the system we find here in the United States. However, in principle, it has to be the same heightened awareness of security before we see load factors going from what they are running, around 40, 45 percent now, to 70, 75 percent, and profitability of the airlines. Air transportation is one of those linchpins of the American economy, our ability to move.

El Al has 31 airplanes. Living in a very volatile region of the world, the areas of responsibility to which I referred are very important to them. They have 7,000 employees, 1,500 of whom are employed in the security part of their operation. They do nothing but security. They secure the areas I previously enumerated: intelligence and passenger lists, the airport facility, the check-in area, departure gate, cargo, aircraft area, and aircraft.

They have been pretty successful in the last 20 years. They have not had a hijacking or anything such as that, operating in an area of the world that is very volatile.

They have one man who is in charge of security in all of these areas. He doesn't operate the airport, the runways, the luggage, the people who handle luggage, the people who handle cargo. He handles security. They have accountability and responsibility.

That is what the American public wants us to do. In this legislation, there has to be a strong, bright line of accountability and responsibility to one agency or one area of government.

I have proposed an amendment. It has very strong bipartisan support. The amendment would give that responsibility to the Department of Justice. Not that the Department of Transportation is not efficient and would not be dedicated to passenger safety and security, not that the FAA could not do it, but we do not need a convoluted and nondistinct line of responsibility or accountability.

The American public are telling us Justice does it best, with the confidence in the Federal Bureau of Investigation, in the Federal marshal system. We have a model right in front of us, as those folks are responsible for the security of our Federal buildings, the movement of Federal prisoners. They understand secure areas and danger points. However the Attorney General wants to do it matters not to me. It is that we have a bright line of authority and accountability and responsibility.

Mr. REID. Will my friend yield for a question?

Mr. BURNS. Certainly.

Mr. REID. I say to my friend from Montana, I was speaking earlier today to the chairman of the committee, Senator HOLLINGS. He, too, thought that perhaps there should be some other entity other than the Department of Transportation that would supervise and control this. He suggested, for example,—I know there is a dispute as to whether or not they should be federalized, but he suggested maybe the Department of Defense. I say to my friend, in the form of a question, I think the Senator's suggestion is worth consideration. I think it is not a bad idea.

Maybe the Department of Justice, which has wide law enforcement responsibilities already, could do this. But the question I ask my friend—my friend from Texas, the junior Senator from Texas, who was here in the Chamber saying we should get to the bill and get some of this stuff decided, I agree with her; we should get on the bill. But I say to my friend from Montana, the minority is holding up the bill. I think the issue the Senator is talking about as to who should supervise, whether it should be federalized or not—we should get to the floor and offer amendments.

I think the Senator's idea is good. I will not do this now because it is inappropriate, but if I offered a unanimous consent agreement now that we would go to the bill immediately, would the Senator allow me to do that?

Mr. BURNS. How loaded was that? I think there are still disagreements among leadership. I could not do that personally. If it were in my power—which it is not—I am a soldier around here and everybody in the world is smarter than I am—I am ready to go to the bill. I would offer my amendment and we would vote on it, and we would win or lose and we would go on down the trail.

Mr. REID. I am not going to offer a unanimous consent at this time because, as the Senator has indicated, leadership on his side perhaps doesn't agree. I hope the Senator, with the persuasive nature that he has in his downhome, homespun, very persistent and persuasive way, would be able to talk to his side and let us get to this bill. There are some things that I would like to offer as an amendment on the bill. The Senator from Montana agrees, and I agree, that airport security is something we should fasten onto quickly. We should get to the bill. If there is something somebody doesn't like in the way of an amendment—and people are not complaining about the underlying bill, but if there is an amendment someone doesn't like, vote it up or down.

I hope today we can get to the bill. I appreciate the courtesy of my friend from Montana for yielding.

Mr. BURNS. I thank my friend from Nevada.

Mr. REID. The only thing I will say, the Senator mentioned he is one of the soldiers. If I were going to war, I would not mind having the Senator from Montana with me.

Mr. BURNS. I thank the Senator for that. I feel the same way about him. I want to reiterate that I think we can complete this bill today. I don't know whether or not we are in session tomorrow, but I think we can get it done. I am not sure if we have an agreement with the folks on the House side. That is another important piece of this puzzle that we have to solve in the next 2 or 3 days in order to move this legislation to the President's desk.

I am sure the President wants a piece of legislation that he can sign, which gives him the direction and also allows him the flexibility to provide the safety and security for the American people. He is basically the ultimate director of how this will work. What I am saying is that I think the American people are watching this very closely.

Yesterday, we had a hearing on border security. Nobody is more in tune than I am as far as border security. The Senator from Nevada understands the Western States and how big they are. We have just a little under 4,000 miles of border with our friends in Canada, with cultures that are similar, and no language barrier; and 25 percent of that border is my State of Montana. We have farmers who farm both in Montana and in Canada. So for the movement of livestock, and for farm machinery, and farm chemicals, and

everything it takes to make a farm or ranch go, it is important that we have not only secure borders but also borders that are flexible enough to allow movement of commerce and to get the job done for those people who live on the border. There are ranches that lay on both sides, part in Canada and part in the United States. No, we don't have a lot of ports and the gates are rusted open. Nine times out of 10 they set out a red cone and it says: The gate is closed. You can go 100 yards on either side of the gate of entry and go in unnoticed, undetected. So we understand that, too.

To conclude my statement, Mr. President, even though there is a sense of urgency for the passage of airport security, I think there is also a feeling in the United States—even though we are working in this highly charged environment because of the events of September 11—that we do it right. I think we can do it right. We also can be accountable to the American people for whom we are doing this legislation. It is for their benefit, their movement, and for the safety of this country. I appreciate the attention of the Chair.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. REID. Mr. President, I ask unanimous consent—and this has been cleared with the minority—that the Senate stand in recess until 2:30 p.m. this day.

There being no objection, the Senate, at 12:26 p.m., recessed until 2:29 p.m. and reassembled when called to order by the Presiding Officer (Mr. REID).

The PRESIDING OFFICER (Mr. EDWARDS). The Senator from New York.

TRANSPORTATION SECURITY

Mrs. CLINTON. Mr. President, I come to the Chamber to discuss further the need for transportation security that encompasses not only our airlines but also our rail lines and our ports. Others with their own experiences and perspectives have already spoken to these issues and I am sure will continue to do so because as we address these critical needs of transportation security, it is imperative we look at all the means of transportation our people require and that we found to be particularly important in responding to the events of September 11.

I want to focus my remarks on Amtrak and our rail transportation system. I think anyone who followed the events of September 11 is well aware that Amtrak played a critical and essential role in responding to this national disaster. We know that without Amtrak being able to respond, New York would have been cut off. The natural flow of commerce and passengers between Boston and Washington, the busiest rail corridor in our country, would have been severely undermined. We know, too, that Amtrak did its part to make sure people not only could reach their destinations but, for example, those who had planned to fly by air when our air system was shut down, their tickets were honored and they were part of the continuing and increasing flow of people and goods that demonstrated that America was still moving.

Ridership on Amtrak has been up 17 percent across the Nation and certainly in the Northeast corridor, which was so devastated by the attack on the Pentagon, the closure of our airports, the attack in New York City, the continued, until thankfully today, closure of our Washington National Airport. We know that Amtrak's increase here was up by 30 percent.

How do we make sure this critical mode of transportation is safe and secure in the future? We cannot be in a position of looking backwards. We have to look forward and say, what do we need to do to make sure our transportation system is redundant and safe? I believe we have to focus, as we look at transportation security, on ensuring that our thousands and thousands of rail passengers are safe.

I am grateful Amtrak has come forward with a specific plan to address the needs of those passengers. We need, for example, more police officers on our trains, more canine units to inspect the trains, more power and switch upgrades to ensure they absolutely run without any delay or disruption.

In New York, we have immediate safety concerns which demand we act now, not later—hopefully in time to make sure we are always moving—and, if there is any natural or other disaster, that we keep our people moving.

I want to bring to the attention of my colleagues some specific safety concerns. Anyone who has ever been on a train in or out of New York knows, I assume, that there are four tunnels under the East River and two tunnels under the Hudson River that serve as vital links between New York City and the surrounding area and the rest of America.

These tunnels were built in 1910, and now almost a century later they have not undergone any serious security upgrade. Under today's regulations, the tunnels would never be allowed to be constructed in the same shape in which they currently exist.

Penn Station in New York City is the busiest railroad station in the United States. More than 500,000 passengers, from all parts of our Nation, on more than 750 trains pass through Penn Station each day. As many as 300,000 commuters pass through the East River tunnels on the Long Island Railroad trains each day. So these tunnels are essential to our national railroad network and to the moving of people who commute every day in and out of New York City. The tunnels are so essential that we must turn our attention to ensuring they are safe for the hundreds of thousands of people who use them every single day.

If for some reason a train were to become incapacitated in one of our tunnels, the only means of escape would be through one of two antiquated spiral staircases on either side of the river or by walking in the dark almost 2 miles out of the tunnels. These are also the only routes by which firefighters and other emergency workers can get into the tunnels.

I have a picture, and it shows a narrow 10-flight spiral staircase which serves as the evacuation route for passengers as well as the means for rescue workers to enter the tunnels. I can barely even imagine what the situation would be like under the ground, under the rivers, if some kind of disaster were to occur, with passengers and crew trying to move up this narrow spiral staircase and rescue workers trying to move down; or, in the alternative, people being, in some instances, carried or trying to get out on their own going 2 miles in whatever conditions existed at the time.

I bring this to the attention of my colleagues because I think it is imperative, as we look at transportation security, that we do not turn our backs on the hundreds of thousands of people every single day who use our railroads. I fully support adding air marshals on our flights. I support federalizing the inspection that passengers and cargo and luggage must go through, and I support doing everything we humanly can think of that will guarantee to the American public we are doing all that can be imagined to make our airlines safe.

I also want to be able to stand in front of the people in my State who rely on these trains to get to and from work, who rely on these trains to commute, who travel out of New York City, and people all over our country who similarly rely on our trains, that they also will be secure. We don't want to leave any American out of our security efforts. This is an opportunity to do right what is required, what we now know will prepare America for any future problems.

The airline security bill, which I hope we will be considering soon, calls for the creation of a Deputy Secretary of Transportation Security who will be responsible for the day-to-day operations of all modes of transportation. I applaud this provision. I think it is

long overdue. It certainly will be a strong endorsement of the kind of broad-based security required for our millions of airline passengers, for those who use our ports, for those who come in and out of our transportation network, and for the 20 million passengers who rode Amtrak last year.

Over a week ago—it is hard to keep track of time in the last weeks—40 of our colleagues took the train to New York City. I am so grateful. For some, it was the first time they had been on the train. It was fun to see their surprise and enjoyment provided by the ride to and from New York City. They were, in a sense, following in the footsteps of the hundreds of thousands of people who either have used trains out of necessity or out of choice for years or who were forced to use trains in the wake of September 11. And, thank goodness, the trains were there.

I cannot even begin to calculate the economic and psychological costs we would have suffered had we been totally shut off. We could not have moved people as easily as we did if Amtrak had not responded as well as it did in putting on additional equipment and personnel.

I hope my colleagues will remember this picture of this spiral staircase. I hope they will think about everyone they have ever known who perhaps has been a passenger, as I have been many times on these trains, through these tunnels. I hope they will join in the commitment we must make to every single American that we will guarantee the highest possible level of security for all transportation. It is the least we can do. I look forward to working with my colleagues to make sure it happens.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Before the Senator leaves the Chamber, I appreciate the invitation from her and Senator SCHUMER to travel to New York. Having traveled on the train on a number of occasions, I have always enjoyed it. That day it was not a time of enjoyment but a time for learning. It is a trip I will never forget. We have seen and understand a little bit better the devastation, the hardship, and the sorrow of the people of New York.

I express publicly my appreciation and the appreciation of the people of Nevada for the great work the Senator has done representing the State of New York in these events following September 11. What a pleasure it is to serve with her in the Senate.

EXTENSION OF MORNING BUSINESS

Mr. REID. I ask unanimous consent that the Senate stand in a period of morning business until 4 o'clock today, with Senators allowed to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Wyoming.

AVIATION SECURITY

Mr. THOMAS. Mr. President, I will talk about where we are with regard to aviation security. I appreciate very much the comments of the Senator from New York and her information about railroad security. I certainly agree with her that we have to look at all our transportation systems and, indeed, we have an opportunity to look at it all. If it is different in different parts of the country. Of course, we don't have to have Amtrak trains in Wyoming. Nevertheless, I fully understand the importance of railroads.

I raise the question of how we complete the work before the Senate. Hopefully we will have back this afternoon a bill to improve aviation security. It is called the Aviation Security Act, and it has been developed for that very purpose. It has to do with the Deputy Administrator for Aviation Security. It has to do with the Aviation Security Coordinating Council. It has to do with training and improving flight deck integrity.

This bill is an aviation bill. We have a number of things on which we have not quite yet come together on this bill, but I think our challenge is to pass this bill. I don't think there is anyone who would argue on the point of the Senator from New York that we need to do that and we need to get to railroads, but I guess there is a question as to whether those issues will hold up doing what we want to do with regard to aviation. That is the question before the Senate. Hopefully, it will be resolved shortly so we can move forward.

Obviously, there are unique aspects to airlines and airports. There needs to be changes made in their operation. And there have been. We have already made a great deal of progress in terms of security. There is a great deal more to make. I hope that not only this issue but other issues that have been suggested become a part of this air security bill could be handled on a free standing bill so we move this bill as soon as it is possible to do that.

We have before the Senate that challenge. There is no question about the safety aspect of other modes. We have not come together on this one yet. There is a difference of view as to the proper agency to do this work, whether it ought to be a law enforcement agency, whether it ought to be the FAA. There are fairly strong feelings about that. But that has not been resolved.

There are questions as to staffing and what supervision and criteria will be required in order to have people who are, indeed, qualified to do the kind of work that is necessary to be done, and whether or not these persons ought to be supervised by a law enforcement agency of the Federal Government, which I happen to think is probably the better way to do it, and do some contracting so we can move more quickly.

We do have questions and problems. We are talking about that now. I am hopeful we can settle a couple of those disputes. One is the idea of bringing in other issues into this bill through amendments and changes that would then require the same kind of consideration, or whether we can move this package, designed for airline security and aircraft safety, and turn to the others that are equally as important. Which is the better way?

There are other fairly unrelated issues having to do with health care, unemployment compensation, all of which are very important, but they are not part of this issue and not part of the considerations.

I am hopeful we can deal with these issues as they come forward. We are slowed by the idea of bringing more and more issues into the same base bill when it is designed to be specifically oriented toward airline safety. I suggest we move with this bill and come in as soon as possible with the other issues that are equally important, but we not hold this waiting to try to make other proposals fit into this bill.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CARPER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DAYTON). Without objection, it is so ordered.

RAIL SERVICE SECURITY

Mr. CARPER. Mr. President, I rise today during this period of time when we are discussing the need for additional security for airports and airliners to again voice my strong support for the measures included in the legislation that is soon to be before us.

Having said that, I also observe that this country has shown it is pretty good at fighting the last war in preparing to fight the next war. Those of us who are students of the history of World War I know that World War II was a lot different from World War I, and we only have to think of the Maginot Line to know how different it was. Korea was different from World War II; Vietnam was different from Korea; the Persian Gulf was different from Vietnam.

We are now struggling in this war against terrorism to make sure the kinds of tragedies that occurred on September 11 do not occur again, and we should do that. If we look back at the history of the last several years with respect to terrorism, we had the bombing of the World Trade Center in 1993, the bombing of two U.S. embassies in East Africa in 1998, the bombing

of the U.S.S. *Cole* last year as it was at anchor, and now the use of our own aircraft as guided missiles to be used against the Pentagon and the World Trade Center.

Now as we prepare this fight against terrorism to fight the last war, to make sure no other hijacked aircraft can be flown into other targets, we need to remember there is a different element to this war, a different front to this war, and it is not just airplanes; it is not just airlines; it is not just airports.

As the Presiding Officer knows, I travel to my State of Delaware most mornings and nights on the train. We are mindful of trains in our State. We do not have a commercial airport. We use Philadelphia or BWI for most of our commercial flights. A lot of people take the train. It is not just in Delaware. It is a lot of folks up and down the Northeast corridor; indeed, a lot of people around the country.

During a given day, we have people who get on the trains in my State and some head south toward Washington and others head North toward New York City where they work or go for business or pleasure.

In order to get into New York City, a train has to go through tunnels. There is a network of tunnels underneath New York City, underneath the waterways. Some of those tunnels are used by Amtrak, some are used by New Jersey Transit, some by the Long Island Railroad. Amtrak is a minority user of those tunnels.

All told, I understand between 300,000 and 400,000 people a day ride trains, whether they are intercity passenger rail trains of Amtrak or commuter rails, transit trains—between 300,000 to 400,000 people a day go through those tunnels into New York City.

Those tunnels were built during the Great Depression, between World War I and World War II. We have tunnels that are even older than that around Baltimore and indeed right here in our Nation's Capital, some of which go back to the administration, not of FDR, but of President Grant.

I would like to stand before you and say each of those tunnels through which trains pass carrying hundreds of thousands of people every day is not a target for terrorists, but if they were, they are tunnels that are well ventilated, well lit, there are adequate provisions to detect those who might want to do damage to the tunnels or to people who use the trains. Unfortunately, that is not the case. The tunnels are not well ventilated. They are not well lit. They are not tunnels with good surveillance that would enable security officers to detect the movements of suspicious persons or materiel.

As we prepare to fight the last war that grew out of the tragedies of September 11, I hope we will not forget those hundreds of thousands of people who are in those tunnels every day going in and out of New York City. I hope we will not forget the thousands of people who are in those tunnels every day beneath this city and beneath Baltimore.

I am told, as far as passenger capacity aboard airplanes is concerned, there are about 150 people who can be seated aboard a 727 jetliner. The new Acela Express trains carry over 200 people. I am told the seating capacity aboard a 737 is roughly 150 people. The Metroliners that go up and down the Northeast corridor carry 225 people. A 747 aircraft can seat maybe 400 people. A conventional train, the Acela regional trains that go up and down the Northeast corridor, can seat up to 500 people. And a new 767 airliner can carry as many as 500 people. The Auto Train that goes from Lorton, VA, to Sanford, FL, near Disney World, carries 500 people and some 600 cars.

My hope and my fervent prayer is that nothing ever happens to any of those people on any of the airliners again or any of the trains I talked about or the other commuter trains that work their way through the Northeast corridor and the cities around the country. I hope that is the case.

That may not be the case. As we prepare to fight this next war, we need to keep in mind the Achilles heel with respect to security of passenger rail.

A package has been put together addressing some of our biggest concerns for the safety of folks who are using trains. I will tell my colleagues one of the reasons I think this is important.

Think back to what happened on September 11. One of the first things that happened was the airplanes that were ready to take off did not take off, and those in the air were ordered to land. As that happened, in the Northeast corridor Amtrak kept working.

The first trains heading north from here pull out at 3:30 a.m. The first trains coming out of New York City heading south pull out at 3:30 a.m. As aircraft were downed across the country, Amtrak was running and carrying hundreds of people. When people could not get out of Montreal, Amtrak made provisions to get them where they needed to go in the United States. When O'Hare and Los Angeles shut down and the Postal Service was grounded, Amtrak carried over 200,000 carloads of mail, I am told.

When people and planes around this country—Raleigh and Pittsburgh—were grounded, Amtrak stepped in to move emergency personnel and equipment from one end of the country to the other where it was needed.

My colleagues know the two Senators from Delaware are big supporters of passenger rail service. We think that is an important component of our national transportation policy.

This is not an effort during this time of distress and fear to try to obtain extra funding for passenger rail service, although some suggest this is an appropriate time to do that. Instead, what we have in mind is to try to strategically pick a handful of items that need to be fixed in order to ensure, just as we are making travel for airline passengers safer, that we simultaneously make travel for rail passengers safer.

What we are proposing to do is to rehabilitate those seven tunnels that go into Manhattan. We have, as was said earlier, old tunnels in Baltimore and in Washington as well. They all have the same problems. They need to be fixed, and we ought to get started fixing them.

I have been riding trains lately that have Amtrak police officers on them. They are working extra shifts. They are working doubles. They are working a lot of extra hours. They cannot continue to do that forever. We need additional Amtrak police officers to meet the security burdens that are placed on them. We are going to have sky marshals on aircraft, and we ought to. We ought to have, in many cases, Amtrak police officers on our trains. We do not have enough of them to go around.

More people are taking the train these days. It is not just here; it is the Texas Eagle, trains out on the west coast. It is trains all over the United States. It is the Acela Express trains, the Metroliners, conventional trains in the corridor and conventional trains all over the country. More people are riding rail, and my guess is more people will ride rail as we go forward. We need to make sure they are safe.

In addition to more police officers, we need more canine and we need training for those officers who are going to be using the dogs. We need video equipment that allows Amtrak to monitor sensitive points along rail lines. We can do that remotely. We can do it effectively. It makes sense. We can use, and ought to have some beefing up of, the aerial inspections that are available to use with Amtrak. We can do it by day; we can do it by night.

Some people have said to this Senator and to Senator BIDEN and others that they support making travel by rail safer; that it sounds like a good idea. But what they also say is this is not the time and place to do that.

I say to my friends and colleagues who have made the offer of supporting legislation like this sometime further down the line, we have heard similar promises, literally, right in this Chamber about a year ago. We are now doing something for passenger rail further down the line, and we are a year further down the line. That which was supposed to have been done has not been done.

What was supposed to have been done was the creation of high-speed rail corridors in places all around the country. It makes no sense to put people on an

airplane to fly 150 miles, 200 miles in densely populated corridors where they could as efficiently, or more efficiently, take a train. That would make easier the security job, the safety job of the people running the airports. We ought to do that.

We have not come back and addressed that question raised a year ago to enable us to work with State and local governments to create high-speed rail corridors. That is another issue. We are not going to talk about that. We are going to stay away from that. This is a different argument, but this is the right day, and this is the right place, to raise that argument.

Passenger rail utilization is up probably 30 to 40 percent since September 11. Any number of the trains I have ridden in the corridor, every seat is full—Acela Express, Metroliners, conventional trains as well. We are seeing a similar kind of jump in ridership around the country. A lot of the people riding those trains used to fly airplanes. They are now on a train because they feel safer, maybe because it is more convenient.

I want to make sure they feel safer, not just continue to feel safer but to make sure they are safer because we will take right now the kind of steps to protect their safety, just as we are taking steps to protect the safety of those who would fly in their 727s, 737s, 747s, or 767s.

This is the time, this is the place, this is the legislation on which we should debate these issues and we should approve them. We should affirm them and we should put these safety precautions in place for passengers on rail as we do the passengers of airlines.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. DORGAN of S. 1504 are printed in today's RECORD pertaining to the introduction under ''Introduction of Bills and Joint Resolutions.'')

Mr. DORGAN. Mr. President, I ask unanimous consent to be recognized in morning business on another subject.

The PRESIDING OFFICER. Without objection, it is so ordered.

AIRPORT SECURITY

Mr. DORGAN. Let me ask a question in the largely empty Senate on a Thursday afternoon. It is now 4:05. We came to the Senate this week dealing with Defense authorization at a time when defense is critically important to this country. This country was attacked. Thousands of Americans tragically were killed by mass murderers who committed the most heinous crime that any of us have ever seen.

The issue of defense at a moment when we are sending American men and women who wear our country's uniform into harm's way is a very important issue. Our first order of business in dealing with the Defense authorization bill in the Senate was to have to vote on cloture to shut off debate so we could complete this bill.

What does that say about our priorities? We had a cloture vote, we got through that, we finished that bill, finally, and now it is Thursday at 4:05 in the afternoon, and the subject is airport security. When those commercial airliners hit the Trade Towers in New York, and that commercial airliner hit the Pentagon, it is something that none of us will ever forget—the image of the airplanes hitting the Trade Towers in New York, seeing the fire at the Pentagon, seeing the crater dug into the ground in Pennsylvania by the United Airlines jet. When all of that happened, immediately the FAA shut down all air service in the United States. Every single airplane was ordered grounded. All commercial airlines flying and private airplanes flying in this country were ordered grounded and, as I understand it, moved to the nearest airport they could find.

At that moment of that day, September 11, the only thing in the skies over Washington, New York, and other parts of the country were F–16s, armed, flying combat missions over American cities.

Our commercial airlines were ordered grounded. None flew for a number of days. And then commercial airlines were allowed to come back with added security and they began to fly once again.

What has happened in this country is people have not been coming back to the airports to use commercial air service because they are concerned about the issue of security. Last week I boarded an airplane and flew to North Dakota for the weekend and came back. I appreciate the air service. I appreciate the added security at the airports. I hope all Americans will understand a substantial amount is being done in this country to try to make sure we will not see airplane hijackings once again. It is important.

But the Congress is moving to do more with an airport security bill that we have been considering for a number of days on the floor of the Senate, but we cannot move forward. The issue of the Congress of the United States to put sky marshals on virtually every flight in this country, hiring a lot of sky marshals to say to the American people, when you fly, someone will fly with you, a sky marshal, trained and armed and ready to take over that plane if needed. That is an important message to the American people.

When you fly, you will go through baggage screening that is not haphazard as it is in some airports but screening by somebody who is trained and following procedures. When you fly, that the airport perimeter, at airports in this country, will be a perimeter that is guarded, in which law enforcement understands what is happening around that airport perimeter.

When you fly in the future, you will be on an airplane in which someone is not going to be able to get through that cockpit door because it is a hardened cockpit, as it is on some carriers overseas. All of these things relate to the question, Do we provide confidence to the American people that we have taken the steps as a country to protect ourselves against hijackers?

So we bring a bill to the floor of the Senate, largely agreed to, negotiated over a long period of time—and it is now Thursday at 10 minutes after 4—and we have a motion to proceed to the bill on airline and airport security, a motion to proceed to the bill that we cannot advance. There is a filibuster on the motion to proceed.

There is something fundamentally wrong with that. The last thing in the world you would expect, in my judgment, is stalling on a motion to proceed to the airport security bill in the Congress in the aftermath of the September 11 tragedy.

If there are things people object to, if there are things they do not like in this bill, things they want to change—if they have heartache about something, let the bill come to the floor and offer an amendment. Just offer it, grab a microphone, stand up, and have at it. We will be here. We do not have to go anyplace real soon. There is nothing, in my judgment, that has a higher priority than this at the moment.

If we do not get people back in the air, if we do not get commerce going again in this country—business travelers and travelers for vacations, pleasure travelers and so forth—if we do not have people back in the air, we will not have a commercial aviation system left in this country. They are hemorrhaging in red ink, and we did a bill to try to provide some support for that, but that bill only lasts a very short period of time. We must give people confidence that when they get on an airplane, they are not going to have substantial risk of hijacking, that the security procedures in place are going to protect them. We must give them that confidence. That is what this legislation is about, and it is just unfathomable to me that there is nothing happening here because we have an objection on the motion to proceed.

My colleague from Nevada, Senator REID, said if you will not agree to go to the airport security bill, we have five appropriations bills that should have

been done by October 1 but we did not get them done. Let's have an appropriations bill on the floor this afternoon. Let's work on that. We can be here until midnight. Hard work is not something that is a stranger to most people in this Chamber.

Do you know what? We have five appropriations bills that should have been done already, and we cannot get one to the floor of the Senate today because when the Senator from Nevada makes a unanimous consent request—if you will not go to airport security, then let's go to an appropriations bill—and the words ''I object'' are heard.

So who is objecting, and for what purpose? And how does it advance this country's public policy interests, in a range of critically important issues—notably airport security, which I think ought to rank near the top, given what happened on September 11? How does it advance this country's interest to shut this place down?—just stop it. It doesn't seem to me to be the mood that ought to exist.

Post-September 11, we have had a period unprecedented, at least in my judgment, here in the Congress. President Bush came to speak to a joint session. I thought he gave a strong and powerful speech. I thought he spoke for this country, saying this country is unified, this country has one voice. That is a voice of determination saying to the rest of the world that what happened in this country was a heinous act of mass murder. We will find those who did it, and we will punish them, and we will take all steps necessary to prevent that sort of thing from happening again in America.

One part of that, and I must say a very important part of that, is dealing with security in the area of commercial airlines and commercial aviation. This legislation dealing with sky marshals, airport screening, perimeter law enforcement, hardening of the cockpit, and so many other issues—the appointment of an Assistant Secretary of Transportation whose sole authority it is to deal with security—all of that is in this legislation. So, on Thursday afternoon we sit in a spooky quiet Chamber because somehow this cooperation is not there.

I am not here just to point my finger. I haven't named anybody or talked about sides here. All I say is those who say ''I object'' when we say at least let's move to the motion to proceed to the airport security bill, when they say ''I object,'' I think they retard rather than advance this country's interests on something so important and so timely and so necessary at this moment.

The reason I wanted to speak beyond the piece of legislation I introduced here is to say how disappointed I am this afternoon. I think many of my colleagues feel the same way. I am not angry about it, I am just disappointed. This is not what we should do. We know how to do good public policy. We do good public policy by getting together and getting the best of what everybody has to offer, not the worst of each. If you have an objection, if you have a burr under your saddle someplace about something, if you are cranky about something, got up on the wrong side of the bed, didn't have sugar in your cereal, good for you. That doesn't mean you have to hold up the whole place. If you have a problem with something, come offer an amendment. These microphones work at every single desk. Come offer an amendment, and if you have enough support, you are going to win, and God bless you, that is the way life is here in the Senate.

I understand people say we have a right to use the rules and the rules allow us to object to a motion to proceed. That is true, absolutely the case. But there are times, unusual times, in my judgment, in this country, when the American people do not want to see business at usual; when what the American people want to see is cooperation and people coming here to say, we know we have a problem, and when this country has a problem, we are one; we are going to work together and solve it.

That doesn't mean every voice has to be singing exactly the same note. Someone said when everyone in the room is thinking the same thing, nobody is thinking very much. I am not asking for a unison of thought, but I am asking that we decide to take some action in this Congress. This is the opposite of action, and it is not the best of what Congress has to offer the American people so soon after the tragedy that occurred on September 11.

I express my disappointment as only one Member of the Senate. But I hope very much others will join and we will begin next week—the Senate has no votes tomorrow, and Monday is Columbus Day. The Senate will not have votes on Monday. My hope is when we come back Tuesday, we will see a series of actions on the part of the Senate with a new determination to cooperate, to say, yes, let's do these things. We know they need to get done; let's do them. Bring up the airport security bill, offer some amendments, agree to some limitation on time on debate. If you don't want to do that, that is fine, but it seems to me it makes sense to get these things done. Bring the appropriations bills up. Let's get these done. Let's work in a spirit of cooperation.

I am not saying one side is bad and the other side is good. I am saying all of us are on the same side. There is only one side in America at this point, and that is the side of trying to get the right thing done at the right time for the American people.

I yield the floor, and I make a point of order a quorum is not present.

The PRESIDING OFFICER (Mr. DORGAN). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. NELSON of Florida. Mr. President, I ask unanimous consent the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Florida.

BIPARTISAN RESPONSE TO THE CRISIS

Mr. NELSON of Florida. I was so inspired by the comments of the Senator from North Dakota that I felt compelled to rise to offer my additional comments to the thoughts the Senator from North Dakota has offered.

I have gone home each weekend and heard my people respond that they are so proud that they have seen a unanimity of purpose, a unity of leadership, unity of the executive and legislative branches of Government, and they are so proud that they have seen bipartisanship as America has responded to the crisis we now face.

In the midst of that unity and that bipartisanship, we have seen swift action on a number of pieces of legislation:

First of all, the emergency supplemental that would appropriate $20 billion to respond to the terrorists and another $10 billion to respond to the crisis in New York;

Then, as the Senator pointed out, the quick action on the financial package for the airlines so that we can get people back into the air and help shore up this major component of our economy.

But in the midst of all this unity, I think that partisanship and ideological rigidity is beginning to raise its ugly head again, for as the Senator from North Dakota has pointed out, there was an objection offered last week when we needed to pass a Department of Defense authorization bill that held it up some 5 days more. Finally, we got an agreement after a tortuous process of trying to explain to others that you couldn't load down the Department of Defense authorization bill with everybody's agenda, that you had to keep it pure and address the defense needs of this country, particularly at a time such as this.

We came to a point yesterday late in the day where the majority leader—and I believe the minority leader—wanted to agree to the unanimous consent request of the majority leader to proceed on this airline security bill, and yet there were objections—perhaps for some partisan reasons, perhaps for some ideological reasons, perhaps for some parochial reasons. But as so eloquently pointed out by the Senator from North Dakota, are we forgetting what is in the interest of the country, which is to get the American public flying again, and to help all of these

myriad of industries that are dependent upon a healthy airline industry with lots of passengers?

My State is clearly one that is so desperately affected by the lack of airline travel and its spillover into the hotels, restaurants, and the visitor attractions. You can go on with car rental companies, on and on.

The majority leader, our wonderful leader, Senator DASCHLE—I think with the concurrence of the minority leader certainly in wanting to be there—wants a bill that would put sky marshals on the planes, that would strengthen the cockpit doors, that would have enhanced and federalized screening of passengers, that would help train the crews for anti-hijacking procedures, that would require background checks on those who are not citizens who want to learn to fly in our flight schools, and all of those things that are unanimously embraced in this country and that we want to pass.

As so adequately pointed out by the Senator from North Dakota, it is 4:25 on Thursday and we can't proceed to the bill. We can't even proceed to the motion to proceed because it is going to be filibustered.

We will pass the motion to proceed next Tuesday. But then there are 30 hours of debate on the motion to proceed before we can ever get to the airline security bill unless people will come to their senses as to what is in the national interest, putting aside their partisan concerns, putting aside their parochial concerns, and coming together again in what has been a bright, shining moment for America in the unity and bipartisanship that has been displayed in the last 3 weeks.

I was sufficiently moved by the comments of the Senator from North Dakota that I wanted—I thank him for taking my place in the chair as the Presiding Officer—to offer these remarks.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. NELSON of Florida. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CORZINE). Without objection, it is so ordered.

(The remarks of Mr. NELSON of Florida pertaining to the introduction of S. 1506 are printed in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. NELSON of Florida. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CORZINE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. NELSON of Florida). Without objection, it is so ordered.

RAIL SECURITY

Mr. CORZINE. Mr. President, I rise today to speak with strong support for an amendment that I know my colleague from Delaware, the senior Senator, JOE BIDEN, will be offering which deals with the issue of rail transportation up and down the east coast—actually across the country, an amendment that provides about $3 billion to enhance the security of our rail transportation network.

This happens to be an amendment that I think fits extraordinarily well and is extraordinarily important in providing a comprehensive security package for our transportation network in this country.

The tragic events of recent weeks have focused attention on our need to improve the safety and soundness of our transportation network, in particular our airlines. I congratulate the leaders of the Senate, our majority leader, TOM DASCHLE, and the minority leader, TRENT LOTT, along with Senators HOLLINGS and MCCAIN, for their outstanding work to bring forward a package that I believe our Nation is asking for, is demanding: that we recognize we need to improve the safety of our aviation system in this country.

We need to be a little more forward looking. We need to think outside just the events that have occurred to what could occur and where the next tragedies might very well occur.

While we are tightening aviation security, we need to address problems that may very well exist in other parts of our transportation system.

Just yesterday we experienced a serious problem in our country's bus network. Fortunately, it was not of the same tragic proportions, but we saw, once again, a criminal taking over a bus and attacking the driver, leading to the death of five innocent passengers.

We have a vulnerable transportation system in this country. Unfortunately, our rail system may be the most vulnerable. That is why we need the Biden initiative, hopefully with a number of Senators from across the country supporting it. We need to address this issue before a problem occurs.

Talk about proportionality. In fiscal year 2000, Amtrak provided ridership for 22.5 million folks. Out of New York City, there were 8.5 million boardings. It is an enormous contributor to the transportation system in this country. It is an important one.

We learned that it is complementary to our transportation system as we saw the shutdown of Reagan National and we saw the aftermath of the events.

It is not just passenger traffic. Freight traffic feeds one of the most important ports in our country, the New York-New Jersey port. Up and down the east coast, there is tremendous interconnectivity of our society through rail traffic. This is one of our most vulnerable spots, and I think it needs to be addressed on an emergency basis. I think a lot of my colleagues do, and that is why we are so impassioned about the need to address this now in this time when we are looking at various needs for security.

When you ride Amtrak, which a number of Senators did when they visited ground zero a couple of weeks ago, and as a number of us do regularly, you do not have to go through any security checkpoints before boarding, no metal detectors, no x-ray machines to check luggage, and there are very few security officers. Someone can just walk on a train and put a bag in the storage bins. One does not even have to be suicidal to accomplish destruction.

Indications are that security on trains is light. Under these circumstances, we have been very fortunate, in my view, to have avoided a major terrorist attack on our Nation's rail system. It is not just a Northeast corridor problem. It is a problem across the country where we have heavy rail traffic.

It is time to improve that security now. We need to think ahead to what could be a major disaster, a human tragedy for our country. That is why the Biden initiative, and the initiative of so many of us, is so important.

This amendment will provide the resources to substantially improve the security of the Nation's passenger rail system—not just in the Northeast but the Nation's rail transportation system. Funds could be used for a variety of purposes, including hiring more police officers, improving training and security personnel, purchase of security cameras, and the establishment of special emergency response teams that can respond instantly if we have a problem on our rails. It could provide helicopters to check the track coverage to make sure we are not being attacked before an event.

There are a number of things we need to do on a commonsense basis to make sure we are more secure in our rail traffic, to make sure our economy continues to roll and provide the freight connections with which Amtrak and rail across our country use to service our economy. We ought to do this now and not wait for a problem to occur.

It is also important—and this is absolutely more clear every day—Mr. President, I encourage you to come to New York, New Jersey, and try to commute across the various forms of transportation under the Hudson River or over it and see the 1½ to 2 hour lines that are taking place because of the breakdown, obviously, of the path tunnel that went into the World Trade Center. There were 50,000 riders one way each

day on that pathway, and now they are looking for other ways to get into the city.

With the entry level of the Holland Tunnel now stopped because of security reasons, there is an absolute need for us to understand that these are important security chokepoints, risk points in our transportation network.

A lot of these tunnels are extraordinarily dated and, by the way, not just the ones in New York and New Jersey, but Baltimore, Washington, and other places across the country are not up to scale for the 21st century. In fact, some of them are not up to scale for the 20th century.

The ones in Baltimore were put in place in the 1870s. The tunnels under the Hudson River were built in the early 1900s when we had the Pennsylvania railroad. They have gone through different ownerships and struggles to stay current.

If a terrorist were to attack the ones I know best under the Hudson River, there are two exits in a tunnel that is the better part of 6 or 7 miles long. Lousy ventilation was put in place, as I said, in the early 1900s, and a narrow passageway virtually makes it impossible to evacuate.

On an average day there are 100,000 passengers who go through that tunnel. It is not just Amtrak, but it is the New Jersey transit, which is one of the vital links to have a connected economy in the metropolitan New York-New Jersey-Connecticut area.

I stress that it is not only New York-New Jersey. We have similar issues in the Baltimore tunnels, and, frankly, they have a tunnel in Washington that runs right next to the Capitol Building. There are enormous risks and inefficiencies that occur here.

We have a safety issue for sure. All one has to do is watch grade B movies of days in the West, as we might have seen in South Dakota, where people blew up bridges or blew up tunnels to know it does not take a genius to figure out that these are places where security measures need to be taken and attended to.

I hope my friends in the Senate will realize this is not about porkbarrel spending. This is a serious concern for literally millions of folks who are involved in our rail transportation system.

Finally, this is a vital economic link for this country. There is an enormous amount of freight traffic up and down the east coast. There is in other parts of the country as well, and our friends need to have protection to make sure those links stay in place. If we are ever going to worry about where the status of our economy is and how we are going to keep it thriving, get it back on the right track, now is the time to be thinking about that. That is why I think we have to make sure we move on these issues with regard to rail transportation at the same time we are talking about aviation.

There is the old saying: Fool us once, shame on you; fool us twice, shame on us. Frankly, I think we are in that position. That is why I feel so strongly about support of the initiative that a number of us are taking under the leadership of Senator BIDEN, and I hope we will move that forward. Economic reasons for sure, but when you want to think about the safety of the people of America, we do not need another September 11 to produce movement on things where we know there are problems.

As a matter of fact, the traffic has increased over 40 percent in that Northeast corridor since September 11 because a lot of people believe it is an alternative to air transportation. I hope we will move on this bill, move on it quickly, so we are looking after our citizens in a prospective way, not in a reactive way.

For all of these reasons, I strongly urge my colleagues to support the Biden amendment when it is presented. I hope to come back and speak to this again and make sure people forcefully understand this is a need that has to be addressed now, not after the fact. I appreciate the attention of the Senate, and I hope we will all be attentive to the needs of what I think are important rail safety issues, as well as our aviation safety.

I yield the floor.

The PRESIDING OFFICER (Mr. JOHNSON). The Senator from Idaho.

RESOLVING DIFFERENCES

Mr. CRAIG. Mr. President, this afternoon I want to speak to the issue that many of my colleagues have spoken about. For the first time since September 11, I have heard an interesting word used by the majority leader of the Senate, the word ''obstruction.''

I am disappointed Senator DASCHLE has decided that is a word he needs to use to express his concern about where we are in the Senate at this moment.

What I will say this afternoon to the majority leader is there is an awful lot about trying to get the work product we are going to offer to the American people next week right correct, well done, before we bring it to the floor. For example, if Senator DASCHLE had suggested we bring the antiterrorism package to the floor yesterday, we would not have had a completed product. Somebody would have had to stand up and object and say, wait a moment, TOM, somehow you have the cart before the horse.

If we spend another 24 hours on it, maybe we can resolve our differences. You know what happened in that 24-hour period? Differences were resolved. The Senate stood in a bipartisan way last night and crafted an antiterrorism package, and the House voted out of committee unanimously in a bipartisan way to resolve it.

There is not a great deal of difference between that and the airport safety package that came to the floor without clear instructions and a bipartisan unity that would have led us to resolve it in the correct fashion. Many of our colleagues were lining up, and rightfully so, to offer a variety of amendments that could have taken us well into next week, substantially changed the character of an airport safety package, and sent a very confusing message to the American public. The public has a right to be concerned at this moment because current airport safety failed us on September 11. They want to make darn sure that whatever we do this time we get it right.

In getting it right, my guess is the first question you would ask is, Are you going to use the old model that failed us on September 11 and throw more money at it and throw more people at it, or are you going to think differently? Are you going to step out of that box and look at something new that really is an awful lot about law enforcement and a lot less about hiring the cheapest kind of personnel you can get to fill what is required by the FAA? That really is the debate that is going on behind the closed doors that the majority leader has not been willing to expose to the American people this afternoon. He has simply stood on this floor, wrung his hands, and used the word ''obstruction.''

Let me say what is going on in the back rooms at this moment: The White House, the Secretary of Transportation, the chairman of the Commerce Committee, the ranking member of the Commerce Committee, and a good many others are trying to craft a final product that is a hybrid, that is out of the box, that is different, that is unique, that we can bring to the floor next Tuesday and show to the American people we can get it right and they will, from that day forward, as this new product gets implemented, have the kind of airport security they want, demand, and are going to require of their government.

Is it more of a model of law enforcement, maybe like the U.S. Marshals Service that has a cadre of professionals that allows contracting out but does so with very strict parameters? The White House has said they do not want to federalize all of it. They recognize you cannot make all of these people Federal employees and expect the best product, but if you do, then you have to change the character of the way you hire a Federal employee, and you have to allow hiring and you have to allow firing. You have to be able to proscribe and demand and inspect and make sure the end product, the inability to penetrate security at all of our Nation's airports, is absolute.

I suggest to the majority leader the reason we are not debating this issue

on the floor this afternoon is not a matter of obstruction; it is a matter of getting it right before it is brought to the floor. It is an awful lot more about airport security in the long term because we only have one more bite at this apple. If we get it wrong this time, shame on us.

We heard the Senator from New Jersey talk about a very important issue: rebuilding the infrastructure of the rail delivery system of the east coast. Should it be a part of airport security or should it be a part of an infrastructure bill that has long been needed that addresses the refurbishing of a very antiquated rail system? How much money is it going to cost? Should we rush to judgment and spend a few billion dollars more when we are on the verge of spending beyond what we now have available to spend?

September 11 awakened us to a great many needs, but it does not mean we do them all overnight or we spend hundreds of billions of dollars into deficit to accommodate it. It says, though, that we have some immediate needs. One of the most immediate is airport security.

While Americans are beginning to return to our airports because they know security has been substantially heightened, what we are going to offer them in the package that is brought to the floor next week is a new model that creates a new paradigm of thinking, that clearly allows the American people to see on an annual basis, as we review it, as it is implemented by this administration, an airport security system that has the integrity not to allow the penetration, not to allow a September 11 to ever happen again in this country, and to say to them, as I should as a policymaker in a legitimate way, we have offered the best product available to guarantee security and a sense of well-being when one steps on an airliner at any airport in this country.

So should we be rushing now to get it out or should we be trying to do it right?

Our President spoke about being calm, about missiles or bombs not flying the day after September 11, about going out and finding out where the enemy is, building coalitions and doing it in a progressive, constructive way that forever would rid this world of terrorism. He preached calmness and he asked us to unite. The kind of divisive word, ''obstruction,'' that I heard this afternoon does not serve this body well. It does not bring us together. It divides us. It divides Members along a line that says: there is somebody for something and somebody against something.

I suggest there isn't anything that we can all be unanimously for at this moment because there are very legitimate questions about the integrity of the proposal and how it will work and who will manage it—FAA? Department of Transportation? Department of Justice? Is it a transportation issue? Is it a law enforcement issue? They are reasonable questions to be asked, not after the fact but before the fact, before you get to the floor, before you have a final product, so we can stand united, together, as the American people are expecting in this time of national crisis, and not to divide along party lines.

As a result of that need that I think is critical and that my leader thinks is critical, we had to say: Wait a moment; back off for just a little bit. Let's finish that product and let the chairman of the committee, who has worked hard and had a good idea, and the ranking member and the White House, and others, come together.

It is true there was a bill and the bill they tried to present and bring forward yesterday afternoon had not been before the committee, had not had hearings, had not worked the process. I understand that. We all understand that. It is a time of urgency. But in that urgency, in the very critical character of what we do, we cannot do it wrong. We cannot rush to judgment and load it down with everything else, including social agendas, unemployment agendas, a whole infrastructure, transportation system for Amtrak. That is for another day and another issue. Darned important, yes. We need time to debate it on the floor. Let the committee work its will.

I am not going to suggest I understand exactly how any of these systems ought to work. I understand when we take our time and involve all of our colleagues and use the process appropriately, we produce better public policy.

Clearly, the White House engaged us yesterday in a much more direct way with some examples of things they believed were necessary that were not in the bill, that the leader was trying to bring to the floor, that he now accuses us of having obstructed. Mr. Leader, of course you speak out as you wish, but I will suggest that come next Tuesday or Wednesday we will have a better product. We will be more united. We will stand together as the American people ask. We will craft out of a box, out of the old failed paradigm, a new product, and we will be able to turn to the American people and say, in the collective best thinking of the U.S. Congress, the President of the United States, the Secretary of Transportation, and all of the experts we could assemble, we are creating an airport security system in this Nation that will work.

Following that, I hope we can move to antiterrorism and the kind of package that was crafted in an unhurried but aggressive environment which the House voted out unanimously last night from their committee, and Senators came around yesterday evening in final draft to say that is a product that will work, that will give the FBI, that will give other law enforcement agencies in our country the kind of seamless web and communications system that allows them to know what the right hand is doing for the left hand, and vice versa, and the ability to track in a modern, electronic way those who might be brewing ill will for our Nation and our Nation's citizens.

Let us stand together in this Nation's time of need. ''Obstruction'' is not a constructive word. It is not the glue we need. My guess is, getting it right is what we are about and what the American people expect.

For tomorrow, for Saturday, and for Monday, our work is all about getting an airport security bill right. When we do, then we can turn to the American people and say we are putting in place a security system second to none. And from that, we can suggest the skies of America and America's air carriers are safer than they have ever been. That is our goal. It is our charge. Frankly, it is our responsibility. We are up to it in a bipartisan fashion with the whole Senate speaking as one voice. Next week we will be prepared to do that.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. JEFFORDS). Without objection, it is so ordered.

TRIBUTE TO MARION EIN LEWIN

Mr. DASCHLE. Mr. President, today I want to pay tribute to Marion Ein Lewin, a prominent health policy analyst and the long-time director of the highly regarded Robert Wood Johnson Health Policy Fellowship program. Marion is retiring from the fellowship program this year, after 14 years of dedicated service during which she guided and mentored scores of health care professionals from around the United States who took time off from their careers to participate in the policymaking process in Washington, DC. Her mixture of warmth, wisdom, and compassion will be sorely missed by future RWJ fellows and by the Members of Congress and the administration offices who have had the good fortune to work with Marion and the top-notch fellows she has overseen.

For almost 30 years, the RWJ Health Policy Fellowship program has selected a small group of leaders in America's academic health centers to participate in the development of America's health policy. RWJ Fellows come to Washington understanding health care delivery, and, during an extensive training program, they supplement their health care expertise with

lessons about health policy and the process to develop that policy. This training and the unique opportunities created by working on the health staffs of Members of Congress and in the Executive Branch have allowed RWJ Fellows to participate in every major health care debate over the last 25 years.

Marion Ein Lewin has served as the guiding light for the last 14 classes of RWJ Fellows. As teacher, mentor and policy analyst, Marion has helped new Fellows understand the history and opportunities of health policy. She has introduced Fellows to the most important health policy thinkers in the country. The greatest testament to her extraordinary impact is the warmth and fondness departing Fellows feel for her.

Appropriately, Marion's experience in health policy began in a Member's office. She served as the Legislative Assistant for Health for Congressman James H. Scheurer (D–NY), where she helped develop legislation and performed all the activities of a Congressional staffer.

Though Marion is known for her grace and warmth, she has made substantial contributions to the annals of American health policy. Marion's broad experience in health policy was bolstered by stints at the American Enterprise Institute and the National Health Policy Forum. She became director of the AEI Center for Health Policy Research before joining the Institute of Medicine. While at AEI, Marion edited five texts on health policy.

During her 14 years on the staff of the Institute of Medicine, Marion served as the study director for three IOM reports on critical issues ranging from improving Medicare, to the impact of information on the development of health policy, to the status of safety net providers. While at the IOM, she also directed the Pew Health Policy Fellowship.

Now, after 14 years, Marion Ein Lewin has decided to leave her pivotal role in the Robert Wood Johnson Fellowship. Her influence upon the 85 Fellows who served during her tenure is indelible. She has overseen the transformation of academic faculty into reasonable facsimiles of congressional health LAs. Fellows have provided my staff and me incalculable assistance over the years, and I know other Members of Congress and the administration share my appreciation. Marion's guidance has enabled these Fellows to make these valuable contributions as we seek to improve the healthcare system in our country.

Through the dint of her long service and extraordinary knowledge of health policy, Marion has come to personify the Fellowship and its values. It is hard to imagine the Robert Wood Johnson Health Policy Fellowship without Marion Ein Lewin. Mr. President, I ask my Senate colleagues to join me in congratulating Marion and the Robert Wood Johnson Program on their many successes, and sending a heartfelt thank you for her many years of dedicated service. Marion has made a genuine difference in health care. We wish her well and expect her to continue her good work as she enters this new phase in her life.

IN SUPPORT OF THE UNITED STATES

Mr. HELMS. Mr. President, I am grateful to President Chen Shui-bian and Ambassador C.J. Chen of the Republic of China on Taiwan for their support of the United States in the aftermath of the September 11 attacks on New York and Washington.

Taiwan was one of the first countries to declare its unequivocal support and cooperation with the United States, and deserves our gratitude for its firm stand with us.

In offering us whatever we need to combat worldwide terrorism, Taiwan has demonstrated its unity with America during our time of grief. During this period of turmoil and anxiety, I remind my colleagues that Taiwan will mark its National Day on October 10.

In recent years Taiwan has sought to return to the United Nations. I believe we should give Taiwan our support. The Republic of China on Taiwan is a democracy guaranteeing rights to all its citizens; it is one of the most important economic entities in the world; and despite its small population, 23 million people, Taiwan has financial resources surpassing those of many western countries.

Sadly, the international community accords Taiwan less recognition than many other non-state entities, including the terrorist Palestine Liberation Organization.

As the people of Taiwan, the East Asian region's leading free market democracy, celebrate their National Day on October 10, we should commend them for their successes and encourage other nations to support Taiwan's participation and membership in international organizations.

COMMON SENSE ON FIFTY CALIBER WEAPONS

Mr. LEVIN. Mr. President, long-range fifty caliber sniper weapons are among the most powerful firearms legally available. According to a rifle catalogue cited in a 1999 report by minority staff on the House Government Reform committee, one manufacturer touted his product's ability to ''wreck several million dollars' worth of jet aircraft with one or two dollars' worth of cartridge.'' Some fifty caliber ammunition is even capable of piercing several inches of metal or exploding on impact.

These weapons are not only powerful, but they're accurate. According to the Government Reform staff report, the most common fifty caliber weapon can accurately hit targets a mile away and can inflict damage to targets more than four miles away.

Despite these facts, long-range fifty caliber weapons are less regulated than handguns. Buyers must simply be 18 years old and submit to a Federal background check. In addition, there is no Federal minimum age for possessing a fifty caliber weapon and no regulation on second-hand sales.

Given the facts on fifty caliber weapons, I'm pleased that Senator FEINSTEIN has introduced a bill, which I have cosponsored, that would change the way they're regulated. Senator FEINSTEIN's bill would ensure that fifty caliber weapons could only be legally purchased though licensed dealers. Her bill would also ensure that they could not be purchased second-hand. Buyers would have to fill out license transfer applications with the ATF, supply fingerprints and submit to a detailed FBI criminal background check. By any measure Senator FEINSTEIN's bill makes sense and I urge my colleagues to join me in cosponsoring the bill.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Mr. President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of this year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred April 13, 2001 in San Antonio, TX. According to police, a 39-year-old man was attacked because the suspect thought he was a homosexual. The victim had stopped in a park to look at some rocks when a man with a knife came up behind him. The man held the victim in a bear hug before stabbing him in the chest with a knife that he described as a three-inch Buck knife. The suspect allegedly called him anti-gay names as he stabbed him.

I believe the government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

HISPANIC HERITAGE MONTH 2001

Mr. DURBIN. Mr. President, I rise to celebrate our Nation's 33rd Hispanic Heritage Month, which commemorates Hispanic Americans and their contributions to the strength of our Nation in the past, present, and future.

Congress started the tradition of Hispanic Heritage Month in 1968 with the National Hispanic Heritage Week, and expanded the annual celebration to a month-long event in 1989. This year, the month follows the terrorist attacks on our country on September 11. More than ever, it is essential to take this opportunity to recognize the many hardworking Hispanic Americans who have helped make our country great and will continue to do so throughout our future. Our country stands united, with Americans of Central and South American descent standing alongside Americans with roots from all over the world.

There are many shining examples of Hispanic Americans who have stood up for our country and communities in times of war and peace. Ancestors of present-day Hispanics sacrificed or risked their lives throughout the many years of North American history that led to our country's beginning. Hispanic Americans have served the United States in every war since World War I. Many Hispanic American service members have earned distinction in our military, such as Emilio A. De La Garza, who entered the U.S. Marine Corps in Illinois and was awarded the Medal of Honor, America's highest decoration for valor.

In Silvis, IL, there is a monument to eight heroes of Mexican-American descent who gave their lives in defense of this nation. The street the monument is on was once called Second Street USA, but it is now called Hero Street USA. The street's name honors 84 men from the 22 families on one small block of this street participated in World War II, Korea and Vietnam. Many of them grew up on this street, some working for the railroad as their fathers did in Mexico. Today the street serves as a remembrance of those who courageously served our country.

Other Hispanic Americans stand up for their communities on a daily basis. Whether serving in our town councils, fire departments, or police departments, they are always working to advance our safety and quality of life. These local heroes include Raymond Orozco, who led the Chicago Fire Department with distinction until his recent retirement, and Jaime Gonzalez, the first Hispanic police officer in Elgin, IL.

Hispanic Americans also have enhanced our national prosperity and will continue to play an important role in our economy. A study by the National Academy of Sciences found that the Latino community contributes about $10 billion to the U.S. economy per year. According to the Census, Hispanics owned about 1.2 million nonfarm businesses in 1997, employing over 1.3 million people and generating $186.3 billion in business. The Small Business Administration tells us that minority and women-owned businesses are the most rapidly growing segments of the business community, and the number of Hispanic-owned businesses has increased by over 600 percent over the past 20 years. Female Latino-owned businesses are growing faster than any other segment of business owners. According to the Center for Women's Business Research, two-thirds of Latina entrepreneurs came into business ownership not by purchasing, inheriting or acquiring a business, but by starting their own. These are women like Chicagoan Sonia Archer, who, while raising a child, founded a home-based business marketing discounted legal services for people who cannot afford attorneys' fees. Stories like Sonia's illustrate how Hispanic Americans bring great innovation and success to our economy.

A wide array of talented Hispanic Americans enrich arts and athletics in our country. In the literary world, Sandra Cisneros brings us powerful, eloquent stories of young women growing up in communities in Chicago, or on the Mexican border, that are full of challenges and beauty. Tito Puente, known as ''El Rey'' or The King of Mambo, delighted audiences around the world with his musical gifts, using the timbal, vibraphone, trap drums, conga drums, claves, piano, saxophone, and clarinet. Hispanic Americans have also brought tremendous talent to America's pastime: baseball. Among the earlier figures was Roberto Clemente, who played right-field for the Pittsburgh Pirates from 1955 to 1972, and won four National League batting titles, twelve Golden Glove awards, and the title of National League's Most Valuable Player in 1966. Then there is Nomar Garciaparra, who in 1997 set several rookie records during what Baseball Weekly called the greatest rookie season in history. Today we have Sammy Sosa, who is outfielder for the Chicago Cubs and the only player in the history of baseball to hit 60 home runs in each of three different seasons.

As we take time to reflect upon the strength Hispanic Americans bring to our country, we must also remember that many Latinos face challenges in our society. Fair and equal treatment of all Americans is a cornerstone of our society and our political system. Unfortunately, despite great progress, the struggle for civil rights and equal treatment under the law continues today for many citizens, including our fellow Hispanic Americans.

A time of national crisis reminds us that we must unite against hate and bigotry. I support several key bills that would bring us closer to this goal. First, I hope to see passage of the Local Law Enforcement Enhancement Act of 2001, also known as the hate crimes bill. Among other things, this legislation would expand current Federal protections against hate crimes based on race, religion, and national origin; authorize grants for programs designed to combat and prevent hate crimes; and enable the Federal Government to assist State and local law enforcement in investigating and prosecuting hate crimes. I have also introduced the Reasonable Search Standards Act, which would prohibit United States Customs Service personnel working at our borders and in our airports from searching or detaining individuals solely based on their race, religion, gender, national origin, or sexual orientation. Finally, I am cosponsoring the End Racial Profiling Act, which would make profiling by any law enforcement agent or agency a crime prosecutable in any State court of general jurisdiction or in a District Court of the United States; and would require Federal, State, and local law enforcement agencies receiving Federal grants to maintain adequate policies and procedures designed to eliminate racial profiling. I believe these measures take important steps toward preventing discrimination and violence based on race and ethnicity.

There are currently 31.5 million Hispanic Americans living in the United States, and Hispanic Americans comprise 35 percent of the population under the age of 18. Sadly, only 57 percent of Latino students complete high school and only 10.6 percent earn a bachelor's degree. We can do better. This year Congress has worked with the administration to facilitate real education reform based on high standards and meaningful accountability measures. As we work to raise the bar for students and teachers, we must also ensure that schools across the country have adequate resources to hire and train teachers and principals, help all students attain fluency in English, integrate technology effectively in the classroom, and provide children with enriching after-school activities. I support the 21st Century Higher Education Initiative, which will substantially expand college opportunity through student aid, early intervention efforts, and more resources to strengthen minority-serving institutions. I also introduced the Children's Adjustment, Relief, and Education, CARE, Act to enable immigrant children to fulfill their potential and pursue higher education on the same terms as other children.

According to the 2000 Census, 60 percent of Latinos in this Nation are natives of the United States. Whether Hispanic Americans were born here or moved to our country later in life, most of them feel the impact of immigration policy. Many live in immigrant families or communities, and many, like most Americans, have strong memories of or connections to our immigrant heritage. I support reforming immigration laws to ensure the due process rights of immigrants, so that

they are guaranteed fairness in our courts and are not unnecessarily detained for indefinite periods. We also need to enhance the efficiency and accountability of the Immigration and Naturalization Service. Finally, it is essential to protect the safety of our Nation's immigrants and their due process rights at our borders, while enforcing our immigration laws and protecting our national security.

Hispanic Heritage Month in 2001 gives us an opportunity to deepen our understanding, appreciation, and common bonds with each other. It also gives us pause, reminding us of the American ideals we must continue to fight for. The challenges that we face in Congress and our Nation are not insurmountable. Together, we can stand up for the rights of all Americans, including our Hispanic American friends. And together, we can recognize how our diverse cultures and talents contribute to our collective strength as Americans.

ADDITIONAL STATEMENTS

TRIBUTE TO REV. DR. WILLIAM D. WATLEY

• Mr. CORZINE. Mr. President, I want to bring to the attention of my colleagues a great man in the State of New Jersey, Reverend Doctor William D. Watley.

Reverend Watley is a man of integrity who is committed to the spiritual, mental, social, and economic well being of his congregation and the residents of the City of Newark.

Reverend Watley has dedicated his life to his ministry. As Pastor of the St. James A.M.E. Church in Newark, he ensures that everyone has a voice and gives hope to those who feel they have no hope. Under his leadership, St. James A.M.E. Church has reached out to the community and established numerous programs, including a soup kitchen that feed over 1,000 people per week, a clothing program, and a drug and alcohol abuse program. Reverend Watley is also an outstanding advocate for children and families. His vision was to start a state of the art preparatory school in the heart of Newark, preparing students mentally, physically, and spiritually for the challenges ahead. His dream realized, St. James Prep opens its doors every day stressing academic excellence and social responsibility.

Reverend Watley is a true American, one who believes that all people should have access to America's promise. One of his many gifts is the ability to bring people together to work for a common cause. Reverend Watley is an unselfish man whose motivation is not self-gratification. He possesses a higher calling.

This week, Reverend Watley celebrates 17 wonderful years of pastoral ministry at the St. James A.M.E. Church in Newark, NJ where over 3,000 people attend services each Sunday, and where I have frequently joined with the congregation in being spiritually uplifted by Reverend Watley's message of hope. Under his expert guidance, St. James A.M.E. Church has experienced enormous growth and is a warm congregation filled with joy and love.

Reverend Watley has been a true friend to me. I admire him for his leadership in and outside the walls of his church. He is a role model for all of us. I can boldly say that the State of New Jersey is a better place because of the leadership of Reverend Doctor William D. Watley and I am a better man today because of my friendship with him. It is an honor for me to bring him to your attention.•

RECOGNITION OF MISSOURI STATE REPRESENTATIVE LINDA BARTELSMEYER

• Mr. BOND. Mr. President, I rise today to recognize the contributions Missouri State Representative Linda Bartelsmeyer has made to her community, State and nation.

Missouri State Representative Linda Bartelsmeyer is a native of Southwest Missouri and is serving her fourth term in the Missouri Legislature representing Barry, Lawrence and Newton counties. This year, during the annual conference, she will have the distinct honor of becoming President for the 2001–2002 National Organization for Women Legislators. The National Order of Women Legislators is the oldest and largest bipartisan organization of its kind, created in part to kindle and promote a spirit of helpfulness among present and former women State legislators. Missouri State Representative Linda Bartelsmeyer has devoted her life to public service by actively serving on the local, State and national levels for 27 years. She has led by example and proved be an outstanding citizen. I am privileged to call on the United States Senate to recognize her outstanding accomplishments.•

A SPECIAL POEM

• Ms. MIKULSKI. Mr. President, I rise to share a special poem with my colleagues. Ethel A. Smith is a friend and poet from the city of Baltimore. She is a former activist, who wrote poems for various Baltimore newsletters. She is now 93 years old and continues to write poems. She wrote the following poem to express how moved she was by the tragic events of September 11, 2001. Like so many Americans, she is drawing on her strong faith, family, and community to help at this difficult time.

I ask that the poem be printed in the RECORD.

The poem follows:

TURN BACK TO GOD
(By Ethel Smith)

Turn back
Turn back
To God
Dear friends
He will not turn you away.

Come back
Come back
To God
Everyone
We have wandered to far away.
Then fall on your knees and pray.

Come back
Come back
To the church of your choice
Then ask that Faith take sway.

Oh! Come back
Come back
Come back
Dear friends
Let not your prayers e'er cease.

Come back
Come back
To God
Everyone
To pray for our country and peace.

Then while you are praying for God's blessings
On our land that we love so true
Let us pray and ask God
For his blessings
On other lands
Caught in this war too.

We also pray
Dear Father
For the thousands that have lost their life
and lie beneath all the rubble
While their families await in strife.

Have mercy on each and every one of us
Dear Father
As the suffering continues from the terrorist attack
on September 11, 2001.

Amen.•

ALASKAN SMOKEJUMPER: MR. DAVID LISTON

• Mr. MURKOWSKI. Mr. President, life as a smokejumper is not glamorous with huge financial benefits or personal recognition. Smokejumping is a dangerous job undertaken by those with a strong spirit who simply love what they do fighting forest fires.

My home state of Alaska, and the states of many of my colleagues, have been struck by the wrath of forest fires. We often forget the men and women who bravely enter the ring of fire to battle the often times insurmountable flames. These courageous firefighters, known in the industry as smokejumpers, parachute out from DC–3 airplanes as they fly low over acres of intense smoke and flames shooting up from the forest canopy. On top of the physical and emotional danger related to smokejumping, work-related injuries such as broken bones, burns and chainsaw gashes are common but occasionally smokejumping claims the life of one of its own.

Twenty-eight-year-old Bureau of Land Management-Alaska

smokejumper David J. Liston loved firefighting, and he died doing what he loved. During a refresher jump April 29, 2000 in Fort Wainwright, Alaska, David's parachute and the back-up chute failed to open. David was returning to work after his honeymoon in Mexico with new wife Kristin; the two were married 21 days earlier, on April 8.

Mr. President, David's dedication to firefighting will be remembered on October 7 by President George W. Bush and First Lady Laura Bush at a Memorial Service at the National Fallen Firefighters Memorial in Emmitsburg, Maryland. David's name will be inscribed on a plaque at the memorial, along with the names of 100 other firefighters who died in 2000. Sadly, after the service, the memorial will bear the names of 2,181 firefighters from 38 states and Puerto Rico. Each family, including David's, will be presented with an American flag that has been flown over the nation's Capitol.

None of us can thank firefighters enough for the work they do everyday. The heroism and bravery we witnessed in the firefighters in New York City, at the Pentagon and in Pennsylvania on September 11, remind us of the courage America's firefighters must embrace daily. Their selflessness and their desire to help others is to be commended, and we always need to remember those, like David Liston, for their service and determination to get the job done.●

EXCELLENCE IN PHYSICAL FITNESS

● Mr. CRAPO. Mr. President, I rise today to commend the students and faculty at three exemplary elementary schools in the great State of Idaho—Oakley Elementary in Oakley, Ucon Elementary in Idaho Falls, and Oakwood Elementary in Preston. The students' demonstrated excellence in physical fitness has earned them recognition by the President of the United States for their efforts to improve their physical well-being and raise awareness for this important issue. Obesity among American youth has doubled in the past 10 years, and not only is this unhealthy by itself but can also lead to other physical ailments later in life, such as high blood pressure, type two diabetes, or cardiovascular disease.

Oakley, Ucon, and Oakwood Elementary schools were named ''State Champion'' schools by the President's Council on Physical Fitness and Sports and selected based on their outstanding achievement in the President's Challenge Physical Activity and Fitness Awards Program.

I commend these students and their teachers for their commitment to physical fitness. Good habits need to start at a young age and I hope that these students' healthy behaviors will continue throughout their lives.●

TEXAS A&M/CORPS OF CADETS 125TH ANNIVERSARY

● Mrs. HUTCHISON. Mr. President, I rise today to recognize with pleasure Texas A&M University on its 125th anniversary. Texas A&M, one of our Nation's finest institutions of higher education, was opened on October 4, 1876 as the Agriculture and Mechanical College of Texas. From its roots of agriculture and engineering, A&M has grown into a world class university that is a leader in university research and development. It also offers an amazing 383 degree-granting programs. Although the university is justifiably proud of its academic reputation, A&M is especially proud of its famous Corps of Cadets.

For 125 years, A&M's Corps of Cadets have provided our State and country with leaders in the military, government and business. Texas A&M has the largest cadet corps outside the U.S. military academies and commissions more officers in all four branches of service than any other university military program. Former cadets have served in every military conflict, from the Indian Wars to Desert Storm. During World War II, 54,000 Aggies served as officers, more than any other school, including the service academies. They have always answered our Nation's call, and they have always met the challenge. Although only a small percentage of Texas A&M's student population, members of the Corps of Cadets are the keepers of the many famous traditions at A&M that contribute to the unique culture and spirit that is ''Aggieland.'' Today, former cadets serve in leadership and frontline forces throughout our military services and will help lead our Nation to success in this 21st century war against terrorism.

Although the military has seen technology move from horse and rifle to spacecraft and lasers, the foundations of our military, leadership and teamwork, remain the same. These traits are the bedrock of the Corps and of Texas A&M University and explain the success of the University and its graduates. During this most difficult time in our Nation's history, we are all learning the value and strength of A&M's Corps of Cadets motto, Per Unitatem Vis—Through Unity, Strength.

On behalf of my colleagues in the United States Senate, and with just and lasting pride, I offer heartfelt appreciation and respect to all the current and former members of the illustrious Texas A&M University Corps of Cadets. I also wish all Aggies around the world a Happy 125th Anniversary.●

MEASURES READ THE FIRST TIME

The following bills were read the first time

S. 1499. A bill to provide assistance to small business concerns adversely impacted by the terrorist attacks perpetrated against the United States on September 11, 2001, and for other purposes.

S. 1510. A bill to deter and punish terrorist acts in the United States and around the world, to enhance law enforcement investigatory tools, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–4293. A communication from the President of the United States, transmitting, pursuant to law, a report relative to Columbia; to the Committee on Appropriations.

EC–4294. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to law, a certification for Fiscal Year 2002; to the Committee on Foreign Relations.

EC–4295. A communication from the Assistant Secretary for Administration and Management, Department of Labor, transmitting, pursuant to law, the report of a nomination for the position of Administrator, Wage and Hour Division, received on October 3, 2001; to the Committee on Health, Education, Labor, and Pensions.

EC–4296. A communication from the Director, Office of Regulations Management, Board of Veterans Appeals, Department of Veterans Affairs, transmitting, pursuant to law, the report of a rule entitled ''Board of Veterans Appeals: Rules of Practice-Subpoenas'' (RIN2900–AJ58) received on October 3, 2001; to the Committee on Veterans' Affairs.

EC–4297. A communication from the Director of the Office of Personnel Management, transmitting, pursuant to law, the Annual Report on Veterans' Employment in the Federal Government for Fiscal Year 2000 ; to the Committee on Veterans' Affairs.

EC–4298. A communication from the Acting Deputy General Counsel, Office of Financial Assistance, Small Business Administration, transmitting, pursuant to law, the report of a rule entitled ''Business Loan Program and Office of Hearings and Appeals'' (RIN3245–AE51) received on October 3, 2001; to the Committee on Small Business and Entrepreneurship.

EC–4299. A communication from the Acting Deputy General Counsel, Office of Financial Assistance, Small Business Administration, transmitting, pursuant to law, the report of a rule entitled ''Microloan Program'' (RIN3245–AE73) received on October 3, 2001; to the Committee on Small Business and Entrepreneurship.

EC–4300. A communication from the Secretary of the Interior, transmitting, pursuant to law, a report relative to the 1989 Exxon Valdez oil spill; to the Committee on Energy and Natural Resources.

EC–4301. A communication from the Acting Director of the Office of Surface Mining, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Maryland Regulatory Program'' (MD–050–FOR) received on October 2, 2001; to the Committee on Energy and Natural Resources.

EC–4302. A communication from the District of Columbia Auditor, transmitting, a report entitled ''Audit of the Peoples Counsel Agency Fund for Fiscal Year 2000''; to the Committee on Governmental Affairs.

EC–4303. A communication from the District of Columbia Auditor, transmitting, a

report entitled ''Audit of the Public Service Commission Agency Fund for Fiscal Year 2000''; to the Committee on Governmental Affairs.

EC–4304. A communication from the Under Secretary for Food, Nutrition, and Consumer Services, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''National School Lunch Program and School Breakfast Program: Alternatives to Standard Application and Meal Counting Procedures'' (RIN0584–AC25) received on October 2, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4305. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Revocation of Unlimited Tolerance Exemptions; Correction and Reopening of Comment Period'' (FRL6803–8) received on October 2, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4306. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Sethoxydim; Pesticide Tolerances for Emergency Exemptions'' (FRL6802–3) received on October 2, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4307. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Fenthion, Methidathion , Naled, Phorate, and Profenofos; Tolerance Revocations'' (FRL6795–8) received on October 2, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4308. A communication from the Acting Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Irish Potatoes Grown in Colorado; Modification of Area No. 3 Handling Regulation'' (Doc. No. FV01–948–1FR) received on October 2, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4309. A communication from the Acting Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Papayas Grown in Hawaii; Suspension of Grade, Inspection, and Related Reporting Requirements'' (Doc. No. FV01–928–1FIR) received on October 3, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4310. A communication from the Acting Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Tomatoes Grown in Florida; Change to the Handling Regulation for Producer Field-Packed Tomatoes'' (Doc. No. FV01–966–1FIR) received on October 3, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4311. A communication from the Acting Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Oranges and Grapefruit (Texas and States Other Than Florida, California, and Arizona); Grade Standards'' (Doc. No. FV–00–304) received on October 3, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC–4312. A communication from the Assistant Secretary for Export Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Indian and Pakistan: Lifting of Sanctions, Removal of Indian and Pakistani Entities, and Revision in License Review Policy'' (RIN0694–AC50) received on October 1, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–4313. A communication from the Assistant General Counsel for Regulations, Office of Public and Indian Housing, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a rule entitled ''Revision to SEMAP Lease-Up Indicator'' (RIN2577–AC21) received on October 1, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–4314. A communication from the Assistant General Counsel for Regulations, Office of the Secretary, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a rule entitled ''Fair Market Rents for the Housing Choice Voucher Program and Moderate Rehabilitation Single Room Occupancy Program-Fiscal Year 2002'' (FR–4680–N–02) received on October 1, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–4315. A communication from the General Counsel, National Credit Union Administration, transmitting, pursuant to law, the report of a rule entitled ''Organization and Operations of Federal Credit Unions Nondiscrimination Requirements—Nondiscrimination in Advertising'' (12 CFR Section 701.31(d)) received on October 3, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–4316. A communication from the General Counsel, National Credit Union Administration, transmitting, pursuant to law, the report of a rule entitled ''Truth in Savings'' (12 CFR Part 707) received on October 3, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–4317. A communication from the Chairman of the International Trade Commission, transmitting, pursuant to law, the report of the Strategic Plan which covers the period from Fiscal Year 2001 through Fiscal Year 2002; to the Committee on Finance.

EC–4318. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Appeals Settlement Guidelines: Pharmaceutical—Accrual of Medicaid Rebate Liability'' (UIL0461.01–10) received on October 1, 2001; to the Committee on Finance.

EC–4319. A communication from the Secretary of Labor, transmitting, pursuant to law, a report relative to the federal Unemployment Trust Fund; to the Committee on Finance.

EC–4320. A communication from the Chief of the Regulations Branch, United States Customs Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Preferential Treatment of Brassieres Under the United States-Caribbean Basin Trade Partnership Act'' (RIN1515–AC89) received on October 2, 2001; to the Committee on Finance.

EC–4321. A communication from the Regulations Coordinator, Administration for Children and Families, transmitting, pursuant to law, the report of a rule entitled ''Individual Development Accounts'' (RIN0970–AC08) received on October 3, 2001; to the Committee on Finance.

EC–4322. A communication from the Regulations Coordinator, Health Care Financing Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Requirements for the Recredentialing of Medicare and Choice Organization Providers'' (RIN0938–AK41) received on October 3, 2001; to the Committee on Finance.

EC–4323. A communication from the Regulations Coordinator, Centers for Medicare and Medicaid Services, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled Modification of the Medicaid Upper Payment Limit Transition Period for Impatient Hospital Services, Outpatient Hospital Services, Nursing Facility Services, Intermediate Care Facilities for the Mentally Retarded, and Clinic Services'' (RIN0938–AK89) received on October 3, 2001; to the Committee on Finance.

EC–4324. A communication from the Regulations Coordinator, Centers for Medicare and Medicaid Services, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Medicare Program; Replacement of Reasonable Change Methodology by Fee Schedules for Parental and Enternal Nutrients, Equipment, and Supplies'' (RIN0938–AJ00) received on October 3, 2001; to the Committee on Finance.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KENNEDY, from the Committee on Health, Education, Labor, and Pensions, with an amendment in the nature of a substitute:

S. 838: A bill to amend the Federal Food, Drug, and Cosmetic Act to improve the safety and efficacy of pharmaceuticals for children. (Rept. No. 107–79).

By Mr. LEAHY, from the Committee on the Judiciary, without amendment:

S. Res. 164: A resolution designating October 19, 2001, as ''National Mammography Day.''

By Mr. BIDEN, from the Committee on Foreign Relations, with an amendment in the nature of a substitute and an amendment to the title:

S. 1465: A bill to authorize the President to exercise waivers of foreign assistance restrictions with respect to Pakistan through September 30, 2003, and for other purposes.

By Mr. LEAHY, from the Committee on the Judiciary, without amendment:

S.J. Res. 18: A joint resolution memorializing fallen firefighters by lowering the United States flag to half-staff on the day of the National Fallen Firefighters Memorial Service in Emmitsburg, Maryland.

S. Con. Res. 74: A concurrent resolution condemning bigotry and violence against Sikh-Americans in the wake of terrorist attacks in New York City and Washington, D.C. on September 11, 2001.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. BIDEN for the Committee on Foreign Relations.

*Patrick Francis Kennedy, of Illinois, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Alternate Representative of the United States of America to the Sessions of the General Assembly of the United Nations during his tenure of service as Representative of the United States of America to the United Nations for U.N. Management and Reform.

By Mr. LEAHY for the Committee on the Judiciary.

Barrington D. Parker, Jr., of Connecticut, to be United States Circuit Judge for the Second Circuit.

Michael P. Mills, of Mississippi, to be United States District Judge for the Northern District of Mississippi.

Timothy Mark Burgess, of Alaska, to be United States Attorney for the District of Alaska for the term of four years.

Harry Sandlin Mattice, Jr., of Tennessee, to be United States Attorney for the Eastern District of Tennessee for the term of four years.

Robert Garner McCampbell, of Oklahoma, to be United States Attorney for the Western District of Oklahoma for the term of four years.

Matthew Hansen Mead, of Wyoming, to be United States Attorney for the District of Wyoming for the term of four years.

Michael W. Mosman, of Oregon, to be United States Attorney for the District of Oregon for the term of four years.

John W. Suthers, of Colorado, to be United States Attorney for the District of Colorado for the term of four years.

Susan W. Brooks, of Indiana, to be United States Attorney for the Southern District of Indiana for the term of four years.

John L. Brownlee, of Virginia, to be United States Attorney for the Western District of Virginia for the term of four years.

Todd Peterson Graves, of Missouri, to be United States Attorney for the Western District of Missouri for the term of four years.

Terrell Lee Harris, of Tennessee, to be United States Attorney for the Western District of Tennessee for the term of four years.

David Claudio Iglesias, of New Mexico, to be United States Attorney for the District of New Mexico for the term of four years.

Charles W. Larson, Sr., of Iowa, to be United States Attorney for the Northern District of Iowa for the term of four years.

Steven M. Colloton, of Iowa, to be United States Attorney for the Southern District of Iowa for the term of four years.

Gregory Gordon Lockhart, of Ohio, to be United States Attorney for the Southern District of Ohio for the term of four years.

Jay B. Stephens, of Virginia, to be Associate Attorney General.

Benigno G. Reyna, of Texas, to be Director of the United States Marshals Service.

*Nomination was reported with recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

(Nominations without an asterisk were reported with the recommendation that they be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. KERRY (for himself, Mr. BOND, Mr. SCHUMER, Mr. BINGAMAN, Mr. INOUYE, Mr. WELLSTONE, Mr. SARBANES, Mr. AKAKA, Mr. HARKIN, Mr. REED, Mrs . CLINTON, Mr. DURBIN, Mr. CLELAND, Mr. KENNEDY, Mr. LIEBERMAN, Mr. GRASSLEY, Mr. TORRICELLI, Mr. DASCHLE, Mrs. LINCOLN, Mr. EDWARDS, Mr. ROCKEFELLER, Mrs. CARNAHAN, Mr. HOLLINGS, Ms. SNOWE, Mr. LEAHY, Mr. CORZINE, Mr. LEVIN, Ms. CANTWELL, Ms. LANDRIEU, Mr. ALLEN, Mrs. MURRAY, Mr. JOHNSON, Mr. NELSON of Florida, Mr. BIDEN, Ms. COLLINS, Mr. ENZI, Mr. BURNS, and Mr. CRAPO):

S. 1499. A bill to provide assistance to small business concerns adversely impacted by the terrorist attacks perpetrated against the United States on September 11, 2001, and for other purposes; read the first time.

By Mr. KYL (for himself and Mr. MILLER):

S. 1500. A bill to amend the Internal Revenue Code of 1986 to provide tax and other incentives to maintain a vibrant travel and tourism industry, to keep working people working, and to stimulate economic growth, and for other purposes; to the Committee on Finance.

By Mr. DURBIN (for himself, Mr. TORRICELLI, Ms. MIKULSKI, and Mrs. CLINTON):

S. 1501. A bill to consolidate in a single independent agency in the Executive branch the responsibilities regarding food safety, labeling, and inspection currently divided among several Federal agencies; to the Committee on Governmental Affairs.

By Mr. JEFFORDS (for himself, Mrs. LINCOLN, Mr. CHAFEE , Mr. BAYH, and Ms. SNOWE):

S. 1502. A bill to amend the internal Revenue Code of 1986 to allow a refundable tax credit for health insurance costs for COBRA continuation coverage, and for other purposes; to the Committee on Finance.

By Mr. ROCKEFELLER (for himself, Mr. DEWINE, Ms. LANDRIEU, Ms. SNOWE, Mr. BREAUX, Mr. BOND, Mr. LEVIN, Mr. CRAIG, and Mr. GRAHAM):

S. 1503. A bill to extend and amend the Promoting Safe and Stable Families Program under subpart 2 of part B of title IV of the Social Security Act, to provide the Secretary of Health and Human Services with new authority to support programs mentoring children of incarcerated parents, to amend the Foster Care Independent Living Program under part E of title IV of the Social Security Act to provide for educational and training vouchers for youths aging out of foster care, and for other purposes; to the Committee on Finance.

By Mr. DORGAN (for himself and Mr. BREAUX):

S. 1504. A bill to extend the moratorium enacted by the Internet Tax Freedom Act through June 30, 2002; to the Committee on Commerce, Science, and Transportation.

By Mrs. BOXER (for herself, Mr. ALLEN, Mr. INOUYE, and Mr. KERRY):

S. 1505. A bill to authorize the Secretary of Commerce to establish a Travel and Tourism Promotion Bureau; to the Committee on Commerce, Science, and Transportation.

By Mr. NELSON of Florida:

S. 1506. A bill to amend title 10, United States Code, to repeal the requirement for reduction of SBP survivor annuities by dependency and indemnity compensation; to the Committee on Armed Services.

By Ms. COLLINS:

S. 1507. A bill to provide for small business growth and worker assistance, and for other purposes; to the Committee on Finance.

By Mr. CORZINE (for himself, Mr. REED, and Mr. TORRICELLI):

S. 1508. A bill to increase the preparedness of the United States to respond to a biological or chemical weapons attack; to the Committee on Health, Education, Labor, and Pensions.

By Mr. ROCKEFELLER:

S. 1509. A bill to establish a grant program to enable rural police departments to gain access to the various crime-fighting, investigatory, and information-sharing resources available on the Internet, and for other purposes; to the Committee on the Judiciary.

By Mr. DASCHLE (for himself, Mr. LOTT, Mr. LEAHY, Mr. HATCH, Mr. GRAHAM, Mr. SHELBY, and Mr. SARBANES):

S. 1510. A bill to deter and punish terrorist acts in the United States and around the world, to enhance law enforcement investigatory tools, and for other purposes; read the first time.

By Mr. SPECTER:

S.J. Res. 24. A joint resolution honoring Maureen Reagan on the occasion of her death and expressing condolences to her family, including her husband Dennis Revell and her daughter Rita Revell; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. SARBANES (for himself, Ms. MIKULSKI, Mr. BINGAMAN, Mr. HATCH, Mr. HUTCHINSON, and Mr. REID):

S. Res. 168. A resolution congratulating and honoring Cal Ripken, Jr. for his amazing and storybook career as a player for the Baltimore Orioles and thanking him for his contributions to baseball, the State of Maryland, and the United States; considered and agreed to.

By Mr. HARKIN (for himself, Mr. SCHUMER, Mr. WARNER, Mrs. CLINTON, Mr. ALLEN, Mr. HELMS, Mr. CORZINE, Ms. SNOWE, Mr. VOINOVICH, and Mr. LIEBERMAN):

S. Con. Res. 75. A concurrent resolution to express the sense of the Congress that the Public Safety Officer Medal of Valor should be presented to public safety officers killed or seriously injured as a result of the terrorist attacks perpetrated against the United States on September 11, 2001, and to those who participated in the search, rescue and recovery efforts in the aftermath of those attacks; to the Committee on the Judiciary.

By Mr. FEINGOLD (for himself, Mr. ALLEN, Mr. WARNER, Mrs. CLINTON, and Mr. SCHUMER):

S. Con. Res. 76. A concurrent resolution honoring the law enforcement officers, firefighters, emergency rescue personnel, and health care professionals who have worked tirelessly to search for and rescue the victims of the horrific attacks on the United States on September 11, 2001; to the Committee on the Judiciary.

ADDITIONAL COSPONSORS

S. 237

At the request of Mr. HUTCHINSON, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 237, a bill to amend the Internal Revenue Code of 1986 to repeal the 1993 income tax increase on Social Security benefits.

S. 267

At the request of Mr. AKAKA, the name of the Senator from Michigan

(Ms. STABENOW) was added as a cosponsor of S. 267, a bill to amend the Packers and Stockyards Act of 1921, to make it unlawful for any stockyard owner, market agency, or dealer to transfer or market nonambulatory livestock, and for other purposes.

S. 345

At the request of Mr. ALLARD, the name of the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of S. 345, a bill to amend the Animal Welfare Act to strike the limitation that permits interstate movement of live birds, for the purpose of fighting, to States in which animal fighting is lawful.

S. 572

At the request of Mr. CHAFEE, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 572, a bill to amend title XIX of the Social Security Act to extend modifications to DSH allotments provided under the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000.

S. 615

At the request of Mr. KOHL, the name of the Senator from Oregon (Mr. SMITH of Oregon) was added as a cosponsor of S. 615, a bill to amend the Internal Revenue Code of 1986 with respect to the eligibility of veterans for mortgage bond financing, and for other purposes.

S. 686

At the request of Mrs. LINCOLN, the name of the Senator from West Virginia (Mr. ROCKEFELLER) was added as a cosponsor of S. 686, a bill to amend the Internal Revenue Code of 1986 to provide a credit against tax for energy efficient appliances.

S. 694

At the request of Mr. LEAHY, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 694, a bill to amend the Internal Revenue Code of 1986 to provide that a deduction equal to fair market value shall be allowed for charitable contributions of literary, musical, artistic, or scholarly compositions created by the donor.

S. 775

At the request of Mrs. LINCOLN, the name of the Senator from New Jersey (Mr. CORZINE) was added as a cosponsor of S. 775, a bill to amend title XVIII of the Social Security Act to permit expansion of medical residency training programs in geriatric medicine and to provide for reimbursement of care coordination and assessment services provided under the medicare program.

S. 905

At the request of Mr. HARKIN, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 905, a bill to provide incentives for school construction, and for other purposes.

S. 913

At the request of Ms. SNOWE, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of S. 913, a bill to amend title XVIII of the Social Security Act to provide for coverage under the medicare program of all oral anticancer drugs.

S. 952

At the request of Mr. GREGG, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 952, a bill to provide collective bargaining rights for public safety officers employed by States or their political subdivisions.

S. 969

At the request of Mr. DODD, the name of the Senator from Minnesota (Mr. WELLSTONE) was added as a cosponsor of S. 969, a bill to establish a Tick-Borne Disorders Advisory Committee, and for other purposes.

S. 1083

At the request of Ms. MIKULSKI, the name of the Senator from New Jersey (Mr. CORZINE) was added as a cosponsor of S. 1083, a bill to amend title XVIII of the Social Security Act to exclude clinical social worker services from coverage under the medicare skilled nursing facility prospective payment system.

S. 1111

At the request of Mr. CRAIG, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. 1111, a bill to amend the Consolidated Farm and Rural Development Act to authorize the National Rural Development Partnership, and for other purposes.

S. 1163

At the request of Mr. CORZINE, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. 1163, a bill to increase the mortgage loan limits under the National Housing Act for multifamily housing mortgage insurance.

S. 1214

At the request of Mr. HOLLINGS, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. 1214, a bill to amend the Merchant Marine Act, 1936, to establish a program to ensure greater security for United States seaports, and for other purposes.

S. 1262

At the request of Mr. ROCKEFELLER, the names of the Senator from New Mexico (Mr. BINGAMAN), the Senator from Louisiana (Mr. BREAUX), the Senator from Iowa (Mr. HARKIN), the Senator from Mississippi (Mr. COCHRAN), the Senator from North Dakota (Mr. CONRAD), and the Senator from Georgia (Mr. MILLER) were added as cosponsors of S. 1262, a bill to make improvements in mathematics and science education, and for other purposes.

S. 1269

At the request of Mr. BREAUX, the names of the Senator from New Mexico (Mr. BINGAMAN) and the Senator from Georgia (Mr. MILLER) were added as cosponsors of S. 1269, a bill to amend title XIX of the Social Security Act to revise and simplify the transitional medical assistance (TMA) program.

S. 1271

At the request of Mrs. LINCOLN, the name of the Senator from Vermont (Mr. JEFFORDS) was added as a cosponsor of S. 1271, a bill to amend chapter 35 of title 44, United states Code, for the purpose of facilitating compliance by small business concerns with certain Federal paperwork requirements, to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small business concerns, and for other purposes.

S. 1278

At the request of Mrs. LINCOLN, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 1278, a bill to amend the Internal Revenue Code of 1986 to allow a United States independent film and television production wage credit.

S. 1296

At the request of Mr. DODD, the names of the Senator from Vermont (Mr. LEAHY) and the Senator from Massachusetts (Mr. KERRY) were added as cosponsors of S. 1296, a bill to provide for the protection of the due process rights of United States citizens (including United States servicemembers) before foreign tribunals, including the International Criminal Court, for the prosecution of war criminals, and for other purposes.

S. 1327

At the request of Mr. MCCAIN, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 1327, a bill to amend title 49, United States Code, to provide emergency Secretarial authority to resolve airline labor disputes.

S. 1434

At the request of Mr. SPECTER, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. 1434, a bill to authorize the President to award posthumously the Congressional Gold Medal to the passengers and crew of United Airlines flight 93 in the aftermath of the terrorist attack on the United States on September 11, 2001.

S. 1447

At the request of Mr. DURBIN, his name was added as a cosponsor of S. 1447, a bill to improve aviation security, and for other purposes.

S. 1465

At the request of Mr. BROWNBACK, the names of the Senator from Delaware (Mr. BIDEN), the Senator from Nebraska (Mr. HAGEL), the Senator from Tennessee (Mr. FRIST), the Senator from Minnesota (Mr. WELLSTONE), the Senator from New Jersey (Mr. TORRICELLI), the Senator from West Virginia (Mr. ROCKEFELLER), the Senator from Virginia (Mr. ALLEN), and

the Senator from Iowa (Mr. HARKIN) were added as cosponsors of S. 1465, a bill to authorize the President to exercise waivers of foreign assistance restrictions with respect to Pakistan through September 30, 2003, and for other purposes.

S. 1478

At the request of Mr. SANTORUM, the names of the Senator from Michigan (Ms. STABENOW) and the Senator from Iowa (Mr. HARKIN) were added as cosponsors of S. 1478, a bill to amend the Animal Welfare Act to improve the treatment of certain animals, and for other purposes.

S. 1482

At the request of Mr. HARKIN, the name of the Senator from Kansas (Mr. ROBERTS) was added as a cosponsor of S. 1482, a bill to consolidate and revise the authority of the Secretary of Agriculture relating to protection of animal health.

S. RES. 109

At the request of Mr. REID, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S.Res. 109, a resolution designating the second Sunday in the month of December as ''National Children's Memorial Day'' and the last Friday in the month of April as ''Children's Memorial Flag Day.''

S. RES. 161

At the request of Mrs. MURRAY, the name of the Senator from Oregon (Mr. SMITH of Oregon) was added as a cosponsor of S.Res. 161, a resolution designating October 17, 2001, as a ''Day of National Concern About Young People and Gun Violence.''

S. RES. 164

At the request of Mr. BIDEN, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S.Res. 164, a resolution designating October 19, 2001, as ''National Mammography Day.''

S. CON. RES. 17

At the request of Mr. SARBANES, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S.Con.Res. 17, a concurrent resolution expressing the sense of Congress that there should continue to be parity between the adjustments in the compensation of members of the uniformed services and the adjustments in the compensation of civilian employees of the United States.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. KERRY (for himself, Mr. BOND, Mr. SCHUMER, Mr. BINGAMAN, Mr. INOUYE, Mr. WELLSTONE, Mr. SARBANES, Mr. AKAKA, Mr. HARKIN, Mr. REED, Mrs. CLINTON, Mr. DURBIN, Mr. CLELAND, Mr. KENNEDY, Mr. LIEBERMAN, Mr. GRASSLEY, Mr. TORRICELLI, Mr. DASCHLE, Mrs. LINCOLN, Mr. EDWARDS, Mr. ROCKEFELLER, Mrs. CARNAHAN, Mr. HOLLINGS, Ms. SNOWE, Mr. LEAHY, Mr. CORZINE, Mr. LEVIN, Ms. CANTWELL, Ms. LANDRIEU, Mr. ALLEN, Mrs. MURRAY, Mr. JOHNSON, Mr. NELSON of Florida, Mr. BIDEN, Ms. COLLINS, Mr. ENZI, Mr. BURNS, and Mr. CRAPO):

S. 1499. A bill to provide assistance to small business concerns adversely impacted by the terrorist attacks perpetrated against the United States on September 11, 2001, and for other purposes; read the first time.

Mr. KERRY. Mr. President, I am introducing today, together with Senator BOND, the ranking member of the Committee on Small Business and Entrepreneurship, and 26 of my colleagues, including Senators WELLSTONE, HARKIN, CLELAND, LIEBERMAN, EDWARDS, CARNAHAN, LEVIN, SNOWE, SCHUMER, CLINTON, DASCHLE, BINGAMAN, INOUYE, SARBANES, AKAKA, REED of Rhode Island, DURBIN, KENNEDY, GRASSLEY, TORRICELLI, LINCOLN, ROCKEFELLER, HOLLINGS, LEAHY, CORZINE, CANTWELL, LANDRIEU, ALLEN, MURRAY, and JOHNSON, the American Small Business Emergency Relief and Recovery Act of 2001.

This is emergency legislation to help small businesses that have been impacted as a consequence of the attacks that took place on September 11. Thousands of small businesses employing millions of Americans are suffering significantly as a consequence of what has happened. Many of these companies may not survive. But these businesses are the engine of our economy and we need to act to help them.

This bill is the product of bipartisan work on our committee. I thank Senator BOND for cosponsoring it and for working with us. It includes input from many sources, much of which was gathered through a combination of about 30 meetings and conference calls with small business trade associations, contractors, subcontractors, small business lenders, and small business consultants.

Of course, I think we have all learned firsthand a lot from the small business owners who have told us their personal stories of healthy businesses—up until September 11—which have simply taken a nosedive as a consequence of the tragic events.

Our airport small businesses, our taxi drivers, small hotels and restaurants, small suppliers, travel agents, crop dusters, charter bus companies, and many others have called to explain their plight. For example, there is a woman in my State who started a travel agency 26 years ago in a suburb of Boston. She has six employees. She is hanging on now only through personal savings because they have zero business all of a sudden. The agency has virtually no incoming sales, and has had to refund commissions on all canceled vacation packages, cruises and airline tickets that had generated income over the past 6 months.

Yesterday, I met with a fellow who does a lot of business out in North Dakota. Senator CONRAD introduced us. They were doing 20,000 sales a day. They went down to two sales a day for a period of time. They are now back up to about 10,000. But the problem is that banks are withholding the lines of credit for many of these companies, and we want them to survive.

In New York where more than 14,000 businesses inside and around ground zero have been impacted, there's the story of Sydmore Sportswear just four blocks from where the World Trade Center once stood. Joseph Pinkas, who's owned the small business for 20 years owes $100,000 to his suppliers, and revenues are down 65 percent. ''We don't know where our customers are going to come from,'' he said in an AP story. ''I'm worried about the future, about survival. I don't sleep at night.'' Other businesses in the area are filled with dust and debris, and their phones are dead.

Small businesses doing business with the Federal government have also felt the impact of the attacks on September 11, 2001. Small business contractors, because of very real and legitimate security concerns, have experienced a dramatic increase in costs for work in and around Federal government facilities. We have heard reports of small businesses being denied access to their equipment on military bases, waiting for hours each day to enter government facilities and being limited in the hours they can work on their contracts. Once again, let me stress, these security precautions are very necessary, but they are having a dramatic impact on our small businesses. Many small businesses, particularly those performing government contracts, operate on a tight profit margin, so when the contract takes longer to complete, or rented equipment goes unused or can not be returned, unanticipated costs are incurred.

Let me cite the situation faced by Dave Krueger, president of AS Horner Construction, Inc. out of Albuquerque, NM. Dave is currently doing work on a Federal contract at an Air Force facility pouring concrete parking aprons. Immediately after the attack, his company was locked out of the facility for nearly two weeks and currently have limited hours to access the construction site. Dave estimates that this will result in cost increases of at least 10 to 15 percent, meaning he will take a loss on this contract.

Such situations cannot go unresolved. Small businesses are far too important, not just to our national economy, but to our national defense as well. Small business are a vital component of our national supply chain and

essential to our national security interests.

This act was designed to mitigate bankruptcies, business closures, and layoffs related to the attacks. It also addresses the shrinking availability of credit and venture capital to small businesses through traditional lenders and investors, which has been exacerbated by the attacks. It includes changes in SBA's main non-disaster lending and venture capital programs in order to encourage borrowing and lending for new and expanding small businesses that might otherwise be reluctant to start or expand their businesses in the post-September 11 economy.

This legislation addresses three categories of small businesses:

One, small businesses directly affected because they are physically located in or near the buildings or areas attacked or closed for security measures, or are located in national airports. For example, a brokerage firm located in one of the World Trade Center Towers or an independent souvenir shop in the Reagan National Airport or the Miami International Airport. These businesses will be eligible for SBA's economic injury disaster loans, under more favorable terms, such as deferring the payments and forgiving the interest on these loans for two years, as well as increasing the loan caps and extending the deadline for applying for disaster loans to one year.

Small businesses not physically damaged or destroyed or in the vicinity of such businesses, but directly or indirectly affected because they are a supplier, service provider or complementary industry, especially the financial, hospitality, travel and tour industries. For example, a tour company in Hawaii or Rhode Island that has had hardly any sales since the attacks because the average occupancy at its client hotels has dropped to 10 percent. These businesses are eligible for 7(a) loans, tailored to be easier to qualify for, to have lower interest rates, and to offer the option of deferring the principal payments for 1 year.

Small businesses in need of capital and investment financing, procurement assistance or management counseling in the economic aftermath of September 11. These businesses will have access to a variety of SBA's programs with incentive features, such as waiving the borrower's fee for a regular 7(a) loan for working capital or a 504 loan to buy equipment to increase productivity and beat the competition, or cut energy consumption and utility costs.

Mr. President, history has taught us that, during an economic down turn, lenders become increasingly reluctant to lend to small businesses. From our contact with lenders, we know loan committees decided days after the attacks to clamp down on loans to small businesses. And to make matters worse, lenders are already calling in existing loans. One example is a woman who owns a manufacturing businesses in Quincy, MA, whose bank called her loan and credit line. She's never missed a payment. Where is she going to come up with more than $1 million? If her business closes, 40 jobs are lost, her contribution to the tax base is lost, and she's out of a job. It is critical to keep credit available to small businesses.

In addition to getting credit into the hands of small businesses, it is important to make sure they have access to counseling and training to run their businesses better, deal with the volatile market, and adjust to the changing times. Providing access to such counseling helps protect our investment in their loans because a stronger business is more likely to repay its loans. This legislation increases funding for the Small Business Development Centers, with an emphasis on New York and Virginia, as well as the volunteer Service Corps of Retired Executives, the Women's Business Centers, and SBA's microlending experts.

To help alleviate the unfortunate situations related to delayed Federal contracts, my legislation includes provisions to help expedite the claims of small business contractors applying for equitable adjustments to their contracts. The goal of this provision, simply, is to help offset the unanticipated and temporary costs of the increased security at Federal Government facilities. Additionally, it establishes a $100 million fund under the control of the Small Business Administration to ensure that no contracting agency has to pay out of previously allocated funds the increased costs of existing contracts because of the security measures implemented as a result of the September 11th attacks.

I have confidence in our economy. The attacks may have arrested one of our financial centers momentarily and robbed families and businesses of thousands of brilliant and hard-working folks who helped make our country prosperous, but our economic foundation is strong. We have world-class universities, we have a great work force made up of people with an amazing work ethic, our banks are strong, we have a reliable infrastructure for communications, energy and transport, and the dollar is holding up.

Now is not the time to pull back on investing in our economy, particularly in small-business development and growth. The SBA is doing a good job with the tools it has, but we need to improve those tools and give SBA more resources to deal with the scope of the problems faced by small businesses in the aftermath of September 11th. This legislation does just that. I urge my colleagues to support this bill, and the Senate to act quickly so that this emergency help is available very soon.

Mr. President, Senator AKAKA could not be present to voice his support for this bill and concern for the small businesses in Hawaii, so I ask unanimous consent that his statement be included in the RECORD. I also ask unanimous consent that a letter of support and the bill be printed in the RECORD.

In addition to this legislation that I am introducing today, there are a series of tax items that we believe fall into the category of stimulus, but they are not within the jurisdiction of our committee. As a member of the Finance Committee, I am going to encourage our committee to embrace these. One would be an increase in expensing, so that you can deduct an expense up to $24,000 of the cost of qualifying property; and we would encourage that increase and expensing to encourage greater business investment, and we want that expensing allowance increased to a higher amount.

In addition, I have several times introduced—and I will reintroduce—a zero capital gains tax for those companies with capitalization up to $200 million or $300 million in new capitalization in the critical technologies or entrepreneurial businesses, where we would most respond to the creation of the high-value-added jobs or some of the technology fixes that will exist for security, for instance, or for national defense and other things that we need to do with respect to the battle against terrorism.

Third would be changes in depreciation. There are a number of proposals for changes to depreciation rules. We would support some, such as changing the depreciation schedule for computer hardware from 5 years to 3, software from 3 years to 2, or several other proposals.

Mr. President, there are a number of these tax proposals which the Small Business Committee will refer to the Finance Committee and to our colleagues with hopes that we can embrace them as a component of the stimulus package because they will have a stimulus effect and a long-term beneficial effect on our economy.

Small businesses, as we all know, small businesses represent 99 percent of all employers, provide 75 percent of all net new jobs and contribute significantly to our economy. Every single company on the stock exchange today began as a small business. Some of them, such as Callaway Golf, Federal Express, Intel, and many others, got help through the Small Business Administration's loans or venture capital.

The Federal Government helped provide the impetus for those companies. We have many times over repaid the Federal Treasury the entire budget of the Small Business Administration and its lending programs through the taxes paid by the success stories of our investments.

I encourage my colleagues to embrace this emergency relief act, the

American Small Business Emergency Relief and Recovery Act, and these emergency tax measures, as a way of encouraging further business growth and development.

Mr. President, I ask unanimous consent to print in the RECORD a letter from the National Community Reinvestment Corporation.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL COMMUNITY REINVESTMENT COALITION,
Washington, DC, October 2, 2001.

Hon. JOHN F. KERRY,
Chairman, Committee on Small Business and Entrepreneurship, Washington, DC.

DEAR CHAIRMAN KERRY: The National Community Reinvestment Coalition (NCRC) strongly supports the American Small Business Emergency Relief and Recovery Act of 2001 as essential to the efforts of lending institutions, community organizations and local public agencies to help small businesses directly and indirectly impacted by the September 11th terrorist attacks. NCRC and our 800+ member organizations community groups and local public agencies around the country also commend your leadership on this legislative measure and pledge to promote this bill via our membership and through our policy initiatives.

In today's new enterprise marketplace, entrepreneurs have surged into small businesses ownership in record numbers. Their impact on U.S. growth and productivity is evident.

America's 25.5 million small businesses represent more than 99 percent of our nation's employers. They employ 51 percent of the private sector workforce and create over 80 percent of all the net new jobs in the United States.

In 2000, there were 612,400 new employer firms, an increase of 4.3 percent from 1999. Small business bankruptcies decreased by 14.8 percent between 1999 and 2000, to the lowest level in over 20 years. And the business failure index also decreased by 1.7 percent since, 1999.

Small businesses' income increased 7.2 percent, rising from 595.2 billion in 1998 to $638.2 billion in 1999. They represent 96 percent of all exporters of goods and generate more than half of the nation's gross domestic product.

Today, however, hardship and economic adversity have stricken the small business marketplace as a result of the September 11th attacks. NCRC commends the Small Business Administration (SBA) for acting quickly to help entrepreneurs deal with the aftermath of the attacks. Unfortunately, SBA's authority is limited under the Disaster Loan Program guidelines. SBA may only provide assistance in declared disaster areas' contiguous communities.

What will happen to the gift basket service whose sole distribution source was a florist in one of the World Trade Center towers? What will happen to the small catering business that has had to lay off staff as a result of banquet cancellations and no new bookings? And what will happen to the independent souvenir store in Ronald Reagan International Airport and other airports, given current lack of traffic in the terminals?

Your American Small Business Emergency Relief and Recovery Act of 2001 is key to the recovery efforts. If enacted, it will help small business entrepreneurs drive the American economy. NCRC has long championed the role of small businesses in growing and expanding our economy. Since our inception in 1990, we have led the charge to bring equal access to credit and capital to all emerging market sectors. One highly successful capacity-building initiative is the SBA/NCRC partnership on the CommunityExpress program.

CommunityExpress is part of SBA's initiative to spur economic development and job creation in under-served communities. The program combines SBA loan guarantees, targeted lending by select banks, and technical assistance from local NCRC membes. The key to CommunityExpress is that it provides small business entrepreneurs with technical and managerial assistance before and after the loan is made.

The SBA/NCRC cooperative effort has led to the rapid growth of the loan program from a level of just over $2 million in Fall 1999 to over $42 million in loans as of September 2001. Of the 439 loans to date, women and minority entrepreneurs have been the greatest beneficiaries, as nearly 56 percent of the loans have gone to women and 52 percent of loans have gone to minorities. The average size of a CommunityExpress loan is $96,527 with 61 loans between $200,000 and $250,000.

Your leadership has paved the way to support small businesses in the wake of the September 11th tragedy. NCRC pledges to continue support your efforts and to help entrepreneurs in low- and moderate-income areas through CommunityExpress and other initiatives.

We thank you for your continuing efforts. We look forward to working with you and your outstanding staff during the course of the 107th Congress—and beyond.

Yours sincerely,

JOHN TAYLOR,
President and CEO.

Mr. BOND. Mr. President, I rise today to express my strong support for the American Small Business Emergency Relief and Recovery Act of 2001. I thank Senator JOHN KERRY for introducing this bill, and I am pleased to be its principal cosponsor. In this period immediately following the September 11 terrorist attacks on the World Trade Center and the Pentagon, I urge all my colleagues to review this bill closely. Its prompt passage will provide important tools to small businesses that were directly and indirectly harmed by the terrorist attacks.

As the ranking member of the Committee on Small Business and Entrepreneurship, I receive on a daily basis pleas for help from small business in Missouri and across the Nation: small restaurants who have lost much of their business due to the fall off in business travel; local flight schools that have been grounded as a result of the recent terrorist attacks; and Main Street retailers who are struggling to survive in the slowing economy. Clearly, we in Congress must act and act soon to help our Nation's small businesses.

In response to these urgent calls for help, yesterday, I introduced the Small Business Leads to Economic Recovery Act of 2001 (S. 1493), which is designed to provide effective economic stimulus in three distinct but complementary ways: increasing access to capital for the Nation's small enterprises; providing tax relief and investment incentives for our small firms and the self-employed; and directing one of the Nation's largest consumers, the Federal Government, to shop with small business in America.

The Kerry-Bond bill goes to the heart of the problem by addressing the access to capital barriers now confronting small businesses. This bill is a bipartisan collaboration between Senator KERRY and me and our staffs of the Committee on Small Business and Entrepreneurship. We have worked together to devise one-time modifications to the SBA Disaster Relief, 7(a) and 504 Loan Programs because the traditional approach to disaster relief will not address the critical needs of thousands of small businesses located at or around the World Trade Center, the Pentagon and in strategic locations throughout the United States.

In New York City, it may be a year or more before many of the small businesses destroyed or shut down by the terrorist attacks can reopen their doors for business. Small firms near the Pentagon, such as those at the Reagan National Airport or Crystal City, Virginia, are also shut down or barely operating. And there are small businesses throughout the United States that have been shut down for national security concerns. For example, General Aviation aircraft remain grounded, closing all flight schools and other small businesses dependent on single engine aircraft.

Regular small business disaster loans fall short of providing effective disaster relief to help these small businesses. Therefore, our bill will allow small businesses to defer for up to two years repayment of principal and interest on their SBA disaster relief loans. Interest that would otherwise accrue during the deferment period would be forgiven. The thrust of this essential new ingredient is to allow the small businesses to get back on their feet without jeopardizing their credit or driving them into bankruptcy.

Small enterprises located in the presidentially declared disaster areas surrounding the World Trade Center and the Pentagon are not the only businesses experiencing extreme hardship as a direct result of the terrorist attacks of September 11. Nationwide, thousands of small businesses are unable to conduct business or are operating at a bare-minimum level. Tens of thousands of jobs are at risk of being lost as small businesses weather the fall out from the September 11 attacks.

The Kerry-Bond bill provides a special financial tool to assist small businesses as they deal with these significant business disruptions. Small businesses in need of working capital would be able to obtain SBA-guaranteed ''Emergency Relief Loans'' from their

banks to help them during this period. Fees normally paid by the borrower to the SBA would be eliminated, and the SBA would guarantee 95 percent of the loan. A key feature of the bill is the authorization for banks to defer repayment of principal for up to one year.

My colleagues and I have been hearing time and time again during the last three weeks since the terrorist attacks that small businesses are experiencing significant hardship. The downturn in business activity, however, was clearly underway prior to September 11. The downturn was further exacerbated by the terrorist attacks.

Historically, when our economy slows or turns into a recession, the strength of the small business sector helps to right our economic ship, with small businesses leading the nation to economic recovery. Today, small businesses employ 58 percent of the U.S. workforce and create 75 percent of the net new jobs. Clearly, we cannot afford to ignore America's small businesses as we consider measures to stimulate our economy.

The Kerry-Bond bill would provide for changes in the SBA 7(a) Guaranteed Business Loan Program and the 504 Certified Development Company Loan Program to stimulate lending to small businesses that are most likely to grow and add new employees. These enhancements to the SBA's 7(a) and 504 loan programs are to extend for one year. They are designed to make the program more affordable during the period when the economy is weak and banks have tightened their underwriting requirements for small business loans.

Specifically, when the economy is slowing, it is normal for banks to raise the bar for obtaining commercial loans. However, making it harder for small businesses to survive is the wrong reaction to a slowing economy. By making these one-year adjustments to the 7(a) and 504 loans to make them more affordable to borrowers and lenders, we will be working against history's rules governing a slowing economy, thereby adding a stimulus for small businesses. Essentially, we will be providing a counter-cyclical action in the face of a slow economy with the express purpose of accelerating the recovery.

The SBA has a very effective infrastructure for providing management assistance to small businesses located nationwide. The Small Business Development Center (SBDC), SCORE, Women's Business Center and Microloan programs provide much needed counseling to small businesses that are struggling or facing problems in their start-up phase. With the U.S. economy under unusual stress, many segments of the small business community are today unable to cope with daily management issues.

The Kerry-Bond bill would authorize expansions in these programs so that the SBDCs, the SCORE chapters and the Women's Business Centers are positioned to address the needs of a large influx of small businesses looking for help. Our bill would create special authorizations for each program to provide assistance tailored to the needs of small businesses following the September 11 terrorist attacks. In addition, the bill would increase the authorization levels by the following amounts: SBDC program $25 million, SCORE $2 million, Women's Business Centers, $2 million, and Microloan technical assistance, $5 million.

In order to measure the impact of the terrorist attacks on small businesses and the effectiveness of the Federal response to provide assistance, the Kerry-Bond bill directs the Office of Advocacy at the SBA to submit annual studies to the Congress for the next five years outlining its findings. Specifically, each annual report should include information and data on bankruptcies and business failures, job losses, and the impact of the assistance to the adversely affected small businesses. $500,000 annually is authorized for the Office of Advocacy to carry out this important five year project.

The American Small Business Emergency Relief and Recovery Act of 2001 is important legislation that is needed to help the many struggling small businesses. I am pleased to join Senator KERRY and my colleagues who are cosponsoring the bill in urging an early debate on this bill. Swift passage will very helpful to the long-term survival of many of American's small businesses.

Mr. BINGAMAN. Mr. President, I rise today in extremely strong support of S. 1499, the American Small Business Emergency Relief and Protection Act, and I am pleased to be an original cosponsor of the legislation. In the aftermath of the attacks on New York City and the Pentagon on September 11, we were right I believe, to focus our attention on the loss of human life and the enormous tragedy that had affected our entire Nation. From my perspective, there would have been something callous about calculating economic impact when there was so much visible pain and suffering going on around us.

But as time has passed, there is an economic reality that must be addressed in a coherent and effective fashion. The increasingly negative economic reports we face cannot be ignored as they have immediate and tangible effects on the people and communities of our country. Over the last week or so the administration, along with key Members of Congress, have discussed the creation of an economic stimulus plan that is designed to pull our country and our economy back on track and back to where it belongs. Although this plan has yet to be solidified, it will provide Americans with a stable and secure foundation upon which public confidence can grow again, economic growth can expand again, and business productivity can increase again.

The bipartisan legislation that was introduced today by Senator KERRY will complement this economic stimulus package by giving substantial assistance to the small businesses that were either directly affected by the events on September 11 or subsequently affected by the ripple that has spread across the United States. Senator KERRY has very wisely taken an approach that looks not only at the small businesses that were in the immediate areas of the attack and thus suffered as a result of the damage or closures, but also those businesses—supplier firms, contractors, and so on—that have suffered indirectly as a result of the initial destruction. These businesses will now have the opportunity to obtain a number of benefits not previously available under current legislation. In brief, the legislation: expands and facilities access for small business to the SBA Disaster Loan Program; offers incentives that allows business to use the 7(a) and 504 Loan Programs; provides additional funds to the SCORE and SBDC Programs, and; increases outreach done by SBA to small businesses in need of management consulting.

Let me provide some context to this effort. From where I sit, no sector of the economy is as vital, dynamic, and creative as small business. If you read the paper or listen to the news, you know that there has been an entrepreneurial explosion in the United States over the last decade, and that this explosion has significantly impacted every region in the country. According to the latest estimates, there are at least 24 million full time small businesses in the United States at this time, employing millions of Americans. Make no mistake about it, these businesses drive the U.S. economy, as they are the ones that fire innovation, provide jobs, and create wealth for the country as a whole. When we talk about the knowledge economy, we are talking about small business. When we talk about energy and risk-taking, we are talking about small business. When we talk about the ''creative destruction'' that enhances our over-all competitiveness and pushes our country forward, we are talking about small business.

Small business represents the best of the United States, and from where I sit we should always make sure it has everything it needs to make a go of it. In my State of New Mexico, there are nearly 40,000 small businesses, over half owned by women and minorities. These entities employ nearly 60 percent of the individuals that are now working in my state and generate billions of dollars in revenue. New Mexico depends on small business for its continued economic welfare, and I am committed to

helping them succeed in good times and in bad.

It is never easy to start a small business or earn a profit, but it has gotten significantly harder recently. Many small businesses were already teetering on the brink as a result of the economic downturn, but in number of cases, conditions have become unmanageable as a result of the September 11 events and the recession. It is time to recognize that these folks need some help. This legislation does that. It shows that the Congress cares about what has happened and will do everything in its power to put things back on track again. It accepts the fact that these folks are not experiencing a normal business cycle downturn, and that they can't wait for the next upturn for things to get better. They need some assistance, and they need it now.

As far as I am concerned, it would be a good fit to have this specific legislation in the economic stimulus package being put together at this time. However, given how far down the road the negotiations over that package are, I doubt if that is possible. If this is indeed the case, I think it is imperative absolutely imperative, that this legislation be passed by both the Senate and the House, and then signed by the President as soon as possible. If we are looking for stability and confidence to be re-established in the United States, small business is a good place to start. It is time to act, and I urge my colleagues on both sides of the aisle to support this bill.

Mr. AKAKA. Mr. President, I am pleased to join my colleagues from Massachusetts, Mr. KERRY, and Missouri, Mr. BOND, as an original cosponsor of the American Small Business Emergency Relief and Protection Act of 2001.

As our Nation grieves for the victims and honors the rescuers, the American people stand with President Bush and support his assurance that our response to this terrible event and our pursuit of justice will be ''calm and resolute.'' The challenge and responsibility we all share in the aftermath of September 11 is to return to work, carry on with business, bolster our economy, and restore public confidence in the freedom of movement which we enjoy.

We have already begun to repair the damage, enhance airline security, strengthen our national security, and fight terrorism. We have acted to support the airline industry in this difficult time. Now, legislation is needed to support small businesses as they face increasing challenges.

It has been twenty-three days since the disaster and millions of workers and small businesses nationwide in a variety of industries have felt the economic aftershock of these events. Hawaii's hospitality industry has been hit particularly hard by the significant decrease in business and leisure travelers who are staying close to home. Airlines are having to adjust to the reduced number of travelers, while hotels are dealing with low occupancy rates due to the cancellation or postponement of planned trips to Hawaii. Since the airports reopened, domestic visitor arrivals in Hawaii have decreased by 31 percent compared to the same time period last year. Comparing international arrivals during the period from September 15–25 for 2000 and 2001, reveals a 65 percent decrease in visitors. Restaurants, hospitality services, shopping centers, and other tourism-related businesses are also being affected by the lack of visitors. The Hawaii Department of Labor and Industrial Relations reports that unemployment claims for the week of September 17 were double the weekly average. It is estimated that 80 percent of these claims are tourism related.

Hawaii is not alone in experiencing a downturn in tourist and business travel. Popular visitor destinations across the country, including Washington, DC, Florida, and Las Vegas have also endured sharp drops in visitors. The losses to airlines, hotels, restaurants, and other small businesses are already in the billions of dollars. The economic repercussions extend to all fifty states, as the economic decline impacts the lives of millions of people.

While I am confident that Hawaii's and our Nation's tourism industry can withstand this downturn in the economy, action is necessary to help preserve existing jobs and support the economy during this difficult time. Further job reductions will have significant spillover effects on the economy.

The legislation is aimed at alleviating the economic strain on small businesses by providing crucial access to credit. By expanding the application eligibility of the Small Business Administration's Disaster Loan programs to event-based instead of location-based criteria, many more struggling companies in all 50 states will be able to obtain the assistance they need. For example, small companies which provide hospitality or travel services would be eligible. Many others in a wide range of industries would be permitted to apply for assistance. The measure would also create incentives for small businesses to utilize the non-disaster relief loan programs. The incentives would encourage wary individuals and companies to borrow and lend to establish and expand small businesses in the current economic environment.

I thank my colleagues from Massachusetts and Missouri for introducing this legislation and ask my colleagues to join in supporting this essential measure to assist small businesses in the aftermath of the heinous attacks of September 11.

By Mr. KYL (for himself and Mr. MILLER):

S. 1500. A bill to amend the Internal Revenue Code of 1986 to provide tax and other incentives to maintain a vibrant travel and tourism industry, to keep working people working, and to stimulate economic growth, and for other purposes; to the Committee on Finance.

Mr. KYL. Mr. President, today I rise to introduce critical legislation that will help restore confidence in our country's ailing travel and tourism industry as well as serve as an immediate stimulus to our economy in general.

As recent economic data have confirmed, our economy was ailing before the terrorist attacks on Tuesday, September, 11, but few were talking about emergency measures to stimulate it. What is different after September 11 is the downward spiral of the economy, led by the travel industry.

Proposals for stimulating the economy have centered on traditional arguments as to whether we should focus more on stimulating business investment, consumer demand, or infrastructure. Eager for a bipartisan approach, members of Congress and President Bush appear agreeable to splitting the difference and doing a little of each. To me, that's a political solution and it ignores the emergency created in the aftermath of September 11.

I believe that we need to rethink what has happened to our economy to arrive at the stimulus legislation that attacks the major problem, and, therefore, will do the most overall good.

Before September 11, our economy was ailing for precisely the reasons Federal Reserve Chairman Alan Greenspan articulated, a lack of business investment. The terrorist attacks have made the general situation worse and caused an absolute emergency in certain sectors of the economy. Although I certainly agree that Congress should stimulate business investment and shore up consumer expectations, for example, by making our recent tax law permanent, cutting capital gains taxes, eliminating corporate AMT and accelerating our outdated cost recovery periods, I contend that our first focus should be directly on the sector hardest hit by these events.

To illustrate my point, an analogy is useful. Our economy had a bad case of the flu before September 11. Reducing interest rates, providing tax relief, and cutting regulatory burdens were all part of the antibiotic medicine needed to get the economy healthy again. During the economy's rehabilitation period, however, it sustained a major trauma. Under these circumstances, what should be a first priority, another dose of flue medication, or treatment applied directly to the gaping wound?

I believe that we must focus an emergency economic stimulus on the sector that has been most harmed: our travel

industry. If we are to prevent thousands of bankruptcies, hundreds of thousands of lost jobs, as well as numerous indirect consequences to the rest of the economy, it is essential that we provide some immediate help to the travel industry.

Accordingly, I am introducing legislation that seeks to treat this emergency economic situation or wound before it spreads an infection throughout the entire economy. Elements of my legislation include: Providing a temporary $500 tax credit per person ($1,000 for a couple filing jointly) for personal travel expenses for travel originating in and within the United States. This will help encourage Americans to resume their normal travel habits. Unlike general rebate checks to taxpayers, a tax credit conditioned on travel expenses ensures that the money is spent on a specific activity, in this case an activity that will generate positive economic ripples throughout the entire American economy. It will also help create confidence and encourage Americans to get back on airplanes.

Since business travel expenses are already deductible, temporarily restoring full deductibility for all business entertainment expenses, including meals, that are now subject to a 50 percent limitation, would help bring back the backbone of the travel industry, the business traveler.

Finally, in order to provide tax relief to those travel-related businesses most hurt by the terrorist attacks, Congress should allow these companies to ''carry back'' their losses incurred after September 11, for a temporary period of three additional years, a total, temporary, ''carry back'' period of five years. This will allow companies that have been profitable until September 11, but then lost money in excess of the past two years' amount of profit, to offset previous years' profit. Without this relief, many companies will go bankrupt, solely due to the terrorist attacks.

To be quick and temporary, the credit should be available for expenses incurred before December 31, 2001. The travel could occur later.

This legislation meets the criteria set forth by President Bush and the chairman of the Finance Committee. By definition, the relief would be temporary. The revenue loss attributable to this legislation for 2001 should occur no later than 2002 and so there would not be a long-term, negative drag on our federal budget. In fact, I believe that it would help ensure a positive, long-term budgetary position by getting America moving and doing business again. As for the need to stimulate consumer spending, providing consumers with incentives to travel is clearly a demand-driven idea. I also contend that it will help stem the retrenchment in business investment that the economy is experiencing in the travel industry and many related industries. Finally, travel is not a partisan issue, it is one of the most bipartisan of all issues.

As Secretary O' Neill said before the Finance Committee on October 3, ''The medicine has to work and be worth the cost.'' Without airline travel, collateral consequences to related industries will be substantial. Of all the competing proposals I can think of, none more directly affects the major cause of the problem in our economy.

So there it is. Our economy has sustained a specific trauma. We need a quick and focused response to this emergency condition. the ''Travel America Now Act'' provides the right medicine for the most acute problem. I urge my colleagues to join me and support this legislation.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1500

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Travel America Now Act of 2001''.

SEC. 2. FINDINGS.

Congress finds the following:

(1) Prior to September 11, 2001, more than 19,000,000 Americans were employed in travel and travel-related jobs, with an estimated annual payroll of $171,500,000,000.

(2) In recent years, the travel and tourism industry has grown to be the third largest industry in the United States as measured by retail sales, with over $582,000,000,000 in expenditures, generating over $99,600,000,000 in Federal, State, and local tax revenues in 2000.

(3) In 2000, the travel and tourism industry created a $14,000,000,000 balance of trade surplus for the United States.

(4) The travel and tourism industry and all levels of government are working together to ensure that, following the horrific terrorist attacks on the World Trade Center and the Pentagon on September 11, 2001, travel is safe and secure, and that confidence among travelers is maintained.

(5) Urgent, short-term measures are necessary to keep working people working and to generate cash flow to assist the travel and tourism industry in its ongoing efforts to retain its economic footing.

(6) Increased consumer spending on travel and tourism is essential to revitalizing the United States economy.

(7) The American public should be encouraged to travel for personal, as well as business, reasons as a means of keeping working people working and generating cash flow that can help stimulate a rebound in the Nation's economy.

SEC. 3. PERSONAL TRAVEL CREDIT.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to nonrefundable personal credits) is amended by inserting after section 25B the following new section:

''SEC. 25C. PERSONAL TRAVEL CREDIT.

''(a) ALLOWANCE OF CREDIT.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the qualified personal travel expenses which are paid or incurred by the taxpayer on or after the date of the enactment of this section and before January 1, 2002.

''(b) MAXIMUM CREDIT.—The credit allowed to a taxpayer under subsection (a) for any taxable year shall not exceed $500 ($1,000, in the case of a joint return).

''(c) QUALIFIED PERSONAL TRAVEL EXPENSES.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified personal travel expenses' means reasonable expenses in connection with a qualifying personal trip for—

''(A) travel by aircraft, rail, watercraft, or motor vehicle, and

''(B) lodging while away from home at any commercial lodging facility.

Such term does not include expenses for meals, entertainment, amusement, or recreation.

''(2) QUALIFYING PERSONAL TRIP.—

''(A) IN GENERAL.—The term 'qualifying personal trip' means travel within the United States—

''(i) the farthest destination of which is at least 100 miles from the taxpayer's residence,

''(ii) involves an overnight stay at a commercial lodging facility and

''(iii) which is taken on or after the date of the enactment of this section.

''(B) ONLY PERSONAL TRAVEL INCLUDED.—Such term shall not include travel if, without regard to this section, any expenses in connection with such travel are deductible in connection with a trade or business or activity for the production of income.

''(3) COMMERCIAL LODGING FACILITY.—The term 'commercial lodging facility' includes any hotel, motel, resort, rooming house, or campground.

''(d) SPECIAL RULES.—

''(1) DENIAL OF CREDIT TO DEPENDENTS.—No credit shall be allowed under this section to any individual with respect to whom a deduction under section 151 is allowable to another taxpayer for a taxable year beginning in the calendar year in which such individual's taxable year begins.

''(2) EXPENSES MUST BE SUBSTANTIATED.—No credit shall be allowed by subsection (a) unless the taxpayer substantiates by adequate records or by sufficient evidence corroborating the taxpayer's own statement the amount of the expenses described in subsection (c)(1).

''(e) DENIAL OF DOUBLE BENEFIT.—No deduction shall be allowed under this chapter for any expense for which credit is allowed under this section.''.

(b) CONFORMING AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting before the item relating to section 26 the following new item:

''Sec. 25C. Personal travel credit.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 4. TEMPORARY INCREASE IN DEDUCTION FOR BUSINESS MEALS AND ENTERTAINMENT.

(a) IN GENERAL.—Subsection (n) of section 274 of the Internal Revenue Code of 1986 (relating to only 50 percent of meal and entertainment expenses allowed as deduction) is amended by adding at the end the following new paragraph:

''(4) TEMPORARY INCREASE IN LIMITATION.—With respect to any expense or item paid or incurred on or after the date of the enactment of this paragraph and before January 1, 2002, paragraph (1) shall be applied by substituting '100 percent' for '50 percent'.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 5. NET OPERATING LOSS CARRYBACK FOR TRAVEL AND TOURISM INDUSTRY.

(a) IN GENERAL.—Paragraph (1) of section 172(b) of the Internal Revenue Code of 1986 (relating to years to which loss may be carried) is amended by adding at the end the following new subparagraph:

''(H) TRAVEL AND TOURISM INDUSTRY LOSSES.—In the case of a taxpayer which has a travel or tourism loss (as defined in subsection (j)) for a taxable year that includes any portion of the period beginning on or after September 12, 2001, and ending before January 1, 2002, such travel or tourism loss shall be a net operating loss carryback to each of the 5 taxable years preceding the taxable year of such loss.''.

(b) SPECIAL RULES FOR TRAVEL AND TOURISM INDUSTRY LOSSES.—Section 172 of the Internal Revenue Code of 1986 (relating to net operating loss deduction) is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new subsection:

''(j) RULES RELATING TO TRAVEL AND TOURISM INDUSTRY LOSSES.—For purposes of this section—

''(1) IN GENERAL.—The term 'travel or tourism loss' means the lesser of—

''(A) the amount which would be the net operating loss for the taxable year if only income and deductions attributable to the travel or tourism businesses are taken into account, or

''(B) the amount of the net operating loss for such taxable year.

''(2) TRAVEL OR TOURISM BUSINESS.—The term 'travel or tourism business' includes the active conduct of a trade or business directly related to travel or tourism, including—

''(A) the provision of commercial transportation (including rentals) or lodging,

''(B) the operation of airports or other transportation facilities or the provision of services or the sale of merchandise within such facilities,

''(C) the provision of services as a travel agent,

''(D) the operation of convention, trade show, or entertainment facilities, and

''(E) the provision of other services as specified by the Secretary.

''(3) COORDINATION WITH SUBSECTION (b)(2).—For purposes of applying subsection (b)(2), a travel or tourism loss for any taxable year shall be treated in a manner similar to the manner in which a specified liability loss is treated.

''(4) ELECTION.—Any taxpayer entitled to a 5-year carryback under subsection (b)(1)(H) from any loss year may elect to have the carryback period with respect to such loss year determined without regard to subsection (b)(1)(H). Such election shall be made in such manner as may be prescribed by the Secretary and shall be made by the due date (including extensions of time) for filing the taxpayer's return for the taxable year of the net operating loss. Such election, once made for any taxable year, shall be irrevocable for such taxable year.

''(5) RELATED TAXPAYERS.—Under regulations prescribed by the Secretary and at the election of a taxpayer entitled to a 5-year carryback under subsection (b)(1)(H) with respect to a travel or tourism loss, such loss may be credited against the taxable income earned during the 5-year carryback period by any member of a controlled group of corporations (as defined in section 1563(a)) of which the taxpayer is a component or additional member within the meaning of section 1563(b).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending before, on, or after the date of the enactment of this Act.

By Mr. DURBIN (for himself, Mr. TORRICELLI, Ms. MIKULSKI, and Mrs. CLINTON):

S. 1501. A bill to consolidate in a single independent agency in the Executive branch the responsibilities regarding food safety, labeling, and inspection currently divided among several Federal agencies; to the Committee on Government Affairs.

Mr. DURBIN. Mr. President, today I am introducing legislation that would replace the current fragmented Federal food safety system with a single agency responsible for all Federal food safety activities, the Safe Food Act of 2001. I am pleased to be joined by Senators TORRICELLI, MIKULSKI, and CLINTON in this important effort.

Make no mistake, our country has been blessed with one of the safest and most abundant food supplies in the world. However, we can do better. Foodborne illnesses and hazards are still a significant problem that cannot be passively dismissed.

The Centers for Disease Control and Prevention, CDC, estimate that as many as 76 million people will suffer from food poisoning this year. Of those individuals, approximately 325,000 will be hospitalized, and more than 5,000 will die. The Department of Health and Human Services, HHS, also predicts that foodborne illnesses and deaths will increase 10–15 percent over the next decade. With emerging pathogens, an aging population with a growing number of people at high risk for foodborne illnesses, broader distribution patterns, an increasing volume of food imports, and changing consumption patterns, this situation is not likely to improve without decisive action.

Foodborne illnesses are not only a safety concern for our citizens. They are also a costly problem for the Nation. In terms of medical costs and productivity losses, foodborne illness costs the Nation up to $37 billion annually.

American consumers spend more than $617 billion annually on food, of which about $511 billion is spent on foods grown on U.S. farms. Our ability to ensure that our food supply is safe, and to react rapidly to potential threats to food safety is critical not only for public health, but also to the vitality of both domestic and rural economies and international trade.

Many of you have probably followed the stories about the European food crises, dioxin contamination of Belgian food, foot-and-mouth disease in the United Kingdom, and mad cow disease spreading to 13 European countries, as well as to Asia. While these diseases have thankfully not reached the United States, they do cause American consumers concern and remind us that food safety fears are global.

Today, food moves through a global marketplace. This was not the case in the early 1900s when the first Federal food safety agencies were created. Throughout this century, Congress responded by adding layer upon layer, agency upon agency, to answer the pressing food safety needs of the day. That's how the Federal food safety system got to the point where it is today. And again as we face increasing pressures on food safety, the Federal Government must respond. But we must respond not only to these pressures but also to the highly fragmented nature of the Federal food safety structure.

Fragmentation of our food safety system is a burden that must be changed to protect the public health from these increasing pressures. Currently, there are at least 12 different Federal agencies and 35 different laws governing food safety. With overlapping jurisdictions, Federal agencies often lack accountability on food safety-related issues.

The General Accounting Office, GAO, has also been unequivocal in its recommendation for consolidation of Federal food safety programs. Over the past two years, GAO has issued numerous reports on topics such as food recalls, food safety inspections, and the transport of animal feeds. Each of these reports highlight the current fragmentation and inconsistent organization of the various agencies involved in food safety oversight. In August 1999, GAO testified that a ''single independent food safety agency administering a unified, risk-based food safety system is the preferred approach . . .'' to food safety oversight. Also, in a May 25, 1994 report, GAO cites that its testimony in support of a unified, risk-based food safety system ''is based on over 60 reports and studies issued over the last 25 years by GAO, agency Inspectors General, and others.'' The Appendix to the 1994 GAO report lists 49 reports since 1977, 9 USDA Office of Inspector General reports since 1986, 1 HHS Office of Inspector General report in 1991, and 15 reports and studies by Congress, scientific organizations, and others since 1981.

The National Academy of Sciences, NAS, has also concluded that the current fragmented food safety system is less than adequate to meet America's food safety needs. In August 1998, the NAS released a report recommending the establishment of a ''unified and central framework'' for managing Federal food safety programs. They instructed that the unified system should

be ''one that is headed by a single official and which has the responsibility and control of resources for all Federal food safety activities.''

I agree with the recommendations of both the GAO and the NAS. A single food safety agency is needed to replace the current, fragmented system. My proposed legislation would combine the functions of USDA's Food Safety and Inspection Service, FDA's Center for Food Safety and Applied Nutrition and the Center for Veterinary Medicine, the Department of Commerce's Seafood Inspection Program, and the food safety functions of other Federal agencies. This agency would be funded with the combined budgets from these consolidated agencies.

Following the events of September 11, we are more keenly focused on how varied aspects of America's homeland security, including our Nation's food supply, may be vulnerable to attack. Our Federal food safety system must be able to prevent potential food hazards from reaching the public. A single food safety agency will help ensure that we have a cohesive process to address all ongoing and emerging threats to food safety.

With overlapping jurisdictions, Federal agencies many times lack accountability on food safety-related issues. There are simply too many cooks in the kitchen. A single agency would help focus our policy and improve enforcement of food safety and inspection laws.

Over 20 years ago, the Senate Committee on Governmental Affairs advised that consolidation is essential to avoid conflicts of interest and overlapping jurisdictions. This 1977 report stated, ''While we support the recent efforts of FDA and USDA to improve coordination between the agencies, periodic meetings will not be enough to overcome [these] problems.''

It's time to move forward. Let's stop discussing the need to consolidate and instead take steps to make consolidation happen. Let us create what only makes sense, a single food safety agency!

A single agency with uniform food safety standards and regulations based on food hazards would provide an easier framework for implementing U.S. standards in an international context. When our own agencies don't have uniform safety and inspection standards for all potentially hazardous foods, the establishment of uniform international standards will be next to impossible.

Research could be better coordinated within a single agency than among multiple programs. Currently, Federal funding for food safety research is spread over at least 20 Federal agencies, and coordination among those agencies is ad hoc at best.

New technologies to improve food safety could be approved more rapidly with one food safety agency. Currently, food safety technologies must go through multiple agencies for approval, often adding years of delay.

Food recalls are on the rise. In fact, at the end of August 2001, FSIS reported that there have been over fifty recalls of meat and poultry products throughout the Nation this year alone. Under these serious circumstances, it is important to move beyond short-term solutions to major food safety problems. A single food safety and inspection agency could more easily work toward long-term solutions to the frustrating and potentially life-threatening issue of food safety.

In this era of limited budgets, it is our responsibility to modernize and streamline the food safety system. The U.S. simply cannot afford to continue operating multiple systems. This is not about more regulation, a super agency, or increased bureaucracy. It is about common sense and more effective marshaling of our existing Federal resources.

Together, we can bring the various agencies together to eliminate the overlap and confusion that have, unfortunately, at times characterized our food safety efforts. We need action, not simply reaction. I encourage my colleagues to join me in this effort to consolidate the food safety and inspection functions of numerous agencies and offices into a single food safety agency.

By Mr. JEFFORDS (for himself, Mrs. LINCOLN, Mr. CHAFEE, Mr. BAYH, and Ms. SNOWE):

S. 1502. A bill to amend the internal Revenue Code of 1986 to allow a refundable tax credit for health insurance costs for COBRA continuation coverage, and for other purposes; to the Committee on Finance.

Mr. JEFFORD. Mr. President, as President Bush said yesterday, regarding the need for an economic stimulus package: ''one person laid off is one person too many.'' I strongly agree. Today, I'm pleased to join with Senator LINCOLN and my other colleagues in introducing the COBRA Plus Act of 2001. This legislation will help those who've lost their jobs in the aftermath of the terrorist acts of September 11 keep health insurance coverage for themselves and their families as they seek new employment.

As we in Congress work with the administration to develop an economic stimulus package, it needs to reflect the three themes spelled out by Secretary O'Neill. The package must restore consumer confidence. For with the restoration of confidence, the American people will again begin buying our Nation's goods and services. We must also support increased business investment. Business investment is what creates new jobs and is the engine of our economy. And finally, and I think most importantly, we must help those individual Americans who lost their jobs as a consequence of the terrorist bombings of September 11.

COBRA provides an existing mechanism to allow these laid-off workers the opportunity to keep their health insurance while they seek new employment. Under COBRA, an employer with 20 or more employees must provide those employees and their families the option of continuing their coverage under the employer's group health insurance plan in the case of losing their job. The employer is not required to pay for this coverage; instead, the individual can be required to pay up to 102 percent of the premium.

For all of its strengths, COBRA has some significant deficiencies. While it allows those who've lost their job to keep their health insurance coverage, it requires them to pay the entire premium at a time when they have no income. The high cost of COBRA is the major reason cited for the fact that only 18 percent of eligible enrollees utilize their coverage option. The COBRA Plus Act of 2001 solves this problem. It provides a 50-percent subsidy for the individual's health insurance premium, not to exceed a total of $110 per month for single coverage and $290 per month for family coverage. This subsidy would be a refundable tax credit, which means it is available regardless of one's tax liability, and the credit could be advanced directly on a monthly basis to the individual's employer or health insurance plan.

The credit would be available for a period not to exceed 9 months and the credit must be used to purchase COBRA coverage. The credit would be available for 2 years beginning January 1, 2002 and it would sunset on December 31, 2003. While the Joint Committee on Taxation has not released a cost estimate, rough informal estimates are that the legislation will cost between $3.3 billion and $5 billion per year and it would more than double the number of individuals utilizing COBRA at any one time from the current level of $2.5 million to $6 million.

Vermont's motto of ''Freedom and Unity'' captures the sense of individual responsibility and shared community that are the twin goals of the COBRA Plus Act of 2001. First, by giving unemployed workers access to additional financial resources, it will significantly increase the number of Americans who take advantage of COBRA's health insurance coverage option. And second, by relying on the tax code, the credit will go directly to individuals and eliminate the need to create a new Federal program.

In my home State of Vermont, as is the case across the country, these recent events have put the security of a well-paid job with health insurance coverage at risk. It is important that we here in Congress help to restore confidence in the fundamental strength of our Nation's economy. Americans

should know that they will still have productive jobs with health insurance coverage for their families now and into the future. I believe that the enactment of this legislation will be an important strand in strengthening the fabric of our society as we move forward in addressing the terrible acts of September 11.

Mr. CHAFEE. Mr. President, I am pleased to join Senators JEFFORDS, LINCOLN, SNOWE, and BAYH today in introducing the COBRA Plus Act of 2001.

The COBRA Plus Act of 2001 will provide a tax credit to help offset the costs of COBRA health insurance for unemployed workers. This is particularly important due to the challenges that our economy faces and the number of individuals who have lost or will lose their jobs as a result of the terrorist attacks on September 11. Specifically, this bill will help unemployed individuals keep their health insurance coverage by subsidizing their COBRA premiums through an individual tax credit.

According to the Congressional Research Service, it is estimated that 4.7 million Americans are enrolled in COBRA health plans at any given moment. With average annual COBRA insurance costing over $6,000, many individuals opt not to participate and therefore join the ranks of the 39 million uninsured in this country. A recent survey indicated that less than 20 percent of those eligible for COBRA insurance actually took advantage of the insurance. Without a premium subsidy such as the one offered in this bill, COBRA insurance is cost-prohibitive. The goal of this legislation is to decrease the number of uninsured individuals by providing an incentive to use COBRA insurance. This legislation will hopefully increase the number of COBRA users to at least six million.

While I am deeply saddened by the events that led to the introduction of this bill, I am heartened that we are able to provide a way for individuals to retain their health insurance.

I commend Senator JEFFORDS for his leadership on this issue, and am hopeful that it will get signed into law in the near future to assist our nation's displaced workers.

By Mr. ROCKEFELLER (for himself, Mr. DEWINE, Ms. LANDRIEU, Ms. SNOWE, Mr. BREAUX, Mr. BOND, Mr. LEVIN, Mr. CRAIG, and Mr. GRAHAM):

S. 1503. A bill to extend and amend the Promoting Safe and Stable Families Program under subpart 2 of part B of title IV of the Social Security Act, to provide the Secretary of Health and Human Services with new authority to support programs mentoring children of incarcerated parents to amend the Foster Care Independent Living Program under part E of title IV of the Social Security Act to provide for educational and training vouchers for youths aging out of foster care, and for other purposes; to the Committee on Finance.

Mr. ROCKEFELLER. Mr. President, I am proud to join with Senators DEWINE LANDRIEU, SNOWE, BREAUX, BOND, and LEVIN to introduce bipartisan legislation which includes President Bush's initiative to reauthorize and increase funding for the Promoting Safe and Stable Families Program. The President's initiative increases funding to help abused and neglected children by $200 million. He knows this group of vulnerable children deserves our attention, even in this most challenging of times in American history. These children face their own form of terror in their own homes, at the hands of their own parents. It is a horrible circumstance that we know something about how to address—and address it we must.

Our legislation also includes the President's initiative to start a new program to provide mentoring services to the more than 2 million children whose parents are in prison. These children are at high-risk and they too, deserve our support.

This bill includes the President's initiative to provide $5,000 in education vouchers to teens who age out of foster care so they have incentives to continue their education. This final program suggested by President Bush means a great deal to me because in 1999, I worked closely with the late Senator John Chafee to develop a new program to help teenagers from the foster care system. Senator Chafee passed away that fall, but I was proud to work with a bipartisan group to enact the foster care legislation that meant so much to him. It is one important piece of Senator John Chafee's remarkable legacy of leadership for children and families.

Senator DEWINE and I added a small, but important provision to help adoption agencies, like Catholic Charities and others, finding permanent homes for children with special needs. On January 23, 2001, the U.S. Department of Health and Human Services issued a new policy announcement which changed current practice for children with special needs. We need a legislative clarification to ensure that children with special needs who are voluntarily relinquished to private, nonprofit adoption agencies can still receive the adoption assistance they need and deserve.

In the Senate, there is a long, strong tradition of bipartisanship on child welfare issues. Over recent years we have made real progress. In 1993, working with Senator BOND and others we created a new program to invest in prevention and treatment. In 1997, another bipartisan group worked long and hard on the Adoption and Safe Families Act. This act significantly revised child welfare policy. It said for the first time in Federal law that a child's safety and health are paramount, and every child deserve a safe, permanent home. In this act, thanks to the leadership of Senator DEWINE we clarified ''reasonable efforts'' to focus more concern and attention on the needs of the child.

The Promoting Safe and Stable Families Act was part of that historic agreement, and it must be reauthorized this year or we will lose the funding that exists in the budget baseline, and, more importantly, children and families will lose needed services and support. The Safe and Stable Families Program provides a range of services including promoting adoptions and post-adoption support, family support to avoid placements and neglect, family preservation, and time-limited reunification for children who return home from foster care. Each is a necessary piece. This program is one of the major funding resources for adoption.

Almost daily and far too often we read tragic stories about abuse and neglect in our newspapers. Such reports are disturbing and disheartening. But the untold story is the progress that is being made thanks to new policy and new investments which is why I believe so strongly that we must continue those investments and progress by enacting the President's initiative.

In 1996, 28,000 children were adopted from the foster care system. In 2000, nearly 50,000 were adopted from foster care.

I am proud to report that my State of West Virginia is one of many States that is increasing the number of adoptions. But almost 100,000 children nationwide are still waiting for adoption which is why the increase in Safe and Stable Families is crucial. With the $200 million increase included in our legislation, we will make the commitment to invest a minimum of $100 million in adoption promotion and the adoption support.

Victimization rates are slowly declining. In 1993, the children victimization rate was 15.3 per 1,000 children. In 1999, the child victimization rate was 11.8 per 1,000 children. The 1999 rate is the lowest rate since we started collecting this data in 1990.

In some States within a year or two, there will be more children receiving adoption assistance and subsidized guardianship payments than in the foster care system, and that is a major shift and historic progress towards the fundamental goal of permanency for vulnerable children.

These are encouraging trends, but there are still 581,0001 children in foster care and about one million substantiated cases of abuse or neglect each year. We are making progress, but we should and must do more for the most vulnerable children in our country.

Since September 11, 2001, our world has changed. We face new challenges

for recovery, national security and combating terrorism. We must focus on this immediate threat, but we also must remember those vulnerable children who are at risk of abuse and neglect in their own homes. The Senate has a long tradition of working hard, and doing the right thing, usually as one of the last orders of business to help such children. I urge my colleagues to join me in supporting President Bush's initiative. Delivering on this promise truly will help ensure that no children is left behind as the President eloquently insisted in his campaign and in his State of the Union address.

Remembering our commitment to vulnerable children is one clear way to emphasize how our country is unique and strong. In the midst of challenge and terror, we should remember our youngest victims, too. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1503

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

SECTION 1. SHORT TITLE; REFERENCES IN ACT; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Promoting Safe and Stable Families Amendments Act of 2001''.

(b) REFERENCES IN ACT.—Except as otherwise specifically provided, whenever in this Act an amendment 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 that section or other provision of the Social Security Act.

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

Sec. 1. Short title; references in act; table of contents.

TITLE I—PROMOTING SAFE AND STABLE FAMILIES

Subtitle A—Grants to States for Promoting Safe and Stable Families

Sec. 101. Findings and purpose.
Sec. 102. Definition of family support services.
Sec. 103. Reallotments.
Sec. 104. Payments to States.
Sec. 105. Evaluations.
Sec. 106. Authorization of appropriations; reservation of certain amounts.
Sec. 107. State court improvements.

Subtitle B—Mentoring Children of Incarcerated Parents

Sec. 121. Grants for programs for mentoring children of incarcerated parents.

TITLE II—FOSTER CARE, ADOPTION ASSISTANCE, AND INDEPENDENT LIVING

Sec. 201. Elimination of opt-out provision for State requirement to conduct criminal background check on prospective foster or adoptive parents.
Sec. 202. Eligibility for adoption assistance payment of special needs children voluntarily relinquished to private nonprofit agencies.
Sec. 203. Educational and training vouchers for youths aging out of foster care.

TITLE III—EFFECTIVE DATES

Sec. 301. Effective dates.

TITLE I—PROMOTING SAFE AND STABLE FAMILIES

Subtitle A—Grants to States for Promoting Safe and Stable Families

SEC. 101. FINDINGS AND PURPOSE.

Section 430 (42 U.S.C. 629) is amended to read as follows:

''SEC. 430. FINDINGS AND PURPOSE.

''(a) FINDINGS.—Congress finds that there is a continuing urgent need to protect children and to strengthen families as demonstrated by the following:

''(1) Family support programs directed at specific vulnerable populations have had positive effects on parents and children. The vulnerable populations for which programs have been shown to be effective include teenage mothers with very young children and families that have children with special needs.

''(2) Family preservation programs have been shown to provide extensive and intensive services to families in crisis.

''(3) The time lines established by the Adoption and Safe Families Act of 1997 have made the prompt availability of services to address family problems (and in particular the prompt availability of appropriate services and treatment addressing substance abuse) an important factor in successful family reunification.

''(4) The rapid increases in the annual number of adoptions since the enactment of the Adoption and Safe Families Act of 1997 have created a growing need for post-adoption services and for service providers with the particular knowledge and skills required to address the unique issues adoptive families and children may face.

''(b) PURPOSE.—The purpose of this program is to enable States to develop and establish, or expand, and to operate coordinated programs of community-based family support services, family preservation services, time-limited family reunification services, and adoption promotion and support services to accomplish the following objectives:

''(1) To prevent child maltreatment among families at risk through the provision of supportive family services.

''(2) To assure children's safety within the home and preserve intact families in which children have been maltreated, when the family's problems can be addressed effectively.

''(3) To address the problems of families whose children have been placed in foster care so that reunification may occur in a safe and stable manner in accordance with the requirements of the Adoption and Safe Families Act of 1997.

''(4) To support adoptive families by providing support services as necessary so that the families can make a lifetime commitment to their children.''.

SEC. 102. DEFINITION OF FAMILY SUPPORT SERVICES.

Section 431(a)(2) (42 U.S.C. 629a(a)(2)) is amended by inserting ''to strengthen parental relationships and promote healthy marriages,'' after ''environment,''.

SEC. 103. REALLOTMENTS.

Section 433 (42 U.S.C. 629c) is amended by adding at the end the following new subsection:

''(d) REALLOTMENTS.—The amount of any allotment to a State under this section for any fiscal year that the State certifies to the Secretary will not be required for carrying out the State plan under section 432 shall be available for reallotment for such fiscal year using the allotment methodology specified in this section. Any amount so reallotted to a State shall be deemed part of that State's allotment under this section for that fiscal year.''.

SEC. 104. PAYMENTS TO STATES.

(a) IN GENERAL.—Section 434(a) (42 U.S.C. 629d(a)) is amended—

(1) by striking paragraph (2);

(2) by striking all that precedes subparagraph (A) and inserting the following:

''(a) ENTITLEMENT.—Each State that has a plan approved under section 432 shall be entitled to payment of the lesser of—''; and

(3) by redesignating subparagraphs (A) and (B) as paragraphs (1) and (2), respectively, and by adjusting the left margins accordingly.

(b) CONFORMING AMENDMENTS.—Section 434(b) (42 U.S.C. 629d(b)) is amended—

(1) in paragraph (1)—

(A) by striking ''paragraph (1) or (2)(B) of''; and

(B) by striking ''described in this subpart'' and inserting ''under the State plan under section 432''; and

(2) in paragraph (2), by striking ''subsection (a)(1)'' and inserting ''subsection (a)''.

SEC. 105. EVALUATIONS.

Section 435 (42 U.S.C. 629e) is amended—

(1) in the heading, by inserting ''**; research; technical assistance**'' before the period; and

(2) by adding at the end the following new subsections:

''(c) RESEARCH.—The Secretary shall give priority consideration to the following topics for research and evaluation under this subsection, using rigorous evaluation methodologies where feasible:

''(1) Promising program models in the service categories specified in section 430(b), particularly time-limited reunification services and post-adoption services.

''(2) Multidisciplinary service models designed to address parental substance abuse and to reduce the impact of such abuse on children.

''(3) The efficacy of approaches directed at families with specific problems and with children of specific age ranges.

''(4) The outcomes of adoptions finalized after enactment of the Adoption and Safe Families Act of 1997.

''(d) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance that helps States to—

''(1) identify families with specific risk characteristics for intervention;

''(2) develop treatment models that address the needs of families at risk, particularly families with substance abuse issues;

''(3) implement programs with well articulated theories of how the intervention will result in desired changes among families at risk;

''(4) establish mechanisms to ensure that service provision matches the treatment model; and

''(5) establish mechanisms to ensure that post-adoption services meet the needs of the individual families and develop models to reduce the disruption rates of adoption.''.

SEC. 106. AUTHORIZATION OF APPROPRIATIONS; RESERVATION OF CERTAIN AMOUNTS.

(a) IN GENERAL.—Subpart 2 of part B of title IV (42 U.S.C. 629 et seq.) is amended by adding at the end the following new section:

"SEC. 436. AUTHORIZATION OF APPROPRIATIONS; RESERVATION OF CERTAIN AMOUNTS.

''(a) AUTHORIZATION.—There are authorized to be appropriated to carry out the provisions of this subpart (other than section 438) $505,000,000 for each of fiscal years 2002 through 2006.

''(b) RESERVATION OF CERTAIN AMOUNTS.—From the amount specified for each fiscal year under subsection (a), the Secretary shall reserve amounts for use as follows:

''(1) EVALUATION, RESEARCH, TRAINING, AND TECHNICAL ASSISTANCE.—The Secretary shall reserve $15,000,000 for fiscal year 2002, and $20,000,000 for each of fiscal years 2003 through 2006, for expenditure by the Secretary—

''(A) for research, training, and technical assistance costs related to the program under this subpart (other than section 438), including expenditures for research of not less than $9,000,000 for fiscal year 2002, and not less than $14,000,000 for each of fiscal years 2003 through 2006; and

''(B) for evaluation of State programs based on the plans approved under section 432 and funded under this subpart, and any other Federal, State, or local program, regardless of whether federally assisted, that is designed to achieve the same purposes as such State programs.

''(2) STATE COURT IMPROVEMENTS.—The Secretary shall reserve $20,000,000 for grants under section 437.

''(3) INDIAN TRIBES.—The Secretary shall reserve 2 percent for allotment to Indian tribes in accordance with section 433(a).''.

(b) CONFORMING AMENDMENTS.—Section 433 is amended—

(1) in subsection (a), by striking ''section 430(d)(3)'' and inserting ''section 436(b)(3)'';

(2) in subsection (b)—

(A) by striking ''section 430(b)'' and inserting ''section 436(a)''; and

(B) by striking ''section 430(d)'' and inserting ''section 436(b)''; and

(3) in subsection (c)—

(A) by striking ''section 430(b)'' and inserting ''section 436(a)''; and

(B) by striking ''section 430(d)'' and inserting ''section 436(b)''.

SEC. 107. STATE COURT IMPROVEMENTS.

(a) RELOCATION AND REDESIGNATION.—

(1) IN GENERAL.—Section 13712 of the Omnibus Budget Reconciliation Act of 1993 (42 U.S.C. 670 note) is relocated and redesignated as section 437 of the Social Security Act.

(2) CONFORMING AMENDMENTS.—Section 437, as relocated and redesignated under paragraph (1), is amended—

(A) in subsection (a)—

(i) in the matter preceding paragraph (1), by striking ''of title IV of the Social Security Act''; and

(ii) in paragraph (1)(A), by striking ''of title IV of such Act''; and

(B) in subsection (c)(2), by striking ''section 430(d)(2) of the Social Security Act'' and inserting ''section 436(b)(2)''.

(b) SCOPE OF ACTIVITIES.—

(1) Section 437(a)(2) (as so relocated and redesignated) is amended—

(A) by striking ''changes'' and inserting ''improvements''; and

(B) by inserting before the period ''in order to promote more timely court actions that provide for the safety of children in foster care and expedite the placement of such children in appropriate permanent settings''.

(2) Section 437(c)(1) (as so relocated and redesignated) is amended in the matter preceding subparagraph (A) by inserting ''and improvement'' after ''assessment''.

(c) ALLOTMENTS.—Section 437(c)(1) (as so relocated and redesignated) is amended by striking all that follows ''shall be entitled to payment,'' and inserting ''for each of fiscal years 2002 through 2006, from amounts reserved pursuant to section 436(b)(2), of an amount equal to the sum of $85,000 plus the amount described in paragraph (2) for such fiscal year.''.

(d) FEDERAL SHARE.—Section 437(d) (as so relocated and redesignated) is amended—

(1) by striking the heading and inserting ''FEDERAL SHARE.—''; and

(2) by striking ''to pay—'' and all that follows and inserting ''to pay not more than 75 percent of the cost of activities under this section in each of fiscal years 2002 through 2006.''.

Subtitle B—Mentoring Children of Incarcerated Parents

SEC. 121. GRANTS FOR PROGRAMS FOR MENTORING CHILDREN OF INCARCERATED PARENTS.

Subpart 2 of part B of title IV (42 U.S.C. 629 et seq.), as amended by sections 106 and 107, is amended by adding at the end the following new section:

"SEC. 438. GRANTS FOR PROGRAMS FOR MENTORING CHILDREN OF INCARCERATED PARENTS.

''(a) FINDINGS AND PURPOSE.—

''(1) FINDINGS.—Congress makes the following findings:

''(A) In the period between 1991 and 1999, the number of children with a parent incarcerated in a Federal or State correctional facility increased by more than 100 percent, from approximately 900,000 to approximately 2,000,000. In 1999, 2.1 percent of all children in the United States had a parent in a Federal or State correctional facility.

''(B) Prior to incarceration, 64 percent of female prisoners and 44 percent of male prisoners in State facilities lived with their children.

''(C) Nearly 90 percent of the children of incarcerated fathers live with their mothers, and 79 percent of the children of incarcerated mothers live with a grandparent or other relative. Only 10 percent of incarcerated mothers and 2 percent of incarcerated fathers in State facilities report that their child or children are in foster care.

''(D) Parental arrest and confinement lead to stress, trauma, stigmatization, and separation problems for children. These problems are coupled with existing problems that include poverty, violence, parental substance abuse, high-crime environments, intrafamilial abuse, child abuse and neglect, multiple care givers, or prior separations. As a result, children of an incarcerated parent often exhibit a broad variety of behavioral, emotional, health, and educational problems that are often compounded by the pain of separation.

''(E) Empirical research demonstrates that mentoring is a potent force for improving children's behavior across all risk behaviors affecting health. Quality, one-on-one relationships that provide young people with caring role models for future success have profound, life-changing potential. Done right, mentoring markedly advances youths' life prospects. A widely cited 1995 study by Public/Private Ventures measured the impact of one Big Brothers Big Sisters program and found significant effects in the lives of youth—cutting first-time drug use by almost half and first-time alcohol use by about a third, reducing school absenteeism by half, cutting assaultive behavior by a third, improving parental and peer relationships, giving youth greater confidence in their school work, and improving academic performance.

''(2) PURPOSE.—The purpose of this section is to authorize the Secretary to make competitive grants to local governments in areas with substantial numbers of children of incarcerated parents to support the establishment or expansion and operation of programs using a network of public and private community entities to provide mentoring services for children of incarcerated parents.

''(b) DEFINITIONS.—In this section:

''(1) CHILDREN OF INCARCERATED PARENTS.—The term 'children of incarcerated parents' means a child, 1 or both of whose parents are incarcerated in a Federal or State correctional facility. Such term shall be deemed to include any child who is in an ongoing mentoring relationship in a program under this section at the time of the release of the child's parent or parents from a correctional facility, for purposes of continued participation in the program.

''(2) MENTORING.—The term 'mentoring' means a structured, managed program in which children are appropriately matched with screened and trained adult volunteers for one-on-one relationships, involving meetings and activities on a regular basis, intended to meet, in part, the child's need for involvement with a caring and supportive adult who provides a positive role model.

''(3) MENTORING SERVICES.—The term 'mentoring services' means those services and activities that support a structured, managed program of mentoring, including the management by trained personnel of outreach to, and screening of, eligible children; outreach to, education and training of, and liaison with sponsoring local organizations; screening and training of adult volunteers; matching of children with suitable adult volunteer mentors; support and oversight of the mentoring relationship; and establishment of goals and evaluation of outcomes for mentored children.

''(c) PROGRAM AUTHORIZED.—From the amount appropriated under subsection (g) for a fiscal year that remains after the application of subsection (g)(2), the Secretary shall make grants under this section for each of fiscal years 2002 through 2006 to local governments in areas that have significant numbers of children of incarcerated parents and that submit applications meeting the requirements of this section, including—

''(1) two-thirds of such amount in grants in amounts of up to $5,000,000 each; and

''(2) one-third of such amount in grants in amounts of up to $10,000,000 each.

''(d) APPLICATION REQUIREMENTS.—In order to be eligible for a grant under this section, the mayor or other chief executive officer of a city, council of governments, or other unit of local government shall submit to the Secretary an application containing the following:

''(1) PROGRAM DESIGN.—A description of the proposed local program, including—

''(A) a list of local public and private organizations and entities that will participate in the mentoring network;

''(B) the name, description, and qualifications of the entity that will coordinate and oversee the activities of the mentoring network;

''(C) the number of mentor-child matches proposed to be established and maintained annually under the program;

''(D) such information as the Secretary may require concerning the methods to be used to recruit, screen support, and oversee individuals participating as mentors (which methods shall include criminal background checks on such individuals), and to evaluate outcomes for participating children, including information necessary to demonstrate

compliance with requirements established by the Secretary for the program; and

''(E) such other information as the Secretary may require.

''(2) COMMUNITY CONSULTATION; COORDINATION WITH OTHER PROGRAMS.—A demonstration that, in developing and implementing the program, the local government will, to the extent feasible and appropriate—

''(A) consult with public and private community entities, including religious organizations, and including, as appropriate, Indian tribal organizations and urban Indian organizations, and with family members of potential clients;

''(B) coordinate the programs and activities under the program with other Federal, State, and local programs serving children and youth; and

''(C) consult with appropriate Federal, State, and local corrections, workforce development, and substance abuse and mental health agencies.

''(3) EQUAL ACCESS FOR LOCAL SERVICE PROVIDERS.—An assurance that public and private entities and community organizations, including religious organizations and Indian organizations, will be eligible to participate in the program on an equal basis.

''(4) SUPPLEMENTATION ASSURANCE.—An assurance that Federal funds provided to the local government under this section will not be used to supplant Federal or non-Federal funds for existing services and activities that promote the purpose of this section.

''(5) BIENNIAL PROGRAM REPORT.—An agreement that the local government will submit to the Secretary, after the second year of funding of a program under this section and every second year thereafter, a report containing the following:

''(A) A description of the grant requirements used by the local government to award grant funds.

''(B) The measurable goals and outcomes expected by the programs receiving assistance under the local government program (and in later reports, the extent to which such goals and outcomes were achieved).

''(C) A description of the services provided by programs receiving assistance under the local government program.

''(D) The number of children and families served.

''(E) Such other such information as the Secretary may require.

''(6) RECORDS, REPORTS, AND AUDITS.—An agreement that the local government will maintain such records, make such reports, and cooperate with such reviews or audits as the Secretary may find necessary for purposes of oversight of project activities and expenditures.

''(7) EVALUATION.—An agreement that the local government will cooperate fully with the Secretary's ongoing and final evaluation of the program under the plan, by means including providing the Secretary with access to the program and program-related records and documents, staff, and grantees receiving funding under the plan.

''(8) EXTENT OF LOCAL-STATE COOPERATION.—A statement as to whether, and the extent to which, the State government has undertaken to provide support to and to cooperate with the local program.

''(e) FEDERAL SHARE.—

''(1) IN GENERAL.—A grant for a program under this section shall be available to pay a percentage share of the costs of the program up to—

''(A) 80 percent for the first fiscal year for which the grant is awarded;

''(B) 60 percent for the second such fiscal year;

''(C) 40 percent for the third such fiscal year; and

''(D) 20 percent for each succeeding fiscal year.

''(2) NON-FEDERAL SHARE.—The non-Federal share of the cost of projects under this section may be in cash or in kind. In determining the amount of the non-Federal share, the Secretary may attribute fair market value to goods, services, and facilities contributed from non-Federal sources.

''(f) CONSIDERATIONS IN AWARDING GRANTS.—In awarding grants under this section, the Secretary shall take into consideration—

''(1) the experience, qualifications, and capacity of local governments and networks of organizations to effectively carry out a mentoring program under this section;

''(2) the comparative severity of need for mentoring services in given local areas, taking into consideration data on the numbers of children (and in particular of low-income children) with an incarcerated parent (or parents) in such areas;

''(3) whether, and the extent to which, the State government has undertaken to support and cooperate with the local mentoring program;

''(4) evidence of consultation with existing youth and family service programs, as appropriate; and

''(5) any other factors the Secretary may deem significant with respect to the need for or the potential success of carrying out a mentoring program under this section.

''(g) AUTHORIZATION OF APPROPRIATIONS; RESERVATION OF CERTAIN AMOUNTS.—

''(1) AUTHORIZATION.—There are authorized to be appropriated to carry out this section—

''(A) $67,000,000 for fiscal year 2002; and

''(B) such sums as may be necessary for each of fiscal years 2003 through 2006.

''(2) RESERVATION.—The Secretary shall reserve 2.5 percent of the amount appropriated for each fiscal year under paragraph (1) for expenditure by the Secretary for research, technical assistance, and evaluation related to programs carried out under this section.''.

TITLE II—FOSTER CARE, ADOPTION ASSISTANCE, AND INDEPENDENT LIVING

SEC. 201. ELIMINATION OF OPT-OUT PROVISION FOR STATE REQUIREMENT TO CONDUCT CRIMINAL BACKGROUND CHECK ON PROSPECTIVE FOSTER OR ADOPTIVE PARENTS.

Section 471(a)(20) (42 U.S.C. 671(a)(20) is amended—

(1) in subparagraph (A), by striking ''and'' at the end;

(2) by striking ''(A) unless an election provided for in subparagraph (B) is made with respect to the State,'';

(3) by striking subparagraph (B);

(4) by striking ''(i)'' and inserting ''(A)''; and

(5) by striking ''(ii)'' and inserting ''(B)''.

SEC. 202. ELIGIBILITY FOR ADOPTION ASSISTANCE PAYMENT OF SPECIAL NEEDS CHILDREN VOLUNTARILY RELINQUISHED TO PRIVATE NONPROFIT AGENCIES.

Section 473(a)(2) (42 U.S.C. 673(a)(2)) is amended—

(1) in subparagraph (A)(i), by striking ''either pursuant'' and all that follows through ''July 16, 1996))'' and inserting ''pursuant to a voluntary relinquishment to, or a voluntary placement agreement with, a public or nonprofit private agency,''; and

(2) in subparagraph (B)(i), by striking ''agreement was entered into'' and inserting ''relinquishment occurred, agreement was entered into,''.

SEC. 203. EDUCATIONAL AND TRAINING VOUCHERS FOR YOUTHS AGING OUT OF FOSTER CARE.

(a) PURPOSE.—Section 477(a) (42 U.S.C. 677(a)) is amended—

(1) by striking ''and'' at the end of paragraph (4);

(2) by striking the period at the end of paragraph (5) and inserting ''; and''; and

(3) by adding at the end the following new paragraph:

''(6) to make available vouchers for education and training, including postsecondary training and education, to youths who have aged out of foster care.''.

(b) EDUCATIONAL AND TRAINING VOUCHERS.—Section 477 (42 U.S.C. 677) is amended by adding at the end the following new subsection:

''(i) EDUCATIONAL AND TRAINING VOUCHERS.—The following conditions shall apply to a State educational and training voucher program under this section:

''(1) Vouchers under the program shall be available to youths otherwise eligible for services under the State program under this section.

''(2) For purposes of the voucher program, youths adopted from foster care after attaining age 16 shall be considered to be youths otherwise eligible for services under the State program under this section.

''(3) A youth participating in the voucher program on the date the youth attains age 21 shall remain eligible until the youth attains age 23, as long as the youth is enrolled in a full-time postsecondary education or training program and is making satisfactory progress toward completion of that program.

''(4) The voucher or vouchers provided for an individual under this section—

''(A) shall be available for the cost of attendance at an institution of higher education, as defined in section 102 of the Higher Education Act of 1965; and

''(B) shall not exceed the lesser of $5,000 per year or the total cost of attendance, as defined in section 472 of that Act.

''(5)(A) Subject to subparagraphs (B) and (C), the amount of a voucher under this section shall be disregarded for purposes of determining the recipient's eligibility for, or the amount of, any other Federal or federally supported assistance.

''(B) The total amount of educational assistance to a youth under this section and under other Federal and federally supported programs shall not exceed the total cost of attendance, as defined in section 472 of the Higher Education Act of 1965.

''(C) The State agency shall take appropriate steps to prevent duplication of benefits under this and other Federal or federally supported programs.

''(6) The program shall be coordinated with other appropriate education and training programs.''.

(c) CERTIFICATION.—Section 477(b)(3) (42 U.S.C. 677(b)(3)) is amended by adding at the end the following new subparagraph:

''(J) A certification by the chief executive officer of the State that the State educational and training voucher program under this section is in compliance with the conditions specified in subsection (i), including a statement describing methods the State will use—

''(i) to ensure that the total amount of educational assistance to a youth under this section and under other Federal and federally supported programs does not exceed the limitation specified in subsection (i)(5)(B); and

''(ii) to avoid duplication of benefits under this and any other Federal or federally supported benefit program in accordance with subsection (i)(5)(C).''.

(d) INCREASED AUTHORIZATIONS OF APPROPRIATIONS.—Section 477(h) (42 U.S.C. 677(h)) is amended by striking ''there are authorized'' and all that follows and inserting the following: ''there are authorized to be appropriated to the Secretary for each fiscal year—

''(1) $140,000,000, which shall be available for all purposes under this section; and

''(2) an additional $60,000,000, which shall be available for payments to States for education and training vouchers for youths who age out of foster care, to assist such youths to develop skills necessary to lead independent and productive lives.''.

(e) ALLOTMENTS TO STATES.—Section 477(c) (42 U.S.C. 677(c)) is amended—

(1) in paragraph (1)—

(A) by striking ''(1) IN GENERAL.—From the amount specified in subsection (h)'' and inserting ''(1) GENERAL PROGRAM ALLOTMENT.—From the amount specified in subsection (h)(1)''; and

(B) by striking ''which bears the same ratio and all that follows through the period'' and inserting ''which bears the ratio equal to the State foster care ratio, as adjusted in accordance with paragraph (2).''; and

(2) by adding at the end the following new paragraphs:

''(3) VOUCHER PROGRAM ALLOTMENT.—From the amount specified in subsection (h)(2) for a fiscal year, the Secretary shall allot to each State with an application approved under subsection (b) for the fiscal year the amount that bears the ratio to such amount equal to the State foster care ratio.

''(4) STATE FOSTER CARE RATIO.—In this subsection, the term 'State foster care ratio' means the ratio of the number of children in foster care in the State in the most recent fiscal year for which such information is available to the total number of children in foster care in all States for such most recent fiscal year.''.

(f) PAYMENTS TO STATES.—Section 474(a)(4) (42 U.S.C. 674(a)(4)) is amended to read as follows:

''(4) an amount equal to—

''(A) with respect to amounts for expenditures in accordance with the State application approved under section 477(b) (including any amounts expended in accordance with an amendment that meets the requirements of section 477(b)(5)), the sum of—

''(i) the lesser of—

''(I) 80 percent of the amounts expended by the State during the quarter to carry out programs for the purposes described in subsection (h)(1); or

''(II) the amount allotted to the State under section 477(c)(1) for the fiscal year in which the quarter occurs, reduced by the total of the amounts payable to the State under this paragraph for such purposes for all prior quarters in the fiscal year; and

''(ii) the lesser of—

''(I) 80 percent of the amounts expended by the State during the quarter to carry out programs for the purposes described in subsection (h)(2); or

''(II) the amount allotted to the State under section 477(c)(3) for the fiscal year in which the quarter occurs, reduced by the total of the amounts payable to the State under this paragraph for such purposes for all prior quarters in the fiscal year;

reduced by

''(B) the total amount of any penalties assessed against the State under section 477(e) for such fiscal year.''.

TITLE III—EFFECTIVE DATES

SEC. 301. EFFECTIVE DATES.

(a) IN GENERAL.—Subject to subsections (b), (c), and (d), the amendments made by this Act take effect October 1, 2001.

(b) ELIMINATION OF OPT-OUT PROVISION FOR CRIMINAL BACKGROUND CHECKS.—Subject to subsection (d), the amendments made by section 201 take effect on the date of enactment of this Act.

(c) ELIGIBILITY FOR ADOPTION ASSISTANCE PAYMENT OF SPECIAL NEEDS CHILDREN VOLUNTARILY RELINQUISHED TO PRIVATE NONPROFIT AGENCIES.—Subject to subsection (d), the amendments made by section 202 shall be effective with respect to children voluntarily relinquished to, or the subject of a voluntary placement agreement with, a public or nonprofit private agency on or after the date that is 90 days after the date of enactment of this Act.

(d) DELAY PERMITTED IF STATE LEGISLATION REQUIRED.—In the case of a State plan under subpart 2 of part B or part E of the Social Security Act (42 U.S.C. 629 et seq.; 670 et seq.) that the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirements imposed by the amendments made by this Act, the State plan shall not be regarded as failing to comply with the requirements of such subpart or part solely on the basis of the failure of the plan to meet such additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of enactment of this Act. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

Mr. DEWINE. Mr. President, I rise today with my friend and colleague, Senator ROCKEFELLER, to introduce the ''Promoting Safe and Stable Families'' bill. This legislation reauthorizes four programs designed to help child welfare agencies establish and maintain permanency by providing grants to States and Indian tribes. The bill also includes programs that the President has proposed, which have my utmost support, as well as a technical correction that Senator ROCKEFELLER and I have proposed to ensure that special needs children continue to be eligible for adoption assistance.

It would be impossible for me to talk about the challenges facing children and the agencies dedicated to protecting them, without saying a few brief words about the recent terrorist bombings in New York and Washington. Following those tragic events, we awoke to a whole new world, a world forever changed by a faceless, cowardly band of terrorists, a world filled with sorrow at the senseless, needless injury and loss of countless members of our American family.

Though it is going to take time to eradicate the terrorist enemy, I am confident that our efforts will bring about peace and security both here at home and across that globe. Ultimately, our efforts to protect the Nation is about the future of our children and grandchildren. And so, we must do all we can to protect them and give them a world that is safe and secure.

In creating that kind of a world, we have to realize that there are thousands of children in this Nation right now who don't live in safe and secure environments, children who have only one parent or no parents at all, as sadly is now the case for many of the children who lost parents in the terrorist attacks.

Far too many children in our country are at risk, not because of the terrorist threat, but because they are neglected or abused by parents or because they are trapped in the legal limbo that is our child welfare system. Because of this, we have an obligation to these children. We have an obligation to protect these innocent lives.

With the bill we are introducing today, we are taking a big step toward meeting that obligation. By reauthorizing and improving the Safe and Stable Families program, we can help strengthen families and ensure the safety of vulnerable children. The funding provided to the States through this legislation is used for four categories of services: family preservation, community-based family support, time-limited family reunification, and adoption promotion and support. These services are designed to prevent child abuse and neglect in communities at risk, avoid the removal of children from their homes, and support timely reunification or adoption.

Our bill reauthorizes the only program that provides funding for post-adoption services. With a 30-percent increase in the number of adoptions since the implementation of the Adoption and Safe Families Act, funding for adoption promotion and support services is especially vital. These services are necessary to ensure that adoptions are not disrupted, which risks further traumatizing a child.

Our bill also amends the Foster Care Independent Living Program to extend the eligibility age from 21 to 23, so that children aging out of foster care can qualify for educational and training vouchers. Currently, too many of the 16,000 children youth who age out of foster care are not able to pursue educational or vocational training because they just don't have the money. This provision helps these young people get the education and career training they need and deserve.

The bill doubles the funding for the Court Improvement Program, CIP, and reauthorizes it through 2006. The CIP program provides grants to the States to develop a system of more timely court actions that provides for the safety of children in foster care and expedites the placement of such children in appropriate permanent settings.

This money helps ensure that state courts have the resources necessary to stay in compliance with the Adoption and Safe Families Act. In my own home State of Ohio, this money has been used to develop and implement an attorney certification program in family law. Additionally, the CIP money has been used to implement the Court Appointed Special Advocate, CASA, program throughout Ohio and to implement five pilot programs that uniquely address family law issues.

Also, Senator ROCKEFELLER and I have added a technical correction to the bill that would clarify how Adoption Assistance Payments are distributed. Prior to January 23, 2001, title IV-E Adoption Assistance Payments were available to parents adopting children who met three special needs criteria, regardless of whether a child was placed by a private agency or the State foster care system. Unfortunately, some private agencies were using only one of the three special needs criteria to access payments for these adoptive families.

The January 23rd Adoption Assistance decision draws a distinction between private and State foster care systems to prevent the misuse of funds. However, the decision has had the unintended consequence of adversely affecting agencies like Catholic Charities and their ability to provide adoptive families with payments. Our correction focuses on the children, not the placement agency, by making special needs children adopted through voluntary relinquishment eligible for adoption assistance payments.

I am particularly pleased with some of the President's new initiatives authorized in our bill. For example, the President has proposed that the Department of Health and Human Services be authorized to provide competitive grants to support mentoring programs for children of incarcerated parents. With more than 2 million children with incarcerated parents, this program would provide valuable outreach to this vulnerable group of children.

I would like to conclude my remarks by drawing my colleagues' attention to a recent Washington Post series on the dire state of the District of Columbia's child welfare system. This series outlines multiple mistakes made by the Government by placing children in unsafe homes or institutions. Unfortunately, these same mistakes occur in the child welfare system throughout our country. Here in Washington, these mistakes resulted in over 180 deaths of children in foster care since 1993, 40 of whom died as a direct result of government workers' failure to take key preventative actions or because they placed children in unsafe homes or institutions.

The bill we are introducing today will help make sure that these kinds of mistakes are never repeated. The Senate has a tradition of helping our most vulnerable children, and so I urge my colleagues to join us in supporting the Reauthorization of Promoting Safe and Stable Families. It is the right thing to do.

By Mr. DORGAN (for himself and Mr. BREAUX):

S. 1504. A bill to extend the moratorium enacted by the Internet Tax Freedom Act through June 30, 2002; to the Committee on Commerce, Science, and Transportation.

Mr. DORGAN. Mr. President, I am going to introduce legislation today on behalf of myself, Senator BREAUX from Louisiana, and Senator HUTCHISON from Texas dealing with the extension of the moratorium on Internet taxation. Let me describe what that is and what it means.

We already have in law a provision that provides a moratorium on the taxation of the Internet as it is called, but it really provides a moratorium on a State government's or a local government's ability to provide a tax on the access to the Internet. There is a moratorium. That moratorium expires on October 21. Except those few that are grandfathered, the moratorium bill not only prohibits State and local governments, from imposing a tax on access to the Internet, it also prohibits punitive or discriminatory taxes with respect to the Internet.

The Congress passed that legislation a couple of years ago. It was designed to expire October 21 of this year. In a few days, it will expire, and there are colleagues of mine who have offered in recent days extensions of the moratorium. Some are talking 5 years; some are talking 2 years. I think both of those are far too long. I propose we extend the moratorium until June 30 of next year.

There is another issue that relates to this, which is why I believe there needs to be an extension. We need to solve the problem of tax collections with respect to Internet transactions and all transactions of remote sales. When you use a computer, or a catalog for that matter, to buy a product, when you receive that product, in most cases you are supposed to pay a sales or a consumption tax to your local government or your State government.

In point of fact, most people never pay that tax. So the State and local governments lose that revenue. The seller, a catalog company or an Internet company that is doing business in most of the States, is not required to collect that sales tax so the seller does not collect it. The person who receives it or orders it and then receives the goods does not pay it, even though they are required to, and the State and local governments lose a substantial amount of money.

A recent study from the Institute for State Studies says this year the loss will be $13.3 billion for State and local governments, and by the year 2011 it is expected State and local governments will lose $54.8 billion of expected revenue. Most of this, incidentally, is revenue that is essential to school systems around the country. Most of this is essential for State and local governments to keep their school systems operating and pay for their schools and education programs.

So State and local governments have a very serious problem. What do they do about it? Internet sellers and catalog sellers also have a problem. If one is set up in business to sell all across the country, but they really have only one location and that is the area where they are set up in business, they do not want to have to subscribe to 5,000 or 7,000 different sales tax jurisdictions. That is far too complicated. The remote sellers have a right to say: We don't want to have to subscribe and pay taxes and file forms in thousands and thousands of different jurisdictions. They are right about that.

What is to be done? It seems to me there is a requirement for State and local governments to simplify their sales tax systems, and when they have dramatically simplified those systems so that companies that are doing business all across the country can easily comply with the requirements—when that happens, when State and local government do that—I believe those engaged in remote sales should collect the tax and remit it to State and local governments. It will be easy for the consumer to have that happen. The tax is already owed. It seems to me it will be convenient enough for the seller to do it if the States have dramatically simplified their system. And it will finally provide the resources the States and local governments have been counting on to support their school systems. All of that ought to be done.

As far as I am concerned, I don't mind extending this moratorium forever—6 months, 2 years, 5 years. It doesn't matter to me. We should not apply discriminatory taxes. We should not apply punitive taxes to Internet transactions. I don't care much about the question of taxing access. As far as I'm concerned, we can prevent all State and local governments from doing that. It does not matter much to me. Speaking for myself, we could make permanent the moratorium. But it should be made permanent or should be made a long-term extension only when we agree, all of us, that we have another problem attendant to it: the problem of the collection and remission of taxes that support our school system.

Let's do both. We have some in the Chamber who say, let's ignore the issue of school finance; say that doesn't exist. You cannot do that. You cannot cast a blind eye to that problem. It is a problem that is serious and growing. Governor Leavitt from Utah sent me a

note about it along with the study of the Institute for States Studies describing this.

I ask unanimous consent that the report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

INSTITUTE FOR STATE STUDIES,
Salt Lake City, UT, Oct. 2, 2001.

NEW STUDY SHOWS SALES TAX REVENUE LOSSES FROM E-COMMERCE 41 PERCENT HIGHER THAN PREVIOUS ESTIMATES

STATES, LOCALITIES PROJECTED TO LOSE $54.8 BILLION A YEAR BY 2011

WASHINGTON.—New figures released here today show that state and local governments will lose $13.3 billion in revenue this year—41 percent higher than previously estimated—because taxes are not paid on remote online purchases as they are on ''Main Street'' purchases. Projected annual revenue losses jump to $45.2 billion in 2006 and a staggering $54.8 billion by 2011 as a result of skyrocketing business-to-business e-commerce activity.

This continued loss of revenue highlights fairness issues for Main Street retailers, taxpayers and state and local governments. It creates difficult choices for the 45 states and the District of Columbia that rely on sales tax revenue; raise sales, income and/or property tax rates to compensate; cut services like education and public safety; or a combination of both.

The study was prepared by the Center for Business and Research at the University of Tennessee, the pioneers in research on the subject. Data was collected by Forrester Research, Inc., the recognized leader in e-commerce research. The study was commissioned by the Institute for State Studies, a nonprofit public policy group. The study quantifies the amount of sales tax revenue states and local governments stand to lose in 2001, 2006 and 2011 because remote Internet-based retailers are not required to collect and remit sales tax. The U.S. Congress is currently debating how to address this inequity. The report is available online at *www.statestudies.org*.

A broad coalition of retailers, shopping center owners, state and local government leaders and national associations has for some time maintained that current tax policy as it applies to e-commerce isn't fair. They argue that the lack of a ''level playing field'' in collecting sales taxes leads to significant fairness issues for consumers and businesses. It also creates huge revenue losses for states and local governments, affecting their ability to provide citizens with quality education, effective public safety and other basic services. This research supports those assertions.

For example, Texas will lose $1.2 billion to e-commerce sales tax erosion this year. In Florida, the number is $932.2 million. Illinois will lose out on $532.9 million, Michigan will lose $502.9, Tennessee will lose $362.3 million, Maryland, $194.4 million. In the smallest states, the revenue erosion is large as well. Wyoming will lose $26.1 million; Rhode Island, $36.8 million; North Dakota, $26.4 million; and the District of Columbia, $36.7 million.

In a decade, the revenue losses grow tremendously, according to Donald Bruce, assistant professor at the University of Tennessee and the study's co-author. ''By 2011, the potential revenue loss in Texas alone will be $4.8 billion—that's almost 10 percent of the state's total expected tax collections. To make up for this revenue, Texas's current statewide sales tax rate of 6.25 percent would have to rise to 7.86 percent.''

Historically, states and localities have responded to this erosion in sales tax revenue by raising tax rates, Bruce pointed out. In 1970, the median sales tax rate in the U.S. was 3.25 percent. This rose to 4.0 percent in 1980 and 5.0 percent in 1990. Fifteen states now have rates at or above 6.0 percent.

''We determined that, to make up for revenue losses due to e-commerce, states and local governments would have to raise their sales tax rates between 0.83 and 1.73 percentage points by 2011,'' said William F. Fox, study co-author and University of Tennessee professor. ''When other factors causing sales tax revenue to shrink are added in, the projected tax increases are even higher.''

In addition to erosion from remote sales, states and local governments are facing a loss of sales tax revenue from two other major trends: 1) a greater consumption of generally non-taxable services rather than taxable goods; and 2) a continual practice of state-legislated exemptions that are narrowing the tax base.

Steps are being taken to simplify the sales tax system, such as streamlining the rules and regulations of the 7,500 taxing jurisdictions in the U.S. This Streamlined Sales Tax Project is sponsored by a consortium of government associations led by the National Governors Association. So far, 32 states are participating in the effort to simplify tax rates and definitions of taxable goods, and to certify software that will make it easier for retailers, both on Main Street and on the Internet, to collect sales taxes. Nineteen states have enacted simplification legislation; another 10 have introduced legislation for consideration.

As part of the ongoing e-commerce sales tax debate, the Institute for State Studies will use this research data to educate state, local and national officials about the magnitude of the issue. The Institute for State Studies is a nonprofit center for public policy research and education located at Western Governors University. The foundation focuses on three areas: public policy and governance issues created by new technology, advancing competency-based measurement and certification in education, and increasing speed and decreasing cost in environmental progress.

PROJECTED STATE AND LOCAL REVENUE LOSSES FROM E–COMMERCE ACTIVITY

[Figures in millions]

State	2001	2006	2011
Alabama	$177.4	$604.3	$734.4
Arkansas	143.8	488.0	590.9
Arizona	231.1	799.2	982.5
California	1,750.0	5,952.0	7,225.0
Colorado	200.7	686.4	836.2
Connecticut	190.5	648.9	788.2
District of Columbia	36.7	123.1	147.7
Florida	932.2	3,214.0	3,944.4
Georgia	439.0	1,517.8	1,865.6
Hawaii	105.1	359.2	438.3
Iowa	111.8	372.3	443.7
Idaho	44.4	151.5	184.6
Illinois	532.9	1,795.3	2,161.7
Indiana	215.5	728.5	879.8
Kansas	134.4	451.5	542.2
Kentucky	158.7	535.5	645.8
Louisiana	302.6	1,008.1	1,202.5
Massachusetts	200.6	683.0	828.6
Maryland	194.4	664.3	809.2
Maine	43.1	146.4	177.5
Michigan	502.9	1,696.2	2,043.6
Minnesota	270.6	920.6	1,117.2
Missouri	261.6	884.1	1,066.7
Mississippi	136.5	462.8	560.0
North Carolina	293.4	1,010.9	1,239.4
North Dakota	26.4	87.6	103.9
Nebraska	70.9	238.7	287.3
New Jersey	337.8	1,150.0	1,396.1
New Mexico	129.1	440.2	535.4

PROJECTED STATE AND LOCAL REVENUE LOSSES FROM E–COMMERCE ACTIVITY—Continued

[Figures in millions]

State	2001	2006	2011
Nevada	126.3	441.7	549.0
New York	1,052.9	3,569.2	4,318.4
Ohio	446.7	1,502.2	1,805.9
Oklahoma	202.8	670.6	794.5
Pennsylvania	446.4	1,503.4	1,811.0
Rhode Island	36.8	124.5	150.4
South Carolina	153.4	525.0	640.5
South Dakota	39.4	133.4	161.3
Tennessee	362.3	1,242.8	1,518.7
Texas	1,162.1	3,957.0	4,805.6
Utah	104.5	359.0	439.2
Virginia	238.5	817.0	997.2
Vermont	21.0	71.7	87.2
Washington	416.5	1,427.3	1,745.3
Wisconsin	213.5	721.5	871.0
West Virginia	70.1	232.4	276.2
Wyoming	26.1	85.2	100.0
Total	13,293.1	45,204.3	54,849.5

Mr. DORGAN. Mr. President, virtually every Governor, or 45 Governors in this country believe strongly we ought to do this, give the States the ability to develop a compact to dramatically simplify their revenue systems. Then, with that compact, we would allow or require the remote sellers to collect the taxes owed.

I am introducing the legislation on behalf of myself, Senator BREAUX, and Senator HUTCHISON, that would extend until June 30 the moratorium that now exists. Between now and June 30 I believe Congress has a responsibility to solve this problem. I don't want there to be and will not support punitive or discriminatory taxes on the Internet. I don't believe we ought to be taxing access to the Internet, and it would not matter to me if we shut it off even for the grandfathered States. The issue of extending the moratorium is not a problem with me.

But we must not extend the moratorium and ignore the other significant problem that exists; and that is, the erosion of billions and billions of dollars that are expected to come in to our State and local government coffers to support our schools. That erosion, to the tune of what is expected to be $54 billion in the year 2011 is a very serious problem and serves no purpose for people to talk only of extending the moratorium and not about the other problem. Let's solve both problems at once on behalf of America's kids and on behalf of remote sellers.

I happen to think the growth of the Internet is a wonderful thing. I think catalog sales are a wonderful thing. I think Main Street businesses are great. I think all the commerce opportunities that exist in this country enhance this country. The Main Street business people say to us: We rent the business, we hire the employees, we carry the inventory, and if you come to our Main Street business and buy a product, we must collect the sales tax. But someone a thousand miles away who competes by catalog or television monitor can make the same sale and sell it without collecting the sales tax. It is true the buyer has a tax responsibility,

but the buyer almost never remits that small use tax to the State when that sale is made.

Those are the issues. I call attention today to the fact that some colleagues introduced a piece of legislation that calls for a moratorium for 2 years, some are talking about 5 years. One was introduced, I believe, by my colleague from Virginia and my colleague from California for a 5-year extension. Another was introduced for a 2-year extension. I believe both are too long. I believe the extension until June 30 of next year, with a requirement we get to work, will give the States and the Internet sellers and remote sellers the time they need to get to work and solve this problem. Let's extend it forever as far as I am concerned, but we should fix the long-term problem as we do so.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1504

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Internet Tax Moratorium Extension Act''.

SEC. 2. EXTENSION OF INTERNET TAX FREEDOM ACT MORATORIUM THROUGH JUNE 30, 2002.

(a) IN GENERAL.—Section 1101(a) of the Internet Tax Freedom Act (47 U.S.C. 151 nt.) is amended by striking ''3 years after the date of enactment of this Act—'' and inserting ''on June 30, 2002:''.

(b) CONFORMING AMENDMENTS.—Section 1101(a) of that Act (47 U.S.C. 151 nt.) is further amended—

(1) by striking ''taxes'' in paragraph (1) and inserting ''Taxes'';

(2) by striking ''1998; and'' in paragraph (1) and inserting ''1998.''; and

(3) by striking ''multiple'' in paragraph (2) and inserting ''Multiple''.

SEC. 3. SENSE OF THE CONGRESS.

It is the sense of the Congress that State governments and interested business organizations should expedite efforts to develop a streamlined sales and use tax system that, once approved by Congress, would allow sellers to collect and remit sales and use taxes without imposing an undue burden on interstate commerce.

By Mrs. BOXER (for herself, Mr. ALLEN, Mr. INOUYE, and Mr. KERRY):

S. 1505. A bill to authorize the Secretary of Commerce to establish a Travel and Tourism Promotion Bureau; to the Committee on Commerce, Science, and Transportation.

Mrs. BOXER. Mr. President, today I am introducing the Rediscover America Act of 2001 along with my colleagues, Senator ALLEN, Senator INOUYE, and Senator KERRY. The Rediscover America Act is a bipartisan effort to help promote travel and tourism in the United States in the wake of the September 11, 2001 terrorist attacks on America.

The bill directs the U.S. Secretary of Commerce to establish a Travel and Tourism Promotion Bureau. The Bureau would work with the private sector to develop a public service/advertising campaign to encourage people to rediscover America. While the Bureau will work in the same spirit as the former Travel and Tourism Administration, it will not be a large new bureaucracy. The bill is designed to give the Secretary the flexibility to appoint up to three existing Department of Commerce employees to work on this 2-year project. At least $60 million of the funds provided in the supplemental appropriations bill would be available for this effort so that the campaign can begin quickly. We envision celebrities and national leaders participating in ads that will tout the beauty of the nation and encourage people here and abroad to Rediscover America.

We need the Rediscover America Act at this time for a number of reasons. The revitalization of the travel and tourism industry following the September 11, 2001 terrorist attacks on the United States is a national economic necessity. The travel and tourism industry has a large impact on the U.S. economy, adding nearly 5 percent of the GDP, generating more than $578 million in revenues, supporting more than 17 million jobs, and providing a $14 million trade surplus for the country.

In California, the travel and tourism industry provides over 1.1 million jobs. Those jobs are now in danger. We estimate that the total direct and indirect losses in the travel and tourism industry as a result of declining consumer confidence could reach nearly 20,000. We need to encourage people to travel in order to restore jobs for people in the industry.

In light of the effect that the attacks have had on the travel and tourism industry, it is important to put measures immediately into place to encourage consumer confidence in travel and in the economy.

Safety and security in travel is of utmost importance in order to restore consumer confidence in the industry. But we will have to get the message out there that it is safe to travel again in order to get passengers back on planes.

While this marketing assistance can only constitute one facet of our response to the current crisis in the travel and tourism industry, we hope its impact will be widely felt. More than 95 percent of the businesses in travel and tourism are small to medium sized enterprises who need help now. Again, this is only one step toward getting the travel and tourism industry back on its feet. Its restoration is vital for the future well being of our economy.

By Mr. NELSON of Florida:

S. 1506. A bill to amend title 10, United States Code, to repeal the requirement for reduction of SBP survivor annuities by dependency and indemnity compensation; to the Committee on Armed Services.

Mr. NELSON of Florida. Mr. President, I am introducing legislation today to take care of a major problem we overlooked recently in passing the defense authorization bill.

I take my inspiration from Holy Scripture where we are told that in God's eyes, the measure of our faith is to look after orphans and widows in their distress.

The fiscal year 2002 Defense authorization bill we just passed corrected one long-standing inequity but not another longstanding inequity. What the Defense authorization bill did was correct an inequity by restoring benefits to our disabled military retirees because currently our system penalizes military retirees, who have given our country the best years of their lives, by reducing their retirement pay by the amount of disability pay they are entitled to receive.

This simply is not fair. Senator REID, our great Democratic floor leader, offered the amendment to the Defense authorization bill, and it was accepted. It allows the disabled military retirees to receive both their disability pay and their retirement pay concurrently instead of one offsetting the other. It makes it effective upon the Defense authorization bill becoming law.

I supported it. All of us supported the Reid amendment. It is now included in the final version of the bill. That correction in law is long overdue.

Now there is another related injustice which needs to be addressed. The legislation I am offering will extend the same protection of benefits to the widows and orphans of military retirees because the same kind of rule that penalized disabled retirees, the offset of disability pay to military retirement pay, also hurts the widows and the surviving children.

Mr. President, go back to 1972 when Congress established the military survival benefits plan to provide retirees' survivors an annuity that was specifically modeled after the civil service survival benefit plan. Like the civilian plan, the military survivors benefit plan is a volunteer benefit program purchased by the retiree. Retired service members pay for this benefit from their retired pay. Then upon their death, their spouse or dependent children can receive up to 55 percent of their retired pay as an annuity.

Surviving spouses or dependent children of 100-percent service-connected disabled retirees are also entitled to dependency and indemnity compensation from the Veterans' Administration. But the annuity paid by the survivors benefits plan and received by a widow or an orphan is reduced by the

amount of the dependency and indemnity compensation received from the VA—the same unfair offset that we are now correcting for our military retirees.

So the penalty for widows or orphans is no more justifiable than for retirees. In fact, in the absence of their veteran spouse or parent, the survivors' need for a stable income is often greater. They have depended on the person who has received this disability pay because that disabled person's income was lowered because of their disability, and often because the spouse or the children have to be caregivers to the disabled person, their incomes likewise are reduced; thus the need for this disability pay as set up in law sometime ago for the survivors' need.

Well, Mr. President, I know of no other surviving spouse annuity program in the Federal or private sector that is permitted to offset, terminate, or reduce their survivor payments because of disability payments. Naturally, I was disappointed in this year's Defense authorization bill that we have left behind the widows or orphans of 100-percent disabled retirees. I am not talking about 50-percent disabled; I am talking about the widows or orphans of 100-percent disabled retirees.

I believe we should have and could have addressed this issue when we fixed the offset problem for military retirees. But we didn't. So that is what we are trying to correct with the offering of this legislation.

We should honor our commitments with disabled military retirees and their surviving widows and dependent children. So today I am offering standalone legislation to eliminate that offset called the VA dependency and indemnity compensation offset against the annuity paid by the survivors benefit plan.

I will repeat what I said at the outset. In the first chapter of James, verse 27 of the Holy Scriptures, we are told in God's eyes that the true measure of our faith is to look after orphans and widows in their distress. So we simply can't allow this situation to stand. We need to restore the full benefits to our country's military retirees and their families. I will continue to work to do right by those who have given this Nation their all, and especially for the loved ones they may leave to our care.

Thank you for the opportunity of addressing the Senate as I introduce this legislation.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1506

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

SECTION 1. REPEAL OF REQUIREMENT OF REDUCTION OF SBP SURVIVOR ANNUITIES BY DEPENDENCY AND INDEMNITY COMPENSATION.

(a) REPEAL.—Section 1451(c) of title 10, United States Code, is amended by striking paragraph (2).

(b) PROHIBITION ON RETROACTIVE BENEFITS.—No benefits may be paid to any person for any period before the effective date specified in subsection (c) by reason of the amendment made by subsection (a).

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on—

(1) the first day of the first month that begins after the date of the enactment of this Act; or

(2) the first day of the fiscal year that begins in the calendar year in which this Act is enacted, if later than the date specified in paragraph (1).

By Mr. CORZINE (for himself, Mr. REED, and Mr. TORRICELLI):

S. 1508. A bill to increase the preparedness of the United States to respond to a biological or chemical weapons attack; to the Committee on Health, Education, Labor, and Pensions.

Mr. CORZINE. Mr. President, I rise today to introduce the Biological and Chemical Attack Preparedness Act, legislation that would help prepare our public health infrastructure for the possibility of a future biological or chemical attack.

The attacks of September 11 have focused attention on the threat posed to our entire Nation by terrorists, especially the threat of biological and chemical attacks. My office has received numerous letters and phone calls from constituents alarmed by recent news reports that the Federal Aviation Administration grounded crop dusters. Some speculate that the small propeller planes might be used to deliver chemical or biological weapons over a broad area, threatening the health and well being of the people below. The implications of such an attack are enormous. One analysis from the Centers for Disease Control predicted that a few kilograms of anthrax delivered over a major metropolitan area would kill more people than the atomic bomb dropped on Hiroshima.

While the US is fortunate to have avoided a biological or chemical attack thus far, the threat of such an attack is very real. In 1995, it was hard to imagine that Japan would be targeted for such an attack. But that year, an apocalyptic cult did just that in a Tokyo subway station. The highly sophisticated cult counted scientists among its adherents and developed a deadly chemical weapon: sarin gas. They employed a crude form of delivery, filling soda cans and lunch boxes with sarin gas and puncturing the improvised containers as they left a rail car.

While technical expertise and considerable resources are required, it is clear that a motivated terrorist group can unleash a chemical or biological weapon on a complacent population. The possibility of such an attack seems even greater when one realize that many of the countries considered to be active state sponsors of terrorism by the State Department are also believed to be developing chemical and biological weapons.

The events of September 11 have brought our country's vulnerability to an attack with chemical and biological weapons into even greater focus. However, the challenge of maintaining the functionality of key infrastructure in the event of a chemical or biological emergency has been a concern for some time. The well-regarded Hart-Rudman report calls for careful preparation and explains that in a biological attack, ''citizen cooperation with government authorities will depend on public confidence that those authorities can manage the emergency.'' A recent Newsweek poll found that 46 percent of respondents were not convinced that national and local governments are prepared to handle an attack with biological or chemical weapons.

Unfortunately, Americans have reason to be skeptical about the extent or which our public health system is prepared for a chemical or biological attack. The overwhelming consensus among public health officials is that our health care infrastructure today is not equipped to address a mass casualty incident involving chemical and biological weapons.

The attack in Japan in 1995 was the first time in history when chemical weapons were turned on a civilian population. As such, it is a valuable and instructive case study. The attack itself killed eleven Japanese civilians and injured several hundred, a tragedy by any measure, but with a limited death count. The incident has broader significance for what it shows about the failure of an advanced public health system to respond to a biological or chemical weapon emergency. Specifically, the attack highlighted unfortunate weaknesses in Japan's ability to coordinate a comprehensive public health response.

To put it mildly, the subway attack caught Japan's public health system off guard. St. Luke's International Hospital received most victims of the attack, treating over six hundred Japanese patients. Although even before the attack the hospital maintained a high level of emergency preparedness and conducted periodic emergency drills, it was not ready for the tremendous surge of acutely ill patients that overwhelmed the emergency room. The hospital was not prepared to treat victims manifesting the symptoms characteristics of sarin gas poisoning. It was not prepared to guarantee the health and safety of the healthcare workers employed there. And, although terribly overburdened with patients being treated in the chapel and cafeteria, it was unable to release patients to other

hospitals, knowing that other hospitals were even less prepared to deal with the unique challenges posed by victims of chemical weapons. Because of the use of chemical weapons, standards already established for mass casualty incidents were found to be inadequate, and the staff was forced to improvise. According to a study conducted by the hospital, more than twenty-percent of the health professionals assisting the victims developed sarin gas poisoning themselves.

Healthcare workers helping the sick were put into harm's way. Had the chemical or biological agent been more severe or had the health professionals received a greater dose, the implications of Japan's lack of preparation could have been even more serious.

The United States must learn from the nightmare experienced by Japan and shore up our public health infrastructure before it is too late.

Unfortunately, despite several programs that have moved us in the right direction, including the historic Frist-Kennedy emerging threats legislation passed in the last Congress that I hope will receive the funding it deserves, the United States' public health system is not much more prepared than Japan's in 1995.

A study appearing in the May 2001 issue of the respected American Journal of Public Health reveals a troubling situation. Of the hospitals that responded to a survey, fewer than 20 percent had any plans for biological or chemical weapons incidents. That means only one-fifth of hospitals nationwide had even considered the implications of a chemical or biological attack on delivery of care. And only 6 percent had the minimum recommended physical resources for a hypothetical sarin incident. It is clear, that the U.S. is not prepared.

The study outlines that the ''Domestic Preparedness Program . . . has included no systemic efforts to integrate hospitals into response plans, and it has provided only limited funds to acquire resources for state and local responders and none for hospitals.'' It is time to ensure that our public health system is up to the challenges of the new threat environment, including the possibility that chemical weapons or biological agents will be released on the United States.

A report published by the American Hospital Association in conjunction with the Office of Emergency Preparedness, found that the fundamental problem is, and I quote, ''there is no general societal support for the preparedness role of the hospital.'' Up until this point, there was no requirement for individual hospitals or departments of health to plan for the possibility of a chemical or biological attack. Nor was there any funding to help them in this important process. In our previous approach to bioterrorism, we have focused on stockpiling medical supplies and creating additional laboratory capacity, but we have ignored the emergency preparedness of our hospitals.

The Biological and Chemical Attack Preparedness Act seeks to overcome this failing of our public health system in several important ways. First, it would require States to develop public health disaster plans in consultation with local governments. It is vital that the various state governments rapidly devise and implement plans based on their own specific needs and strengths. The public health disaster plan developed by Nebraska will be very different from the one developed by New Jersey, and for good reason. The public health challenges posed by a rural population are different than those posed by a suburban or urban population. State plans must take into account the distribution and the pre-existing capabilities of hospitals in their states. They must address issues surrounding proximity to care and the financial costs of implementing a system. Simply put, they must devise a mechanism for providing care to all affected state residents in the event of an attack.

This being said, as with national security issues generally, there is an important federal role. It is the job of the Department of Health and Human Services to establish broad guidelines and oversee the implementation of the various plans. Just as we need coordination between States, localities, and hospitals, we need coordination with the national health system. To ensure that states comply, Medical funding would be withheld for any state that failed to meet the broad requirements of the legislation.

Second, as part of the public health disaster plan, States would be required to designate hospitals so that all state residents affected by a chemical or biological weapons disaster would have access to treatment. Each designated hospital would be required to devise and implement a chemical and biological weapons response that complies with their responsibilities as a component of the State's overall response. Right now, with only 6 percent of hospitals providing a high level of chemical and biological weapons attack readiness, we are far from the goal of ensuring that any person affected by chemical or biological weapons can receive treatment. Hospitals designated as part of the plan must be prepared with equipment, trained personnel, and pharmaceutical products sufficient to meet the anticipated need in the event of chemical or biological attack.

I know we are asking a lot of our States and of our hospitals. Certainly, the additional precautions taken to prepare for an unconventional attack will be expensive. To address this real concern, the bill would create a new grant program administered by the Office of Emergency Preparedness of HHS to fund the implementation of biological and chemical attack preparedness strategies by health care providers. Hospitals could use the funds to purchase Class-A suits to protect healthcare professionals, filtration equipment to clean the air, shower units to remove chemical agents, antibiotics and vaccines to treat patients, and, perhaps most importantly, training for the staff to recognize the warning signs of an attack. And, because we are asking for additional preparation on the part of designated hospitals, they will receive preferential treatment in the grant program. Not incidentally, local governments would be eligible for the grants as well, providing a level of local control and oversight that is a vital component of a truly coordinated response.

The Biological and Chemical Attack Preparedness Act would help ensure that our national public health system is prepared to orchestrate a skillful, quick and coordinated response to an attack with chemical or biological weapons. The bill would provide the resources necessary to assist hospitals and local governments in getting up to speed. And it would ensure that the various jurisdictions in our public health system are working together towards a single compelling goal: preparing for the devastating implications of a chemical or biological weapons attack. It would be far better to spend the money now than suffer the grim consequences later.

I urge my colleagues to support this important piece of legislation, and ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1508

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Biological and Chemical Attack Preparedness Act''.

SEC. 2. STATE PUBLIC HEALTH DISASTER PLANS.

(a) IN GENERAL.—Not later than 120 days after the publication of the standards developed by the Secretary of Health and Human Services (in this Act referred to as the ''Secretary'') under subsection (c), each State shall develop a State public health disaster plan for responding to biological or chemical attacks. Not later than 180 days after the publication of such standards, each State shall fully implement the State's plan.

(b) REQUIREMENTS OF PLAN.—A State public health disaster plan developed under subsection (a) shall—

(1) comply with the standards developed under subsection (c);

(2) require designated hospitals and health care providers in the State to have procedures in place to provide health care items and services (including antidotes, vaccines or other drugs or biologicals) to all State residents in the event of a biological or chemical attack;

(3) require that hospitals and health care providers designated under paragraph (2)

conduct drills, on a semiannual or other basis determined appropriate by the Secretary, to ensure the readiness of such hospital or provider to receive and treat victims of a biological or chemical attack;

(4) be developed in consultation with affected local governments and hospitals; and

(5) meet such other requirements as the Secretary determines appropriate.

(c) STANDARDS.—Not later than 120 days after the date of enactment of this Act, the Secretary of Health and Human Services shall develop, and publish in the Federal Register, standards relating to State public health disaster plans, including requirements relating to the equipment, training, treatment, and personnel that a hospital or health care provider must have to be a designated hospital or provider under such plan.

(d) SUBMISSION TO SECRETARY.—

(1) IN GENERAL.—Not later 360 days after the date on which standards are published under subsection (c), and annually (or at such other regular periods as the Secretary may determine appropriate) thereafter, a State shall submit to the Secretary for approval the disaster plan developed by the State under this section. The Secretary may only approve such plan if the Secretary determines that the plan complies with such standards.

(2) MONITORING.—The Secretary shall monitor the States to determine whether each State has developed and implemented a State disaster plan in accordance with this section.

(e) MEDICAID STATE PLAN REQUIREMENT.—Section 1902(a) of the Social Security Act (42 U.S.C. 1396a(a)) is amended—

(1) in paragraph (64), by striking ''and'' at the end;

(2) in paragraph (65), by striking the period at the end and inserting ''; and'', and

(3) by inserting after paragraph (65) the following:

''(66) provide that the State shall develop, for approval by the Secretary, and have in effect a State public health disaster plan for responding to biological or chemical attacks in accordance with section 2 of the Biological and Chemical Attack Preparedness Act, except that this paragraph shall not apply to a State if the Secretary waives the application of this paragraph because of the existence of exceptional circumstances.''.

SEC. 3. GRANTS FOR TRAINING, EQUIPMENT, AND PERSONNEL.

(a) IN GENERAL.—The Secretary, acting through the Director of the Office of Emergency Preparedness, shall award grants to hospitals and health care providers to enable such hospitals and providers to provide training, give treatment, purchase equipment, and employ personnel.

(b) ELIGIBILITY.—

(1) IN GENERAL.—To be eligible for a grant under subsection (a), a hospital or health care provider shall in consultation with the State, prepare and submit to the Director of the Office of Emergency Preparedness, an application at such time, in such manner, and containing such information as the Director may require.

(2) PREFERENCE FOR DESIGNATED HOSPITALS AND PROVIDERS.—In awarding grants under this section, the Director shall give priority to applicant hospitals and health care providers that are designated hospitals or providers under the State public health disaster plan under section 2.

(3) GOVERNMENTAL ENTITIES.—Notwithstanding paragraph (1)(A), the Director may award a grant under this section to a State or local governmental entity if the Secretary determines that such an award is appropriate.

(c) USE OF FUNDS.—

(1) IN GENERAL.—A grantee shall use amounts received under a grant under this section to provide training, give treatment (including the provision of antidotes, vaccines or other drugs or biologicals), purchase equipment, and employ personnel as determined to be appropriate by the Director of the Office of Emergency Preparedness to enable the grantee to carry out its duties under the State public health disaster plan.

(2) TECHNICAL EXPERTISE.—A grantee may use amounts received under a grant under this section to acquire technical expertise to enable the grantee to develop appropriate responses to biological or chemical attacks.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated, such sums as may be necessary to carry out this section.

Mr. REED. Mr. President, I am pleased to join my colleagues, Senators CORZINE and TORRICELLI of New Jersey in introducing this timely and important legislation. The Biological and Chemical Attack Preparedness Act seeks to address a critical need that currently exists in our health care emergency preparedness network.

Since the devastating attacks of September 11, it has become apparent that we as a Nation face many threats for which we must be prepared. Over the past decade, the Federal Government has made significant investments in research, planning and implementation of procedures designed to deal with a variety of terrorist attacks, including strengthening our public health system so that it may respond effectively to a potential biological or chemical terrorist event. In that time, we have made great progress in solidifying our level of preparedness for these kinds of insidious events. Nevertheless, the events of last month have also made us keenly aware of our vulnerabilities, particularly when it comes to State and local health systems, where our ability to resond to a major catastrophic event is not what it should be.

Specifically, while the 1996 Defense Against Weapons of Mass Destruction Act required the development of a Domestic Preparedness Program, including efforts to improve capacity of local emergency response agencies, only limited funds were provided to state and local responders and none for hospitals. For those hospitals that have devised plans, the challenge is often finding the resources to acquire the appropriate equipment and training necessary to respond to a chemical or biological event.

The Biological and Chemical Attack Preparedness Act we are introducing today would address this urgent problem by requiring all States to think strategically about their health systems and how they might be called to respond to a biological or chemical attack. Each State would submit to the Department of Health and Human Services for review and approval a disaster preparedness plan that would designate certain hospitals and providers to respond to a terrorist attack. These facilities would devise and implement chemical and biological weapons response plans that conform to their responsibilities as a component of the State's overall disaster response. To help defray these additional costs, the bill authorizes a new grant program administered by HHS' Office of Emergency Preparedness to fund the implementation of biological and chemical attack preparedness strategies.

This legislation compliments ongoing efforts to enhance our public health capability to minimize casualties should a biological or chemical attack occur within our borders. Indeed, it is absolutely essential that every link in the health system chain, from the individual provider to our Federal health agencies, has the tools it needs to carry out the tasks for which it is responsible in this new world.

I thank my colleagues for the opportunity to join them today in this important endeavor and urge the Senate to take quick action to adopt this important legislation.

By Mr. ROCKEFELLER:

S. 1509. A bill to establish a grant program to enable rural police departments to gain access to the various crime-fighting, investigatory, and information-sharing resources available on the Internet, and for other purposes; to the Committee on the Judiciary.

Mr. ROCKEFELLER. Mr. President, I am proud today to introduce the Networking Electronically To Connect Our Police Act of 2001, or the NET COP Act, which will help police departments in rural communities throughout the United States take advantage of the many crime-fighting and information-sharing resources available through the Internet.

In the first decade of widespread use of the Internet, people everywhere have become accustomed to ready availability of a tremendous volume of useful information available to anyone with a computer and access to the Web. Federal, State, and local law enforcement agencies in this country have made extremely good use of this capability to share intelligence, to widen their investigatory nets, to find lost or abducted children, to locate deadbeat parents, to tap into centralized criminal databases, and to track and apprehend criminals with a speed they could not have dreamed of before using the Internet.

Unfortunately, as truly amazing as the law enforcement successes have been, the results could be better. Much as schools, libraries, local governments, and businesses in rural America have not always shared equally in the benefits of Internet access with their counterparts in urban and suburban areas, police departments serving some

smaller communities have been unable to participate in this revolutionary crime-fighting technology to the same degree enjoyed by big-city departments.

Of the many lessons this country learned so painfully because of the terrorist attacks of September 11, perhaps the most painful is that information and intelligence that is not shared is information and intelligence wasted, often with tragic results. Crimes, including acts of terrorism, might be prevented if the right information finds its way to the appropriate law enforcement officials. We are also sensitized to the fact that crime knows no boundaries. In the world today, criminal activity is as great a concern for citizens and police officers in small towns as it is for those in large population centers. With our renewed national dedication to supplying law enforcement agencies with the tools they need to fight crime, we cannot doubt the necessity of ensuring that police departments in rural communities, like their colleagues in cities, have access to Internet-based crime-fighting and information-sharing resources.

The NET COP Act does just this. This bill sets up a grant program, administered by the United States Department of Justice, to enable rural police departments without Internet access to purchase appropriate computer hardware and software, or to pay for Internet access, so that they can join the many thousands of federal, State, and local agencies already sharing information and cooperating to track down and arrest criminals via such Internet-based services as DOJ's Regional Information Sharing Systems, RISS, and the FBI's Law Enforcement On-Line, LEO, program. NET COP grants will be given directly to police chiefs, so that they can buy just what they need to hook into the growing network of web-based law enforcement tools. NET COP grants will also be available for computer upgrades, if they are determined to be necessary.

Some rural police department officials and officers have been able to afford computer equipment, or to have their departments wired for the Internet, and have paid for out of their own pockets. So, NET COP grants will also be made available for reimbursement to those police officers and officials who have taken it upon themselves to provide their departments with these essential tools. Criteria for this reimbursement will be set by the Attorney General.

Additionally, this bill will require the Attorney General to set up a Police Department Technology Assistance Desk, to answer questions from local police chiefs about necessary technologies, and to assist police officials and local governments in making appropriate purchases from reputable dealers.

Finally, to gauge how effective the NET COP grant program is, the bill requires the General Accounting Office to make an annual report to Congress comparing the concentration of the nation's ''wired'' police departments generally with the number of rural departments having Internet access.

I believe the NET COP Act will serve as an extremely important crime-fighting tool for rural America. As we endeavor to create a safer and more secure United States, I recommend this legislation as a crucial component of a comprehensive response to crime.

By Mr. DASCHLE (for himself, Mr. LOTT, Mr. LEAHY, Mr. HATCH, Mr. GRAHAM, Mr. SHELBY, and Mr. SARBANES):

S. 1510. A bill to deter and punish terrorist acts in the United States and around the world, to enhance law enforcement investigatory tools, and for other purposes; read the first time.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1510

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

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Uniting and Strengthening America Act'' or the ''USA Act of 2001''.

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

Sec. 1. Short title and table of contents.
Sec. 2. Construction; severability.

TITLE I—ENHANCING DOMESTIC SECURITY AGAINST TERRORISM

Sec. 101. Counterterrorism fund.
Sec. 102. Sense of Congress condemning discrimination against Arab and Muslim Americans.
Sec. 103. Increased funding for the technical support center at the Federal Bureau of Investigation.
Sec. 104. Requests for military assistance to enforce prohibition in certain emergencies.
Sec. 105. Expansion of national electronic crime task force initiative.
Sec. 106. Presidential authority.

TITLE II—ENHANCED SURVEILLANCE PROCEDURES

Sec. 201. Authority to intercept wire, oral, and electronic communications relating to terrorism.
Sec. 202. Authority to intercept wire, oral, and electronic communications relating to computer fraud and abuse offenses.
Sec. 203. Authority to share criminal investigative information.
Sec. 204. Clarification of intelligence exceptions from limitations on interception and disclosure of wire, oral, and electronic communications.
Sec. 205. Employment of translators by the Federal Bureau of Investigation.
Sec. 206. Roving surveillance authority under the Foreign Intelligence Surveillance Act of 1978.
Sec. 207. Duration of FISA surveillance of non-United States persons who are agents of a foreign power.
Sec. 208. Designation of judges.
Sec. 209. Seizure of voice-mail messages pursuant to warrants.
Sec. 210. Scope of subpoenas for records of electronic communications.
Sec. 211. Clarification of scope.
Sec. 212. Emergency disclosure of electronic communications to protect life and limb.
Sec. 213. Authority for delaying notice of the execution of a warrant.
Sec. 214. Pen register and trap and trace authority under FISA.
Sec. 215. Access to records and other items under the Foreign Intelligence Surveillance Act.
Sec. 216. Modification of authorities relating to use of pen registers and trap and trace devices.
Sec. 217. Interception of computer trespasser communications.
Sec. 218. Foreign intelligence information.
Sec. 219. Single-jurisdiction search warrants for terrorism.
Sec. 220. Nationwide service of search warrants for electronic evidence.
Sec. 221. Trade sanctions.
Sec. 222. Assistance to law enforcement agencies.

TITLE III—INTERNATIONAL MONEY LAUNDERING ABATEMENT AND ANTI-TERRORIST FINANCING ACT OF 2001

Sec. 301. Short title.
Sec. 302. Findings and purposes.
Sec. 303. 4-Year congressional review-expedited consideration.

SUBTITLE A—INTERNATIONAL COUNTER MONEY LAUNDERING AND RELATED MEASURES

Sec. 311. Special measures for jurisdictions, financial institutions, or international transactions of primary money laundering concern.
Sec. 312. Special due diligence for correspondent accounts and private banking accounts.
Sec. 313. Prohibition on United States correspondent accounts with foreign shell banks.
Sec. 314. Cooperative efforts to deter money laundering.
Sec. 315. Inclusion of foreign corruption offenses as money laundering crimes.
Sec. 316. Anti-terrorist forfeiture protection.
Sec. 317. Long-arm jurisdiction over foreign money launderers.
Sec. 318. Laundering money through a foreign bank.
Sec. 319. Forfeiture of funds in United States interbank accounts.
Sec. 320. Proceeds of foreign crimes.
Sec. 321. Exclusion of aliens involved in money laundering.
Sec. 322. Corporation represented by a fugitive.
Sec. 323. Enforcement of foreign judgments.
Sec. 324. Increase in civil and criminal penalties for money laundering.
Sec. 325. Report and recommendation.
Sec. 326. Report on effectiveness.
Sec. 327. Concentration accounts at financial institutions.

SUBTITLE B—CURRENCY TRANSACTION REPORTING AMENDMENTS AND RELATED IMPROVEMENTS

Sec. 331. Amendments relating to reporting of suspicious activities.
Sec. 332. Anti-money laundering programs.

Sec. 333. Penalties for violations of geographic targeting orders and certain recordkeeping requirements, and lengthening effective period of geographic targeting orders.
Sec. 334. Anti-money laundering strategy.
Sec. 335. Authorization to include suspicions of illegal activity in written employment references.
Sec. 336. Bank Secrecy Act advisory group.
Sec. 337. Agency reports on reconciling penalty amounts.
Sec. 338. Reporting of suspicious activities by securities brokers and dealers.
Sec. 339. Special report on administration of Bank Secrecy provisions.
Sec. 340. Bank Secrecy provisions and anti-terrorist activities of United States intelligence agencies.
Sec. 341. Reporting of suspicious activities by hawala and other underground banking systems.
Sec. 342. Use of Authority of the United States Executive Directors.

SUBTITLE D—CURRENCY CRIMES

Sec. 351. Bulk cash smuggling.

SUBTITLE E—ANTICORRUPTION MEASURES

Sec. 361. Corruption of foreign governments and ruling elites.
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Sec. 711. Expansion of regional information sharing system to facilitate Federal-State-local law enforcement response related to terrorist attacks.

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Sec. 815. Deterrence and prevention of cyberterrorism.
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TITLE IX—IMPROVED INTELLIGENCE

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Sec. 905. Disclosure to director of central intelligence of foreign intelligence-related information with respect to criminal investigations.
Sec. 906. Foreign terrorist asset tracking center.
Sec. 907. National virtual translation center.
Sec. 908. Training of government officials regarding identification and use of foreign intelligence.

SEC. 2. CONSTRUCTION; SEVERABILITY.

Any provision of this Act held to be invalid or unenforceable by its terms, or as applied to any person or circumstance, shall be construed so as to give it the maximum effect permitted by law, unless such holding shall be one of utter invalidity or unenforceability, in which event such provision shall be deemed severable from this Act and shall not affect the remainder thereof or the application of such provision to other persons not similarly situated or to other, dissimilar circumstances.

TITLE I—ENHANCING DOMESTIC SECURITY AGAINST TERRORISM

SEC. 101. COUNTERTERRORISM FUND.

(a) ESTABLISHMENT; AVAILABILITY.—There is hereby established in the Treasury of the United States a separate fund to be known as the ''Counterterrorism Fund'', amounts in which shall remain available without fiscal year limitation—

(1) to reimburse any Department of Justice component for any costs incurred in connection with—

(A) reestablishing the operational capability of an office or facility that has been damaged or destroyed as the result of any domestic or international terrorism incident;

(B) providing support to counter, investigate, or prosecute domestic or international terrorism, including, without limitation, paying rewards in connection with these activities; and

(C) conducting terrorism threat assessments of Federal agencies and their facilities; and

(2) to reimburse any department or agency of the Federal Government for any costs incurred in connection with detaining in foreign countries individuals accused of acts of terrorism that violate the laws of the United States.

(b) NO EFFECT ON PRIOR APPROPRIATIONS.—Subsection (a) shall not be construed to affect the amount or availability of any appropriation to the Counterterrorism Fund made before the date of enactment of this Act.

SEC. 102. SENSE OF CONGRESS CONDEMNING DISCRIMINATION AGAINST ARAB AND MUSLIM AMERICANS.

(a) FINDINGS.—Congress makes the following findings:

(1) Arab Americans, Muslim Americans, and Americans from South Asia play a vital role in our Nation and are entitled to nothing less than the full rights of every American.

(2) The acts of violence that have been taken against Arab and Muslim Americans since the September 11, 2001, attacks against the United States should be and are condemned by all Americans who value freedom.

(3) The concept of individual responsibility for wrongdoing is sacrosanct in American society, and applies equally to all religious, racial, and ethnic groups.

(4) When American citizens commit acts of violence against those who are, or are perceived to be, of Arab or Muslim descent, they should be punished to the full extent of the law.

(5) Muslim Americans have become so fearful of harassment that many Muslim women are changing the way they dress to avoid becoming targets.

(6) Many Arab Americans and Muslim Americans have acted heroically during the attacks on the United States, including Mohammed Salman Hamdani, a 23-year-old New Yorker of Pakistani descent, who is believed to have gone to the World Trade Center to offer rescue assistance and is now missing.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the civil rights and civil liberties of all Americans, including Arab Americans, Muslim Americans, and Americans from South Asia, must be protected, and that every effort must be taken to preserve their safety;

(2) any acts of violence or discrimination against any Americans be condemned; and

(3) the Nation is called upon to recognize the patriotism of fellow citizens from all ethnic, racial, and religious backgrounds.

SEC. 103. INCREASED FUNDING FOR THE TECHNICAL SUPPORT CENTER AT THE FEDERAL BUREAU OF INVESTIGATION.

There are authorized to be appropriated for the Technical Support Center established in section 811 of the Antiterrorism and Effective Death Penalty Act of 1996 (Public Law 104–132) to help meet the demands for activities to combat terrorism and support and enhance the technical support and tactical operations of the FBI, $200,000,000 for each of the fiscal years 2002, 2003, and 2004.

SEC. 104. REQUESTS FOR MILITARY ASSISTANCE TO ENFORCE PROHIBITION IN CERTAIN EMERGENCIES.

Section 2332e of title 18, United States Code, is amended—

(1) by striking ''2332c'' and inserting ''2332a''; and

(2) by striking ''chemical''.

SEC. 105. EXPANSION OF NATIONAL ELECTRONIC CRIME TASK FORCE INITIATIVE.

The Director of the United States Secret Service shall take appropriate actions to develop a national network of electronic crime task forces, based on the New York Electronic Crimes Task Force model, throughout the United States, for the purpose of preventing, detecting, and investigating various forms of electronic crimes, including potential terrorist attacks against critical infrastructure and financial payment systems.

SEC. 106. PRESIDENTIAL AUTHORITY.

Section 203 of the International Emergency Powers Act (50 U.S.C. 1702) is amended—

(1) in subsection (a)(1)—

(A) at the end of subparagraph (A) (flush to that subparagraph), by striking ''; and'' and inserting a comma and the following:

''by any person, or with respect to any property, subject to the jurisdiction of the United States;'';

(B) in subparagraph (B)—

(i) by inserting '', block during the pendency of an investigation'' after ''investigate''; and

(ii) by striking ''interest;'' and inserting ''interest by any person, or with respect to any property, subject to the jurisdiction of the United States; and''; and

(C) by inserting at the end the following:

''(C) when the United States is engaged in armed hostilities or has been attacked by a foreign country or foreign nationals, confiscate any property, subject to the jurisdiction of the United States, of any foreign person, foreign organization, or foreign country that he determines has planned, authorized, aided, or engaged in such hostilities or attacks against the United States; and all right, title, and interest in any property so confiscated shall vest, when, as, and upon the terms directed by the President, in such agency or person as the President may designate from time to time, and upon such terms and conditions as the President may prescribe, such interest or property shall be held, used, administered, liquidated, sold, or otherwise dealt with in the interest of and for the benefit of the United States, and such designated agency or person may perform any and all acts incident to the accomplishment or furtherance of these purposes.''; and

(2) by inserting at the end the following:

''(c) CLASSIFIED INFORMATION.—In any judicial review of a determination made under this section, if the determination was based on classified information (as defined in section 1(a) of the Classified Information Procedures Act) such information may be submitted to the reviewing court ex parte and in camera. This subsection does not confer or imply any right to judicial review.''.

TITLE II—ENHANCED SURVEILLANCE PROCEDURES

SEC. 201. AUTHORITY TO INTERCEPT WIRE, ORAL, AND ELECTRONIC COMMUNICATIONS RELATING TO TERRORISM.

Section 2516(1) of title 18, United States Code, is amended—

(1) by redesignating paragraph (p), as so redesignated by section 434(2) of the Antiterrorism and Effective Death Penalty Act of 1996 (Public Law 104–132; 110 Stat. 1274), as paragraph (r); and

(2) by inserting after paragraph (p), as so redesignated by section 201(3) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (division C of Public Law 104–208; 110 Stat. 3009–565), the following new paragraph:

''(q) any criminal violation of section 229 (relating to chemical weapons); or sections 2332, 2332a, 2332b, 2332d, 2339A, or 2339B of this title (relating to terrorism); or''.

SEC. 202. AUTHORITY TO INTERCEPT WIRE, ORAL, AND ELECTRONIC COMMUNICATIONS RELATING TO COMPUTER FRAUD AND ABUSE OFFENSES.

Section 2516(1)(c) of title 18, United States Code, is amended by striking ''and section 1341 (relating to mail fraud),'' and inserting ''section 1341 (relating to mail fraud), a felony violation of section 1030 (relating to computer fraud and abuse),''.

SEC. 203. AUTHORITY TO SHARE CRIMINAL INVESTIGATIVE INFORMATION.

(a) AUTHORITY TO SHARE GRAND JURY INFORMATION.—

(1) IN GENERAL.—Rule 6(e)(3)(C) of the Federal Rules of Criminal Procedure is amended—

(A) in clause (iii), by striking ''or'' at the end;

(B) in clause (iv), by striking the period at the end and inserting ''; or''; and

(C) by inserting at the end the following:

''(v) when the matters involve foreign intelligence or counterintelligence (as defined in section 3 of the National Security Act of 1947 (50 U.S.C. 401a)), or foreign intelligence information (as defined in Rule 6(e)(3)(C)(ii)) to any other Federal law enforcement, intelligence, protective, immigration, national defense, or national security official in order to assist the official receiving that information in the performance of his official duties. Any Federal official who receives information pursuant to clause (v) may use that information only as necessary in the conduct of that person's official duties subject to any limitations on the unauthorized disclosure of such information.''.

(2) DEFINITION.—Rule 6(e)(3)(C) of the Federal Rules of Criminal Procedure, as amended by paragraph (1), is amended by—

(A) inserting ''(i)'' after ''(C)'';

(B) redesignating clauses (i) through (v) as subclauses (I) through (IV), respectively; and

(C) inserting at the end the following:

''(ii) In this subparagraph, the term 'foreign intelligence information' means—

''(I) information, whether or not concerning a United States person, that relates to the ability of the United States to protect against—

''(aa) actual or potential attack or other grave hostile acts of a foreign power or an agent of a foreign power;

''(bb) sabotage or international terrorism by a foreign power or an agent of a foreign power; or

''(cc) clandestine intelligence activities by an intelligence service or network of a foreign power or by an agent of a foreign power; or

''(II) information, whether or not concerning a United States person, with respect to a foreign power or foreign territory that relates to—

''(aa) the national defense or the security of the United States; or

''(bb) the conduct of the foreign affairs of the United States.''.

(b) AUTHORITY TO SHARE ELECTRONIC, WIRE, AND ORAL INTERCEPTION INFORMATION.—

(1) LAW ENFORCEMENT.—Section 2517 of title 18, United States Code, is amended by inserting at the end the following:

''(6) Any investigative or law enforcement officer, or attorney for the Government, who by any means authorized by this chapter, has obtained knowledge of the contents of any wire, oral, or electronic communication, or evidence derived therefrom, may disclose such contents to any other Federal law enforcement, intelligence, protective, immigration, national defense, or national security official to the extent that such contents include foreign intelligence or counterintelligence (as defined in section 3 of the National Security Act of 1947 (50 U.S.C. 401a)), or foreign intelligence information (as defined in subsection (19) of section 2510 of this title), to assist the official who is to receive that information in the performance of his official duties. Any Federal official who receives information pursuant to this provision may use that information only as necessary in the conduct of that person's official duties subject to any limitations on the unauthorized disclosure of such information.''.

(2) DEFINITION.—Section 2510 of title 18, United States Code, is amended by—

(A) in paragraph (17), by striking ''and'' after the semicolon;

(B) in paragraph (18), by striking the period and inserting ''; and''; and

(C) by inserting at the end the following:

''(19) 'foreign intelligence information' means—

''(A) information, whether or not concerning a United States person, that relates to the ability of the United States to protect against—

''(i) actual or potential attack or other grave hostile acts of a foreign power or an agent of a foreign power;

''(ii) sabotage or international terrorism by a foreign power or an agent of a foreign power; or

''(iii) clandestine intelligence activities by an intelligence service or network of a foreign power or by an agent of a foreign power; or

''(B) information, whether or not concerning a United States person, with respect to a foreign power or foreign territory that relates to—

''(i) the national defense or the security of the United States; or

''(ii) the conduct of the foreign affairs of the United States.''.

(c) PROCEDURES.—The Attorney General shall establish procedures for the disclosure of information pursuant to section 2517(6) and Rule 6(e)(3)(C)(v) of the Federal Rules of Criminal Procedure that identifies a United States person, as defined in section 101 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801)).

(d) FOREIGN INTELLIGENCE INFORMATION.—

(1) IN GENERAL.—Notwithstanding any other provision of law, it shall be lawful for foreign intelligence or counterintelligence (as defined section 3 of the National Security Act of 1947 (50 U.S.C. 401a)) or foreign intelligence information obtained as part of a criminal investigation to be disclosed to any Federal law enforcement, intelligence, protective, immigration, national defense, or national security official in order to assist the official receiving that information in the performance of his official duties. Any Federal official who receives information pursuant to this provision may use that information only as necessary in the conduct of that person's official duties subject to any limitations on the unauthorized disclosure of such information.

(2) DEFINITION.—In this subsection, the term ''foreign intelligence information'' means—

(A) information, whether or not concerning a United States person, that relates to the ability of the United States to protect against—

(i) actual or potential attack or other grave hostile acts of a foreign power or an agent of a foreign power;

(ii) sabotage or international terrorism by a foreign power or an agent of a foreign power; or

(iii) clandestine intelligence activities by an intelligence service or network of a foreign power or by an agent of a foreign power; or

(B) information, whether or not concerning a United States person, with respect to a foreign power or foreign territory that relates to—

(i) the national defense or the security of the United States; or

(ii) the conduct of the foreign affairs of the United States.

SEC. 204. CLARIFICATION OF INTELLIGENCE EXCEPTIONS FROM LIMITATIONS ON INTERCEPTION AND DISCLOSURE OF WIRE, ORAL, AND ELECTRONIC COMMUNICATIONS.

Section 2511(2)(f) of title 18, United States Code, is amended—

(1) by striking ''this chapter or chapter 121'' and inserting ''this chapter or chapter 121 or 206 of this title''; and

(2) by striking ''wire and oral'' and inserting ''wire, oral, and electronic''.

SEC. 205. EMPLOYMENT OF TRANSLATORS BY THE FEDERAL BUREAU OF INVESTIGATION.

(a) AUTHORITY.—The Director of the Federal Bureau of Investigation is authorized to expedite the employment of personnel as translators to support counterterrorism investigations and operations without regard to applicable Federal personnel requirements and limitations.

(b) SECURITY REQUIREMENTS.—The Director of the Federal Bureau of Investigation shall establish such security requirements as are necessary for the personnel employed as translators under subsection (a).

(c) REPORT.—The Attorney General shall report to the Committees on the Judiciary of the House of Representatives and the Senate on—

(1) the number of translators employed by the FBI and other components of the Department of Justice;

(2) any legal or practical impediments to using translators employed by other Federal, State, or local agencies, on a full, part-time, or shared basis; and

(3) the needs of the FBI for specific translation services in certain languages, and recommendations for meeting those needs.

SEC. 206. ROVING SURVEILLANCE AUTHORITY UNDER THE FOREIGN INTELLIGENCE SURVEILLANCE ACT OF 1978.

Section 105(c)(2)(B) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1805(c)(2)(B)) is amended by inserting '', or in circumstances where the Court finds that the actions of the target of the application may have the effect of thwarting the identification of a specified person, such other persons,'' after ''specified person''.

SEC. 207. DURATION OF FISA SURVEILLANCE OF NON-UNITED STATES PERSONS WHO ARE AGENTS OF A FOREIGN POWER.

(a) DURATION .—

(1) SURVEILLANCE.—Section 105(d)(1) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1805(d)(1)) is amended by—

(A) inserting ''(A)'' after ''except that''; and

(B) inserting before the period the following: '', and (B) an order under this Act for a surveillance targeted against an agent of a foreign power, as defined in section 101(b)(A) may be for the period specified in the application or for 120 days, whichever is less''.

(2) PHYSICAL SEARCH.—Section 304(d)(1) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1824(d)(1)) is amended by—

(A) striking ''forty-five'' and inserting ''90'';

(B) inserting ''(A)'' after ''except that''; and

(C) inserting before the period the following: '', and (B) an order under this section for a physical search targeted against an agent of a foreign power as defined in section 101(b)(A) may be for the period specified in the application or for 120 days, whichever is less''.

(b) EXTENSION.—

(1) IN GENERAL.—Section 105(d)(2) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1805(d)(2)) is amended by—

(A) inserting ''(A)'' after ''except that''; and

(B) inserting before the period the following: '', and (B) an extension of an order under this Act for a surveillance targeted against an agent of a foreign power as defined in section 101(b)(1)(A) may be for a period not to exceed 1 year''.

(2) DEFINED TERM.—Section 304(d)(2) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1824(d)(2) is amended by inserting after ''not a United States person,'' the following: ''or against an agent of a foreign power as defined in section 101(b)(1)(A)''.

SEC. 208. DESIGNATION OF JUDGES.

Section 103(a) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1803(a)) is amended by—

(1) striking ''seven district court judges'' and inserting ''11 district court judges''; and

(2) inserting ''of whom no less than 3 shall reside within 20 miles of the District of Columbia'' after ''circuits''.

SEC. 209. SEIZURE OF VOICE-MAIL MESSAGES PURSUANT TO WARRANTS.

Title 18, United States Code, is amended—

(1) in section 2510—

(A) in paragraph (1), by striking beginning with ''and such'' and all that follows through ''communication''; and

(B) in paragraph (14), by inserting ''wire or'' after ''transmission of''; and

(2) in subsections (a) and (b) of section 2703—

(A) by striking ''CONTENTS OF ELECTRONIC'' and inserting ''CONTENTS OF WIRE OR ELECTRONIC'' each place it appears;

(B) by striking ''contents of an electronic'' and inserting ''contents of a wire or electronic'' each place it appears; and

(C) by striking ''any electronic'' and inserting ''any wire or electronic'' each place it appears.

SEC. 210. SCOPE OF SUBPOENAS FOR RECORDS OF ELECTRONIC COMMUNICATIONS.

Section 2703(c)(2) of title 18, United States Code, as redesignated by section 212, is amended—

(1) by striking ''entity the name, address, local and long distance telephone toll billing records, telephone number or other subscriber number or identity, and length of service of the subscriber'' and inserting the following: ''entity the—

''(A) name;

''(B) address;

''(C) local and long distance telephone connection records, or records of session times and durations;

''(D) length of service (including start date) and types of service utilized;

''(E) telephone or instrument number or other subscriber number or identity, including any temporarily assigned network address; and

''(F) means and source of payment (including any credit card or bank account number),

of a subscriber''; and

(2) by striking ''and the types of services the subscriber or customer utilized,''.

SEC. 211. CLARIFICATION OF SCOPE.

Section 631 of the Communications Act of 1934 (47 U.S.C. 551) is amended—

(1) in subsection (c)(2)—

(A) in subparagraph (B), by striking ''or'';

(B) in subparagraph (C), by striking the period at the end and inserting''; or''; and

(C) by inserting at the end the following:

''(D) authorized under chapters 119, 121, or 206 of title 18, United States Code, except that such disclosure shall not include records revealing customer cable television viewing activity.''; and

(2) in subsection (h) by striking ''A governmental entity'' and inserting ''Except as provided in subsection (c)(2)(D), a governmental entity''.

SEC. 212. EMERGENCY DISCLOSURE OF ELECTRONIC COMMUNICATIONS TO PROTECT LIFE AND LIMB.

(a) DISCLOSURE OF CONTENTS.—

(1) IN GENERAL.—Section 2702 of title 18, United States Code, is amended—

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

''§ 2702. Voluntary disclosure of customer communications or records'';

(B) in subsection (a)—

(i) in paragraph (2)(A), by striking ''and'' at the end;

(ii) in paragraph (2)(B), by striking the period and inserting ''; and''; and

(iii) by inserting after paragraph (2) the following:

''(3) a provider of remote computing service or electronic communication service to the public shall not knowingly divulge a record or other information pertaining to a subscriber to or customer of such service (not including the contents of communications covered by paragraph (1) or (2)) to any governmental entity.'';

(C) in subsection (b), by striking ''EXCEPTIONS.—A person or entity'' and inserting ''EXCEPTIONS FOR DISCLOSURE OF COMMUNICATIONS.— A provider described in subsection (a)'';

(D) in subsection (b)(6)—

(i) in subparagraph (A)(ii), by striking ''or'';

(ii) in subparagraph (B), by striking the period and inserting ''; or''; and

(iii) by adding after subparagraph (B) the following:

''(C) if the provider reasonably believes that an emergency involving immediate danger of death or serious physical injury to any person requires disclosure of the information without delay.''; and

(E) by inserting after subsection (b) the following:

''(c) EXCEPTIONS FOR DISCLOSURE OF CUSTOMER RECORDS.—A provider described in subsection (a) may divulge a record or other information pertaining to a subscriber to or customer of such service (not including the contents of communications covered by subsection (a)(1) or (a)(2))—

''(1) as otherwise authorized in section 2703;

''(2) with the lawful consent of the customer or subscriber;

''(3) as may be necessarily incident to the rendition of the service or to the protection of the rights or property of the provider of that service;

''(4) to a governmental entity, if the provider reasonably believes that an emergency involving immediate danger of death or serious physical injury to any person justifies disclosure of the information; or

''(5) to any person other than a governmental entity.''.

(2) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 121 of title 18, United States Code, is amended by striking the item relating to section 2702 and inserting the following:

''2702. Voluntary disclosure of customer communications or records.''.

(b) REQUIREMENTS FOR GOVERNMENT ACCESS.—

(1) IN GENERAL.—Section 2703 of title 18, United States Code, is amended—

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

"§ 2703. Required disclosure of customer communications or records";

(B) in subsection (c) by redesignating paragraph (2) as paragraph (3);

(C) in subsection (c)(1)—

(i) by striking ''(A) Except as provided in subparagraph (B), a provider of electronic communication service or remote computing service may'' and inserting ''A governmental entity may require a provider of electronic communication service or remote computing service to'';

(ii) by striking ''covered by subsection (a) or (b) of this section) to any person other than a governmental entity.

''(B) A provider of electronic communication service or remote computing service shall disclose a record or other information pertaining to a subscriber to or customer of such service (not including the contents of communications covered by subsection (a) or (b) of this section) to a governmental entity'' and inserting ''(''';

(iii) by redesignating subparagraph (C) as paragraph (2);

(iv) by redesignating clauses (i), (ii), (iii), and (iv) as subparagraphs (A), (B), (C), and (D), respectively;

(v) in subparagraph (D) (as redesignated) by striking the period and inserting ''; or''; and

(vi) by inserting after subparagraph (D) (as redesignated) the following:

''(E) seeks information under paragraph (2).''; and

(D) in paragraph (2) (as redesignated) by striking ''subparagraph (B)'' and insert ''paragraph (1)''.

(2) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 121 of title 18, United States Code, is amended by striking the item relating to section 2703 and inserting the following:

''2703. Required disclosure of customer communications or records.''.

SEC. 213. AUTHORITY FOR DELAYING NOTICE OF THE EXECUTION OF A WARRANT.

Section 3103a of title 18, United States Code, is amended—

(1) by inserting ''(a) IN GENERAL.—'' before ''In addition''; and

(2) by adding at the end the following:

''(b) DELAY.—With respect to the issuance of any warrant or court order under this section, or any other rule of law, to search for and seize any property or material that constitutes evidence of a criminal offense in violation of the laws of the United States, any notice required, or that may be required, to be given may be delayed if—

''(1) the court finds reasonable cause to believe that providing immediate notification of the execution of the warrant may have an adverse result (as defined in section 2705);

''(2) the warrant prohibits the seizure of any tangible property, any wire or electronic communication (as defined in section 2510), or, except as expressly provided in chapter 121, any stored wire or electronic information, except where the court finds reasonable necessity for the seizure; and

''(3) the warrant provides for the giving of such notice within a reasonable period of its execution, which period may thereafter be extended by the court for good cause shown.''.

SEC. 214. PEN REGISTER AND TRAP AND TRACE AUTHORITY UNDER FISA.

(a) APPLICATIONS AND ORDERS.—Section 402 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1842) is amended—

(1) in subsection (a)(1), by striking ''for any investigation to gather foreign intelligence information or information concerning international terrorism'' and inserting ''for any investigation to protect against international terrorism or clandestine intelligence activities, provided that such investigation of a United States person is not conducted solely upon the basis of activities protected by the first amendment to the Constitution'';

(2) by amending subsection (c)(2) to read as follows:

''(2) a certification by the applicant that the information likely to be obtained is relevant to an ongoing investigation to protect against international terrorism or clandestine intelligence activities, provided that such investigation of a United States person is not conducted solely upon the basis of activities protected by the first amendment to the Constitution.'';

(3) by striking subsection (c)(3); and

(4) by amending subsection (d)(2)(A) to read as follows:

''(A) shall specify—

''(i) the identity, if known, of the person who is the subject of the investigation;

''(ii) the identity, if known, of the person to whom is leased or in whose name is listed the telephone line or other facility to which the pen register or trap and trace device is to be attached or applied;

''(iii) the attributes of the communications to which the order applies, such as the number or other identifier, and, if known, the location of the telephone line or other facility to which the pen register or trap and trace device is to be attached or applied and, in the case of a trap and trace device, the geographic limits of the trap and trace order.''.

(b) AUTHORIZATION DURING EMERGENCIES.—Section 403 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1843) is amended—

(1) in subsection (a), by striking ''foreign intelligence information or information concerning international terrorism'' and inserting ''information to protect against international terrorism or clandestine intelligence activities, provided that such investigation of a United States person is not conducted solely upon the basis of activities protected by the first amendment to the Constitution''; and

(2) in subsection (b)(1), by striking ''foreign intelligence information or information concerning international terrorism'' and inserting ''information to protect against international terrorism or clandestine intelligence activities, provided that such investigation of a United States person is not conducted solely upon the basis of activities protected by the first amendment to the Constitution''.

SEC. 215. ACCESS TO RECORDS AND OTHER ITEMS UNDER THE FOREIGN INTELLIGENCE SURVEILLANCE ACT.

Title V of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1861 et seq.) is amended by striking sections 501 through 503 and inserting the following:

"SEC. 501. ACCESS TO CERTAIN BUSINESS RECORDS FOR FOREIGN INTELLIGENCE AND INTERNATIONAL TERRORISM INVESTIGATIONS.

''(a)(1) The Director of the Federal Bureau of Investigation or a designee of the Director (whose rank shall be no lower than Assistant Special Agent in Charge) may make an application for an order requiring the production of any tangible things (including books, records, papers, documents, and other items) for an investigation to protect against international terrorism or clandestine intelligence activities, provided that such investigation of a United States person is not conducted solely upon the basis of activities protected by the first amendment to the Constitution.

''(2) An investigation conducted under this section shall—

''(A) be conducted under guidelines approved by the Attorney General under Executive Order 12333 (or a successor order); and

''(B) not be conducted of a United States person solely upon the basis of activities protected by the first amendment to the Constitution of the United States.

''(b) Each application under this section—

''(1) shall be made to—

''(A) a judge of the court established by section 103(a); or

''(B) a United States Magistrate Judge under chapter 43 of title 28, United States Code, who is publicly designated by the Chief Justice of the United States to have the

power to hear applications and grant orders for the production of tangible things under this section on behalf of a judge of that court; and

''(2) shall specify that the records concerned are sought for an authorized investigation conducted in accordance with subsection (a)(2) to protect against international terrorism or clandestine intelligence activities.

''(c)(1) Upon an application made pursuant to this section, the judge shall enter an ex parte order as requested, or as modified, approving the release of records if the judge finds that the application meets the requirements of this section.

''(2) An order under this subsection shall not disclose that it is issued for purposes of an investigation described in subsection (a).

''(d) No person shall disclose to any other person (other than those persons necessary to produce the tangible things under this section) that the Federal Bureau of Investigation has sought or obtained tangible things under this section.

''(e) A person who, in good faith, produces tangible things under an order pursuant to this section shall not be liable to any other person for such production. Such production shall not be deemed to constitute a waiver of any privilege in any other proceeding or context.

''SEC. 502. CONGRESSIONAL OVERSIGHT.

''(a) On a semiannual basis, the Attorney General shall fully inform the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate concerning all requests for the production of tangible things under section 402.

''(b) On a semiannual basis, the Attorney General shall provide to the Committees on the Judiciary of the House of Representatives and the Senate a report setting forth with respect to the preceding 6-month period—

''(1) the total number of applications made for orders approving requests for the production of tangible things under section 402; and

''(2) the total number of such orders either granted, modified, or denied.''.

SEC. 216. MODIFICATION OF AUTHORITIES RELATING TO USE OF PEN REGISTERS AND TRAP AND TRACE DEVICES.

(a) GENERAL LIMITATIONS.—Section 3121(c) of title 18, United States Code, is amended—

(1) by inserting ''or trap and trace device'' after ''pen register'';

(2) by inserting '', routing, addressing,'' after ''dialing''; and

(3) by striking ''call processing'' and inserting ''the processing and transmitting of wire or electronic communications so as not to include the contents of any wire or electronic communications''.

(b) ISSUANCE OF ORDERS.—

(1) IN GENERAL.—Section 3123(a) of title 18, United States Code, is amended to read as follows:

''(a) IN GENERAL.—

''(1) ATTORNEY FOR THE GOVERNMENT.—Upon an application made under section 3122(a)(1), the court shall enter an ex parte order authorizing the installation and use of a pen register or trap and trace device anywhere within the United States, if the court finds that the attorney for the Government has certified to the court that the information likely to be obtained by such installation and use is relevant to an ongoing criminal investigation. The order, upon service of that order, shall apply to any person or entity providing wire or electronic communication service in the United States whose assistance may facilitate the execution of the order. Whenever such an order is served on any person or entity not specifically named in the order, upon request of such person or entity, the attorney for the Government or law enforcement or investigative officer that is serving the order shall provide written or electronic certification that the order applies to the person or entity being served.

''(2) STATE INVESTIGATIVE OR LAW ENFORCEMENT OFFICER.—Upon an application made under section 3122(a)(2), the court shall enter an ex parte order authorizing the installation and use of a pen register or trap and trace device within the jurisdiction of the court, if the court finds that the State law enforcement or investigative officer has certified to the court that the information likely to be obtained by such installation and use is relevant to an ongoing criminal investigation.''.

(2) CONTENTS OF ORDER.—Section 3123(b)(1) of title 18, United States Code, is amended—

(A) in subparagraph (A)—

(i) by inserting ''or other facility'' after ''telephone line''; and

(ii) by inserting before the semicolon at the end ''or applied''; and

(B) by striking subparagraph (C) and inserting the following:

''(C) the attributes of the communications to which the order applies, including the number or other identifier and, if known, the location of the telephone line or other facility to which the pen register or trap and trace device is to be attached or applied, and, in the case of an order authorizing installation and use of a trap and trace device under subsection (a)(2), the geographic limits of the order; and''.

(3) NONDISCLOSURE REQUIREMENTS.—Section 3123(d)(2) of title 18, United States Code, is amended—

(A) by inserting ''or other facility'' after ''the line''; and

(B) by striking '', or who has been ordered by the court'' and inserting ''or applied, or who is obligated by the order''.

(c) DEFINITIONS.—

(1) COURT OF COMPETENT JURISDICTION.—Section 3127(2) of title 18, United States Code, is amended by striking subparagraph (A) and inserting the following:

''(A) any district court of the United States (including a magistrate judge of such a court) or any United States court of appeals having jurisdiction over the offense being investigated; or''.

(2) PEN REGISTER.—Section 3127(3) of title 18, United States Code, is amended—

(A) by striking ''electronic or other impulses'' and all that follows through ''is attached'' and inserting ''dialing, routing, addressing, or signaling information transmitted by an instrument or facility from which a wire or electronic communication is transmitted, provided, however, that such information shall not include the contents of any communication''; and

(B) by inserting ''or process'' after ''device'' each place it appears.

(3) TRAP AND TRACE DEVICE.—Section 3127(4) of title 18, United States Code, is amended—

(A) by striking ''of an instrument'' and all that follows through the semicolon and inserting ''or other dialing, routing, addressing, and signaling information reasonably likely to identify the source of a wire or electronic communication, provided, however, that such information shall not include the contents of any communication;''; and

(B) by inserting ''or process'' after ''a device''.

(4) CONFORMING AMENDMENT.—Section 3127(1) of title 18, United States Code, is amended—

(A) by striking ''and''; and

(B) by inserting '', and 'contents' '' after ''electronic communication service''.

(5) TECHNICAL AMENDMENT.—Section 3124(d) of title 18, United States Code, is amended by striking ''the terms of''.

SEC. 217. INTERCEPTION OF COMPUTER TRESPASSER COMMUNICATIONS.

Chapter 119 of title 18, United States Code, is amended—

(1) in section 2510—

(A) in paragraph (17), by striking ''and'' at the end;

(B) in paragraph (18), by striking the period and inserting a semicolon; and

(C) by inserting after paragraph (18) the following:

''(19) 'protected computer' has the meaning set forth in section 1030; and

''(20) 'computer trespasser'—

''(A) means a person who accesses a protected computer without authorization and thus has no reasonable expectation of privacy in any communication transmitted to, through, or from the protected computer; and

''(B) does not include a person known by the owner or operator of the protected computer to have an existing contractual relationship with the owner or operator of the protected computer for access to all or part of the protected computer.''; and

(2) in section 2511(2), by inserting at the end the following:

''(i) It shall not be unlawful under this chapter for a person acting under color of law to intercept the wire or electronic communications of a computer trespasser, if—

''(i) the owner or operator of the protected computer authorizes the interception of the computer trespasser's communications on the protected computer;

''(ii) the person acting under color of law is lawfully engaged in an investigation;

''(iii) the person acting under color of law has reasonable grounds to believe that the contents of the computer trespasser's communications will be relevant to the investigation; and

''(iv) such interception does not acquire communications other than those transmitted to or from the computer trespasser.''.

SEC. 218. FOREIGN INTELLIGENCE INFORMATION.

Sections 104(a)(7)(B) and section 303(a)(7)(B) (50 U.S.C. 1804(a)(7)(B) and 1823(a)(7)(B)) of the Foreign Intelligence Surveillance Act of 1978 are each amended by striking ''the purpose'' and inserting ''a significant purpose''.

SEC. 219. SINGLE-JURISDICTION SEARCH WARRANTS FOR TERRORISM.

Rule 41(a) of the Federal Rules of Criminal Procedure is amended by inserting after ''executed'' the following: ''and (3) in an investigation of domestic terrorism or international terrorism (as defined in section 2331 of title 18, United States Code), by a Federal magistrate judge in any district in which activities related to the terrorism may have occurred, for a search of property or for a person within or outside the district''.

SEC. 220. NATIONWIDE SERVICE OF SEARCH WARRANTS FOR ELECTRONIC EVIDENCE.

Chapter 121 of title 18, United States Code, is amended—

(1) in section 2703, by striking ''under the Federal Rules of Criminal Procedure'' every place it appears and inserting ''using the procedures described in the Federal Rules of

Criminal Procedure by a court with jurisdiction over the offense under investigation''; and

(2) in section 2711—

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

(B) in paragraph (2), by striking the period and inserting ''; and''; and

(C) by inserting at the end the following:

''(3) the term 'court of competent jurisdiction' has the meaning assigned by section 3127, and includes any Federal court within that definition, without geographic limitation.''.

SEC. 221. TRADE SANCTIONS.

(a) IN GENERAL.—The Trade Sanctions Reform and Export Enhancement Act of 2000 (Public Law 106–387; 114 Stat. 1549A–67) is amended—

(1) by amending section 904(2)(C) to read as follows:

''(C) used to facilitate the design, development, or production of chemical or biological weapons, missiles, or weapons of mass destruction.'';

(2) in section 906(a)(1)—

(A) by inserting '', the Taliban or the territory of Afghanistan controlled by the Taliban,'' after ''Cuba''; and

(B) by inserting '', or in the territory of Afghanistan controlled by the Taliban,'' after ''within such country''; and

(3) in section 906(a)(2), by inserting '', or to any other entity in Syria or North Korea'' after ''Korea''.

(b) APPLICATION OF THE TRADE SANCTIONS REFORM AND EXPORT ENHANCEMENT ACT.—Nothing in the Trade Sanctions Reform and Export Enhancement Act of 2000 shall limit the application or scope of any law establishing criminal or civil penalties, including any executive order or regulation promulgated pursuant to such laws (or similar or successor laws), for the unlawful export of any agricultural commodity, medicine, or medical device to—

(1) a foreign organization, group, or person designated pursuant to Executive Order 12947 of June 25, 1995;

(2) a Foreign Terrorist Organization pursuant to the Antiterrorism and Effective Death Penalty Act of 1996 (Public Law 104–132);

(3) a foreign organization, group, or person designated pursuant to Executive Order 13224 (September 23, 2001);

(4) any narcotics trafficking entity designated pursuant to Executive Order 12978 (October 21, 1995) or the Foreign Narcotics Kingpin Designation Act (Public Law 106–120); or

(5) any foreign organization, group, or persons subject to any restriction for its involvement in weapons of mass destruction or missile proliferation.

SEC. 222. ASSISTANCE TO LAW ENFORCEMENT AGENCIES.

Nothing in this Act shall impose any additional technical obligation or requirement on a provider of wire or electronic communication service or other person to furnish facilities or technical assistance. A provider of a wire or electronic communication service, landlord, custodian, or other person who furnishes facilities or technical assistance pursuant to section 216 shall be reasonably compensated for such reasonable expenditures incurred in providing such facilities or assistance.

TITLE III—INTERNATIONAL MONEY LAUNDERING ABATEMENT AND ANTI-TERRORIST FINANCING ACT OF 2001.

SEC. 301. SHORT TITLE.

This title may be cited as the ''International Money Laundering Abatement and Anti-Terrorist Financing Act of 2001''.

SEC. 302. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) money laundering, estimated by the International Monetary Fund to amount to between 2 and 5 percent of global gross domestic product, which is at least $600,000,000,000 annually, provides the financial fuel that permits transnational criminal enterprises to conduct and expand their operations to the detriment of the safety and security of American citizens;

(2) money laundering, and the defects in financial transparency on which money launderers rely, are critical to the financing of global terrorism and the provision of funds for terrorist attacks;

(3) money launderers subvert legitimate financial mechanisms and banking relationships by using them as protective covering for the movement of criminal proceeds and the financing of crime and terrorism, and, by so doing, can threaten the safety of United States citizens and undermine the integrity of United States financial institutions and of the global financial and trading systems upon which prosperity and growth depend;

(4) certain jurisdictions outside of the United States that offer ''offshore'' banking and related facilities designed to provide anonymity, coupled with special tax advantages and weak financial supervisory and enforcement regimes, provide essential tools to disguise ownership and movement of criminal funds, derived from, or used to commit, offenses ranging from narcotics trafficking, terrorism, arms smuggling, and trafficking in human beings, to financial frauds that prey on law-abiding citizens;

(5) transactions involving such offshore jurisdictions make it difficult for law enforcement officials and regulators to follow the trail of money earned by criminals, organized international criminal enterprises, and global terrorist organizations;

(6) correspondent banking facilities are one of the banking mechanisms susceptible in some circumstances to manipulation by foreign banks to permit the laundering of funds by hiding the identity of real parties in interest to financial transactions;

(7) private banking services can be susceptible to manipulation by money launderers, for example corrupt foreign government officials, particularly if those services include the creation of offshore accounts and facilities for large personal funds transfers to channel funds into accounts around the globe;

(8) United States anti-money laundering efforts are impeded by outmoded and inadequate statutory provisions that make investigations, prosecutions, and forfeitures more difficult, particularly in cases in which money laundering involves foreign persons, foreign banks, or foreign countries;

(9) the ability to mount effective countermeasures to international money launderers requires national, as well as bilateral and multilateral action, using tools specially designed for that effort; and

(10) the Basle Committee on Banking Regulation and Supervisory Practices and the Financial Action Task Force on Money Laundering, of both of which the United States is a member, have each adopted international anti-money laundering principles and recommendations.

(b) PURPOSES.—The purposes of this title are—

(1) to increase the strength of United States measures to prevent, detect, and prosecute international money laundering and the financing of terrorism;

(2) to ensure that—

(A) banking transactions and financial relationships and the conduct of such transactions and relationships, do not contravene the purposes of subchapter II of chapter 53 of title 31, United States Code, section 21 of the Federal Deposit Insurance Act, or chapter 2 of title I of Public Law 91–508 (84 Stat. 1116), or facilitate the evasion of any such provision; and

(B) the purposes of such provisions of law continue to be fulfilled, and that such provisions of law are effectively and efficiently administered;

(3) to strengthen the provisions put into place by the Money Laundering Control Act of 1986 (18 U.S.C. 981 note), especially with respect to crimes by non-United States nationals and foreign financial institutions;

(4) to provide a clear national mandate for subjecting to special scrutiny those foreign jurisdictions, financial institutions operating outside of the United States, and classes of international transactions that pose particular, identifiable opportunities for criminal abuse;

(5) to provide the Secretary of the Treasury (in this title referred to as the ''Secretary'') with broad discretion, subject to the safeguards provided by the Administrative Procedures Act under title 5, United States Code, to take measures tailored to the particular money laundering problems presented by specific foreign jurisdictions, financial institutions operating outside of the United States, and classes of international transactions;

(6) to ensure that the employment of such measures by the Secretary permits appropriate opportunity for comment by affected financial institutions;

(7) to provide guidance to domestic financial institutions on particular foreign jurisdictions, financial institutions operating outside of the United States, and classes of international transactions that are of primary money laundering concern to the United States Government;

(8) to ensure that the forfeiture of any assets in connection with the anti-terrorist efforts of the United States permits for adequate challenge consistent with providing due process rights;

(9) to clarify the terms of the safe harbor from civil liability for filing suspicious activity reports;

(10) to strengthen the authority of the Secretary to issue and administer geographic targeting orders, and to clarify that violations of such orders or any other requirement imposed under the authority contained in chapter 2 of title I of Public Law 91–508 and subchapters II and III of chapter 53 of title 31, United States Code, may result in criminal and civil penalties;

(11) to ensure that all appropriate elements of the financial services industry are subject to appropriate requirements to report potential money laundering transactions to proper authorities, and that jurisdictional disputes do not hinder examination of compliance by financial institutions with relevant reporting requirements;

(12) to fix responsibility for high level coordination of the anti-money laundering efforts of the Department of the Treasury;

(13) to strengthen the ability of financial institutions to maintain the integrity of their employee population; and

(14) to strengthen measures to prevent the use of the United States financial system for personal gain by corrupt foreign officials and to facilitate the repatriation of any stolen assets to the citizens of countries to whom such assets belong.

SEC. 303. 4-YEAR CONGRESSIONAL REVIEW-EXPEDITED CONSIDERATION.

(a) IN GENERAL.—Effective on and after the first day of fiscal year 2005, the provisions of this title and the amendments made by this title shall terminate if the Congress enacts a joint resolution, the text after the resolving clause of which is as follows: ''That provisions of the International Money Laundering Abatement and Anti-Terrorist Financing Act of 2001, and the amendments made thereby, shall no longer have the force of law.''.

(b) EXPEDITED CONSIDERATION.—Any joint resolution submitted pursuant to this section shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Control Act of 1976. For the purpose of expediting the consideration and enactment of a joint resolution under this section, a motion to proceed to the consideration of any such joint resolution after it has been reported by the appropriate committee, shall be treated as highly privileged in the House of Representatives.

Subtitle A—International Counter Money Laundering and Related Measures

SEC. 311. SPECIAL MEASURES FOR JURISDICTIONS, FINANCIAL INSTITUTIONS, OR INTERNATIONAL TRANSACTIONS OF PRIMARY MONEY LAUNDERING CONCERN.

(a) IN GENERAL.—Subchapter II of chapter 53 of title 31, United States Code, is amended by inserting after section 5318 the following new section:

''SEC. 5318A. SPECIAL MEASURES FOR JURISDICTIONS, FINANCIAL INSTITUTIONS, OR INTERNATIONAL TRANSACTIONS OF PRIMARY MONEY LAUNDERING CONCERN.

''(a) INTERNATIONAL COUNTER-MONEY LAUNDERING REQUIREMENTS.—

''(1) IN GENERAL.—The Secretary may require domestic financial institutions and domestic financial agencies to take 1 or more of the special measures described in subsection (b) if the Secretary finds that reasonable grounds exist for concluding that a jurisdiction outside of the United States, 1 or more financial institutions operating outside of the United States, 1 or more classes of transactions within, or involving, a jurisdiction outside of the United States, or 1 or more types of accounts is of primary money laundering concern, in accordance with subsection (c).

''(2) FORM OF REQUIREMENT.—The special measures described in—

''(A) subsection (b) may be imposed in such sequence or combination as the Secretary shall determine;

''(B) paragraphs (1) through (4) of subsection (b) may be imposed by regulation, order, or otherwise as permitted by law; and

''(C) subsection (b)(5) may be imposed only by regulation.

''(3) DURATION OF ORDERS; RULEMAKING.—Any order by which a special measure described in paragraphs (1) through (4) of subsection (b) is imposed (other than an order described in section 5326)—

''(A) shall be issued together with a notice of proposed rulemaking relating to the imposition of such special measure; and

''(B) may not remain in effect for more than 120 days, except pursuant to a rule promulgated on or before the end of the 120-day period beginning on the date of issuance of such order.

''(4) PROCESS FOR SELECTING SPECIAL MEASURES.—In selecting which special measure or measures to take under this subsection, the Secretary—

''(A) shall consult with the Chairman of the Board of Governors of the Federal Reserve System, any other appropriate Federal banking agency, as defined in section 3 of the Federal Deposit Insurance Act, the Securities and Exchange Commission, the National Credit Union Administration Board, and in the sole discretion of the Secretary such other agencies and interested parties as the Secretary may find to be appropriate; and

''(B) shall consider—

''(i) whether similar action has been or is being taken by other nations or multilateral groups;

''(ii) whether the imposition of any particular special measure would create a significant competitive disadvantage, including any undue cost or burden associated with compliance, for financial institutions organized or licensed in the United States; and

''(iii) the extent to which the action or the timing of the action would have a significant adverse systemic impact on the international payment, clearance, and settlement system, or on legitimate business activities involving the particular jurisdiction, institution, or class of transactions.

''(5) NO LIMITATION ON OTHER AUTHORITY.—This section shall not be construed as superseding or otherwise restricting any other authority granted to the Secretary, or to any other agency, by this subchapter or otherwise.

''(b) SPECIAL MEASURES.—The special measures referred to in subsection (a), with respect to a jurisdiction outside of the United States, financial institution operating outside of the United States, class of transaction within, or involving, a jurisdiction outside of the United States, or 1 or more types of accounts are as follows:

''(1) RECORDKEEPING AND REPORTING OF CERTAIN FINANCIAL TRANSACTIONS.—

''(A) IN GENERAL.—The Secretary may require any domestic financial institution or domestic financial agency to maintain records, file reports, or both, concerning the aggregate amount of transactions, or concerning each transaction, with respect to a jurisdiction outside of the United States, 1 or more financial institutions operating outside of the United States, 1 or more classes of transactions within, or involving, a jurisdiction outside of the United States, or 1 or more types of accounts if the Secretary finds any such jurisdiction, institution, or class of transactions to be of primary money laundering concern.

''(B) FORM OF RECORDS AND REPORTS.—Such records and reports shall be made and retained at such time, in such manner, and for such period of time, as the Secretary shall determine, and shall include such information as the Secretary may determine, including—

''(i) the identity and address of the participants in a transaction or relationship, including the identity of the originator of any funds transfer;

''(ii) the legal capacity in which a participant in any transaction is acting;

''(iii) the identity of the beneficial owner of the funds involved in any transaction, in accordance with such procedures as the Secretary determines to be reasonable and practicable to obtain and retain the information; and

''(iv) a description of any transaction.

''(2) INFORMATION RELATING TO BENEFICIAL OWNERSHIP.—In addition to any other requirement under any other provision of law, the Secretary may require any domestic financial institution or domestic financial agency to take such steps as the Secretary may determine to be reasonable and practicable to obtain and retain information concerning the beneficial ownership of any account opened or maintained in the United States by a foreign person (other than a foreign entity whose shares are subject to public reporting requirements or are listed and traded on a regulated exchange or trading market), or a representative of such a foreign person, that involves a jurisdiction outside of the United States, 1 or more financial institutions operating outside of the United States, 1 or more classes of transactions within, or involving, a jurisdiction outside of the United States, or 1 or more types of accounts if the Secretary finds any such jurisdiction, institution, or transaction to be of primary money laundering concern.

''(3) INFORMATION RELATING TO CERTAIN PAYABLE-THROUGH ACCOUNTS.—If the Secretary finds a jurisdiction outside of the United States, 1 or more financial institutions operating outside of the United States, or 1 or more classes of transactions within, or involving, a jurisdiction outside of the United States to be of primary money laundering concern, the Secretary may require any domestic financial institution or domestic financial agency that opens or maintains a payable-through account in the United States for a foreign financial institution involving any such jurisdiction or any such financial institution operating outside of the United States, or a payable through account through which any such transaction may be conducted, as a condition of opening or maintaining such account—

''(A) to identify each customer (and representative of such customer) of such financial institution who is permitted to use, or whose transactions are routed through, such payable-through account; and

''(B) to obtain, with respect to each such customer (and each such representative), information that is substantially comparable to that which the depository institution obtains in the ordinary course of business with respect to its customers residing in the United States.

''(4) INFORMATION RELATING TO CERTAIN CORRESPONDENT ACCOUNTS.—If the Secretary finds a jurisdiction outside of the United States, 1 or more financial institutions operating outside of the United States, or 1 or more classes of transactions within, or involving, a jurisdiction outside of the United States to be of primary money laundering concern, the Secretary may require any domestic financial institution or domestic financial agency that opens or maintains a correspondent account in the United States for a foreign financial institution involving any such jurisdiction or any such financial institution operating outside of the United States, or a correspondent account through which any such transaction may be conducted, as a condition of opening or maintaining such account—

''(A) to identify each customer (and representative of such customer) of any such financial institution who is permitted to use, or whose transactions are routed through, such correspondent account; and

''(B) to obtain, with respect to each such customer (and each such representative), information that is substantially comparable to that which the depository institution obtains in the ordinary course of business with respect to its customers residing in the United States.

''(5) PROHIBITIONS OR CONDITIONS ON OPENING OR MAINTAINING CERTAIN CORRESPONDENT OR PAYABLE-THROUGH ACCOUNTS.—If the Secretary finds a jurisdiction outside of the United States, 1 or more financial institutions operating outside of the United States,

or 1 or more classes of transactions within, or involving, a jurisdiction outside of the United States to be of primary money laundering concern, the Secretary, in consultation with the Secretary of State, the Attorney General, and the Chairman of the Board of Governors of the Federal Reserve System, may prohibit, or impose conditions upon, the opening or maintaining in the United States of a correspondent account or payable-through account by any domestic financial institution or domestic financial agency for or on behalf of a foreign banking institution, if such correspondent account or payable-through account involves any such jurisdiction or institution, or if any such transaction may be conducted through such correspondent account or payable-through account.

''(c) CONSULTATIONS AND INFORMATION TO BE CONSIDERED IN FINDING JURISDICTIONS, INSTITUTIONS, TYPES OF ACCOUNTS, OR TRANSACTIONS TO BE OF PRIMARY MONEY LAUNDERING CONCERN.—

''(1) IN GENERAL.—In making a finding that reasonable grounds exist for concluding that a jurisdiction outside of the United States, 1 or more financial institutions operating outside of the United States, 1 or more classes of transactions within, or involving, a jurisdiction outside of the United States, or 1 or more types of accounts is of primary money laundering concern so as to authorize the Secretary to take 1 or more of the special measures described in subsection (b), the Secretary shall consult with the Secretary of State, and the Attorney General.

''(2) ADDITIONAL CONSIDERATIONS.—In making a finding described in paragraph (1), the Secretary shall consider in addition such information as the Secretary determines to be relevant, including the following potentially relevant factors:

''(A) JURISDICTIONAL FACTORS.—In the case of a particular jurisdiction—

''(i) evidence that organized criminal groups, international terrorists, or both, have transacted business in that jurisdiction;

(ii) the extent to which that jurisdiction or financial institutions operating in that jurisdiction offer bank secrecy or special tax or regulatory advantages to nonresidents or nondomiciliaries of that jurisdiction;

''(iii) the substance and quality of administration of the bank supervisory and countermoney laundering laws of that jurisdiction;

''(iv) the relationship between the volume of financial transactions occurring in that jurisdiction and the size of the economy of the jurisdiction;

''(v) the extent to which that jurisdiction is characterized as a tax haven or offshore banking or secrecy haven by credible international organizations or multilateral expert groups;

''(vi) whether the United States has a mutual legal assistance treaty with that jurisdiction, and the experience of United States law enforcement officials, regulatory officials, and tax administrators in obtaining information about transactions originating in or routed through or to such jurisdiction; and

''(vii) the extent to which that jurisdiction is characterized by high levels of official or institutional corruption.

''(B) INSTITUTIONAL FACTORS.—In the case of a decision to apply 1 or more of the special measures described in subsection (b) only to a financial institution or institutions, or to a transaction or class of transactions, or to a type of account, or to all 3, within or involving a particular jurisdiction—

''(i) the extent to which such financial institutions, transactions, or types of accounts are used to facilitate or promote money laundering in or through the jurisdiction;

''(ii) the extent to which such institutions, transactions, or types of accounts are used for legitimate business purposes in the jurisdiction; and

''(iii) the extent to which such action is sufficient to ensure, with respect to transactions involving the jurisdiction and institutions operating in the jurisdiction, that the purposes of this subchapter continue to be fulfilled, and to guard against international money laundering and other financial crimes.

''(d) NOTIFICATION OF SPECIAL MEASURES INVOKED BY THE SECRETARY.—Not later than 10 days after the date of any action taken by the Secretary under subsection (a)(1), the Secretary shall notify, in writing, the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate of any such action.

''(e) STUDY AND REPORT ON FOREIGN NATIONALS.—

''(1) STUDY.—The Secretary, in consultation with the appropriate Federal agencies, including the Federal banking agencies (as defined in section 3 of the Federal Deposit Insurance Act), shall conduct a study to—

''(A) determine the most timely and effective way to require foreign nationals to provide domestic financial institutions and agencies with appropriate and accurate information, comparable to that which is required of United States nationals, concerning their identity, address, and other related information necessary to enable such institutions and agencies to comply with the reporting, information gathering, and other requirements of this section; and

''(B) consider the need for requiring foreign nationals to apply for and obtain an identification number, similar to what is required for United States citizens through a social security number or tax identification number, prior to opening an account with a domestic financial institution.

''(2) REPORT.—The Secretary shall report to Congress not later than 180 days after the date of enactment of this section with recommendations for implementing such action referred to in paragraph (1) in a timely and effective manner.

''(f) DEFINITIONS.—Notwithstanding any other provision of this subchapter, for purposes of this section, the following definitions shall apply:

''(1) BANK DEFINITIONS.—The following definitions shall apply with respect to a bank:

''(A) ACCOUNT.—The term 'account'—

''(i) means a formal banking or business relationship established to provide regular services, dealings, and other financial transactions; and

''(ii) includes a demand deposit, savings deposit, or other transaction or asset account and a credit account or other extension of credit.

''(B) CORRESPONDENT ACCOUNT.—The term 'correspondent account' means an account established to receive deposits from, make payments on behalf of a foreign financial institution, or handle other financial transactions related to such institution.

''(C) PAYABLE-THROUGH ACCOUNT.—The term 'payable-through account' means an account, including a transaction account (as defined in section 19(b)(1)(C) of the Federal Reserve Act), opened at a depository institution by a foreign financial institution by means of which the foreign financial institution permits its customers to engage, either directly or through a subaccount, in banking activities usual in connection with the business of banking in the United States.

''(2) DEFINITIONS APPLICABLE TO INSTITUTIONS OTHER THAN BANKS.—With respect to any financial institution other than a bank, the Secretary shall, after consultation with the Securities and Exchange Commission, define by regulation the term 'account', and shall include within the meaning of that term, to the extent, if any, that the Secretary deems appropriate, arrangements similar to payable-through and correspondent accounts.

''(3) REGULATORY DEFINITION.—The Secretary shall promulgate regulations defining beneficial ownership of an account for purposes of this section. Such regulations shall address issues related to an individual's authority to fund, direct, or manage the account (including, without limitation, the power to direct payments into or out of the account), and an individual's material interest in the income or corpus of the account, and shall ensure that the identification of individuals under this section does not extend to any individual whose beneficial interest in the income or corpus of the account is immaterial.''.

''(4) OTHER TERMS.—The Secretary may, by regulation, further define the terms in paragraphs (1) and (2) and define other terms for the purposes of this section, as the Secretary deems appropriate.''.

(b) CLERICAL AMENDMENT.—The table of sections for subchapter II of chapter 53 of title 31, United States Code, is amended by inserting after the item relating to section 5318 the following new item:

''5318A. Special measures for jurisdictions, financial institutions, or international transactions of primary money laundering concern.''.

SEC. 312. SPECIAL DUE DILIGENCE FOR CORRESPONDENT ACCOUNTS AND PRIVATE BANKING ACCOUNTS.

(a) IN GENERAL.—Section 5318 of title 31, United States Code, is amended by adding at the end the following:

''(i) DUE DILIGENCE FOR UNITED STATES PRIVATE BANKING AND CORRESPONDENT BANK ACCOUNTS INVOLVING FOREIGN PERSONS.—

''(1) IN GENERAL.—Each financial institution that establishes, maintains, administers, or manages a private banking account or a correspondent account in the United States for a non-United States person, including a foreign individual visiting the United States, or a representative of a non-United States person shall establish appropriate, specific, and, where necessary, enhanced, due diligence policies, procedures, and controls to detect and report instances of money laundering through those accounts.

''(2) MINIMUM STANDARDS FOR CORRESPONDENT ACCOUNTS.—

''(A) IN GENERAL.—Subparagraph (B) shall apply if a correspondent account is requested or maintained by, or on behalf of, a foreign bank operating—

''(i) under an offshore banking license; or

''(ii) under a banking license issued by a foreign country that has been designated—

''(I) as noncooperative with international anti-money laundering principles or procedures by an intergovernmental group or organization of which the United States is a member; or

''(II) by the Secretary as warranting special measures due to money laundering concerns.

''(B) POLICIES, PROCEDURES, AND CONTROLS.—The enhanced due diligence policies,

procedures, and controls required under paragraph (1) shall, at a minimum, ensure that the financial institution in the United States takes reasonable steps—

''(i) to ascertain for any such foreign bank, the shares of which are not publicly traded, the identity of each of the owners of the foreign bank, and the nature and extent of the ownership interest of each such owner;

''(ii) to conduct enhanced scrutiny of such account to guard against money laundering and report any suspicious transactions under section 5318(g); and

''(iii) to ascertain whether such foreign bank provides correspondent accounts to other foreign banks and, if so, the identity of those foreign banks and related due diligence information, as appropriate under paragraph (1).

''(3) MINIMUM STANDARDS FOR PRIVATE BANKING ACCOUNTS.—If a private banking account is requested or maintained by, or on behalf of, a non-United States person, then the due diligence policies, procedures, and controls required under paragraph (1) shall, at a minimum, ensure that the financial institution takes reasonable steps—

''(A) to ascertain the identity of the nominal and beneficial owners of, and the source of funds deposited into, such account as needed to guard against money laundering and report any suspicious transactions under section 5318(g); and

''(B) to conduct enhanced scrutiny of any such account that is requested or maintained by, or on behalf of, a senior foreign political figure, or any immediate family member or close associate of a senior foreign political figure, to prevent, detect, and report transactions that may involve the proceeds of foreign corruption.

''(4) DEFINITIONS AND REGULATORY AUTHORITY.—

''(A) OFFSHORE BANKING LICENSE.—For purposes of this subsection, the term 'offshore banking license' means a license to conduct banking activities which, as a condition of the license, prohibits the licensed entity from conducting banking activities with the citizens of, or with the local currency of, the country which issued the license.

''(B) REGULATORY AUTHORITY.—The Secretary, in consultation with the appropriate functional regulators of the affected financial institutions, may further delineate, by regulation the due diligence policies, procedures, and controls required under paragraph (1).''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect beginning 180 days after the date of enactment of this Act with respect to accounts covered by section 5318(i) of title 31, United States Code, as added by this section, that are opened before, on, or after the date of enactment of this Act.

SEC. 313. PROHIBITION ON UNITED STATES CORRESPONDENT ACCOUNTS WITH FOREIGN SHELL BANKS.

(a) IN GENERAL.—Section 5318 of title 31, United States Code, is amended by inserting after section 5318(i), as added by section 312 of this title, the following:

''(j) PROHIBITION ON UNITED STATES CORRESPONDENT ACCOUNTS WITH FOREIGN SHELL BANKS.—

''(1) IN GENERAL.—A financial institution described in subparagraphs (A) through (F) of section 5312(a)(2) (in this subsection referred to as a 'covered financial institution') shall not establish, maintain, administer, or manage a correspondent account in the United States for, or on behalf of, a foreign bank that does not have a physical presence in any country.

''(2) PREVENTION OF INDIRECT SERVICE TO FOREIGN SHELL BANKS.—A covered financial institution shall take reasonable steps to ensure that any correspondent account established, maintained, administered, or managed by that covered financial institution in the United States for a foreign bank is not being used by that foreign bank to indirectly provide banking services to another foreign bank that does not have a physical presence in any country. The Secretary shall, by regulation, delineate the reasonable steps necessary to comply with this paragraph.

''(3) EXCEPTION.—Paragraphs (1) and (2) do not prohibit a covered financial institution from providing a correspondent account to a foreign bank, if the foreign bank—

''(A) is an affiliate of a depository institution, credit union, or foreign bank that maintains a physical presence in the United States or a foreign country, as applicable; and

''(B) is subject to supervision by a banking authority in the country regulating the affiliated depository institution, credit union, or foreign bank described in subparagraph (A), as applicable.

''(4) DEFINITIONS.—For purposes of this subsection—

''(A) the term 'affiliate' means a foreign bank that is controlled by or is under common control with a depository institution, credit union, or foreign bank; and

''(B) the term 'physical presence' means a place of business that—

''(i) is maintained by a foreign bank;

''(ii) is located at a fixed address (other than solely an electronic address) in a country in which the foreign bank is authorized to conduct banking activities, at which location the foreign bank—

''(I) employs 1 or more individuals on a full-time basis; and

''(II) maintains operating records related to its banking activities; and

''(iii) is subject to inspection by the banking authority which licensed the foreign bank to conduct banking activities.''.

SEC. 314. COOPERATIVE EFFORTS TO DETER MONEY LAUNDERING.

(a) COOPERATION AMONG FINANCIAL INSTITUTIONS, REGULATORY AUTHORITIES, AND LAW ENFORCEMENT AUTHORITIES.—

(1) REGULATIONS.—The Secretary shall, within 120 days after the date of enactment of this Act, adopt regulations to encourage further cooperation among financial institutions, their regulatory authorities, and law enforcement authorities, with the specific purpose of encouraging regulatory authorities and law enforcement authorities to share with financial institutions information regarding individuals, entities, and organizations engaged in or reasonably suspected based on credible evidence of engaging in terrorist acts or money laundering activities.

(2) CONTENTS.—The regulations promulgated pursuant to paragraph (1) may—

(A) require that each financial institution designate 1 or more persons to receive information concerning, and to monitor accounts of individuals, entities, and organizations identified, pursuant to paragraph (1); and

(B) further establish procedures for the protection of the shared information, consistent with the capacity, size, and nature of the institution to which the particular procedures apply.

(3) RULE OF CONSTRUCTION.—The receipt of information by a financial institution pursuant to this section shall not relieve or otherwise modify the obligations of the financial institution with respect to any other person or account.

(4) USE OF INFORMATION.—Information received by a financial institution pursuant to this section shall not be used for any purpose other than identifying and reporting on activities that may involve terrorist acts or money laundering activities.

(b) COOPERATION AMONG FINANCIAL INSTITUTIONS.—Upon notice provided to the Secretary, 2 or more financial institutions and any association of financial institutions may share information with one another regarding individuals, entities, organizations, and countries suspected of possible terrorist or money laundering activities. A financial institution or association that transmits, receives, or shares such information for the purposes of identifying and reporting activities that may involve terrorist acts or money laundering activities shall not be liable to any person under any law or regulation of the United States, any constitution, law, or regulation of any State or political subdivision thereof, or under any contract or other legally enforceable agreement (including any arbitration agreement), for such disclosure or for any failure to provide notice of such disclosure to the person who is the subject of such disclosure, or any other person identified in the disclosure, except where such transmission, receipt, or sharing violates this section or regulations promulgated pursuant to this section.

(c) RULE OF CONSTRUCTION.—Compliance with the provisions of this title requiring or allowing financial institutions and any association of financial institutions to disclose or share information regarding individuals, entities, and organizations engaged in or suspected of engaging in terrorist acts or money laundering activities shall not constitute a violation of the provisions of title V of the Gramm-Leach-Bliley Act (Public Law 106–102).

SEC. 315. INCLUSION OF FOREIGN CORRUPTION OFFENSES AS MONEY LAUNDERING CRIMES.

Section 1956(c)(7)(B) of title 18, United States Code, is amended—

(1) in clause (ii), by striking ''or destruction of property by means of explosive or fire'' and inserting ''destruction of property by means of explosive or fire, or a crime of violence (as defined in section 16)'';

(2) in clause (iii), by striking ''1978'' and inserting ''1978)''; and

(3) by adding at the end the following:

''(iv) bribery of a public official, or the misappropriation, theft, or embezzlement of public funds by or for the benefit of a public official;

''(v) smuggling or export control violations involving—

''(I) an item controlled on the United States Munitions List established under section 38 of the Arms Export Control Act (22 U.S.C. 2778); or

''(II) an item controlled under regulations under the Export Administration Act of 1977 (15 C.F.R. Parts 730–774);

''(vi) an offense with respect to which the United States would be obligated by a multilateral treaty, either to extradite the alleged offender or to submit the case for prosecution, if the offender were found within the territory of the United States; or

''(vii) the misuse of funds of, or provided by, the International Monetary Fund in contravention of the Articles of Agreement of the Fund or the misuse of funds of, or provided by, any other international financial institution (as defined in section 1701(c)(2) of the International Financial Institutions Act (22 U.S.C. 262r(c)(2)) in contravention of any treaty or other international agreement to

which the United States is a party, including any articles of agreement of the members of the international financial institution;''.

SEC. 316. ANTI-TERRORIST FORFEITURE PROTECTION.

(a) RIGHT TO CONTEST.—An owner of property that is confiscated under any provision of law relating to the confiscation of assets of suspected international terrorists, may contest that confiscation by filing a claim in the manner set forth in the Federal Rules of Civil Procedure (Supplemental Rules for Certain Admiralty and Maritime Claims), and asserting as an affirmative defense that—

(1) the property is not subject to confiscation under such provision of law; or

(2) the innocent owner provisions of section 983(d) of title 18, United States Code, apply to the case.

(b) EVIDENCE.—In considering a claim filed under this section, the Government may rely on evidence that is otherwise inadmissible under the Federal Rules of Evidence, if a court determines that such reliance is necessary to protect the national security interests of the United States.

(c) OTHER REMEDIES.—Nothing in this section shall limit or otherwise affect any other remedies that may be available to an owner of property under section 983 of title 18, United States Code, or any other provision of law.

SEC. 317. LONG-ARM JURISDICTION OVER FOREIGN MONEY LAUNDERERS.

Section 1956(b) of title 18, United States Code, is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and moving the margins 2 ems to the right;

(2) by inserting after ''(b)'' the following: ''PENALTIES.—

''(1) IN GENERAL.—'';

(3) by inserting '', or section 1957'' after ''or (a)(3)''; and

(4) by adding at the end the following:

''(2) JURISDICTION OVER FOREIGN PERSONS.—For purposes of adjudicating an action filed or enforcing a penalty ordered under this section, the district courts shall have jurisdiction over any foreign person, including any financial institution authorized under the laws of a foreign country, against whom the action is brought, if service of process upon the foreign person is made under the Federal Rules of Civil Procedure or the laws of the country in which the foreign person is found, and—

''(A) the foreign person commits an offense under subsection (a) involving a financial transaction that occurs in whole or in part in the United States;

''(B) the foreign person converts, to his or her own use, property in which the United States has an ownership interest by virtue of the entry of an order of forfeiture by a court of the United States; or

''(C) the foreign person is a financial institution that maintains a bank account at a financial institution in the United States.

''(3) COURT AUTHORITY OVER ASSETS.—A court described in paragraph (2) may issue a pretrial restraining order or take any other action necessary to ensure that any bank account or other property held by the defendant in the United States is available to satisfy a judgment under this section.

''(4) FEDERAL RECEIVER.—

''(A) IN GENERAL.—A court described in paragraph (2) may appoint a Federal Receiver, in accordance with subparagraph (B) of this paragraph, to collect, marshal, and take custody, control, and possession of all assets of the defendant, wherever located, to satisfy a judgment under this section or section 981, 982, or 1957, including an order of restitution to any victim of a specified unlawful activity.

''(B) APPOINTMENT AND AUTHORITY.—A Federal Receiver described in subparagraph (A)—

''(i) may be appointed upon application of a Federal prosecutor or a Federal or State regulator, by the court having jurisdiction over the defendant in the case;

''(ii) shall be an officer of the court, and the powers of the Federal Receiver shall include the powers set out in section 754 of title 28, United States Code; and

''(iii) shall have standing equivalent to that of a Federal prosecutor for the purpose of submitting requests to obtain information regarding the assets of the defendant—

''(I) from the Financial Crimes Enforcement Network of the Department of the Treasury; or

''(II) from a foreign country pursuant to a mutual legal assistance treaty, multilateral agreement, or other arrangement for international law enforcement assistance, provided that such requests are in accordance with the policies and procedures of the Attorney General.''.

SEC. 318. LAUNDERING MONEY THROUGH A FOREIGN BANK.

Section 1956(c) of title 18, United States Code, is amended by striking paragraph (6) and inserting the following:

''(6) the term 'financial institution' includes—

''(A) any financial institution, as defined in section 5312(a)(2) of title 31, United States Code, or the regulations promulgated thereunder; and

''(B) any foreign bank, as defined in section 1 of the International Banking Act of 1978 (12 U.S.C. 3101).''.

SEC. 319. FORFEITURE OF FUNDS IN UNITED STATES INTERBANK ACCOUNTS.

(a) FORFEITURE FROM UNITED STATES INTERBANK ACCOUNT.—Section 981 of title 18, United States Code, is amended by adding at the end the following:

''(k) INTERBANK ACCOUNTS.—

''(1) IN GENERAL.—

''(A) IN GENERAL.—For the purpose of a forfeiture under this section or under the Controlled Substances Act (21 U.S.C. 801 et seq.), if funds are deposited into an account at a foreign bank, and that foreign bank has an interbank account in the United States with a covered financial institution (as defined in section 5318A of title 31), the funds shall be deemed to have been deposited into the interbank account in the United States, and any restraining order, seizure warrant, or arrest warrant in rem regarding the funds may be served on the covered financial institution, and funds in the interbank account, up to the value of the funds deposited into the account at the foreign bank, may be restrained, seized, or arrested.

''(B) AUTHORITY TO SUSPEND.—The Attorney General, in consultation with the Secretary, may suspend or terminate a forfeiture under this section if the Attorney General determines that a conflict of law exists between the laws of the jurisdiction in which the foreign bank is located and the laws of the United States with respect to liabilities arising from the restraint, seizure, or arrest of such funds, and that such suspension or termination would be in the interest of justice and would not harm the national interests of the United States.

''(2) NO REQUIREMENT FOR GOVERNMENT TO TRACE FUNDS.—If a forfeiture action is brought against funds that are restrained, seized, or arrested under paragraph (1), it shall not be necessary for the Government to establish that the funds are directly traceable to the funds that were deposited into the foreign bank, nor shall it be necessary for the Government to rely on the application of section 984.

''(3) CLAIMS BROUGHT BY OWNER OF THE FUNDS.—If a forfeiture action is instituted against funds restrained, seized, or arrested under paragraph (1), the owner of the funds deposited into the account at the foreign bank may contest the forfeiture by filing a claim under section 983.

''(4) DEFINITIONS.—For purposes of this subsection, the following definitions shall apply:

''(A) INTERBANK ACCOUNT.—The term 'interbank account' has the same meaning as in section 984(c)(2)(B).

''(B) OWNER.—

''(i) IN GENERAL.—Except as provided in clause (ii), the term 'owner'—

''(I) means the person who was the owner, as that term is defined in section 983(d)(6), of the funds that were deposited into the foreign bank at the time such funds were deposited; and

''(II) does not include either the foreign bank or any financial institution acting as an intermediary in the transfer of the funds into the interbank account.

''(ii) EXCEPTION.—The foreign bank may be considered the 'owner' of the funds (and no other person shall qualify as the owner of such funds) only if—

''(I) the basis for the forfeiture action is wrongdoing committed by the foreign bank; or

''(II) the foreign bank establishes, by a preponderance of the evidence, that prior to the restraint, seizure, or arrest of the funds, the foreign bank had discharged all or part of its obligation to the prior owner of the funds, in which case the foreign bank shall be deemed the owner of the funds to the extent of such discharged obligation.''.

(b) BANK RECORDS.—Section 5318 of title 31, United States Code, is amended by adding at the end the following:

''(k) BANK RECORDS RELATED TO ANTI-MONEY LAUNDERING PROGRAMS.—

''(1) DEFINITIONS.—For purposes of this subsection, the following definitions shall apply:

''(A) APPROPRIATE FEDERAL BANKING AGENCY.—The term 'appropriate Federal banking agency' has the same meaning as in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813).

''(B) INCORPORATED TERMS.—The terms 'correspondent account', 'covered financial institution', and 'foreign bank' have the same meanings as in section 5318A.

''(2) 120-HOUR RULE.—Not later than 120 hours after receiving a request by an appropriate Federal banking agency for information related to anti-money laundering compliance by a covered financial institution or a customer of such institution, a covered financial institution shall provide to the appropriate Federal banking agency, or make available at a location specified by the representative of the appropriate Federal banking agency, information and account documentation for any account opened, maintained, administered or managed in the United States by the covered financial institution.

''(3) FOREIGN BANK RECORDS.—

''(A) SUMMONS OR SUBPOENA OF RECORDS.—

''(i) IN GENERAL.—The Secretary or the Attorney General may issue a summons or subpoena to any foreign bank that maintains a correspondent account in the United States

and request records related to such correspondent account, including records maintained outside of the United States relating to the deposit of funds into the foreign bank.

''(ii) SERVICE OF SUMMONS OR SUBPOENA.—A summons or subpoena referred to in clause (i) may be served on the foreign bank in the United States if the foreign bank has a representative in the United States, or in a foreign country pursuant to any mutual legal assistance treaty, multilateral agreement, or other request for international law enforcement assistance.

''(B) ACCEPTANCE OF SERVICE.—

''(i) MAINTAINING RECORDS IN THE UNITED STATES.—Any covered financial institution which maintains a correspondent account in the United States for a foreign bank shall maintain records in the United States identifying the owners of such foreign bank and the name and address of a person who resides in the United States and is authorized to accept service of legal process for records regarding the correspondent account.

''(ii) LAW ENFORCEMENT REQUEST.—Upon receipt of a written request from a Federal law enforcement officer for information required to be maintained under this paragraph, the covered financial institution shall provide the information to the requesting officer not later than 7 days after receipt of the request.

''(C) TERMINATION OF CORRESPONDENT RELATIONSHIP.—

''(i) TERMINATION UPON RECEIPT OF NOTICE.—A covered financial institution shall terminate any correspondent relationship with a foreign bank not later than 10 business days after receipt of written notice from the Secretary or the Attorney General that the foreign bank has failed—

''(I) to comply with a summons or subpoena issued under subparagraph (A); or

''(II) to initiate proceedings in a United States court contesting such summons or subpoena.

''(ii) LIMITATION ON LIABILITY.—A covered financial institution shall not be liable to any person in any court or arbitration proceeding for terminating a correspondent relationship in accordance with this subsection.

''(iii) FAILURE TO TERMINATE RELATIONSHIP.—Failure to terminate a correspondent relationship in accordance with this subsection shall render the covered financial institution liable for a civil penalty of up to $10,000 per day until the correspondent relationship is so terminated.''.

(c) GRACE PERIOD.—Financial institutions affected by section 5333 of title 31 United States Code, as amended by this title, shall have 60 days from the date of enactment of this Act to comply with the provisions of that section.

(d) REQUESTS FOR RECORDS.—Section 3486(a)(1) of title 18, United States Code, is amended by striking '', or (II) a Federal offense involving the sexual exploitation or abuse of children'' and inserting '', (II) a Federal offense involving the sexual exploitation or abuse of children, or (III) money laundering, in violation of section 1956, 1957, or 1960 of this title''.

(e) AUTHORITY TO ORDER CONVICTED CRIMINAL TO RETURN PROPERTY LOCATED ABROAD.—

(1) FORFEITURE OF SUBSTITUTE PROPERTY.—Section 413(p) of the Controlled Substances Act (21 U.S.C. 853) is amended to read as follows:

''(p) FORFEITURE OF SUBSTITUTE PROPERTY.—

''(1) IN GENERAL.—Paragraph (2) of this subsection shall apply, if any property described in subsection (a), as a result of any act or omission of the defendant—

''(A) cannot be located upon the exercise of due diligence;

''(B) has been transferred or sold to, or deposited with, a third party;

''(C) has been placed beyond the jurisdiction of the court;

''(D) has been substantially diminished in value; or

''(E) has been commingled with other property which cannot be divided without difficulty.

''(2) SUBSTITUTE PROPERTY.—In any case described in any of subparagraphs (A) through (E) of paragraph (1), the court shall order the forfeiture of any other property of the defendant, up to the value of any property described in subparagraphs (A) through (E) of paragraph (1), as applicable.

''(3) RETURN OF PROPERTY TO JURISDICTION.—In the case of property described in paragraph (1)(C), the court may, in addition to any other action authorized by this subsection, order the defendant to return the property to the jurisdiction of the court so that the property may be seized and forfeited.''.

(2) PROTECTIVE ORDERS.—Section 413(e) of the Controlled Substances Act (21 U.S.C. 853(e)) is amended by adding at the end the following:

''(4) ORDER TO REPATRIATE AND DEPOSIT.—

''(A) IN GENERAL.—Pursuant to its authority to enter a pretrial restraining order under this section, including its authority to restrain any property forfeitable as substitute assets, the court may order a defendant to repatriate any property that may be seized and forfeited, and to deposit that property pending trial in the registry of the court, or with the United States Marshals Service or the Secretary of the Treasury, in an interest-bearing account, if appropriate.

''(B) FAILURE TO COMPLY.—Failure to comply with an order under this subsection, or an order to repatriate property under subsection (p), shall be punishable as a civil or criminal contempt of court, and may also result in an enhancement of the sentence of the defendant under the obstruction of justice provision of the Federal Sentencing Guidelines.''.

SEC. 320. PROCEEDS OF FOREIGN CRIMES.

Section 981(a)(1)(B) of title 18, United States Code, is amended to read as follows:

''(B) Any property, real or personal, within the jurisdiction of the United States, constituting, derived from, or traceable to, any proceeds obtained directly or indirectly from an offense against a foreign nation, or any property used to facilitate such an offense, if the offense—

''(i) involves the manufacture, importation, sale, or distribution of a controlled substance (as that term is defined for purposes of the Controlled Substances Act), or any other conduct described in section 1956(c)(7)(B);

''(ii) would be punishable within the jurisdiction of the foreign nation by death or imprisonment for a term exceeding 1 year; and

''(iii) would be punishable under the laws of the United States by imprisonment for a term exceeding 1 year, if the act or activity constituting the offense had occurred within the jurisdiction of the United States.''.

SEC. 321. EXCLUSION OF ALIENS INVOLVED IN MONEY LAUNDERING.

Section 212(a)(2) of the Immigration and Nationality Act of 1952 (8 U.S.C. 1182(a)(2)) is amended by adding at the end the following:

''(I) MONEY LAUNDERING ACTIVITIES.—Any alien who the consular officer or the Attorney General knows or has reason to believe is or has been engaged in activities which, if engaged in within the United States would constitute a violation of section 1956 or 1957 of title 18, United States Code, or has been a knowing assister, abettor, conspirator, or colluder with others in any such illicit activity is inadmissible.''.

SEC. 322. CORPORATION REPRESENTED BY A FUGITIVE.

Section 2466 of title 18, United States Code, is amended by designating the present matter as subsection (a), and adding at the end the following:

''(b) Subsection (a) may be applied to a claim filed by a corporation if any majority shareholder, or individual filing the claim on behalf of the corporation is a person to whom subsection (a) applies.''.

SEC. 323. ENFORCEMENT OF FOREIGN JUDGMENTS.

Section 2467 of title 28, United States Code, is amended—

(1) in subsection (d), by adding the following after paragraph (2):

''(3) PRESERVATION OF PROPERTY.—To preserve the availability of property subject to a foreign forfeiture or confiscation judgment, the Government may apply for, and the court may issue, a restraining order pursuant to section 983(j) of title 18, United States Code, at any time before or after an application is filed pursuant to subsection (c)(1). The court, in issuing the restraining order—

''(A) may rely on information set forth in an affidavit describing the nature of the proceeding investigation underway in the foreign country, and setting forth a reasonable basis to believe that the property to be restrained will be named in a judgment of forfeiture at the conclusion of such proceeding; or

''(B) may register and enforce a restraining order has been issued by a court of competent jurisdiction in the foreign country and certified by the Attorney General pursuant to subsection (b)(2).

No person may object to the restraining order on any ground that is the subject to parallel litigation involving the same property that is pending in a foreign court.'';

(2) in subsection (b)(1)(C), by striking ''establishing that the defendant received notice of the proceedings in sufficient time to enable the defendant'' and inserting ''establishing that the foreign nation took steps, in accordance with the principles of due process, to give notice of the proceedings to all persons with an interest in the property in sufficient time to enable such persons'';

(3) in subsection (d)(1)(D), by striking ''the defendant in the proceedings in the foreign court did not receive notice'' and inserting ''the foreign nation did not take steps, in accordance with the principles of due process, to give notice of the proceedings to a person with an interest in the property''; and

(4) in subsection (a)(2)(A), by inserting '', any violation of foreign law that would constitute a violation of an offense for which property could be forfeited under Federal law if the offense were committed in the United States'' after ''United Nations Convention''.

SEC. 324. INCREASE IN CIVIL AND CRIMINAL PENALTIES FOR MONEY LAUNDERING.

(a) CIVIL PENALTIES.—Section 5321(a) of title 31, United States Code, is amended by adding at the end the following:

''(7) PENALTIES FOR INTERNATIONAL COUNTER MONEY LAUNDERING VIOLATIONS.—The Secretary may impose a civil money penalty in an amount equal to not less than

2 times the amount of the transaction, but not more than $1,000,000, on any financial institution or agency that violates any provision of subsection (i) or (j) of section 5318 or any special measures imposed under section 5318A.''.

(b) CRIMINAL PENALTIES.—Section 5322 of title 31, United States Code, is amended by adding at the end the following:

''(d) A financial institution or agency that violates any provision of subsection (i) or (j) of section 5318, or any special measures imposed under section 5318A, or any regulation prescribed under subsection (i) or (j) of section 5318 or section 5318A, shall be fined in an amount equal to not less than 2 times the amount of the transaction, but not more than $1,000,000.''.

SEC. 325. REPORT AND RECOMMENDATION.

Not later than 30 months after the date of enactment of this Act, the Secretary, in consultation with the Attorney General, the Federal banking agencies (as defined at section 3 of the Federal Deposit Insurance Act), the Securities and Exchange Commission, and such other agencies as the Secretary may determine, at the discretion of the Secretary, shall evaluate the operations of the provisions of this subtitle and make recommendations to Congress as to any legislative action with respect to this subtitle as the Secretary may determine to be necessary or advisable.

SEC. 326. REPORT ON EFFECTIVENESS.

The Secretary shall report annually on measures taken pursuant to this subtitle, and shall submit the report to the Committee on Banking, Housing, and Urban Affairs of the Senate and to the Committee on Financial Services of the House of Representatives.

SEC. 327. CONCENTRATION ACCOUNTS AT FINANCIAL INSTITUTIONS.

Section 5318(h) of title 31, United States Code, as amended by section 202 of this title, is amended by adding at the end the following:

''(3) CONCENTRATION ACCOUNTS.—The Secretary may issue regulations under this subsection that govern maintenance of concentration accounts by financial institutions, in order to ensure that such accounts are not used to prevent association of the identity of an individual customer with the movement of funds of which the customer is the direct or beneficial owner, which regulations shall, at a minimum—

''(A) prohibit financial institutions from allowing clients to direct transactions that move their funds into, out of, or through the concentration accounts of the financial institution;

''(B) prohibit financial institutions and their employees from informing customers of the existence of, or the means of identifying, the concentration accounts of the institution; and

''(C) require each financial institution to establish written procedures governing the documentation of all transactions involving a concentration account, which procedures shall ensure that, any time a transaction involving a concentration account commingles funds belonging to 1 or more customers, the identity of, and specific amount belonging to, each customer is documented.''.

Subtitle B—Currency Transaction Reporting Amendments and Related Improvements

SEC. 331. AMENDMENTS RELATING TO REPORTING OF SUSPICIOUS ACTIVITIES.

(a) AMENDMENT RELATING TO CIVIL LIABILITY IMMUNITY FOR DISCLOSURES.—Section 5318(g)(3) of title 31, United States Code, is amended to read as follows:

''(3) LIABILITY FOR DISCLOSURES.—

''(A) IN GENERAL.—Any financial institution that makes a voluntary disclosure of any possible violation of law or regulation to a government agency or makes a disclosure pursuant to this subsection or any other authority, and any director, officer, employee, or agent of such institution who makes, or requires another to make any such disclosure, shall not be liable to any person under any law or regulation of the United States, any constitution, law, or regulation of any State or political subdivision of any State, or under any contract or other legally enforceable agreement (including any arbitration agreement), for such disclosure or for any failure to provide notice of such disclosure to the person who is the subject of such disclosure or any other person identified in the disclosure.

''(B) RULE OF CONSTRUCTION.—Subparagraph (A) shall not be construed as creating—

''(i) any inference that the term 'person', as used in such subparagraph, may be construed more broadly than its ordinary usage so as to include any government or agency of government; or

''(ii) any immunity against, or otherwise affecting, any civil or criminal action brought by any government or agency of government to enforce any constitution, law, or regulation of such government or agency.''.

(b) PROHIBITION ON NOTIFICATION OF DISCLOSURES.—Section 5318(g)(2) of title 31, United States Code, is amended to read as follows:

''(2) NOTIFICATION PROHIBITED.—

''(A) IN GENERAL.—If a financial institution or any director, officer, employee, or agent of any financial institution, voluntarily or pursuant to this section or any other authority, reports a suspicious transaction to a government agency—

''(i) the financial institution, director, officer, employee, or agent may not notify any person involved in the transaction that the transaction has been reported; and

''(ii) no officer or employee of the Federal Government or of any State, local, tribal, or territorial government within the United States, who has any knowledge that such report was made may disclose to any person involved in the transaction that the transaction has been reported, other than as necessary to fulfill the official duties of such officer or employee.

''(B) DISCLOSURES IN CERTAIN EMPLOYMENT REFERENCES.—

''(i) RULE OF CONSTRUCTION.—Notwithstanding the application of subparagraph (A) in any other context, subparagraph (A) shall not be construed as prohibiting any financial institution, or any director, officer, employee, or agent of such institution, from including information that was included in a report to which subparagraph (A) applies—

''(I) in a written employment reference that is provided in accordance with section 18(v) of the Federal Deposit Insurance Act in response to a request from another financial institution, except that such written reference may not disclose that such information was also included in any such report or that such report was made; or

''(II) in a written termination notice or employment reference that is provided in accordance with the rules of the self-regulatory organizations registered with the Securities and Exchange Commission, except that such written notice or reference may not disclose that such information was also included in any such report or that such report was made.

''(ii) INFORMATION NOT REQUIRED.—Clause (i) shall not be construed, by itself, to create any affirmative duty to include any information described in clause (i) in any employment reference or termination notice referred to in clause (i).''.

SEC. 332. ANTI-MONEY LAUNDERING PROGRAMS.

Section 5318(h) of title 31, United States Code, is amended to read as follows:

''(h) ANTI-MONEY LAUNDERING PROGRAMS.—

''(1) IN GENERAL.—In order to guard against money laundering through financial institutions, each financial institution shall establish anti-money laundering programs, including, at a minimum—

''(A) the development of internal policies, procedures, and controls;

''(B) the designation of a compliance officer;

''(C) an ongoing employee training program; and

''(D) an independent audit function to test programs.

''(2) REGULATIONS.—The Secretary may prescribe minimum standards for programs established under paragraph (1), and may exempt from the application of those standards any financial institution that is not subject to the provisions of the rules contained in part 103 of title 31, of the Code of Federal Regulations, or any successor rule thereto, for so long as such financial institution is not subject to the provisions of such rules.''.

SEC. 333. PENALTIES FOR VIOLATIONS OF GEOGRAPHIC TARGETING ORDERS AND CERTAIN RECORDKEEPING REQUIREMENTS, AND LENGTHENING EFFECTIVE PERIOD OF GEOGRAPHIC TARGETING ORDERS.

(a) CIVIL PENALTY FOR VIOLATION OF TARGETING ORDER.—Section 5321(a)(1) of title 31, United States Code, is amended—

(1) by inserting ''or order issued'' after ''subchapter or a regulation prescribed''; and

(2) by inserting '', or willfully violating a regulation prescribed under section 21 of the Federal Deposit Insurance Act or section 123 of Public Law 91–508,'' after ''sections 5314 and 5315)''.

(b) CRIMINAL PENALTIES FOR VIOLATION OF TARGETING ORDER.—Section 5322 of title 31, United States Code, is amended—

(1) in subsection (a)—

(A) by inserting ''or order issued'' after ''willfully violating this subchapter or a regulation prescribed''; and

(B) by inserting '', or willfully violating a regulation prescribed under section 21 of the Federal Deposit Insurance Act or section 123 of Public Law 91–508,'' after ''under section 5315 or 5324)''; and

(2) in subsection (b)—

(A) by inserting ''or order issued'' after ''willfully violating this subchapter or a regulation prescribed''; and

(B) by inserting ''or willfully violating a regulation prescribed under section 21 of the Federal Deposit Insurance Act or section 123 of Public Law 91–508,'' after ''under section 5315 or 5324),''.

(c) STRUCTURING TRANSACTIONS TO EVADE TARGETING ORDER OR CERTAIN RECORDKEEPING REQUIREMENTS.—Section 5324(a) of title 31, United States Code, is amended—

(1) by inserting a comma after ''shall'';

(2) by striking ''section—'' and inserting ''section, the reporting or recordkeeping requirements imposed by any order issued under section 5326, or the recordkeeping requirements imposed by any regulation prescribed under section 21 of the Federal Deposit Insurance Act or section 123 of Public Law 91–508—'';

(3) in paragraph (1), by inserting '', to file a report or to maintain a record required by

an order issued under section 5326, or to maintain a record required pursuant to any regulation prescribed under section 21 of the Federal Deposit Insurance Act or section 123 of Public Law 91–508'' after ''regulation prescribed under any such section''; and

(4) in paragraph (2), by inserting '', to file a report or to maintain a record required by any order issued under section 5326, or to maintain a record required pursuant to any regulation prescribed under section 5326, or to maintain a record required pursuant to any regulation prescribed under section 21 of the Federal Deposit Insurance Act or section 123 of Public Law 91–508,'' after ''regulation prescribed under any such section''.

(d) LENGTHENING EFFECTIVE PERIOD OF GEOGRAPHIC TARGETING ORDERS.—Section 5326(d) of title 31, United States Code, is amended by striking ''more than 60'' and inserting ''more than 180''.

SEC. 334. ANTI-MONEY LAUNDERING STRATEGY.

(b) STRATEGY.—Section 5341(b) of title 31, United States Code, is amended by adding at the end the following:

''(12) DATA REGARDING FUNDING OF TERRORISM.—Data concerning money laundering efforts related to the funding of acts of international terrorism, and efforts directed at the prevention, detection, and prosecution of such funding.''.

SEC. 335. AUTHORIZATION TO INCLUDE SUSPICIONS OF ILLEGAL ACTIVITY IN WRITTEN EMPLOYMENT REFERENCES.

Section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828) is amended by adding at the end the following:

''(v) WRITTEN EMPLOYMENT REFERENCES MAY CONTAIN SUSPICIONS OF INVOLVEMENT IN ILLEGAL ACTIVITY.—

''(1) AUTHORITY TO DISCLOSE INFORMATION.—Notwithstanding any other provision of law, any insured depository institution, and any director, officer, employee, or agent of such institution, may disclose in any written employment reference relating to a current or former institution-affiliated party of such institution which is provided to another insured depository institution in response to a request from such other institution, information concerning the possible involvement of such institution-affiliated party in potentially unlawful activity.

''(2) INFORMATION NOT REQUIRED.—Nothing in paragraph (1) shall be construed, by itself, to create any affirmative duty to include any information described in paragraph (1) in any employment reference referred to in paragraph (1).

''(3) MALICIOUS INTENT.—Notwithstanding any other provision of this subsection, voluntary disclosure made by an insured depository institution, and any director, officer, employee, or agent of such institution under this subsection concerning potentially unlawful activity that is made with malicious intent, shall not be shielded from liability from the person identified in the disclosure.

''(4) DEFINITION.—For purposes of this subsection, the term 'insured depository institution' includes any uninsured branch or agency of a foreign bank.''.

SEC. 336. BANK SECRECY ACT ADVISORY GROUP.

Section 1564 of the Annunzio-Wylie Anti-Money Laundering Act (31 U.S.C. 5311 note) is amended—

(1) in subsection (a), by inserting '', of nongovernmental organizations advocating financial privacy,'' after ''Drug Control Policy''; and

(2) in subsection (c), by inserting '', other than subsections (a) and (d) of such Act which shall apply'' before the period at the end.

SEC. 337. AGENCY REPORTS ON RECONCILING PENALTY AMOUNTS.

Not later than 1 year after the date of enactment of this Act, the Secretary of the Treasury and the Federal banking agencies (as defined in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813)) shall each submit their respective reports to the Congress containing recommendations on possible legislation to conform the penalties imposed on depository institutions (as defined in section 3 of the Federal Deposit Insurance Act) for violations of subchapter II of chapter 53 of title 31, United States Code, to the penalties imposed on such institutions under section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818).

SEC. 338. REPORTING OF SUSPICIOUS ACTIVITIES BY SECURITIES BROKERS AND DEALERS; INVESTMENT COMPANY STUDY.

(a) 270-DAY REGULATION DEADLINE.—Not later than 270 days after the date of enactment of this Act, the Secretary of the Treasury, after consultation with the Securities and Exchange Commission and the Board of Governors of the Federal Reserve System, shall issue final regulations requiring registered brokers and dealers to file reports of suspicious financial transactions, consistent with the requirements applicable to financial institutions, and directors, officers, employees, and agents of financial institutions under section 5318(g) of title 31, United States Code.

(b) REPORT ON INVESTMENT COMPANIES.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, Secretary of the Treasury, the Board of Governors of the Federal Reserve System, and the Securities and Exchange Commission shall jointly submit a report to Congress on recommendations for effective regulations to apply the requirements of subchapter II of chapter 53 of title 31, United States Code, to investment companies, pursuant to section 5312(a)(2)(I) of title 31, United States Code.

(2) DEFINITION.—For purposes of this section, the term ''investment company''—

(A) has the same meaning as in section 3 of the Investment Company Act of 1940 (15 U.S.C. 80a–3); and

(B) any person that, but for the exceptions provided for in paragraph (1) or (7) of section 3(c) of the Investment Company Act of 1940 (15 U.S.C. 80a–3(c)), would be an investment company.

(3) ADDITIONAL RECOMMENDATIONS.—In its report, the Securities and Exchange Commission may make different recommendations for different types of entities covered by this section.

(4) BENEFICIAL OWNERSHIP OF PERSONAL HOLDING COMPANIES.—The report described in paragraph (1) shall also include recommendations as to whether the Secretary should promulgate regulations to treat any corporation or business or other grantor trust whose assets are predominantly securities, bank certificates of deposit, or other securities or investment instruments (other than such as relate to operating subsidiaries of such corporation or trust) and that has 5 or fewer common shareholders or holders of beneficial or other equity interest, as a financial institution within the meaning of that phrase in section 5312(a)(2)(I) and whether to require such corporations or trusts to disclose their beneficial owners when opening accounts or initiating funds transfers at any domestic financial institution.

SEC. 339. SPECIAL REPORT ON ADMINISTRATION OF BANK SECRECY PROVISIONS.

(a) REPORT REQUIRED.—Not later than 6 months after the date of enactment of this Act, the Secretary shall submit a report to the Congress relating to the role of the Internal Revenue Service in the administration of subchapter II of chapter 53 of title 31, United States Code (commonly known as the ''Bank Secrecy Act'').

(b) CONTENTS.—The report required by subsection (a)—

(1) shall specifically address, and contain recommendations concerning—

(A) whether it is advisable to shift the processing of information reporting to the Department of the Treasury under the Bank Secrecy Act provisions to facilities other than those managed by the Internal Revenue Service; and

(B) whether it remains reasonable and efficient, in light of the objective of both anti-money-laundering programs and Federal tax administration, for the Internal Revenue Service to retain authority and responsibility for audit and examination of the compliance of money services businesses and gaming institutions with those Bank Secrecy Act provisions; and

(2) shall, if the Secretary determines that the information processing responsibility or the audit and examination responsibility of the Internal Revenue Service, or both, with respect to those Bank Secrecy Act provisions should be transferred to other agencies, include the specific recommendations of the Secretary regarding the agency or agencies to which any such function should be transferred, complete with a budgetary and resources plan for expeditiously accomplishing the transfer.

SEC. 340. BANK SECRECY PROVISIONS AND ANTI-TERRORIST ACTIVITIES OF UNITED STATES INTELLIGENCE AGENCIES.

(a) AMENDMENT RELATING TO THE PURPOSES OF THE BANK SECRECY ACT.—Section 5311 of title 31, United States Code, is amended by inserting before the period at the end the following: '', or in the conduct of intelligence or counterintelligence activities, including analysis, to protect against international terrorism''.

(b) AMENDMENT RELATING TO REPORTING OF SUSPICIOUS ACTIVITIES.—Section 5318(g)(4)(B) of title 31, United States Code, is amended by striking ''or supervisory agency'' and inserting '', supervisory agency, or United States intelligence agency for use in the conduct of intelligence or counterintelligence activities, including analysis, to protect against international terrorism''.

(c) AMENDMENT RELATING TO AVAILABILITY OF REPORTS.—Section 5319 of title 31, United States Code, is amended to read as follows:

''§ 5319. Availability of reports

''The Secretary of the Treasury shall make information in a report filed under this subchapter available to an agency, including any State financial institutions supervisory agency or United States intelligence agency, upon request of the head of the agency. The report shall be available for a purpose that is consistent with this subchapter. The Secretary may only require reports on the use of such information by any State financial institutions supervisory agency for other than supervisory purposes or by United States intelligence agencies. However, a report and records of reports are exempt from disclosure under section 552 of title 5.''.

(d) AMENDMENT RELATING TO THE PURPOSES OF THE BANK SECRECY ACT PROVISIONS.—Section 21(a) of the Federal Deposit Insurance Act (12 U.S.C. 1829b(a)) is amended to read as follows:

''(a) CONGRESSIONAL FINDINGS AND DECLARATION OF PURPOSE.—

''(1) FINDINGS.—Congress finds that—

''(A) adequate records maintained by insured depository institutions have a high degree of usefulness in criminal, tax, and regulatory investigations or proceedings, and that, given the threat posed to the security of the Nation on and after the terrorist attacks against the United States on September 11, 2001, such records may also have a high degree of usefulness in the conduct of intelligence or counterintelligence activities, including analysis, to protect against domestic and international terrorism; and

''(B) microfilm or other reproductions and other records made by insured depository institutions of checks, as well as records kept by such institutions, of the identity of persons maintaining or authorized to act with respect to accounts therein, have been of particular value in proceedings described in subparagraph (A).

''(2) PURPOSE.—It is the purpose of this section to require the maintenance of appropriate types of records by insured depository institutions in the United States where such records have a high degree of usefulness in criminal, tax, or regulatory investigations or proceedings, recognizes that, given the threat posed to the security of the Nation on and after the terrorist attacks against the United States on September 11, 2001, such records may also have a high degree of usefulness in the conduct of intelligence or counterintelligence activities, including analysis, to protect against international terrorism.''.

(e) AMENDMENT RELATING TO THE PURPOSES OF THE BANK SECRECY ACT.—Section 123(a) of Public Law 91–508 (12 U.S.C. 1953(a)) is amended to read as follows:

''(a) REGULATIONS.—If the Secretary determines that the maintenance of appropriate records and procedures by any uninsured bank or uninsured institution, or any person engaging in the business of carrying on in the United States any of the functions referred to in subsection (b), has a high degree of usefulness in criminal, tax, or regulatory investigations or proceedings, and that, given the threat posed to the security of the Nation on and after the terrorist attacks against the United States on September 11, 2001, such records may also have a high degree of usefulness in the conduct of intelligence or counterintelligence activities, including analysis, to protect against international terrorism, he may by regulation require such bank, institution, or person.''.

(f) AMENDMENTS TO THE RIGHT TO FINANCIAL PRIVACY ACT.—The Right to Financial Privacy Act of 1978 is amended—

(1) in section 1112(a) (12 U.S.C. 3412(a)), by inserting '', or intelligence or counterintelligence activity, investigation or analysis related to international terrorism'' after ''legitimate law enforcement inquiry''; and

(2) in section 1114(a)(1) (12 U.S.C. 3414(a)(1))—

(A) in subparagraph (A), by striking ''or'' at the end;

(B) in subparagraph (B), by striking the period at the end and inserting ''; or''; and

(C) by adding at the end the following:

''(C) a Government authority authorized to conduct investigations of, or intelligence or counterintelligence analyses related to, international terrorism for the purpose of conducting such investigations or analyses.''.

(g) AMENDMENT TO THE FAIR CREDIT REPORTING ACT.—The Fair Credit Reporting Act (15 U.S.C. 1681 et seq.) is amended by adding at the end the following new section:

''SEC. 626. DISCLOSURES TO GOVERNMENTAL AGENCIES FOR COUNTERTERRORISM PURPOSES.

''(a) DISCLOSURE.—Notwithstanding section 604 or any other provision of this title, a consumer reporting agency shall furnish a consumer report of a consumer and all other information in a consumer's file to a government agency authorized to conduct investigations of, or intelligence or counterintelligence activities or analysis related to, international terrorism when presented with a written certification by such government agency that such information is necessary for the agency's conduct or such investigation, activity or analysis.

''(b) FORM OF CERTIFICATION.—The certification described in subsection (a) shall be signed by the Secretary of the Treasury.

''(c) CONFIDENTIALITY.—No consumer reporting agency, or officer, employee, or agent of such consumer reporting agency, shall disclose to any person, or specify in any consumer report, that a government agency has sought or obtained access to information under subsection (a).

''(d) RULE OF CONSTRUCTION.—Nothing in section 625 shall be construed to limit the authority of the Director of the Federal Bureau of Investigation under this section.

''(e) SAFE HARBOR.—Notwithstanding any other provision of this subchapter, any consumer reporting agency or agent or employee thereof making disclosure of consumer reports or other information pursuant to this section in good-faith reliance upon a certification of a governmental agency pursuant to the provisions of this section shall not be liable to any person for such disclosure under this subchapter, the constitution of any State, or any law or regulation of any State or any political subdivision of any State.''.

SEC. 341. REPORTING OF SUSPICIOUS ACTIVITIES BY HAWALA AND OTHER UNDERGROUND BANKING SYSTEMS.

(a) DEFINITION FOR SUBCHAPTER.—Section 5312(a)(2)(R) of title 31, United States Code, is amended to read as follows:

''(R) a licensed sender of money or any other person who engages as a business in the transmission of funds, including through an informal value transfer banking system or network of people facilitating the transfer of value domestically or internationally outside of the conventional financial institutions system;''.

(b) MONEY TRANSMITTING BUSINESS.—Section 5330(d)(1)(A) of title 31, United States Code, is amended by inserting before the semicolon the following: ''or any other person who engages as a business in the transmission of funds, including through an informal value transfer banking system or network of people facilitating the transfer of value domestically or internationally outside of the conventional financial institutions system;''.

(d) APPLICABILITY OF RULES.—Section 5318 of title 31, United States Code, as amended by this title, is amended by adding at the end the following:

''(l) APPLICABILITY OF RULES.—Any rules promulgated pursuant to the authority contained in section 21 of the Federal Deposit Insurance Act (12 U.S.C. 1829b) shall apply, in addition to any other financial institution to which such rules apply, to any person that engages as a business in the transmission of funds, including through an informal value transfer banking system or network of people facilitating the transfer of value domestically or internationally outside of the conventional financial institutions system.''.

(e) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary of the Treasury shall report to Congress on the need for any additional legislation relating to informal value transfer banking systems or networks of people facilitating the transfer of value domestically or internationally outside of the conventional financial institutions system, counter money laundering and regulatory controls relating to underground money movement and banking systems, such as the system referred to as 'hawala', including whether the threshold for the filing of suspicious activity reports under section 5318(g) of title 31, United States Code should be lowered in the case of such systems.

SEC. 342. USE OF AUTHORITY OF UNITED STATES EXECUTIVE DIRECTORS.

(a) ACTION BY THE PRESIDENT.—If the President determines that a particular foreign country has taken or has committed to take actions that contribute to efforts of the United States to respond to, deter, or prevent acts of international terrorism, the Secretary of the Treasury may, consistent with other applicable provisions of law, instruct the United States Executive Director of each international financial institution to use the voice and vote of the Executive Director to support any loan or other utilization of the funds of respective institutions for such country, or any public or private entity within such country.

(b) USE OF VOICE AND VOTE.—The Secretary of the Treasury may instruct the United States Executive Director of each international financial institution to aggressively use the voice and vote of the Executive Director to require an auditing of disbursements at such institutions to ensure that no funds are paid to persons who commit, threaten to commit, or support terrorism.

(c) DEFINITION.—For purposes of this section, the term ''international financial institution'' means an institution described in section 1701(c)(2) of the International Financial Institutions Act (22 U.S.C. 262r(c)(2)).

Subtitle C—Currency Crimes

SEC. 351. BULK CASH SMUGGLING.

(a) FINDINGS.—Congress finds that—

(1) effective enforcement of the currency reporting requirements of chapter 53 of title 31, United States Code (commonly referred to as the Bank Secrecy Act), and the regulations promulgated thereunder, has forced drug dealers and other criminals engaged in cash-based businesses to avoid using traditional financial institutions;

(2) in their effort to avoid using traditional financial institutions, drug dealers, and other criminals are forced to move large quantities of currency in bulk form to and through the airports, border crossings, and other ports of entry where it can be smuggled out of the United States and placed in a foreign financial institution or sold on the black market;

(3) the transportation and smuggling of cash in bulk form may, at the time of enactment of this Act, be the most common form of money laundering, and the movement of large sums of cash is one of the most reliable warning signs of drug trafficking, terrorism, money laundering, racketeering, tax evasion, and similar crimes;

(4) the intentional transportation into or out of the United States of large amounts of currency or monetary instruments, in a manner designed to circumvent the mandatory reporting provisions of chapter 53 of title 31, United States Code, is the equivalent of, and creates the same harm as, the smuggling of goods;

(5) the arrest and prosecution of bulk cash smugglers is an important part of law enforcement's effort to stop the laundering of

criminal proceeds, but the couriers who attempt to smuggle the cash out of the United States are typically low-level employees of large criminal organizations, and are easily replaced, and therefore only the confiscation of the smuggled bulk cash can effectively break the cycle of criminal activity of which the laundering of bulk cash is a critical part;

(6) the penalties for violations of the currency reporting requirements of the chapter 53 of title 31, United States Code, are insufficient to provide a deterrent to the laundering of criminal proceeds;

(7) because the only criminal violation under Federal law before the date of enactment of this Act was a reporting offense, the law does not adequately provide for the confiscation of smuggled currency; and

(8) if the smuggling of bulk cash were itself an offense, the cash could be confiscated as the corpus delicti of the smuggling offense.

(b) PURPOSES.—The purposes of this section are—

(1) to make the act of smuggling bulk cash itself a criminal offense;

(2) to authorize forfeiture of any cash or instruments of the smuggling offense;

(3) to emphasize the seriousness of the act of bulk cash smuggling; and

(4) to prescribe guidelines for determining the amount of property subject to such forfeiture in various situations.

(c) BULK CASH SMUGGLING OFFENSE.—

(1) IN GENERAL.—Subchapter II of chapter 53 of title 31, United States Code, is amended by adding at the end the following:

"§ 5331. Bulk cash smuggling

''(a) CRIMINAL OFFENSE.—

''(1) IN GENERAL.—Whoever, with the intent to evade a currency reporting requirement under section 5316, knowingly conceals more than $10,000 in currency or other monetary instruments on his or her person or in any conveyance, article of luggage, merchandise, or other container, and transports or transfers or attempts to transport or transfer the currency or monetary instruments from a place within the United States to a place outside of the United States, or from a place outside of the United States to a place within the United States, shall be guilty of a currency smuggling offense and subject to punishment under subsection (b).

''(b) PENALTIES.—

''(1) PRISON TERM.—A person convicted of a currency smuggling offense under subsection (a), or a conspiracy to commit such an offense, shall be imprisoned for not more than 5 years.

''(2) FORFEITURE.—

''(A) IN GENERAL.—In addition to a prison term under paragraph (1), the court, in imposing sentence, shall order that the defendant forfeit to the United States any property, real or personal, involved in the offense, and any property traceable to such property, subject to subsection (d).

''(B) APPLICABILITY OF OTHER LAWS.—The seizure, restraint, and forfeiture of property under this section shall be governed by section 413 of the Controlled Substances Act (21 U.S.C. 853). If the property subject to forfeiture is unavailable, and the defendant has no substitute property that may be forfeited pursuant to section 413(p) of that Act, the court shall enter a personal money judgment against the defendant in an amount equal to the value of the unavailable property.

''(c) SEIZURE OF SMUGGLING CASH.—

''(1) IN GENERAL.—Any property involved in a violation of subsection (a), or a conspiracy to commit such violation, and any property traceable thereto, may be seized and, subject to subsection (d), forfeited to the United States.

''(2) APPLICABLE PROCEDURES.—A seizure and forfeiture under this subsection shall be governed by the procedures governing civil forfeitures under section 981(a)(1)(A) of title 18, United States Code.

''(d) PROPORTIONALITY OF FORFEITURE.—

''(1) MITIGATION.—Upon a showing by the property owner by a preponderance of the evidence that the currency or monetary instruments involved in the offense giving rise to the forfeiture were derived from a legitimate source and were intended for a lawful purpose, the court shall reduce the forfeiture to the maximum amount that is not grossly disproportional to the gravity of the offense.

''(2) CONSIDERATIONS.—In determining the amount of the forfeiture under paragraph (1), the court shall consider all aggravating and mitigating facts and circumstances that have a bearing on the gravity of the offense, including—

''(A) the value of the currency or other monetary instruments involved in the offense;

''(B) efforts by the person committing the offense to structure currency transactions, conceal property, or otherwise obstruct justice; and

''(C) whether the offense is part of a pattern of repeated violations of Federal law.

''(e) RULE OF CONSTRUCTION.—For purposes of subsections (b) and (c), any currency or other monetary instrument that is concealed or intended to be concealed in violation of subsection (a) or a conspiracy to commit such violation, any article, container, or conveyance used or intended to be used to conceal or transport the currency or other monetary instrument, and any other property used or intended to be used to facilitate the offense, shall be considered property involved in the offense.''.

(2) CLERICAL AMENDMENT.—The table of sections for chapter 53 of title 31, United States Code, is amended by inserting after the item relating to section 5330 the following new item:

''5331. Bulk cash smuggling.''.

(d) CURRENCY REPORTING VIOLATIONS.—Section 5317(c) of title 31, United States Code, is amended to read as follows:

''(c) FORFEITURE OF PROPERTY.—

''(1) IN GENERAL.—

''(A) CRIMINAL FORFEITURE.—The court, in imposing sentence for any violation of section 5313, 5316, or 5324, or any conspiracy to commit such violation, shall order the defendant to forfeit all property, real or personal, involved in the offense and any property traceable thereto.

''(B) APPLICABLE PROCEDURES.—Forfeitures under this paragraph shall be governed by the procedures set forth in section 413 of the Controlled Substances Act (21 U.S.C. 853), and the guidelines set forth in paragraph (3) of this subsection.

''(2) CIVIL FORFEITURE.—Any property involved in a violation of section 5313, 5316, or 5324, or any conspiracy to commit such violation, and any property traceable thereto, may be seized and, subject to paragraph (3), forfeited to the United States in accordance with the procedures governing civil forfeitures in money laundering cases pursuant to section 981(a)(1)(A) of title 18, United States Code.

''(3) MITIGATION.—In a forfeiture case under this subsection, upon a showing by the property owner by a preponderance of the evidence that any currency or monetary instruments involved in the offense giving rise to the forfeiture were derived from a legitimate source, and were intended for a lawful purpose, the court shall reduce the forfeiture to the maximum amount that is not grossly disproportional to the gravity of the offense. In determining the amount of the forfeiture, the court shall consider all aggravating and mitigating facts and circumstances that have a bearing on the gravity of the offense. Such circumstances include, but are not limited to, the following: the value of the currency or other monetary instruments involved in the offense; efforts by the person committing the offense to structure currency transactions, conceal property, or otherwise obstruct justice; and whether the offense is part of a pattern of repeated violations.

(e) CONFORMING AMENDMENTS.—Title 18, United States Code, is amended—

(1) in section 981(a)(1)(A) by striking ''of section 5313(a) or 5324(a) of title 31, or''; and

(2) in section 982(a)(1), striking ''of section 5313(a), 5316, or 5324 of title 31, or''.

Subtitle E—Anticorruption Measures

SEC. 361. CORRUPTION OF FOREIGN GOVERNMENTS AND RULING ELITES.

It is the sense of Congress that, in deliberations between the United States Government and any other country on money laundering and corruption issues, the United States Government should—

(1) emphasize an approach that addresses not only the laundering of the proceeds of traditional criminal activity but also the increasingly endemic problem of governmental corruption and the corruption of ruling elites;

(2) encourage the enactment and enforcement of laws in such country to prevent money laundering and systemic corruption;

(3) make clear that the United States will take all steps necessary to identify the proceeds of foreign government corruption which have been deposited in United States financial institutions and return such proceeds to the citizens of the country to whom such assets belong; and

(4) advance policies and measures to promote good government and to prevent and reduce corruption and money laundering, including through instructions to the United States Executive Director of each international financial institution (as defined in section 1701(c) of the International Financial Institutions Act) to advocate such policies as a systematic element of economic reform programs and advice to member governments.

SEC. 362. SUPPORT FOR THE FINANCIAL ACTION TASK FORCE ON MONEY LAUNDERING.

It is the sense of Congress that—

(1) the United States should continue to actively and publicly support the objectives of the Financial Action Task Force on Money Laundering (hereafter in this section referred to as the ''FATF'') with regard to combating international money laundering;

(2) the FATF should identify noncooperative jurisdictions in as expeditious a manner as possible and publicly release a list directly naming those jurisdictions identified;

(3) the United States should support the public release of the list naming noncooperative jurisdictions identified by the FATF;

(4) the United States should encourage the adoption of the necessary international action to encourage compliance by the identified noncooperative jurisdictions; and

(5) the United States should take the necessary countermeasures to protect the United States economy against money of unlawful origin and encourage other nations to do the same.

SEC. 363. TERRORIST FUNDING THROUGH MONEY LAUNDERING.

It is the sense of the Congress that, in deliberations and negotiations between the United States Government and any other country regarding financial, economic, assistance, or defense issues, the United States should encourage such other country—

(1) to take actions which would identify and prevent the transmittal of funds to and from terrorists and terrorist organizations; and

(2) to engage in bilateral and multilateral cooperation with the United States and other countries to identify suspected terrorists, terrorist organizations, and persons supplying funds to and receiving funds from terrorists and terrorist organizations.

TITLE IV—PROTECTING THE BORDER

Subtitle A—Protecting the Northern Border

SEC. 401. ENSURING ADEQUATE PERSONNEL ON THE NORTHERN BORDER.

The Attorney General is authorized to waive any FTE cap on personnel assigned to the Immigration and Naturalization Service to address the national security needs of the United States on the Northern border.

SEC. 402. NORTHERN BORDER PERSONNEL.

There are authorized to be appropriated—

(1) such sums as may be necessary to triple the number of Border Patrol personnel (from the number authorized under current law), and the necessary personnel and facilities to support such personnel, in each State along the Northern Border;

(2) such sums as may be necessary to triple the number of Customs Service personnel (from the number authorized under current law), and the necessary personnel and facilities to support such personnel, at ports of entry in each State along the Northern Border;

(3) such sums as may be necessary to triple the number of INS inspectors (from the number authorized on the date of enactment of this Act), and the necessary personnel and facilities to support such personnel, at ports of entry in each State along the Northern Border; and

(4) an additional $50,000,000 each to the Immigration and Naturalization Service and the United States Customs Service for purposes of making improvements in technology for monitoring the Northern Border and acquiring additional equipment at the Northern Border.

SEC. 403. ACCESS BY THE DEPARTMENT OF STATE AND THE INS TO CERTAIN IDENTIFYING INFORMATION IN THE CRIMINAL HISTORY RECORDS OF VISA APPLICANTS AND APPLICANTS FOR ADMISSION TO THE UNITED STATES.

(a) AMENDMENT OF THE IMMIGRATION AND NATIONALITY ACT.—Section 105 of the Immigration and Nationality Act (8 U.S.C. 1105) is amended—

(1) in the section heading, by inserting ''; DATA EXCHANGE'' after ''SECURITY OFFICERS'';

(2) by inserting ''(a)'' after ''SEC. 105.'';

(3) in subsection (a), by inserting ''and border'' after ''internal'' the second place it appears; and

(4) by adding at the end the following:

''(b)(1) The Attorney General and the Director of the Federal Bureau of Investigation shall provide the Department of State and the Service access to the criminal history record information contained in the National Crime Information Center's Interstate Identification Index (NCIC-III), Wanted Persons File, and to any other files maintained by the National Crime Information Center that may be mutually agreed upon by the Attorney General and the agency receiving the access, for the purpose of determining whether or not a visa applicant or applicant for admission has a criminal history record indexed in any such file.

''(2) Such access shall be provided by means of extracts of the records for placement in the automated visa lookout or other appropriate database, and shall be provided without any fee or charge.

''(3) The Federal Bureau of Investigation shall provide periodic updates of the extracts at intervals mutually agreed upon with the agency receiving the access. Upon receipt of such updated extracts, the receiving agency shall make corresponding updates to its database and destroy previously provided extracts.

''(4) Access to an extract does not entitle the Department of State to obtain the full content of the corresponding automated criminal history record. To obtain the full content of a criminal history record, the Department of State shall submit the applicant's fingerprints and any appropriate fingerprint processing fee authorized by law to the Criminal Justice Information Services Division of the Federal Bureau of Investigation.

''(c) The provision of the extracts described in subsection (b) may be reconsidered by the Attorney General and the receiving agency upon the development and deployment of a more cost-effective and efficient means of sharing the information.

''(d) For purposes of administering this section, the Department of State shall, prior to receiving access to NCIC data but not later than 4 months after the date of enactment of this subsection, promulgate final regulations—

''(1) to implement procedures for the taking of fingerprints; and

''(2) to establish the conditions for the use of the information received from the Federal Bureau of Investigation, in order—

''(A) to limit the redissemination of such information;

''(B) to ensure that such information is used solely to determine whether or not to issue a visa to an alien or to admit an alien to the United States;

''(C) to ensure the security, confidentiality, and destruction of such information; and

''(D) to protect any privacy rights of individuals who are subjects of such information.''.

(b) REPORTING REQUIREMENT.—Not later than 2 years after the date of enactment of this Act, the Attorney General and the Secretary of State jointly shall report to Congress on the implementation of the amendments made by this section.

(c) TECHNOLOGY STANDARD TO CONFIRM IDENTITY.—

(1) IN GENERAL.—The Attorney General and the Secretary of State jointly, through the National Institute of Standards and Technology (NIST), and in consultation with the Secretary of the Treasury and other Federal law enforcement and intelligence agencies the Attorney General or Secretary of State deems appropriate, shall within 2 years after the date of enactment of this section, develop and certify a technology standard that can confirm the identity of a person applying for a United States visa or such person seeking to enter the United States pursuant to a visa.

(2) INTEGRATED.—The technology standard developed pursuant to paragraph (1), shall be the technological basis for a cross-agency, cross-platform electronic system that is a cost-effective, efficient, fully integrated means to share law enforcement and intelligence information necessary to confirm the identity of such persons applying for a United States visa or such person seeking to enter the United States pursuant to a visa.

(3) ACCESSIBLE.—The electronic system described in paragraph (2), once implemented, shall be readily and easily accessible to—

(A) all consular officers responsible for the issuance of visas;

(B) all Federal inspection agents at all United States border inspection points; and

(C) all law enforcement and intelligence officers as determined by regulation to be responsible for investigation or identification of aliens admitted to the United States pursuant to a visa.

(4) REPORT.—Not later than 18 months after the date of enactment of this Act, and every 2 years thereafter, the Attorney General and the Secretary of State shall jointly, in consultation with the Secretary of Treasury, report to Congress describing the development, implementation and efficacy of the technology standard and electronic database system described in this subsection.

(d) STATUTORY CONSTRUCTION.—Nothing in this section, or in any other law, shall be construed to limit the authority of the Attorney General or the Director of the Federal Bureau of Investigation to provide access to the criminal history record information contained in the National Crime Information Center's (NCIC) Interstate Identification Index (NCIC-III), or to any other information maintained by the NCIC, to any Federal agency or officer authorized to enforce or administer the immigration laws of the United States, for the purpose of such enforcement or administration, upon terms that are consistent with the National Crime Prevention and Privacy Compact Act of 1998 (subtitle A of title II of Public Law 105–251; 42 U.S.C. 14611–16) and section 552a of title 5, United States Code.

SEC. 404. LIMITED AUTHORITY TO PAY OVERTIME.

The matter under the headings ''Immigration And Naturalization Service: Salaries and Expenses, Enforcement And Border Affairs'' and ''Immigration And Naturalization Service: Salaries and Expenses, Citizenship And Benefits, Immigration And Program Direction'' in the Department of Justice Appropriations Act, 2001 (as enacted into law by Appendix B (H.R. 5548) of Public Law 106–553 (114 Stat. 2762A–58 to 2762A–59)) is amended by striking the following each place it occurs: ''*Provided*, That none of the funds available to the Immigration and Naturalization Service shall be available to pay any employee overtime pay in an amount in excess of $30,000 during the calendar year beginning January 1, 2001:''.

SEC. 405. REPORT ON THE INTEGRATED AUTOMATED FINGERPRINT IDENTIFICATION SYSTEM FOR POINTS OF ENTRY AND OVERSEAS CONSULAR POSTS.

(a) IN GENERAL.—The Attorney General, in consultation with the appropriate heads of other Federal agencies, including the Secretary of State, Secretary of the Treasury, and the Secretary of Transportation, shall report to Congress on the feasibility of enhancing the Integrated Automated Fingerprint Identification System (IAFIS) of the Federal Bureau of Investigation and other identification systems in order to better identify a person who holds a foreign passport or a visa and may be wanted in connection with a criminal investigation in the United States or abroad, before the issuance of a visa to that person or the entry or exit by that person from the United States.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated not less than $2,000,000 to carry out this section.

Subtitle B—Enhanced Immigration Provisions

SEC. 411. DEFINITIONS RELATING TO TERRORISM.

(a) GROUNDS OF INADMISSIBILITY.—Section 212(a)(3) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(3)) is amended—

(1) in subparagraph (B)—

(A) in clause (i)—

(i) by amending subclause (IV) to read as follows:

''(IV) is a representative (as defined in clause (v)) of—

''(aa) a foreign terrorist organization, as designated by the Secretary of State under section 219, or

''(bb) a political, social or other similar group whose public endorsement of acts of terrorist activity the Secretary of State has determined undermines United States efforts to reduce or eliminate terrorist activities,'';

(ii) in subclause (V), by inserting ''or'' after ''section 219,''; and

(iii) by adding at the end the following new subclauses:

''(VI) has used the alien's position of prominence within any country to endorse or espouse terrorist activity, or to persuade others to support terrorist activity or a terrorist organization, in a way that the Secretary of State has determined undermines United States efforts to reduce or eliminate terrorist activities, or

''(VII) is the spouse or child of an alien who is inadmissible under this section, if the activity causing the alien to be found inadmissible occurred within the last 5 years,'';

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

(C) in clause (i)(II), by striking ''clause (iii)'' and inserting ''clause (iv)'';

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

''(ii) EXCEPTION.—Subclause (VII) of clause (i) does not apply to a spouse or child—

''(I) who did not know or should not reasonably have known of the activity causing the alien to be found inadmissible under this section; or

''(II) whom the consular officer or Attorney General has reasonable grounds to believe has renounced the activity causing the alien to be found inadmissible under this section.'';

(E) in clause (iii) (as redesignated by subparagraph (B))—

(i) by inserting ''it had been'' before ''committed in the United States''; and

(ii) in subclause (V)(b), by striking ''or firearm'' and inserting '', firearm, or other weapon or dangerous device'';

(F) by amending clause (iv) (as redesignated by subparagraph (B)) to read as follows:

''(iv) ENGAGE IN TERRORIST ACTIVITY DEFINED.—As used in this chapter, the term 'engage in terrorist activity' means, in an individual capacity or as a member of an organization—

''(I) to commit or to incite to commit, under circumstances indicating an intention to cause death or serious bodily injury, a terrorist activity;

''(II) to prepare or plan a terrorist activity;

''(III) to gather information on potential targets for terrorist activity;

''(IV) to solicit funds or other things of value for—

''(aa) a terrorist activity;

''(bb) a terrorist organization described in clauses (vi)(I) or (vi)(II); or

''(cc) a terrorist organization described in clause (vi)(III), unless the solicitor can demonstrate that he did not know, and should not reasonably have known, that the solicitation would further the organization's terrorist activity;

''(V) to solicit any individual—

''(aa) to engage in conduct otherwise described in this clause;

''(bb) for membership in a terrorist organization described in clauses (vi)(I) or (vi)(II); or

''(cc) for membership in a terrorist organization described in clause (vi)(III), unless the solicitor can demonstrate that he did not know, and should not reasonably have known, that the solicitation would further the organization's terrorist activity; or

''(VI) to commit an act that the actor knows, or reasonably should know, affords material support, including a safe house, transportation, communications, funds, transfer of funds or other material financial benefit, false documentation or identification, weapons (including chemical, biological, or radiological weapons), explosives, or training—

''(aa) for the commission of a terrorist activity;

''(bb) to any individual who the actor knows, or reasonably should know, has committed or plans to commit a terrorist activity;

''(cc) to a terrorist organization described in clauses (vi)(I) or (vi)(II); or

''(dd) to a terrorist organization described in clause (vi)(III), unless the actor can demonstrate that he did not know, and should not reasonably have known, that the act would further the organization's terrorist activity.

This clause shall not apply to any material support the alien afforded to an organization or individual that has committed terrorist activity, if the Secretary of State, after consultation with the Attorney General, or the Attorney General, after consultation with the Secretary of State, concludes in his sole unreviewable discretion, that this clause should not apply.''; and

(D) by adding at the end the following new clause:

''(vi) TERRORIST ORGANIZATION DEFINED.—As used in clause (i)(VI) and clause (iv), the term 'terrorist organization' means an organization—

''(I) designated under section 219;

''(II) otherwise designated, upon publication in the Federal Register, by the Secretary of State in consultation with or upon the request of the Attorney General, as a terrorist organization, after finding that it engages in the activities described in subclause (I), (II), or (III) of clause (iv), or that it provides material support to further terrorist activity; or

''(III) that is a group of two or more individuals, whether organized or not, which engages in the activities described in subclause (I), (II), or (III) of clause (iv).''; and

(2) by adding at the end the following new subparagraph:

''(F) ASSOCIATION WITH TERRORIST ORGANIZATIONS.—Any alien who the Secretary of State, after consultation with the Attorney General, or the Attorney General, after consultation with the Secretary of State, determines has been associated with a terrorist organization and intends while in the United States to engage solely, principally, or incidentally in activities that could endanger the welfare, safety, or security of the United States is inadmissible.''.

(b) CONFORMING AMENDMENT.—Section 237(a)(4)(B) of the Immigration and Nationality Act (8 U.S.C. 1227(a)(4)(B)) is amended by striking ''section 212(a)(3)(B)(iii)'' and inserting ''section 212(a)(3)(B)(iv)''.

(c) RETROACTIVE APPLICATION OF AMENDMENTS.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall take effect on the date of enactment of this Act and shall apply to—

(A) actions taken by an alien before, on, or after such date; and

(B) all aliens, without regard to the date of entry or attempted entry into the United States—

(i) in removal proceedings on or after such date (except for proceedings in which there has been a final administrative decision before such date); or

(ii) seeking admission to the United States on or after such date.

(2) SPECIAL RULE FOR ALIENS IN EXCLUSION OR DEPORTATION PROCEEDINGS.—Notwithstanding any other provision of law, the amendments made by this section shall apply to all aliens in exclusion or deportation proceedings on or after the date of enactment of this Act (except for proceedings in which there has been a final administrative decision before such date) as if such proceedings were removal proceedings.

(3) SPECIAL RULE FOR SECTION 219 ORGANIZATIONS AND ORGANIZATIONS DESIGNATED UNDER SECTION 212(a)(3)(B)(vi)(II).—

(A) IN GENERAL.—Notwithstanding paragraphs (1) and (2), no alien shall be considered inadmissible under section 212(a)(3) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(3)), or deportable under section 237(a)(4)(B) of such Act (8 U.S.C. 1227(a)(4)(B)), by reason of the amendments made by subsection (a), on the ground that the alien engaged in a terrorist activity described in subclause (IV)(bb), (V)(bb), or (VI)(cc) of section 212(a)(3)(B)(iv) of such Act (as so amended) with respect to a group at any time when the group was not a terrorist organization designated by the Secretary of State under section 219 of such Act (8 U.S.C. 1189) or otherwise designated under section 212(a)(3)(B)(vi)(II).

(B) STATUTORY CONSTRUCTION.—Subparagraph (A) shall not be construed to prevent an alien from being considered inadmissible or deportable for having engaged in a terrorist activity—

(i) described in subclause (IV)(bb), (V)(bb), or (VI)(cc) of section 212(a)(3)(B)(iv) of such Act (as so amended) with respect to a terrorist organization at any time when such organization was designated by the Secretary of State under section 219 of such Act or otherwise designated under section 212(a)(3)(B)(vi)(II); or

(ii) described in subclause (IV)(cc), (V)(cc), or (VI)(dd) of section 212(a)(3)(B)(iv) of such Act (as so amended) with respect to a terrorist organization described in section 212(a)(3)(B)(vi)(III).

(4) EXCEPTION.—The Secretary of State, in consultation with the Attorney General, may determine that the amendments made by this section shall not apply with respect to actions by an alien taken outside the United States before the date of enactment of this Act upon the recommendation of a consular officer who has concluded that there is not reasonable ground to believe that the alien knew or reasonably should have known that the actions would further a terrorist activity.

(c) DESIGNATION OF FOREIGN TERRORIST ORGANIZATIONS.—Section 219(a) of the Immigration and Nationality Act (8 U.S.C. 1189(a)) is amended—

(1) in paragraph (1)(B), by inserting ''or terrorism (as defined in section 140(d)(2) of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (22 U.S.C. 2656f(d)(2)) or retains the capability and intent to engage in terrorist activity or terrorism)'' after ''212(a)(3)(B))'';

(2) in paragraph (1)(C), by inserting ''or terrorism'' after ''terrorist activity'';

(3) by amending paragraph (2)(A) to read as follows:

''(A) NOTICE.—

''(i) TO CONGRESSIONAL LEADERS.—Seven days before making a designation under this subsection, the Secretary shall, by classified communication, notify the Speaker and Minority Leader of the House of Representatives, the President pro tempore, Majority Leader, and Minority Leader of the Senate, and the members of the relevant committees, in writing, of the intent to designate an organization under this subsection, together with the findings made under paragraph (1) with respect to that organization, and the factual basis therefor.

''(ii) PUBLICATION IN FEDERAL REGISTER.—The Secretary shall publish the designation in the Federal Register seven days after providing the notification under clause (i).'';

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

(5) in paragraph (2)(C), by striking ''paragraph (2)'' and inserting ''paragraph (2)(A)(i)'';

(6) in paragraph (3)(B), by striking ''subsection (c)'' and inserting ''subsection (b)'';

(7) in paragraph (4)(B), by inserting after the first sentence the following: ''The Secretary also may redesignate such organization at the end of any 2-year redesignation period (but not sooner than 60 days prior to the termination of such period) for an additional 2-year period upon a finding that the relevant circumstances described in paragraph (1) still exist. Any redesignation shall be effective immediately following the end of the prior 2-year designation or redesignation period unless a different effective date is provided in such redesignation.'';

(8) in paragraph (6)(A)—

(A) by inserting ''or a redesignation made under paragraph (4)(B)'' after ''paragraph (1)'';

(B) in clause (i)—

(i) by inserting ''or redesignation'' after ''designation'' the first place it appears; and

(ii) by striking ''of the designation''; and

(C) in clause (ii), by striking ''of the designation'';

(9) in paragraph (6)(B)—

(A) by striking ''through (4)'' and inserting ''and (3)''; and

(B) by inserting at the end the following new sentence: ''Any revocation shall take effect on the date specified in the revocation or upon publication in the Federal Register if no effective date is specified.'';

(10) in paragraph (7), by inserting '', or the revocation of a redesignation under paragraph (6),'' after ''paragraph (5) or (6)''; and

(11) in paragraph (8)—

(A) by striking ''paragraph (1)(B)'' and inserting ''paragraph (2)(B), or if a redesignation under this subsection has become effective under paragraph (4)(B)'';

(B) by inserting ''or an alien in a removal proceeding'' after ''criminal action''; and

(C) by inserting ''or redesignation'' before ''as a defense''.

SEC. 412. MANDATORY DETENTION OF SUSPECTED TERRORISTS; HABEAS CORPUS; JUDICIAL REVIEW.

(a) IN GENERAL.—The Immigration and Nationality Act (8 U.S.C. 1101 et seq.) is amended by inserting after section 236 the following:

''MANDATORY DETENTION OF SUSPECTED TERRORISTS; HABEAS CORPUS; JUDICIAL REVIEW

''SEC. 236A. (a) DETENTION OF TERRORIST ALIENS.—

''(1) CUSTODY.—The Attorney General shall take into custody any alien who is certified under paragraph (3).

''(2) RELEASE.—Except as provided in paragraph (5), the Attorney General shall maintain custody of such an alien until the alien is removed from the United States. Such custody shall be maintained irrespective of any relief from removal for which the alien may be eligible, or any relief from removal granted the alien, until the Attorney General determines that the alien is no longer an alien who may be certified under paragraph (3).

''(3) CERTIFICATION.—The Attorney General may certify an alien under this paragraph if the Attorney General has reasonable grounds to believe that the alien—

''(A) is described in section 212(a)(3)(A)(i), 212(a)(3)(A)(iii), 212(a)(3)(B), 237(a)(4)(A)(i), 237(a)(4)(A)(iii), or 237(a)(4)(B); or

''(B) is engaged in any other activity that endangers the national security of the United States.

''(4) NONDELEGATION.—The Attorney General may delegate the authority provided under paragraph (3) only to the Commissioner. The Commissioner may not delegate such authority.

''(5) COMMENCEMENT OF PROCEEDINGS.—The Attorney General shall place an alien detained under paragraph (1) in removal proceedings, or shall charge the alien with a criminal offense, not later than 7 days after the commencement of such detention. If the requirement of the preceding sentence is not satisfied, the Attorney General shall release the alien.

''(b) HABEAS CORPUS AND JUDICIAL REVIEW.—Judicial review of any action or decision relating to this section (including judicial review of the merits of a determination made under subsection (a)(3)) is available exclusively in habeas corpus proceedings in the United States District Court for the District of Columbia. Notwithstanding any other provision of law, including section 2241 of title 28, United States Code, except as provided in the preceding sentence, no court shall have jurisdiction to review, by habeas corpus petition or otherwise, any such action or decision.

''(c) STATUTORY CONSTRUCTION.—The provisions of this section shall not be applicable to any other provisions of the Immigration and Nationality Act.''.

(b) CLERICAL AMENDMENT.—The table of contents of the Immigration and Nationality Act is amended by inserting after the item relating to section 236 the following:

''Sec. 236A. Mandatory detention of suspected terrorist; habeas corpus; judicial review.''.

(c) REPORTS.—Not later than 6 months after the date of the enactment of this Act, and every 6 months thereafter, the Attorney General shall submit a report to the Committee on the Judiciary of the House of Representatives and the Committee on the Judiciary of the Senate, with respect to the reporting period, on—

(1) the number of aliens certified under section 236A(a)(3) of the Immigration and Nationality Act, as added by subsection (a);

(2) the grounds for such certifications;

(3) the nationalities of the aliens so certified;

(4) the length of the detention for each alien so certified; and

(5) the number of aliens so certified who—

(A) were granted any form of relief from removal;

(B) were removed;

(C) the Attorney General has determined are no longer aliens who may be so certified; or

(D) were released from detention.

SEC. 413. MULTILATERAL COOPERATION AGAINST TERRORISTS.

Section 222(f) of the Immigration and Nationality Act (8 U.S.C. 1202(f)) is amended—

(1) by striking ''except that in the discretion of'' and inserting the following: ''except that—

''(1) in the discretion of''; and

(2) by adding at the end the following:

''(2) the Secretary of State, in the Secretary's discretion and on the basis of reciprocity, may provide to a foreign government information in the Department of State's computerized visa lookout database and, when necessary and appropriate, other records covered by this section related to information in the database—

''(A) with regard to individual aliens, at any time on a case-by-case basis for the purpose of preventing, investigating, or punishing acts that would constitute a crime in the United States, including, but not limited to, terrorism or trafficking in controlled substances, persons, or illicit weapons; or

''(B) with regard to any or all aliens in the database, pursuant to such conditions as the Secretary of State shall establish in an agreement with the foreign government in which that government agrees to use such information and records for the purposes described in subparagraph (A) or to deny visas to persons who would be inadmissible to the United States.''.

TITLE V—REMOVING OBSTACLES TO INVESTIGATING TERRORISM

SEC. 501. PROFESSIONAL STANDARDS FOR GOVERNMENT ATTORNEYS ACT OF 2001.

(a) SHORT TITLE.—This title may be cited as the ''Professional Standards for Government Attorneys Act of 2001''.

(b) PROFESSIONAL STANDARDS FOR GOVERNMENT ATTORNEYS.—Section 530B of title 28, United States Code, is amended to read as follows:

''§ 530B. Professional Standards for Government Attorneys

''(a) DEFINITIONS.—In this section:

''(1) GOVERNMENT ATTORNEY.—The term 'Government attorney'—

''(A) means the Attorney General; the Deputy Attorney General; the Solicitor General; the Associate Attorney General; the head of, and any attorney employed in, any division, office, board, bureau, component, or agency of the Department of Justice; any United States Attorney; any Assistant United States Attorney; any Special Assistant to the Attorney General or Special Attorney appointed under section 515; any Special Assistant United States Attorney appointed under section 543 who is authorized to conduct criminal or civil law enforcement investigations or proceedings on behalf of the United States; any other attorney employed by the Department of Justice who is authorized to conduct criminal or civil law enforcement proceedings on behalf of the United States; any independent counsel, or employee of such counsel, appointed under chapter 40; and any outside special counsel, or employee of such counsel, as may be duly appointed by the Attorney General; and

''(B) does not include any attorney employed as an investigator or other law enforcement agent by the Department of Justice who is not authorized to represent the

United States in criminal or civil law enforcement litigation or to supervise such proceedings.

''(2) STATE.—The term 'State' includes a Territory and the District of Columbia.

''(b) CHOICE OF LAW.—Subject to any uniform national rule prescribed by the Supreme Court under chapter 131, the standards of professional responsibility that apply to a Government attorney with respect to the attorney's work for the Government shall be—

''(1) for conduct in connection with a proceeding in or before a court, or conduct reasonably intended to lead to a proceeding in or before a court, the standards of professional responsibility established by the rules and decisions of the court in or before which the proceeding is brought or is intended to be brought;

''(2) for conduct in connection with a grand jury proceeding, or conduct reasonably intended to lead to a grand jury proceeding, the standards of professional responsibility established by the rules and decisions of the court under whose authority the grand jury was or will be impaneled; and

''(3) for all other conduct, the standards of professional responsibility established by the rules and decisions of the Federal district court for the judicial district in which the attorney principally performs his or her official duties.

''(c) LICENSURE.—A Government attorney (except foreign counsel employed in special cases)—

''(1) shall be duly licensed and authorized to practice as an attorney under the laws of a State; and

''(2) shall not be required to be a member of the bar of any particular State.

''(d) UNDERCOVER ACTIVITIES.—Notwithstanding any provision of State law, including disciplinary rules, statutes, regulations, constitutional provisions, or case law, a Government attorney may, for the purpose of enforcing Federal law, provide legal advice, authorization, concurrence, direction, or supervision on conducting undercover activities, and any attorney employed as an investigator or other law enforcement agent by the Department of Justice who is not authorized to represent the United States in criminal or civil law enforcement litigation or to supervise such proceedings may participate in such activities, even though such activities may require the use of deceit or misrepresentation, where such activities are consistent with Federal law.

''(e) ADMISSIBILITY OF EVIDENCE.—No violation of any disciplinary, ethical, or professional conduct rule shall be construed to permit the exclusion of otherwise admissible evidence in any Federal criminal proceedings.

''(f) RULEMAKING AUTHORITY.—The Attorney General shall make and amend rules of the Department of Justice to ensure compliance with this section.''.

(c) TECHNICAL AND CONFORMING AMENDMENT.—The analysis for chapter 31 of title 28, United States Code, is amended, in the item relating to section 530B, by striking ''Ethical standards for attorneys for the Government'' and inserting ''Professional standards for Government attorneys''.

(d) REPORTS.—

(1) UNIFORM RULE.—In order to encourage the Supreme Court to prescribe, under chapter 131 of title 28, United States Code, a uniform national rule for Government attorneys with respect to communications with represented persons and parties, not later than 1 year after the date of enactment of this Act, the Judicial Conference of the United States shall submit to the Chief Justice of the United States a report, which shall include recommendations with respect to amending the Federal Rules of Practice and Procedure to provide for such a uniform national rule.

(2) ACTUAL OR POTENTIAL CONFLICTS.—Not later than 2 years after the date of enactment of this Act, the Judicial Conference of the United States shall submit to the Chairmen and Ranking Members of the Committees on the Judiciary of the House of Representatives and the Senate a report, which shall include—

(A) a review of any areas of actual or potential conflict between specific Federal duties related to the investigation and prosecution of violations of Federal law and the regulation of Government attorneys (as that term is defined in section 530B of title 28, United States Code, as amended by this Act) by existing standards of professional responsibility; and

(B) recommendations with respect to amending the Federal Rules of Practice and Procedure to provide for additional rules governing attorney conduct to address any areas of actual or potential conflict identified pursuant to the review under subparagraph (A).

(3) REPORT CONSIDERATIONS.—In carrying out paragraphs (1) and (2), the Judicial Conference of the United States shall take into consideration—

(A) the needs and circumstances of multiforum and multijurisdictional litigation;

(B) the special needs and interests of the United States in investigating and prosecuting violations of Federal criminal and civil law; and

(C) practices that are approved under Federal statutory or case law or that are otherwise consistent with traditional Federal law enforcement techniques.

SEC. 502. ATTORNEY GENERAL'S AUTHORITY TO PAY REWARDS TO COMBAT TERRORISM.

(a) PAYMENT OF REWARDS TO COMBAT TERRORISM.—Funds available to the Attorney General may be used for the payment of rewards pursuant to public advertisements for assistance to the Department of Justice to combat terrorism and defend the Nation against terrorist acts, in accordance with procedures and regulations established or issued by the Attorney General.

(b) CONDITIONS.—In making rewards under this section—

(1) no such reward of $250,000 or more may be made or offered without the personal approval of either the Attorney General or the President;

(2) the Attorney General shall give written notice to the Chairmen and ranking minority members of the Committees on Appropriations and the Judiciary of the Senate and of the House of Representatives not later than 30 days after the approval of a reward under paragraph (1);

(3) any executive agency or military department (as defined, respectively, in sections 105 and 102 of title 5, United States Code) may provide the Attorney General with funds for the payment of rewards;

(4) neither the failure of the Attorney General to authorize a payment nor the amount authorized shall be subject to judicial review; and

(5) no such reward shall be subject to any per- or aggregate reward spending limitation established by law, unless that law expressly refers to this section, and no reward paid pursuant to any such offer shall count toward any such aggregate reward spending limitation.

SEC. 503. SECRETARY OF STATE'S AUTHORITY TO PAY REWARDS.

Section 36 of the State Department Basic Authorities Act of 1956 (Public Law 885, August 1, 1956; 22 U.S.C. 2708) is amended—

(1) in subsection (b)—

(A) in paragraph (4), by striking ''or'' at the end;

(B) in paragraph (5), by striking the period at the end and inserting '', including by dismantling an organization in whole or significant part; or''; and

(C) by adding at the end the following:

''(6) the identification or location of an individual who holds a key leadership position in a terrorist organization.'';

(2) in subsection (d), by striking paragraphs (2) and (3) and redesignating paragraph (4) as paragraph (2); and

(3) in subsection (e)(1), by inserting '', except as personally authorized by the Secretary of State if he determines that offer or payment of an award of a larger amount is necessary to combat terrorism or defend the Nation against terrorist acts.'' after ''$5,000,000''.

SEC. 504. DNA IDENTIFICATION OF TERRORISTS AND OTHER VIOLENT OFFENDERS.

Section 3(d)(2) of the DNA Analysis Backlog Elimination Act of 2000 (42 U.S.C. 14135a(d)(2)) is amended to read as follows:

''(2) In additional to the offenses described in paragraph (1), the following offenses shall be treated for purposes of this section as qualifying Federal offenses, as determined by the Attorney General:

''(A) Any offense listed in section 2332b(g)(5)(B) of title 18, United States Code.

''(B) Any crime of violence (as defined in section 16 of title 18, United States Code).

''(C) Any attempt or conspiracy to commit any of the above offenses.''.

SEC. 505. COORDINATION WITH LAW ENFORCEMENT.

(a) INFORMATION ACQUIRED FROM AN ELECTRONIC SURVEILLANCE.—Section 106 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1806), is amended by adding at the end the following:

''(k)(1) Federal officers who conduct electronic surveillance to acquire foreign intelligence information under this title may consult with Federal law enforcement officers to coordinate efforts to investigate or protect against—

''(A) actual or potential attack or other grave hostile acts of a foreign power or an agent of a foreign power;

''(B) sabotage or international terrorism by a foreign power or an agent of a foreign power; or

''(C) clandestine intelligence activities by an intelligence service or network of a foreign power or by an agent of a foreign power.

''(2) Coordination authorized under paragraph (1) shall not preclude the certification required by section 104(a)(7)(B) or the entry of an order under section 105.''.

(b) INFORMATION ACQUIRED FROM A PHYSICAL SEARCH.—Section 305 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1825) is amended by adding at the end the following:

''(k)(1) Federal officers who conduct physical searches to acquire foreign intelligence information under this title may consult with Federal law enforcement officers to coordinate efforts to investigate or protect against—

''(A) actual or potential attack or other grave hostile acts of a foreign power or an agent of a foreign power;

''(B) sabotage or international terrorism by a foreign power or an agent of a foreign power; or

''(C) clandestine intelligence activities by an intelligence service or network of a foreign power or by an agent of a foreign power.

''(2) Coordination authorized under paragraph (1) shall not preclude the certification required by section 303(a)(7) or the entry of an order under section 304.''.

SEC. 506. MISCELLANEOUS NATIONAL SECURITY AUTHORITIES.

(a) TELEPHONE TOLL AND TRANSACTIONAL RECORDS.—Section 2709(b) of title 18, United States Code, is amended—

(1) in the matter preceding paragraph (1), by inserting ''at Bureau headquarters or a Special Agent in Charge in a Bureau field office designated by the Director'' after ''Assistant Director'';

(2) in paragraph (1)—

(A) by striking ''in a position not lower than Deputy Assistant Director''; and

(B) by striking ''made that'' and all that follows and inserting the following: ''made that the name, address, length of service, and toll billing records sought are relevant to an authorized investigation to protect against international terrorism or clandestine intelligence activities, provided that such an investigation of a United States person is not conducted solely on the basis of activities protected by the first amendment to the Constitution of the United States; and''; and

(3) in paragraph (2)—

(A) by striking ''in a position not lower than Deputy Assistant Director''; and

(B) by striking ''made that'' and all that follows and inserting the following: ''made that the information sought is relevant to an authorized investigation to protect against international terrorism or clandestine intelligence activities, provided that such an investigation of a United States person is not conducted solely upon the basis of activities protected by the first amendment to the Constitution of the United States.''.

(b) FINANCIAL RECORDS.—Section 1114(a)(5)(A) of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3414(a)(5)(A)) is amended—

(1) by inserting ''in a position not lower than Deputy Assistant Director at Bureau headquarters or a Special Agent in Charge in a Bureau field office designated by the Director'' after ''designee''; and

(2) by striking ''sought'' and all that follows and inserting ''sought for foreign counter intelligence purposes to protect against international terrorism or clandestine intelligence activities, provided that such an investigation of a United States person is not conducted solely upon the basis of activities protected by the first amendment to the Constitution of the United States.''.

(c) CONSUMER REPORTS.—Section 624 of the Fair Credit Reporting Act (15 U.S.C. 1681u) is amended—

(1) in subsection (a)—

(A) by inserting ''in a position not lower than Deputy Assistant Director at Bureau headquarters or a Special Agent in Charge of a Bureau field office designated by the Director'' after ''designee'' the first place it appears; and

(B) by striking ''in writing that'' and all that follows through the end and inserting the following: ''in writing, that such information is sought for the conduct of an authorized investigation to protect against international terrorism or clandestine intelligence activities, provided that such an investigation of a United States person is not conducted solely upon the basis of activities protected by the first amendment to the Constitution of the United States.'';

(2) in subsection (b)—

(A) by inserting ''in a position not lower than Deputy Assistant Director at Bureau headquarters or a Special Agent in Charge of a Bureau field office designated by the Director'' after ''designee'' the first place it appears; and

(B) by striking ''in writing that'' and all that follows through the end and inserting the following: ''in writing that such information is sought for the conduct of an authorized investigation to protect against international terrorism or clandestine intelligence activities, provided that such an investigation of a United States person is not conducted solely upon the basis of activities protected by the first amendment to the Constitution of the United States.''; and

(3) in subsection (c)—

(A) by inserting ''in a position not lower than Deputy Assistant Director at Bureau headquarters or a Special Agent in Charge in a Bureau field office designated by the Director'' after ''designee of the Director''; and

(B) by striking ''in camera that'' and all that follows through ''States.'' and inserting the following: ''in camera that the consumer report is sought for the conduct of an authorized investigation to protect against international terrorism or clandestine intelligence activities, provided that such an investigation of a United States person is not conducted solely upon the basis of activities protected by the first amendment to the Constitution of the United States.''.

SEC. 507. EXTENSION OF SECRET SERVICE JURISDICTION.

(a) CONCURRENT JURISDICTION UNDER 18 U.S.C. 1030.—Section 1030(d) of title 18, United States Code, is amended to read as follows:

''(d)(1) The United States Secret Service shall, in addition to any other agency having such authority, have the authority to investigate offenses under this section.

''(2) The Federal Bureau of Investigation shall have primary authority to investigate offenses under subsection (a)(1) for any cases involving espionage, foreign counterintelligence, information protected against unauthorized disclosure for reasons of national defense or foreign relations, or Restricted Data (as that term is defined in section 11y of the Atomic Energy Act of 1954 (42 U.S.C. 2014(y)), except for offenses affecting the duties of the United States Secret Service pursuant to section 3056(a) of this title.

''(3) Such authority shall be exercised in accordance with an agreement which shall be entered into by the Secretary of the Treasury and the Attorney General.''.

(b) REAUTHORIZATION OF JURISDICTION UNDER 18 U.S.C. 1344.—Section 3056(b)(3) of title 18, United States Code, is amended by striking ''credit and debit card frauds, and false identification documents or devices'' and inserting ''access device frauds, false identification documents or devices, and any fraud or other criminal or unlawful activity in or against any federally insured financial institution''.

SEC. 508. DISCLOSURE OF EDUCATIONAL RECORDS.

Section 444 of the General Education Provisions Act (20 U.S.C. 1232g), is amended by adding after subsection (i) a new subsection (j) to read as follows:

''(j) INVESTIGATION AND PROSECUTION OF TERRORISM.—

''(1) IN GENERAL.—Notwithstanding subsections (a) through (i) or any provision of State law, the Attorney General (or any Federal officer or employee, in a position not lower than an Assistant Attorney General, designated by the Attorney General) may submit a written application to a court of competent jurisdiction for an ex parte order requiring an educational agency or institution to permit the Attorney General (or his designee) to—

''(A) collect education records in the possession of the educational agency or institution that are relevant to an authorized investigation or prosecution of an offense listed in section 2332b(g)(5)(B) of title 18 United States Code, or an act of domestic or international terrorism as defined in section 2331 of that title; and

''(B) for official purposes related to the investigation or prosecution of an offense described in paragraph (1)(A), retain, disseminate, and use (including as evidence at trial or in other administrative or judicial proceedings) such records, consistent with such guidelines as the Attorney General, after consultation with the Secretary, shall issue to protect confidentiality.

''(2) APPLICATION AND APPROVAL.—

''(A) IN GENERAL.—An application under paragraph (1) shall certify that there are specific and articulable facts giving reason to believe that the education records are likely to contain information described in paragraph (1)(A).

''(B) The court shall issue an order described in paragraph (1) if the court finds that the application for the order includes the certification described in subparagraph (A).

''(3) PROTECTION OF EDUCATIONAL AGENCY OR INSTITUTION.—An educational agency or institution that, in good faith, produces education records in accordance with an order issued under this subsection shall not be liable to any person for that production.

''(4) RECORD-KEEPING.—Subsection (b)(4) does not apply to education records subject to a court order under this subsection.''.

SEC. 509. DISCLOSURE OF INFORMATION FROM NCES SURVEYS.

Section 408 of the National Education Statistics Act of 1994 (20 U.S.C. 9007), is amended by adding after subsection (b) a new subsection (c) to read as follows:

''(c) INVESTIGATION AND PROSECUTION OF TERRORISM.—

''(1) IN GENERAL.—Notwithstanding subsections (a) and (b), the Attorney General (or any Federal officer or employee, in a position not lower than an Assistant Attorney General, designated by the Attorney General) may submit a written application to a court of competent jurisdiction for an ex parte order requiring the Secretary to permit the Attorney General (or his designee) to—

''(A) collect reports, records, and information (including individually identifiable information) in the possession of the center that are relevant to an authorized investigation or prosecution of an offense listed in section 2332b(g)(5)(B) of title 18, United States Code, or an act of domestic or international terrorism as defined in section 2331 of that title; and

''(B) for official purposes related to the investigation or prosecution of an offense described in paragraph (1)(A), retain, disseminate, and use (including as evidence at trial or in other administrative or judicial proceedings) such information, consistent with such guidelines as the Attorney General, after consultation with the Secretary, shall issue to protect confidentiality.

''(2) APPLICATION AND APPROVAL.—

''(A) IN GENERAL.—An application under paragraph (1) shall certify that there are specific and articulable facts giving reason to believe that the information sought is described in paragraph (1)(A).

''(B) The court shall issue an order described in paragraph (1) if the court finds that the application for the order includes the certification described in subparagraph (A).

''(3) PROTECTION.—An officer or employee of the Department who, in good faith, produces information in accordance with an order issued under this subsection does not violate subsection (b)(2) and shall not be liable to any person for that production.''.

TITLE VI—PROVIDING FOR VICTIMS OF TERRORISM, PUBLIC SAFETY OFFICERS, AND THEIR FAMILIES

Subtitle A—Aid to Families of Public Safety Officers

SEC. 611. EXPEDITED PAYMENT FOR PUBLIC SAFETY OFFICERS INVOLVED IN THE PREVENTION, INVESTIGATION, RESCUE, OR RECOVERY EFFORTS RELATED TO A TERRORIST ATTACK.

(a) IN GENERAL.—Notwithstanding the limitations of subsection (b) of section 1201 or the provisions of subsections (c), (d), and (e) of such section or section 1202 of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796, 3796a), upon certification (containing identification of all eligible payees of benefits pursuant to section 1201 of such Act) by a public agency that a public safety officer employed by such agency was killed or suffered a catastrophic injury producing permanent and total disability as a direct and proximate result of a personal injury sustained in the line of duty as described in section 1201 of such Act in connection with prevention, investigation, rescue, or recovery efforts related to a terrorist attack, the Director of the Bureau of Justice Assistance shall authorize payment to qualified beneficiaries, said payment to be made not later than 30 days after receipt of such certification, benefits described under subpart 1 of part L of such Act (42 U.S.C. 3796 et seq.).

(b) DEFINITIONS.—For purposes of this section, the terms ''catastrophic injury'', ''public agency'', and ''public safety officer'' have the same meanings given such terms in section 1204 of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796b).

SEC. 612. TECHNICAL CORRECTION WITH RESPECT TO EXPEDITED PAYMENTS FOR HEROIC PUBLIC SAFETY OFFICERS.

Section 1 of Public Law 107-37 (an Act to provide for the expedited payment of certain benefits for a public safety officer who was killed or suffered a catastrophic injury as a direct and proximate result of a personal injury sustained in the line of duty in connection with the terrorist attacks of September 11, 2001) is amended by—

(1) inserting before ''by a'' the following: ''(containing identification of all eligible payees of benefits pursuant to section 1201)'';

(2) inserting ''producing permanent and total disability'' after ''suffered a catastrophic injury''; and

(2) striking ''1201(a)'' and inserting ''1201''.

SEC. 613. PUBLIC SAFETY OFFICERS BENEFIT PROGRAM PAYMENT INCREASE.

(a) PAYMENTS.—Section 1201(a) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796) is amended by striking ''$100,000'' and inserting ''$250,000''.

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply to any death or disability occurring on or after January 1, 2001.

SEC. 614. OFFICE OF JUSTICE PROGRAMS.

Section 112 of title I of section 101(b) of division A of Public Law 105–277 and section 108(a) of appendix A of Public Law 106–113 (113 Stat. 1501A–20) are amended—

(1) after ''that Office'', each place it occurs, by inserting ''(including, notwithstanding any contrary provision of law (unless the same should expressly refer to this section), any organization that administers any program established in title 1 of Public Law 90–351)''; and

(2) by inserting ''functions, including any'' after ''all''.

Subtitle B—Amendments to the Victims of Crime Act of 1984

SEC. 621. CRIME VICTIMS FUND.

(a) DEPOSIT OF GIFTS IN THE FUND.—Section 1402(b) of the Victims of Crime Act of 1984 (42 U.S.C. 10601(b)) is amended—

(1) in paragraph (3), by striking ''and'' at the end;

(2) in paragraph (4), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(5) any gifts, bequests, or donations to the Fund from private entities or individuals.''.

(b) FORMULA FOR FUND DISTRIBUTIONS.—Section 1402(c) of the Victims of Crime Act of 1984 (42 U.S.C. 10601(c)) is amended to read as follows:

''(c) FUND DISTRIBUTION; RETENTION OF SUMS IN FUND; AVAILABILITY FOR EXPENDITURE WITHOUT FISCAL YEAR LIMITATION.—

''(1) Subject to the availability of money in the Fund, in each fiscal year, beginning with fiscal year 2003, the Director shall distribute not less than 90 percent nor more than 110 percent of the amount distributed from the Fund in the previous fiscal year, except the Director may distribute up to 120 percent of the amount distributed in the previous fiscal year in any fiscal year that the total amount available in the Fund is more than 2 times the amount distributed in the previous fiscal year.

''(2) In each fiscal year, the Director shall distribute amounts from the Fund in accordance with subsection (d). All sums not distributed during a fiscal year shall remain in reserve in the Fund to be distributed during a subsequent fiscal year. Notwithstanding any other provision of law, all sums deposited in the Fund that are not distributed shall remain in reserve in the Fund for obligation in future fiscal years, without fiscal year limitation.''.

(c) ALLOCATION OF FUNDS FOR COSTS AND GRANTS.—Section 1402(d)(4) of the Victims of Crime Act of 1984 (42 U.S.C. 10601(d)(4)) is amended—

(1) by striking ''deposited in'' and inserting ''to be distributed from'';

(2) in subparagraph (A), by striking ''48.5'' and inserting ''47.5'';

(3) in subparagraph (B), by striking ''48.5'' and inserting ''47.5''; and

(4) in subparagraph (C), by striking ''3'' and inserting ''5''.

(d) ANTITERRORISM EMERGENCY RESERVE.—Section 1402(d)(5) of the Victims of Crime Act of 1984 (42 U.S.C. 10601(d)(5)) is amended to read as follows:

''(5)(A) In addition to the amounts distributed under paragraphs (2), (3), and (4), the Director may set aside up to $50,000,000 from the amounts transferred to the Fund for use in responding to the airplane hijackings and terrorist acts that occurred on September 11, 2001, as an antiterrorism emergency reserve. The Director may replenish any amounts expended from such reserve in subsequent fiscal years by setting aside up to 5 percent of the amounts remaining in the Fund in any fiscal year after distributing amounts under paragraphs (2), (3) and (4). Such reserve shall not exceed $50,000,000.

''(B) The antiterrorism emergency reserve referred to in subparagraph (A) may be used for supplemental grants under section 1404B and to provide compensation to victims of international terrorism under section 1404C.

''(C) Amounts in the antiterrorism emergency reserve established pursuant to subparagraph (A) may be carried over from fiscal year to fiscal year. Notwithstanding subsection (c) and section 619 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2001 (and any similar limitation on Fund obligations in any future Act, unless the same should expressly refer to this section), any such amounts carried over shall not be subject to any limitation on obligations from amounts deposited to or available in the Fund.''.

(e) VICTIMS OF SEPTEMBER 11, 2001.—Amounts transferred to the Crime Victims Fund for use in responding to the airplane hijackings and terrorist acts (including any related search, rescue, relief, assistance, or other similar activities) that occurred on September 11, 2001, shall not be subject to any limitation on obligations from amounts deposited to or available in the Fund, notwithstanding—

(1) section 619 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2001, and any similar limitation on Fund obligations in such Act for Fiscal Year 2002; and

(2) subsections (c) and (d) of section 1402 of the Victims of Crime Act of 1984 (42 U.S.C. 10601).

SEC. 622. CRIME VICTIM COMPENSATION.

(a) ALLOCATION OF FUNDS FOR COMPENSATION AND ASSISTANCE.—Paragraphs (1) and (2) of section 1403(a) of the Victims of Crime Act of 1984 (42 U.S.C. 10602(a)) are amended by inserting ''in fiscal year 2002 and of 60 percent in subsequent fiscal years'' after ''40 percent''.

(b) LOCATION OF COMPENSABLE CRIME.—Section 1403(b)(6)(B) of the Victims of Crime Act of 1984 (42 U.S.C. 10602(b)(6)(B)) is amended by striking ''are outside the United States (if the compensable crime is terrorism, as defined in section 2331 of title 18), or''.

(c) RELATIONSHIP OF CRIME VICTIM COMPENSATION TO MEANS-TESTED FEDERAL BENEFIT PROGRAMS.—Section 1403 of the Victims of Crime Act of 1984 (42 U.S.C. 10602) is amended by striking subsection (c) and inserting the following:

''(c) EXCLUSION FROM INCOME, RESOURCES, AND ASSETS FOR PURPOSES OF MEANS TESTS.—Notwithstanding any other law (other than title IV of Public Law 107–42), for the purpose of any maximum allowed income, resource, or asset eligibility requirement in any Federal, State, or local government program using Federal funds that provides medical or other assistance (or payment or reimbursement of the cost of such assistance), any amount of crime victim compensation that the applicant receives through a crime victim compensation program under this section shall not be included in the income, resources, or assets of the applicant, nor shall that amount reduce the amount of the assistance available to the applicant from Federal, State, or local government programs using Federal funds, unless the total amount of assistance that the applicant receives from all such programs is sufficient to fully compensate the applicant for losses suffered as a result of the crime.''.

(d) DEFINITIONS OF ''COMPENSABLE CRIME'' AND ''STATE''.—Section 1403(d) of the Victims of Crime Act of 1984 (42 U.S.C. 10602(d)) is amended—

(1) in paragraph (3), by striking ''crimes involving terrorism,''; and

(2) in paragraph (4), by inserting ''the United States Virgin Islands,'' after ''the Commonwealth of Puerto Rico,''.

(e) RELATIONSHIP OF ELIGIBLE CRIME VICTIM COMPENSATION PROGRAMS TO THE SEPTEMBER 11TH VICTIM COMPENSATION FUND.—

(1) IN GENERAL.—Section 1403(e) of the Victims of Crime Act of 1984 (42 U.S.C. 10602(e)) is amended by inserting ''including the program established under title IV of Public Law 107–42,'' after ''Federal program,''.

(2) COMPENSATION.—With respect to any compensation payable under title IV of Public Law 107–42, the failure of a crime victim compensation program, after the effective date of final regulations issued pursuant to section 407 of Public Law 107–42, to provide compensation otherwise required pursuant to section 1403 of the Victims of Crime Act of 1984 (42 U.S.C. 10602) shall not render that program ineligible for future grants under the Victims of Crime Act of 1984.

SEC. 623. CRIME VICTIM ASSISTANCE.

(a) ASSISTANCE FOR VICTIMS IN THE DISTRICT OF COLUMBIA, PUERTO RICO, AND OTHER TERRITORIES AND POSSESSIONS.—Section 1404(a) of the Victims of Crime Act of 1984 (42 U.S.C. 10603(a)) is amended by adding at the end the following:

''(6) An agency of the Federal Government performing local law enforcement functions in and on behalf of the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, or any other territory or possession of the United States may qualify as an eligible crime victim assistance program for the purpose of grants under this subsection, or for the purpose of grants under subsection (c)(1).''.

(b) PROHIBITION ON DISCRIMINATION AGAINST CERTAIN VICTIMS.—Section 1404(b)(1) of the Victims of Crime Act of 1984 (42 U.S.C. 10603(b)(1)) is amended—

(1) in subparagraph (D), by striking ''and'' at the end;

(2) in subparagraph (E), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(F) does not discriminate against victims because they disagree with the way the State is prosecuting the criminal case.''.

(c) GRANTS FOR PROGRAM EVALUATION AND COMPLIANCE EFFORTS.—Section 1404(c)(1)(A) of the Victims of Crime Act of 1984 (42 U.S.C. 10603(c)(1)(A)) is amended by inserting '', program evaluation, compliance efforts,'' after ''demonstration projects''.

(d) ALLOCATION OF DISCRETIONARY GRANTS.—Section 1404(c)(2) of the Victims of Crime Act of 1984 (42 U.S.C. 10603(c)(2)) is amended—

(1) in subparagraph (A), by striking ''not more than'' and inserting ''not less than''; and

(2) in subparagraph (B), by striking ''not less than'' and inserting ''not more than''.

(e) FELLOWSHIPS AND CLINICAL INTERNSHIPS.—Section 1404(c)(3) of the Victims of Crime Act of 1984 (42 U.S.C. 10603(c)(3)) is amended—

(1) in subparagraph (C), by striking ''and'' at the end;

(2) in subparagraph (D), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(E) use funds made available to the Director under this subsection—

''(i) for fellowships and clinical internships; and

''(ii) to carry out programs of training and special workshops for the presentation and dissemination of information resulting from demonstrations, surveys, and special projects.''.

SEC. 624. VICTIMS OF TERRORISM.

(a) COMPENSATION AND ASSISTANCE TO VICTIMS OF DOMESTIC TERRORISM.—Section 1404B(b) of the Victims of Crime Act of 1984 (42 U.S.C. 10603b(b)) is amended to read as follows:

''(b) VICTIMS OF TERRORISM WITHIN THE UNITED STATES.—The Director may make supplemental grants as provided in section 1402(d)(5) to States for eligible crime victim compensation and assistance programs, and to victim service organizations, public agencies (including Federal, State, or local governments) and nongovernmental organizations that provide assistance to victims of crime, which shall be used to provide emergency relief, including crisis response efforts, assistance, compensation, training and technical assistance, and ongoing assistance, including during any investigation or prosecution, to victims of terrorist acts or mass violence occurring within the United States.''.

(b) ASSISTANCE TO VICTIMS OF INTERNATIONAL TERRORISM.—Section 1404B(a)(1) of the Victims of Crime Act of 1984 (42 U.S.C. 10603b(a)(1)) is amended by striking ''who are not persons eligible for compensation under title VIII of the Omnibus Diplomatic Security and Antiterrorism Act of 1986''.

(c) COMPENSATION TO VICTIMS OF INTERNATIONAL TERRORISM.—Section 1404C(b) of the Victims of Crime of 1984 (42 U.S.C. 10603c(b)) is amended by adding at the end the following: ''The amount of compensation awarded to a victim under this subsection shall be reduced by any amount that the victim received in connection with the same act of international terrorism under title VIII of the Omnibus Diplomatic Security and Antiterrorism Act of 1986.''.

TITLE VII—INCREASED INFORMATION SHARING FOR CRITICAL INFRASTRUCTURE PROTECTION

SEC. 711. EXPANSION OF REGIONAL INFORMATION SHARING SYSTEM TO FACILITATE FEDERAL-STATE-LOCAL LAW ENFORCEMENT RESPONSE RELATED TO TERRORIST ATTACKS.

Section 1301 of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796h) is amended—

(1) in subsection (a), by inserting ''and terrorist conspiracies and activities'' after ''activities'';

(2) in subsection (b)—

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

(B) by redesignating paragraph (4) as paragraph (5);

(C) by inserting after paragraph (3) the following:

''(4) establishing and operating secure information sharing systems to enhance the investigation and prosecution abilities of participating enforcement agencies in addressing multi-jurisdictional terrorist conspiracies and activities; and (5)''; and

(3) by inserting at the end the following:

''(d) AUTHORIZATION OF APPROPRIATION TO THE BUREAU OF JUSTICE ASSISTANCE.—There are authorized to be appropriated to the Bureau of Justice Assistance to carry out this section $50,000,000 for fiscal year 2002 and $100,000,000 for fiscal year 2003.''.

TITLE VIII—STRENGTHENING THE CRIMINAL LAWS AGAINST TERRORISM

SEC. 801. TERRORIST ATTACKS AND OTHER ACTS OF VIOLENCE AGAINST MASS TRANSPORTATION SYSTEMS.

Chapter 97 of title 18, United States Code, is amended by adding at the end the following:

''§ 1993. Terrorist attacks and other acts of violence against mass transportation systems

''(a) GENERAL PROHIBITIONS.—Whoever willfully—

''(1) wrecks, derails, sets fire to, or disables a mass transportation vehicle or ferry;

''(2) places or causes to be placed any biological agent or toxin for use as a weapon, destructive substance, or destructive device in, upon, or near a mass transportation vehicle or ferry, without previously obtaining the permission of the mass transportation provider, and with intent to endanger the safety of any passenger or employee of the mass transportation provider, or with a reckless disregard for the safety of human life;

''(3) sets fire to, or places any biological agent or toxin for use as a weapon, destructive substance, or destructive device in, upon, or near any garage, terminal, structure, supply, or facility used in the operation of, or in support of the operation of, a mass transportation vehicle or ferry, without previously obtaining the permission of the mass transportation provider, and knowing or having reason to know such activity would likely derail, disable, or wreck a mass transportation vehicle or ferry used, operated, or employed by the mass transportation provider;

''(4) removes appurtenances from, damages, or otherwise impairs the operation of a mass transportation signal system, including a train control system, centralized dispatching system, or rail grade crossing warning signal;

''(5) interferes with, disables, or incapacitates any dispatcher, driver, captain, or person while they are employed in dispatching, operating, or maintaining a mass transportation vehicle or ferry, with intent to endanger the safety of any passenger or employee of the mass transportation provider, or with a reckless disregard for the safety of human life;

''(6) commits an act, including the use of a dangerous weapon, with the intent to cause death or serious bodily injury to an employee or passenger of a mass transportation provider or any other person while any of the foregoing are on the property of a mass transportation provider;

''(7) conveys or causes to be conveyed false information, knowing the information to be false, concerning an attempt or alleged attempt being made or to be made, to do any act which would be a crime prohibited by this subsection; or

''(8) attempts, threatens, or conspires to do any of the aforesaid acts,

shall be fined under this title or imprisoned not more than twenty years, or both, if such act is committed, or in the case of a threat or conspiracy such act would be committed, on, against, or affecting a mass transportation provider engaged in or affecting interstate or foreign commerce, or if in the course of committing such act, that person travels or communicates across a State line in order to commit such act, or transports materials across a State line in aid of the commission of such act.

''(b) AGGRAVATED OFFENSE.—Whoever commits an offense under subsection (a) in a circumstance in which—

''(1) the mass transportation vehicle or ferry was carrying a passenger at the time of the offense; or

''(2) the offense has resulted in the death of any person,

shall be guilty of an aggravated form of the offense and shall be fined under this title or imprisoned for a term of years or for life, or both.

''(c) DEFINITIONS.—In this section—

''(1) the term 'biological agent' has the meaning given to that term in section 178(1) of this title;

''(2) the term 'dangerous weapon' has the meaning given to that term in section 930 of this title;

''(3) the term 'destructive device' has the meaning given to that term in section 921(a)(4) of this title;

''(4) the term 'destructive substance' has the meaning given to that term in section 31 of this title;

''(5) the term 'mass transportation' has the meaning given to that term in section 5302(a)(7) of title 49, United States Code, except that the term shall include schoolbus, charter, and sightseeing transportation;

''(6) the term 'serious bodily injury' has the meaning given to that term in section 1365 of this title;

''(7) the term 'State' has the meaning given to that term in section 2266 of this title; and

''(8) the term 'toxin' has the meaning given to that term in section 178(2) of this title.''.

(f) CONFORMING AMENDMENT.—The analysis of chapter 97 of title 18, United States Code, is amended by adding at the end:

''1993. Terrorist attacks and other acts of violence against mass transportation systems.''.

SEC. 802. EXPANSION OF THE BIOLOGICAL WEAPONS STATUTE.

Chapter 10 of title 18, United States Code, is amended—

(1) in section 175—

(A) in subsection (b)—

(i) by striking ''does not include'' and inserting ''includes'';

(ii) by inserting ''other than'' after ''system for''; and

(iii) by inserting ''bona fide research'' after ''protective'';

(B) by redesignating subsection (b) as subsection (c); and

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

''(b) ADDITIONAL OFFENSE.—Whoever knowingly possesses any biological agent, toxin, or delivery system of a type or in a quantity that, under the circumstances, is not reasonably justified by a prophylactic, protective, bona fide research, or other peaceful purpose, shall be fined under this title, imprisoned not more than 10 years, or both. In this subsection, the terms 'biological agent' and 'toxin' do not encompass any biological agent or toxin that is in its naturally occurring environment, if the biological agent or toxin has not been cultivated, collected, or otherwise extracted from its natural source.'';

(2) by inserting after section 175a the following:

''SEC. 175b. POSSESSION BY RESTRICTED PERSONS.

''(a) No restricted person described in subsection (b) shall ship or transport interstate or foreign commerce, or possess in or affecting commerce, any biological agent or toxin, or receive any biological agent or toxin that has been shipped or transported in interstate or foreign commerce, if the biological agent or toxin is listed as a select agent in subsection (j) of section 72.6 of title 42, Code of Federal Regulations, pursuant to section 511(d)(1) of the Antiterrorism and Effective Death Penalty Act of 1996 (Public Law 104–132), and is not exempted under subsection (h) of such section 72.6, or appendix A of part 72 of the Code of Regulations.

''(b) In this section:

''(1) The term 'select agent' does not include any such biological agent or toxin that is in its naturally-occurring environment, if the biological agent or toxin has not been cultivated, collected, or otherwise extracted from its natural source.

''(2) The term 'restricted person' means an individual who—

''(A) is under indictment for a crime punishable by imprisonment for a term exceeding 1 year;

''(B) has been convicted in any court of a crime punishable by imprisonment for a term exceeding 1 year;

''(C) is a fugitive from justice;

''(D) is an unlawful user of any controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802));

''(E) is an alien illegally or unlawfully in the United States;

''(F) has been adjudicated as a mental defective or has been committed to any mental institution;

''(G) is an alien (other than an alien lawfully admitted for permanent residence) who is a national of a country as to which the Secretary of State, pursuant to section 6(j) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)), section 620A of chapter 1 of part M of the Foreign Assistance Act of 1961 (22 U.S.C. 2371), or section 40(d) of chapter 3 of the Arms Export Control Act (22 U.S.C. 2780(d)), has made a determination (that remains in effect) that such country has repeatedly provided support for acts of international terrorism; or

''(H) has been discharged from the Armed Services of the United States under dishonorable conditions.

''(3) The term 'alien' has the same meaning as in section 1010(a)(3) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(3)).

''(4) The term 'lawfully admitted for permanent residence' has the same meaning as in section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20)).

''(c) Whoever knowingly violates this section shall be fined as provided in this title, imprisoned not more than 10 years, or both, but the prohibition contained in this section shall not apply with respect to any duly authorized United States governmental activity.''; and

(3) in the chapter analysis, by inserting after the item relating to section 175a the following:

''175b. Possession by restricted persons.''.

SEC. 803. DEFINITION OF DOMESTIC TERRORISM.

(a) DOMESTIC TERRORISM DEFINED.—Section 2331 of title 18, United States Code, is amended—

(1) in paragraph (1)(B)(iii), by striking ''by assassination or kidnapping'' and inserting ''by mass destruction, assassination, or kidnapping'';

(2) in paragraph (3), by striking ''and'';

(3) in paragraph (4), by striking the period at the end and inserting ''; and''; and

(4) by adding at the end the following:

''(5) the term 'domestic terrorism' means activities that—

''(A) involve acts dangerous to human life that are a violation of the criminal laws of the United States or of any State;

''(B) appear to be intended—

''(i) to intimidate or coerce a civilian population;

''(ii) to influence the policy of a government by intimidation or coercion; or

''(iii) to affect the conduct of a government by mass destruction, assassination, or kidnapping; and

''(C) occur primarily within the territorial jurisdiction of the United States.''.

(b) CONFORMING AMENDMENT.—Section 3077(1) of title 18, United States Code, is amended to read as follows:

''(1) 'act of terrorism' means an act of domestic or international terrorism as defined in section 2331;''.

SEC. 804. PROHIBITION AGAINST HARBORING TERRORISTS.

(a) IN GENERAL.—Chapter 113B of title 18, United States Code, is amended by adding after section 2338 the following new section:

''§ 2339. Harboring or concealing terrorists

''(a) Whoever harbors or conceals any person who he knows, or has reasonable grounds to believe, has committed, or is about to commit, an offense under section 32 (relating to destruction of aircraft or aircraft facilities), section 175 (relating to biological weapons), section 229 (relating to chemical weapons), section 831 (relating to nuclear materials), paragraph (2) or (3) of section 844(f) (relating to arson and bombing of government property risking or causing injury or death), section 1366(a) (relating to the destruction of an energy facility), section 2280 (relating to violence against maritime navigation), section 2332a (relating to weapons of mass destruction), or section 2332b (relating to acts of terrorism transcending national boundaries) of this title, section 236(a) (relating to sabotage of nuclear facilities or fuel) of the Atomic Energy Act of 1954 (42 U.S.C. 2284(a)), or section 46502 (relating to aircraft piracy) of title 49, shall be fined under this title or imprisoned not more than ten years, or both.''.

''(b) A violation of this section may be prosecuted in any Federal judicial district in which the underlying offense was committed, or in any other Federal judicial district as provided by law.''.

(b) TECHNICAL AMENDMENT.—The chapter analysis for chapter 113B of title 18, United States Code, is amended by inserting after the item for section 2338 the following:

''2339. Harboring or concealing terrorists.''.

SEC. 805. JURISDICTION OVER CRIMES COMMITTED AT U.S. FACILITIES ABROAD.

Section 7 of title 18, United States Code, is amended by adding at the end the following:

''(9) With respect to offenses committed by or against a United States national, as defined in section 1203(c) of this title—

''(A) the premises of United States diplomatic, consular, military or other United States Government missions or entities in foreign States, including the buildings, parts of buildings, and land appurtenant or ancillary thereto or used for purposes of those missions or entities, irrespective of ownership; and

''(B) residences in foreign States and the land appurtenant or ancillary thereto, irrespective of ownership, used for purposes of those missions or entities or used by United States personnel assigned to those missions or entities.

Nothing in this paragraph shall be deemed to supersede any treaty or international agreement in force on the date of enactment of this paragraph with which this paragraph conflicts. This paragraph does not apply with respect to an offense committed by a person described in section 3261(a) of this title.''.

SEC. 806. MATERIAL SUPPORT FOR TERRORISM.

(a) IN GENERAL.—Section 2339A of title 18, United States Code, is amended—

(1) in subsection (a)—

(A) by striking '', within the United States,'';

(B) by inserting ''229,'' after ''175,'';

(C) by inserting ''1993,'' after ''1992,'';

(D) by inserting '', section 236 of the Atomic Energy Act of 1954 (42 U.S.C. 2284),'' after ''of this title'';

(E) by inserting ''or 60123(b)'' after ''46502''; and

(F) by inserting at the end the following: ''A violation of this section may be prosecuted in any Federal judicial district in which the underlying offense was committed, or in any other Federal judicial district as provided by law.''; and

(2) in subsection (b)—

(A) by striking ''or other financial securities'' and inserting ''or monetary instruments or financial securities''; and

(B) by inserting ''expert advice or assistance,'' after ''training,''.

(b) TECHNICAL AMENDMENT.—Section 1956(c)(7)(D) of title 18, United States Code, is amended by inserting ''or 2339B'' after ''2339A''.

SEC. 807. ASSETS OF TERRORIST ORGANIZATIONS.

Section 981(a)(1) of title 18, United States Code, is amended by inserting at the end the following:

''(G) All assets, foreign or domestic—

''(i) of any person, entity, or organization engaged in planning or perpetrating any act of domestic or international terrorism (as defined in section 2331) against the United States, citizens or residents of the United States, or their property, and all assets, foreign or domestic, affording any person a source of influence over any such entity or organization;

''(ii) acquired or maintained by any person for the purpose of supporting, planning, conducting, or concealing an act of domestic or international terrorism (as defined in section 2331) against the United States, citizens or residents of the United States, or their property; or

''(iii) derived from, involved in, or used or intended to be used to commit any act of domestic or international terrorism (as defined in section 2331) against the United States, citizens or residents of the United States, or their property.''.

SEC. 808. TECHNICAL CLARIFICATION RELATING TO PROVISION OF MATERIAL SUPPORT TO TERRORISM.

No provision of the Trade Sanctions Reform and Export Enhancement Act of 2000 (title IX of Public Law 106–387) shall be construed to limit or otherwise affect section 2339A or 2339B of title 18, United States Code.

SEC. 809. DEFINITION OF FEDERAL CRIME OF TERRORISM.

Section 2332b of title 18, United States Code, is amended—

(1) in subsection (f), by inserting after ''terrorism'' the following: ''and any violation of section 351(e), 844(e), 844(f)(1), 956(b), 1361, 1366(b), 1366(c), 1751(e), 2152, or 2156 of this title,'' before ''and the Secretary''; and

(2) in subsection (g)(5)(B), by striking clauses (i) through (iii) and inserting the following:

''(i) section 32 (relating to destruction of aircraft or aircraft facilities), 37 (relating to violence at international airports), 81 (relating to arson within special maritime and territorial jurisdiction), 175 or 175b (relating to biological weapons), 229 (relating to chemical weapons), 351 (a) through (d) (relating to congressional, cabinet, and Supreme Court assassination and kidnaping), 831 (relating to nuclear materials), 842(m) or (n) (relating to plastic explosives), 844(f) (2) through (3) (relating to arson and bombing of Government property risking or causing death), 844(i) (relating to arson and bombing of property used in interstate commerce), 930(c) (relating to killing or attempted killing during an attack on a Federal facility with a dangerous weapon), 956(a)(1) (relating to conspiracy to murder, kidnap, or maim within special maritime and territorial jurisdiction of the United States), 1030(a)(1) (relating to protection of computers), 1030(a)(5)(A)(i) resulting in damage as defined in 1030(a)(5)(B)(ii) through (v) (relating to protection of computers), 1114 (relating to killing or attempted killing of officers and employees of the United States), 1116 (relating to murder or manslaughter of foreign officials, official guests, or internationally protected persons), 1203 (relating to hostage taking), 1362 (relating to destruction of communication lines, stations, or systems), 1363 (relating to injury to buildings or property within special maritime and territorial jurisdiction of the United States), 1366(a) (relating to destruction of an energy facility), 1751 (a) through (d) (relating to Presidential and Presidential staff assassination and kidnaping), 1992 (relating to wrecking trains), 1993 (relating to terrorist attacks and other acts of violence against mass transportation systems), 2155 (relating to destruction of national defense materials, premises, or utilities), 2280 (relating to violence against maritime navigation), 2281 (relating to violence against maritime fixed platforms), 2332 (relating to certain homicides and other violence against United States nationals occurring outside of the United States), 2332a (relating to use of weapons of mass destruction), 2332b (relating to acts of terrorism transcending national boundaries), 2339 (relating to harboring terrorists), 2339A (relating to providing material support to terrorists), 2339B (relating to providing material support to terrorist organizations), or 2340A (relating to torture) of this title;

''(ii) section 236 (relating to sabotage of nuclear facilities or fuel) of the Atomic Energy Act of 1954 (42 U.S.C. 2284); or

''(iii) section 46502 (relating to aircraft piracy), the second sentence of section 46504 (relating to assault on a flight crew with a dangerous weapon), section 46505(b)(3) or (c) (relating to explosive or incendiary devices, or endangerment of human life by means of weapons, on aircraft), section 46506 if homicide or attempted homicide is involved (relating to application of certain criminal laws to acts on aircraft), or section 60123(b) (relating to destruction of interstate gas or hazardous liquid pipeline facility) of title 49.''.

SEC. 810. NO STATUTE OF LIMITATION FOR CERTAIN TERRORISM OFFENSES.

(a) IN GENERAL.—Section 3286 of title 18, United States Code, is amended to read as follows:

''§ 3286. Extension of statute of limitation for certain terrorism offenses.

''(a) EIGHT-YEAR LIMITATION.—Notwithstanding section 3282, no person shall be prosecuted, tried, or punished for any noncapital offense involving a violation of any provision listed in section 2332b(g)(5)(B) other than a provision listed in section 3295, or a violation of section 112, 351(e), 1361, or 1751(e) of this title, or section 46504, 46505, or 46506 of title 49, unless the indictment is found or the information is instituted within 8 years after the offense was committed.

''(b) NO LIMITATION.—Notwithstanding any other law, an indictment may be found or an information instituted at any time without limitation for any offense listed in section 2332b(g)(5)(B), if the commission of such offense resulted in, or created a forseeable risk of, death or serious bodily injury to another person.''.

(b) APPLICATION.—The amendments made by this section shall apply to the prosecution of any offense committed before, on, or after the date of enactment of this section.

SEC. 811. ALTERNATE MAXIMUM PENALTIES FOR TERRORISM OFFENSES.

(a) ARSON.—Section 81 of title 18, United States Code, is amended in the second undesignated paragraph by striking ''not more than twenty years'' and inserting ''for any term of years or for life''.

(b) DESTRUCTION OF AN ENERGY FACILITY.—Section 1366 of title 18, United States Code, is amended—

(1) in subsection (a), by striking ''ten'' and inserting ''20''; and

(2) by adding at the end the following:

''(d) Whoever is convicted of a violation of subsection (a) or (b) that has resulted in the death of any person shall be subject to imprisonment for any term of years or life.''.

(c) MATERIAL SUPPORT TO TERRORISTS.—Section 2339A(a) of title 18, United States Code, is amended—

(1) by striking ''10'' and inserting ''15''; and

(2) by striking the period and inserting ''and, if the death of any person results, shall be imprisoned for any term of years or for life.''.

(d) MATERIAL SUPPORT TO DESIGNATED FOREIGN TERRORIST ORGANIZATIONS.—Section 2339B(a)(1) of title 18, United States Code, is amended—

(1) by striking ''10'' and inserting ''15''; and

(2) by striking the period after ''or both'' and inserting ''and, if the death of any person results, shall be imprisoned for any term of years or for life.''.

(e) DESTRUCTION OF NATIONAL-DEFENSE MATERIALS.—Section 2155(a) of title 18, United States Code, is amended—

(1) by striking ''ten'' and inserting ''20''; and

(2) by striking the period at the end and inserting '', and, if death results to any person, shall be imprisoned for any term of years or for life.''.

(f) SABOTAGE OF NUCLEAR FACILITIES OR FUEL.—Section 236 of the Atomic Energy Act of 1954 (42 U.S.C. 2284), is amended—

(1) by striking ''ten'' each place it appears and inserting ''20'';

(2) in subsection (a), by striking the period at the end and inserting '', and, if death results to any person, shall be imprisoned for any term of years or for life.''; and

(3) in subsection (b), by striking the period at the end and inserting '', and, if death results to any person, shall be imprisoned for any term of years or for life.''.

(g) SPECIAL AIRCRAFT JURISDICTION OF THE UNITED STATES.—Section 46505(c) of title 49, United States Code, is amended—

(1) by striking ''15'' and inserting ''20''; and

(2) by striking the period at the end and inserting '', and, if death results to any person, shall be imprisoned for any term of years or for life.''.

(h) DAMAGING OR DESTROYING AN INTERSTATE GAS OR HAZARDOUS LIQUID PIPELINE FACILITY.—Section 60123(b) of title 49, United States Code, is amended—

(1) by striking ''15'' and inserting ''20''; and

(2) by striking the period at the end and inserting '', and, if death results to any person, shall be imprisoned for any term of years or for life.''.

SEC. 812. PENALTIES FOR TERRORIST CONSPIRACIES.

(a) ARSON.—Section 81 of title 18, United States Code, is amended in the first undesignated paragraph—

(1) by striking '', or attempts to set fire to or burn''; and

(2) by inserting ''or attempts or conspires to do such an act,'' before ''shall be imprisoned''.

(b) KILLINGS IN FEDERAL FACILITIES.—

(1) Section 930(c) of title 18, United States Code, is amended—

(A) by striking ''or attempts to kill'';

(B) by inserting ''or attempts or conspires to do such an act,'' before ''shall be punished''; and

(C) by striking ''and 1113'' and inserting ''1113, and 1117''.

(2) Section 1117 of title 18, United States Code, is amended by inserting ''930(c),'' after ''section''.

(c) COMMUNICATIONS LINES, STATIONS, OR SYSTEMS.—Section 1362 of title 18, United States Code, is amended in the first undesignated paragraph—

(1) by striking ''or attempts willfully or maliciously to injure or destroy''; and

(2) by inserting ''or attempts or conspires to do such an act,'' before ''shall be fined''.

(d) BUILDINGS OR PROPERTY WITHIN SPECIAL MARITIME AND TERRITORIAL JURISDICTION.—Section 1363 of title 18, United States Code, is amended—

(1) by striking ''or attempts to destroy or injure''; and

(2) by inserting ''or attempts or conspires to do such an act,'' before ''shall be fined'' the first place it appears.

(e) WRECKING TRAINS.—Section 1992 of title 18, United States Code, is amended by adding at the end the following:

''(c) A person who conspires to commit any offense defined in this section shall be subject to the same penalties (other than the penalty of death) as the penalties prescribed for the offense, the commission of which was the object of the conspiracy.''.

(f) MATERIAL SUPPORT TO TERRORISTS.—Section 2339A of title 18, United States Code, is amended by inserting ''or attempts or conspires to do such an act,'' before ''shall be fined''.

(g) TORTURE.—Section 2340A of title 18, United States Code, is amended by adding at the end the following:

''(c) CONSPIRACY.—A person who conspires to commit an offense under this section shall be subject to the same penalties (other than the penalty of death) as the penalties prescribed for the offense, the commission of which was the object of the conspiracy.''.

(h) SABOTAGE OF NUCLEAR FACILITIES OR FUEL.—Section 236 of the Atomic Energy Act of 1954 (42 U.S.C. 2284), is amended—

(1) in subsection (a)—

(A) by striking '', or who intentionally and willfully attempts to destroy or cause physical damage to'';

(B) in paragraph (4), by striking the period at the end and inserting a comma; and

(C) by inserting ''or attempts or conspires to do such an act,'' before ''shall be fined''; and

(2) in subsection (b)—

(A) by striking ''or attempts to cause''; and

(B) by inserting ''or attempts or conspires to do such an act,'' before ''shall be fined''.

(i) INTERFERENCE WITH FLIGHT CREW MEMBERS AND ATTENDANTS.—Section 46504 of title 49, United States Code, is amended by inserting ''or attempts or conspires to do such an act,'' before ''shall be fined''.

(j) SPECIAL AIRCRAFT JURISDICTION OF THE UNITED STATES.—Section 46505 of title 49, United States Code, is amended by adding at the end the following:

''(e) CONSPIRACY.—If two or more persons conspire to violate subsection (b) or (c), and one or more of such persons do any act to effect the object of the conspiracy, each of the parties to such conspiracy shall be punished as provided in such subsection.''.

(k) DAMAGING OR DESTROYING AN INTERSTATE GAS OR HAZARDOUS LIQUID PIPELINE FACILITY.—Section 60123(b) of title 49, United States Code, is amended—

(1) by striking '', or attempting to damage or destroy,''; and

(2) by inserting '', or attempting or conspiring to do such an act,'' before ''shall be fined''.

SEC. 813. POST-RELEASE SUPERVISION OF TERRORISTS.

Section 3583 of title 18, United States Code, is amended by adding at the end the following:

''(j) SUPERVISED RELEASE TERMS FOR TERRORISM PREDICATES.—Notwithstanding subsection (b), the authorized term of supervised release for any offense listed in section 2332b(g)(5)(B), the commission of which resulted in, or created a foreseeable risk of, death or serious bodily injury to another person, is any term of years or life.''.

SEC. 814. INCLUSION OF ACTS OF TERRORISM AS RACKETEERING ACTIVITY.

Section 1961(1) of title 18, United States Code, is amended—

(1) by striking ''or (F)'' and inserting ''(F)''; and

(2) by inserting before the semicolon at the end the following: '', or (G) any act that is indictable as an offense listed in section 2332b(g)(5)(B)''.

SEC. 815. DETERRENCE AND PREVENTION OF CYBERTERRORISM.

(a) CLARIFICATION OF PROTECTION OF PROTECTED COMPUTERS.—Section 1030(a)(5) of title 18, United States Code, is amended—

(1) by inserting ''(i)'' after (A)'';

(2) by redesignating subparagraphs (B) and (C) as clauses (ii) and (iii), respectively;

(3) by adding ''and'' at the end of clause (iii), as so redesignated; and

(4) by adding at the end the following:

''(B) caused (or, in the case of an attempted offense, would, if completed, have caused) conduct described in clause (i), (ii), or (iii) of subparagraph (A) that resulted in—

''(i) loss to 1 or more persons during any 1-year period (including loss resulting from a related course of conduct affecting 1 or more other protected computers) aggregating at least $5,000 in value;

''(ii) the modification or impairment, or potential modification or impairment, of the medical examination, diagnosis, treatment, or care of 1 or more individuals;

''(iii) physical injury to any person;

''(iv) a threat to public health or safety; or

''(v) damage affecting a computer system used by or for a Government entity in furtherance of the administration of justice, national defense, or national security;''.

(b) PENALTIES.—Section 1030(c) of title 18, United States Code is amended—

(1) in paragraph (2)—

(A) in subparagraph (A) —

(i) by inserting ''except as provided in subparagraph (B),'' before ''a fine'';

(ii) by striking ''(a)(5)(C)'' and inserting ''(a)(5)(A)(iii)''; and

(iii) by striking ''and' at the end;

(B) in subparagraph (B), by inserting ''or an attempt to commit an offense punishable under this subparagraph,'' after ''subsection (a)(2),'' in the matter preceding clause (i); and

(C) in subparagraph (C), by striking ''and'' at the end;

(2) in paragraph (3)—

(A) by striking '', (a)(5)(A), (a)(5)(B),'' both places it appears; and

(B) by striking ''and'' at the end; and

(3) by striking ''(a)(5)(C)'' and inserting ''(a)(5)(A)(iii)''; and

(4) by adding at the end the following new paragraphs:

''(4)(A) a fine under this title, imprisonment for not more than 10 years, or both, in the case of an offense under subsection (a)(5)(A)(i), or an attempt to commit an offense punishable under that subsection;

''(B) a fine under this title, imprisonment for not more than 5 years, or both, in the case of an offense under subsection (a)(5)(A)(ii), or an attempt to commit an offense punishable under that subsection;

''(C) a fine under this title, imprisonment for not more than 20 years, or both, in the case of an offense under subsection (a)(5)(A)(i) or (a)(5)(A)(ii), or an attempt to commit an offense punishable under either subsection, that occurs after a conviction for another offense under this section.''.

(c) DEFINITIONS.—Subsection (e) of section 1030 of title 18, United States Code is amended—

(1) in paragraph (2)(B), by inserting '', including a computer located outside the United States'' before the semicolon;

(2) in paragraph (7), by striking ''and'' at the end;

(3) by striking paragraph (8) and inserting the following new paragraph (8):

''(8) the term 'damage' means any impairment to the integrity or availability of data, a program, a system, or information;'';

(4) in paragraph (9), by striking the period at the end and inserting a semicolon; and

(5) by adding at the end the following new paragraphs:

''(10) the term 'conviction' shall include a conviction under the law of any State for a crime punishable by imprisonment for more than 1 year, an element of which is unauthorized access, or exceeding authorized access, to a computer;

''(11) the term 'loss' includes any reasonable cost to any victim, including the cost of responding to an offense, conducting a damage assessment, and restoring the data, program, system, or information to its condition prior to the offense, and any revenue lost, cost incurred, or other consequential damages incurred because of interruption of service;

''(12) the term 'person' means any individual, firm, corporation, educational institution, financial institution, governmental entity, or legal or other entity;''.

(d) DAMAGES IN CIVIL ACTIONS.—Subsection (g) of section 1030 of title 18, United States Code is amended—

(1) by striking the second sentence and inserting the following new sentences: ''A suit for a violation of subsection (a)(5) may be brought only if the conduct involves one of the factors enumerated in subsection (a)(5)(B). Damages for a violation involving only conduct described in subsection (a)(5)(B)(i) are limited to economic damages.''; and

(2) by adding at the end the following: ''No action may be brought under this subsection for the negligent design or manufacture of computer hardware, computer software, or firmware.''.

(e) AMENDMENT OF SENTENCING GUIDELINES RELATING TO CERTAIN COMPUTER FRAUD AND ABUSE.—Pursuant to its authority under section 994(p) of title 28, United States Code, the United States Sentencing Commission shall amend the Federal sentencing guidelines to ensure that any individual convicted of a violation of section 1030 of title 18, United States Code, can be subjected to appropriate

penalties, without regard to any mandatory minimum term of imprisonment.

SEC. 816. ADDITIONAL DEFENSE TO CIVIL ACTIONS RELATING TO PRESERVING RECORDS IN RESPONSE TO GOVERNMENT REQUESTS.

Section 2707(e)(1) of title 18, United States Code, is amended by inserting after ''or statutory authorization'' the following: ''(including a request of a governmental entity under section 2703(f) of this title)''.

SEC. 817. DEVELOPMENT AND SUPPORT OF CYBERSECURITY FORENSIC CAPABILITIES.

(a) IN GENERAL.—The Attorney General shall establish such regional computer forensic laboratories as the Attorney General considers appropriate, and provide support to existing computer forensic laboratories, in order that all such computer forensic laboratories have the capability—

(1) to provide forensic examinations with respect to seized or intercepted computer evidence relating to criminal activity (including cyberterrorism);

(2) to provide training and education for Federal, State, and local law enforcement personnel and prosecutors regarding investigations, forensic analyses, and prosecutions of computer-related crime (including cyberterrorism);

(3) to assist Federal, State, and local law enforcement in enforcing Federal, State, and local criminal laws relating to computer-related crime;

(4) to facilitate and promote the sharing of Federal law enforcement expertise and information about the investigation, analysis, and prosecution of computer-related crime with State and local law enforcement personnel and prosecutors, including the use of multijurisdictional task forces; and

(5) to carry out such other activities as the Attorney General considers appropriate.

(b) AUTHORIZATION OF APPROPRIATIONS.—

(1) AUTHORIZATION.—There is hereby authorized to be appropriated in each fiscal year $50,000,000 for purposes of carrying out this section.

(2) AVAILABILITY.—Amounts appropriated pursuant to the authorization of appropriations in paragraph (1) shall remain available until expended.

TITLE IX—IMPROVED INTELLIGENCE

SEC. 901. RESPONSIBILITIES OF DIRECTOR OF CENTRAL INTELLIGENCE REGARDING FOREIGN INTELLIGENCE COLLECTED UNDER FOREIGN INTELLIGENCE SURVEILLANCE ACT OF 1978.

Section 103(c) of the National Security Act of 1947 (50 U.S.C. 403–3(c)) is amended—

(1) by redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively; and

(2) by inserting after paragraph (5) the following new paragraph (6):

''(6) establish requirements and priorities for foreign intelligence information to be collected under the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.), and provide assistance to the Attorney General to ensure that information derived from electronic surveillance or physical searches under that Act is disseminated so it may be used efficiently and effectively for foreign intelligence purposes, except that the Director shall have no authority to direct, manage, or undertake electronic surveillance operations pursuant to that Act unless otherwise authorized by statute or executive order;''.

SEC. 902. INCLUSION OF INTERNATIONAL TERRORIST ACTIVITIES WITHIN SCOPE OF FOREIGN INTELLIGENCE UNDER NATIONAL SECURITY ACT OF 1947.

Section 3 of the National Security Act of 1947 (50 U.S.C. 401a) is amended—

(1) in paragraph (2), by inserting before the period the following: '', or international terrorist activities''; and

(2) in paragraph (3), by striking ''and activities conducted'' and inserting '', and activities conducted,''.

SEC. 903. SENSE OF CONGRESS ON THE ESTABLISHMENT AND MAINTENANCE OF INTELLIGENCE RELATIONSHIPS TO ACQUIRE INFORMATION ON TERRORISTS AND TERRORIST ORGANIZATIONS.

It is the sense of Congress that officers and employees of the intelligence community of the Federal Government, acting within the course of their official duties, should be encouraged, and should make every effort, to establish and maintain intelligence relationships with any person, entity, or group for the purpose of engaging in lawful intelligence activities, including the acquisition of information on the identity, location, finances, affiliations, capabilities, plans, or intentions of a terrorist or terrorist organization, or information on any other person, entity, or group (including a foreign government) engaged in harboring, comforting, financing, aiding, or assisting a terrorist or terrorist organization.

SEC. 904. TEMPORARY AUTHORITY TO DEFER SUBMITTAL TO CONGRESS OF REPORTS ON INTELLIGENCE AND INTELLIGENCE-RELATED MATTERS.

(a) AUTHORITY TO DEFER.—The Secretary of Defense, Attorney General, and Director of Central Intelligence each may, during the effective period of this section, defer the date of submittal to Congress of any covered intelligence report under the jurisdiction of such official until February 1, 2002.

(b) COVERED INTELLIGENCE REPORT.—Except as provided in subsection (c), for purposes of subsection (a), a covered intelligence report is as follows:

(1) Any report on intelligence or intelligence-related activities of the United States Government that is required to be submitted to Congress by an element of the intelligence community during the effective period of this section.

(2) Any report or other matter that is required to be submitted to the Select Committee on Intelligence of the Senate and Permanent Select Committee on Intelligence of the House of Representatives by the Department of Defense or the Department of Justice during the effective period of this section.

(c) EXCEPTION FOR CERTAIN REPORTS.—For purposes of subsection (a), any report required by section 502 or 503 of the National Security Act of 1947 (50 U.S.C. 413a, 413b) is not a covered intelligence report.

(d) NOTICE TO CONGRESS.—Upon deferring the date of submittal to Congress of a covered intelligence report under subsection (a), the official deferring the date of submittal of the covered intelligence report shall submit to Congress notice of the deferral. Notice of deferral of a report shall specify the provision of law, if any, under which the report would otherwise be submitted to Congress.

(e) EXTENSION OF DEFERRAL.—(1) Each official specified in subsection (a) may defer the date of submittal to Congress of a covered intelligence report under the jurisdiction of such official to a date after February 1, 2002, if such official submits to the committees of Congress specified in subsection (b)(2) before February 1, 2002, a certification that preparation and submittal of the covered intelligence report on February 1, 2002, will impede the work of officers or employees who are engaged in counterterrorism activities.

(2) A certification under paragraph (1) with respect to a covered intelligence report shall specify the date on which the covered intelligence report will be submitted to Congress.

(f) EFFECTIVE PERIOD.—The effective period of this section is the period beginning on the date of the enactment of this Act and ending on February 1, 2002.

(g) ELEMENT OF THE INTELLIGENCE COMMUNITY DEFINED.—In this section, the term ''element of the intelligence community'' means any element of the intelligence community specified or designated under section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).

SEC. 905. DISCLOSURE TO DIRECTOR OF CENTRAL INTELLIGENCE OF FOREIGN INTELLIGENCE-RELATED INFORMATION WITH RESPECT TO CRIMINAL INVESTIGATIONS.

(a) IN GENERAL.—Title I of the National Security Act of 1947 (50 U.S.C. 402 et seq.) is amended—

(1) by redesignating subsection 105B as section 105C; and

(2) by inserting after section 105A the following new section 105B:

''DISCLOSURE OF FOREIGN INTELLIGENCE ACQUIRED IN CRIMINAL INVESTIGATIONS; NOTICE OF CRIMINAL INVESTIGATIONS OF FOREIGN INTELLIGENCE SOURCES

''SEC. 105B. (a) DISCLOSURE OF FOREIGN INTELLIGENCE.—(1) Except as otherwise provided by law and subject to paragraph (2), the Attorney General, or the head of any other department or agency of the Federal Government with law enforcement responsibilities, shall expeditiously disclose to the Director of Central Intelligence, pursuant to guidelines developed by the Attorney General in consultation with the Director, foreign intelligence acquired by an element of the Department of Justice or an element of such department or agency, as the case may be, in the course of a criminal investigation.

''(2) The Attorney General by regulation and in consultation with the Director of Central Intelligence may provide for exceptions to the applicability of paragraph (1) for one or more classes of foreign intelligence, or foreign intelligence with respect to one or more targets or matters, if the Attorney General determines that disclosure of such foreign intelligence under that paragraph would jeopardize an ongoing law enforcement investigation or impair other significant law enforcement interests.

''(b) PROCEDURES FOR NOTICE OF CRIMINAL INVESTIGATIONS.—Not later than 180 days after the date of enactment of this section, the Attorney General, in consultation with the Director of Central Intelligence, shall develop guidelines to ensure that after receipt of a report from an element of the intelligence community of activity of a foreign intelligence source or potential foreign intelligence source that may warrant investigation as criminal activity, the Attorney General provides notice to the Director of Central Intelligence, within a reasonable period of time, of his intention to commence, or decline to commence, a criminal investigation of such activity.

''(c) PROCEDURES.—The Attorney General shall develop procedures for the administration of this section, including the disclosure of foreign intelligence by elements of the Department of Justice, and elements of other departments and agencies of the Federal

Government, under subsection (a) and the provision of notice with respect to criminal investigations under subsection (b).''.

(b) CLERICAL AMENDMENT.—The table of contents in the first section of that Act is amended by striking the item relating to section 105B and inserting the following new items:

''Sec. 105B. Disclosure of foreign intelligence acquired in criminal investigations; notice of criminal investigations of foreign intelligence sources.

''Sec. 105C. Protection of the operational files of the National Imagery and Mapping Agency.''.

SEC. 906. FOREIGN TERRORIST ASSET TRACKING CENTER.

(a) REPORT ON RECONFIGURATION.—Not later than February 1, 2002, the Attorney General, the Director of Central Intelligence, and the Secretary of the Treasury shall jointly submit to Congress a report on the feasibility and desirability of reconfiguring the Foreign Terrorist Asset Tracking Center and the Office of Foreign Assets Control of the Department of the Treasury in order to establish a capability to provide for the effective and efficient analysis and dissemination of foreign intelligence relating to the financial capabilities and resources of international terrorist organizations.

(b) REPORT REQUIREMENTS.—(1) In preparing the report under subsection (a), the Attorney General, the Secretary, and the Director shall consider whether, and to what extent, the capacities and resources of the Financial Crimes Enforcement Center of the Department of the Treasury may be integrated into the capability contemplated by the report.

(2) If the Attorney General, Secretary, and the Director determine that it is feasible and desirable to undertake the reconfiguration described in subsection (a) in order to establish the capability described in that subsection, the Attorney General, the Secretary, and the Director shall include with the report under that subsection a detailed proposal for legislation to achieve the reconfiguration.

SEC. 907. NATIONAL VIRTUAL TRANSLATION CENTER.

(a) REPORT ON ESTABLISHMENT.—(1) Not later than February 1, 2002, the Director of Central Intelligence shall, in consultation with the Director of the Federal Bureau of Investigation, submit to the appropriate committees of Congress a report on the establishment and maintenance within the intelligence community of an element for purposes of providing timely and accurate translations of foreign intelligence for all other elements of the intelligence community. In the report, the element shall be referred to as the ''National Virtual Translation Center''.

(2) The report on the element described in paragraph (1) shall discuss the use of state-of-the-art communications technology, the integration of existing translation capabilities in the intelligence community, and the utilization of remote-connection capacities so as to minimize the need for a central physical facility for the element.

(b) RESOURCES.—The report on the element required by subsection (a) shall address the following:

(1) The assignment to the element of a staff of individuals possessing a broad range of linguistic and translation skills appropriate for the purposes of the element.

(2) The provision to the element of communications capabilities and systems that are commensurate with the most current and sophisticated communications capabilities and systems available to other elements of intelligence community.

(3) The assurance, to the maximum extent practicable, that the communications capabilities and systems provided to the element will be compatible with communications capabilities and systems utilized by the Federal Bureau of Investigation in securing timely and accurate translations of foreign language materials for law enforcement investigations.

(4) The development of a communications infrastructure to ensure the efficient and secure use of the translation capabilities of the element.

(c) SECURE COMMUNICATIONS.—The report shall include a discussion of the creation of secure electronic communications between the element described by subsection (a) and the other elements of the intelligence community.

(d) DEFINITIONS.—In this section:

(1) FOREIGN INTELLIGENCE.—The term ''foreign intelligence'' has the meaning given that term in section 3(2) of the National Security Act of 1947 (50 U.S.C. 401a(2)).

(2) ELEMENT OF THE INTELLIGENCE COMMUNITY.—The term ''element of the intelligence community'' means any element of the intelligence community specified or designated under section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).

SEC. 908. TRAINING OF GOVERNMENT OFFICIALS REGARDING IDENTIFICATION AND USE OF FOREIGN INTELLIGENCE.

(a) PROGRAM REQUIRED.—The Attorney General shall, in consultation with the Director of Central Intelligence, carry out a program to provide appropriate training to officials described in subsection (b) in order to assist such officials in—

(1) identifying foreign intelligence information in the course of their duties; and

(2) utilizing foreign intelligence information in the course of their duties, to the extent that the utilization of such information is appropriate for such duties.

(b) OFFICIALS.—The officials provided training under subsection (a) are, at the discretion of the Attorney General and the Director, the following:

(1) Officials of the Federal Government who are not ordinarily engaged in the collection, dissemination, and use of foreign intelligence in the performance of their duties.

(2) Officials of State and local governments who encounter, or may encounter in the course of a terrorist event, foreign intelligence in the performance of their duties.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is hereby authorized to be appropriated for the Department of Justice such sums as may be necessary for purposes of carrying out the program required by subsection (a).

By Mr. SPECTER:

S.J. Res. 24. A joint resolution honoring Maureen Reagan on the occasion of her death and expressing condolences to her family, including her husband Dennis Revell and her daughter Rita Revell; to the Committee on the Judiciary.

Mr. SPECTER. Mr. President, I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 24

Whereas the Congress is greatly saddened by the tragic death of Maureen Reagan on August 8, 2001;

Whereas Maureen Reagan's love of life and countless contributions to family and the Nation serve as an inspiration to millions;

Whereas Maureen Reagan was a remarkable advocate for a number of causes and had many passions, the greatest being her dedication to addressing the scourge of Alzheimer's disease;

Whereas in 1994 when former President Ronald Reagan announced that he had been diagnosed with Alzheimer's disease, Maureen Reagan joined her father and Nancy Reagan in the fight against Alzheimer's disease and became a national spokesperson for the Alzheimer's Association;

Whereas Maureen Reagan served as a tireless advocate to raise public awareness about Alzheimer's disease, support care givers, and substantially increase the Nation's commitment to research on Alzheimer's disease;

Whereas Maureen Reagan helped inspire the Congress to increase Federal research funding for Alzheimer's disease by amounts proportionate to increases in research funding for other major diseases;

Whereas Maureen Reagan went far beyond merely lending her name to the work of the Alzheimer's Association: she was a hands-on activist on the association's board of directors, a masterful fund-raiser, a forceful advocate, and a selfless and constant traveler to anywhere and everywhere Alzheimer's advocates needed help;

Whereas at every stop she made and every event she attended in her efforts to eradicate Alzheimer's disease through research, Maureen Reagan emphasized that researchers are in a ''race against time before Alzheimer's reaches epidemic levels'' with the aging of the Baby Boomers;

Whereas Maureen Reagan stated before the Congress in 2000 that ''14 million Baby Boomers are living with a death sentence of Alzheimer's today'';

Whereas despite her declining health, Maureen Reagan never decreased her efforts in her battle to eliminate Alzheimer's disease;

Whereas during the last six months of her life, from her hospital bed and home, Maureen Reagan urged the Congress to invest $1,000,000,000 to fund research at the National Institutes of Health focused on Alzheimer's disease;

Whereas Maureen Reagan said, ''The best scientific minds have been brought into the race against Alzheimer's, a solid infrastructure is in place, and the path for further investigations is clear. What's missing is the money, especially the Federal investment, to keep up the pace.''; and

Whereas Maureen Reagan's remarkable advocacy for the millions affected and afflicted by Alzheimer's disease will forever serve as an inspiration to continue and ultimately win the battle against the illness: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress, on the occasion of the tragic and untimely death of Maureen Reagan—

(1) recognizes Maureen Reagan as one of the Nation's most beloved and forceful champions for action to cure Alzheimer's disease and treat those suffering from the illness; and

(2) expresses deep and heartfelt condolences to the family of Maureen Reagan, including her husband Dennis Revell and her daughter Rita Revell.

STATEMENTS ON SUBMITTED RESOLUTIONS

SENATE RESOLUTION 168—CONGRATULATING AND HONORING CAL RIPKEN, JR. FOR HIS AMAZING AND STORYBOOK CAREER AS A PLAYER FOR THE BALTIMORE ORIOLES AND THANKING HIM FOR HIS CONTRIBUTIONS TO BASEBALL, THE STATE OF MARYLAND, AND THE UNITED STATES

Mr. SARBANES (for himself, Ms. MIKULSKI, Mr. BINGAMAN, Mr. HATCH, Mr. HUTCHINSON, and Mr. REID) submitted the following resolution; which was considered and agreed to:

S. RES. 168

Whereas Calvin (Cal) Edwin Ripken, Jr. was born in Havre de Grace, Maryland on August 24th, 1960;

Whereas Cal Ripken, Jr. was raised in Aberdeen, Maryland and taught baseball by his father, Cal Ripken Sr., who spent his career with the Baltimore Orioles where he developed the Ripken Way;

Whereas Cal Ripken, Jr. entered the major leagues in 1981 as a Baltimore Oriole and played his entire 21 year career for the Orioles, ranking third all-time in Major League Baseball for years played with 1 team and first during the period of free agency;

Whereas Cal Ripken, Jr. redefined the shortstop position, both offensively by hitting the most home runs as a shortstop in major league history and receiving the most Silver Slugger Awards by a shortstop, and defensively by setting 11 different fielding records;

Whereas on May 30th, 1982, Cal Ripken, Jr. played in the first game of his Iron Man Streak;

Whereas Cal Ripken, Jr. was named the American League (AL) Rookie of the Year in 1982;

Whereas Cal Ripken, Jr. led the Baltimore Orioles to a World Championship Season in 1983, winning the AL Most Valuable Player (MVP) award, becoming the first and only player to win the Rookie of the Year and MVP awards in back-to-back seasons;

Whereas in 1987, Cal Ripken, Jr. ended his consecutive innings played streak with a record 8,243;

Whereas in 1987, Cal Ripken, Jr., playing with brother Billy Ripken at second base and father Cal Ripken, Sr. as manager, became a part of the first pair of brothers to play together for their father in the history of Major League Baseball, making the name Ripken synonymous with the Baltimore Orioles;

Whereas Cal Ripken, Jr. was the first recipient of the Bart Giamatti Caring Award in 1989;

Whereas in 1990, Cal Ripken, Jr. had the greatest defensive single season of any shortstop, setting major league records in fielding percentage (.996), fewest errors committed (3), and consecutive games without an error (95);

Whereas in 1991, Cal Ripken, Jr. won his second AL MVP award, becoming 1 of only 22 major leaguers to win multiple MVP awards, won the first of 2 Golden Glove awards, and became the first player in baseball history to win the All-Star MVP and Home Run Contest in the same season as winning the MVP award;

Whereas in 1992, Cal Ripken, Jr. was awarded the Roberto Clemente Award, presented annually to the player who best exemplifies the game of baseball both on and off the field;

Whereas on September 6th, 1995, Cal Ripken, Jr. played in his 2131st consecutive game, breaking the record of the great and honorable Lou Gehrig;

Whereas in Cal Ripken Jr.'s 14 seasons of pursuit of Lou Gehrig's record, Cal Ripken, Jr. conducted himself with complete dignity, humility, and honor that attracted the attention of both baseball fans and all Americans and played a crucial role in bringing baseball back as America's national pastime after the labor problems of baseball in 1994;

Whereas in 1995, Cal Ripken, Jr. earned the following awards: the Associated Press and United Press International Male Athlete of the Year; The Sporting News Award Major League Player of the Year; and the Sports Illustrated Sportsman of the Year;

Whereas on September 20th, 1998, Cal Ripken, Jr. voluntarily ended his consecutive games streak at 2632;

Whereas in 1999, Cal Ripken, Jr. became 1 of 32 players to hit over 400 home runs;

Whereas in 2000, Cal Ripken, Jr. became 1 of 24 players with 3,000 hits, joining only 6 other players with over 400 home runs and 3,000 hits and becoming only the second infielder and first shortstop or third baseman to be in this club, along with fellow Baltimore Oriole first baseman and good friend Eddie Murray;

Whereas Cal Ripken, Jr. was named to Major League Baseball's All-Century Team in 2000;

Whereas Cal Ripken, Jr. won his second All-Star Game MVP award in 2001, becoming the first American League player to win 2 such MVP awards, and setting baseball records for most All-Star appearances at 19, All-Star starts at 17, All-star starts at shortstop at 14, and consecutive starts at 16;

Whereas Cal Ripken, Jr. is retiring from the game that he loves to continue his other passions, the teaching of baseball to children and charitable work through the ''Reading, Runs, and Ripken'' program, the Cal Ripken Little League Division which has over 700,000 children, the Kelly and Cal Ripken, Jr. Foundation, and the Cal Ripken, Jr./Lou Gehrig ALS Research Fund;

Whereas Cal Ripken, Jr. has pledged $9,000,000 for the construction of a baseball facility in Harford County, Maryland; and

Whereas Cal Ripken, Jr. transcended the game of baseball and became a symbol of excellence, reliability, consistency, and served as a role model for the children of his hometown of Aberdeen, Maryland, the city of Baltimore, Maryland, all Maryland residents, and all Americans: Now, therefore, be it

Resolved,

SECTION 1. HONORING CAL RIPKEN, JR.

The Senate—

(1) honors and congratulates Cal Ripken, Jr. for—

(A) his contributions to both baseball and America as an exemplar of endurance, professionalism, and the American work ethic;

(B) his entire career as a Baltimore Oriole, a major league baseball player, and for his conduct both on and off the field;

(C) his excellent treatment of all baseball fans in all stadiums and his community service both in the State of Maryland and throughout America; and

(D) all of his qualities and traits that helped him serve as a role model for all Americans; and

(2) wishes Cal Ripken, Jr. the best for what will undoubtably be a productive and giving retirement.

SEC. 2. TRANSMISSION.

The Secretary of the Senate shall transmit an enrolled copy of this resolution to—

(1) the legendary Baltimore Oriole Cal Ripken, Jr.; and

(2) the Baltimore Orioles' owner, Peter Angelos.

SENATE CONCURRENT RESOLUTION 75—TO EXPRESS THE SENSE OF THE CONGRESS THAT THE PUBLIC SAFETY OFFICER MEDAL OF VALOR SHOULD BE PRESENTED TO PUBLIC SAFETY OFFICERS KILLED OR SERIOUSLY INJURED AS A RESULT OF THE TERRORIST ATTACKS PERPETRATED AGAINST THE UNITED STATES ON SEPTEMBER 11, 2001, AND TO THOSE WHO PARTICIPATED IN THE SEARCH, RESCUE, AND RECOVERY EFFORTS IN THE AFTERMATH OF THOSE ATTACKS

Mr. HARKIN (for himself, Mr. SCHUMER, Mr. WARNER, Mrs. CLINTON, Mr. ALLEN, Mr. HELMS, Mr. CORZINE, Ms. SNOWE, Mr. VOINOVICH, and Mr. LIEBERMAN) submitted the following concurrent resolution; which was referred to the Committee on the Judiciary:

S. CON. RES. 75

Whereas on September 11, 2001, terrorists hijacked and destroyed 4 civilian aircraft, crashing 2 of them into the towers of the World Trade Center in New York City, a third into the Pentagon, and a fourth in rural southwest Pennsylvania;

Whereas thousands of innocent Americans and many foreign nationals were killed and injured as a result of the surprise terrorist attacks, including the passengers and crews of the 4 aircraft, workers in the World Trade Center and the Pentagon, firefighters, law enforcement officers, emergency assistance personnel, and bystanders;

Whereas hundreds of public safety officers were killed and injured as a result of the terrorist attacks, many of whom would perish when the twin towers of the World Trade Center collapsed upon them after they rushed to the aid of innocent civilians who were imperiled when the terrorists first launched their attacks;

Whereas thousands more public safety officers continued to risk their own lives and long-term health in sifting through the aftermath and rubble of the terrorist attacks to rescue those who may have survived and to recover the dead;

Whereas the Public Safety Officer Medal of Valor Act of 2001 (Public Law 107–12, 115 Stat. 20) authorizes the President to award and present in the name of Congress, a Medal of Valor to public safety officers for extraordinary valor above and beyond the call of duty;

Whereas the Attorney General of the United States has discretion to increase the number of recipients of the Medal of Valor

under that Act beyond that recommended by the Medal of Valor Review Board in extraordinary cases in any given year;

Whereas the terrorist attacks against the United States on September 11, 2001 and their aftermath constitute the single most deadly assault on our American homeland in our Nation's history; and

Whereas those public safety officers who perished and were injured, and all those who participated in the efforts to rescue whomever may have survived the terrorist attacks and recover those whose lives were taken so suddenly and violently are the first casualties and veterans of America's new war against terrorism, which was unanimously authorized by the Authorization for Use of Military Force (Senate Joint Resolution 23, enacted September 14, 2001): Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that—

(1) the President should award and present in the name of Congress a Public Safety Officer Medal of Valor to every public safety officer who was killed or seriously injured as a result of the terrorist attacks perpetrated against the United States on September 11, 2001, and to deserving public safety officers who participated in the search, rescue, and recovery efforts in the aftermath of those attacks; and

(2) such assistance and compensation as may be needed should be provided to the public safety officers who were injured or whose health was otherwise adversely affected as a result of their participation in the search, rescue, and recovery efforts undertaken in the aftermath of the terrorist attacks of September 11, 2001.

Mr. HARKIN. Mr. President, I stand today with my colleagues from New York and Virginia to honor those public safety officials, our police, firefighters, and emergency services personnel, who were lost, or seriously wounded in the attacks of September 11 and to public safety officers who participated in the subsequent search, rescue, and recovery efforts.

In a tragedy so horrific, when so many were lost so unexpectedly, there is little we can do to console a grieving family. A thank you won't console a child whose father won't be there to say good night. It's little solace to the men and women of a firehouse who even now are waiting to welcome their brothers and sisters home. But by showing our gratitude for their sacrifice, by saying a simple thank you, we can help heal the hearts of the men, women, and children who were left behind, or who struggled to save their friends and neighbors.

Today, my colleagues and I hope to be part of this process of healing by introducing a resolution recommending that the President award the Congressional Medal of Valor for Public Safety Officers to those public safety officials killed or seriously wounded in the September 11 attacks and to deserving public safety officers who participated in the subsequent search, rescue and recovery efforts.

These medals will serve as a thank you to those still with us. But I think they can do much more for the families who lost loved ones. I've seen how medals awarded in combat can help tell a story to a child about a lost loved one. They can show a child and an entire family that their loved one did not die in vain. These medals can say that these men and women gave their lives in service to their neighbors and to their nation, and that nation is a grateful one.

History will mark September 11, 2001 as one of the darkest days in our Nation's history. In less than two hours, more Americans were killed than those who died during the Revolutionary War or the surprise attack on Pearl Harbor. Words cannot begin to capture our grief, our loss, or our resolve to strike back against global terrorism.

But in that darkest of hours, the bravery and selflessness of our public safety officials shined a light of hope for us all to follow. You see it reflected back in towns large and small across America. You see it in flag-lined streets, lines of blood donors, and in the millions contributed to help care for the victims families. The example set by our police, firefighters and emergency services personal steeled the resolve of every American.

I would be remiss if I did not thank my colleague and the senior Senator from Alaska Senator STEVENS. Earlier this year the Congress passed, the president signed, the Public Safety Officer Medal of Valor Act, which was authorized by my friend from Alaska. That earlier recognition of the need to honor the heroism of public service officers makes today's resolution possible, and I thank my colleague from Alaska.

I should also note that Senator STEVENS has also introduced a resolution similar to the one we offer today. My resolution goes somewhat further by calling on the President to award the Congressional Medal of Valor to those killed and those seriously injured in the attacks and to deserving public safety officers who participated in the subsequent search, rescue, and recovery efforts.

The men and women this resolution would honor are the first victims of America's first war of the 21st century. My solemn prayer is that they will be the final casualties of a final war. But then I remember the destruction of the past century, how we spoke of a War to End All Wars, only to see the century unfold with more destruction. As we move closer to some form of military action, I hope for a day when we can stop throwing more young lives into the breech and instead repair the breech itself.

But today, to these new fellow veterans, we say thank you. A grateful Nation has drawn its strength from the courageous firefighters, police officers, and emergency services personnel who have sacrificed so much without hesitation. It is my privilege to have this chance to say thank you in this small way. I want to thank my colleagues from New York and Virginia. I hope we can move this resolution forward with the help of all of my colleagues.

SENATE CONCURRENT RESOLUTION 76—HONORING THE LAW ENFORCEMENT OFFICERS, FIREFIGHTERS, EMERGENCY RESCUE PERSONNEL, AND HEALTH CARE PROFESSIONALS WHO HAVE WORKED TIRELESSLY TO SEARCH FOR AND RESCUE THE VICTIMS OF THE HORRIFIC ATTACKS ON THE UNITED STATES ON SEPTEMBER 11, 2001

Mr. FEINGOLD (for himself, Mr. ALLEN, Mr. WARNER, Mrs. CLINTON, and Mr. SCHUMER) submitted the following concurrent resolution; which was referred to the Committee on the Judiciary:

S. CON. RES. 76

Whereas on September 11, 2001, terrorists hijacked and destroyed 4 civilian aircraft, crashing 2 of the planes into the towers of the World Trade Center in New York City and a third plane into the Pentagon in northern Virginia, and resulting in the crash of a fourth plane in Somerset County, Pennsylvania;

Whereas these attacks destroyed both towers of the World Trade Center, as well as adjacent buildings, and seriously damaged the Pentagon;

Whereas thousands of innocent Americans and foreign nationals were killed or injured as a result of these attacks;

Whereas police officers, firefighters, public safety officers, and medical response crews were thrown into extraordinarily dangerous situations, responding to these horrendous events, acting heroically, and trying to help and to save as many of the lives of others as possible in the impact zones, in spite of the clear danger to their own lives;

Whereas some of these rescue workers, police officers, and firefighters have died or are missing at the site of the World Trade Center;

Whereas firefighters, rescue personnel, and police officers have been working above and beyond the call of duty, putting their lives at risk, working overtime, going without proper sleep, and spending time away from their families and loved ones;

Whereas the United States Capitol Police, United States Secret Service, the Police Department of Metropolitan Washington, D.C., the Arlington County Police Department, and other law enforcement agencies have put in extra hours to ensure the safety of all Americans, particularly the President, members of Congress, and other United States Government officials; and

Whereas since the morning of September 11, 2001, police officers and public safety officers throughout the United States have been called upon to put in extra time to ensure the safe and security of Americans: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress commends—

(1) the firefighters, police officers, rescue personnel, and health care professionals who have selflessly dedicated themselves to the search, rescue, and recovery efforts in New

York City, northern Virginia, and Pennsylvania; and

(2) the efforts of law enforcement and public safety personnel throughout the nation for their service at a time when their call to serve and protect their nation is even more essential than ever before.

AMENDMENTS SUBMITTED AND PROPOSED

SA 1846. Mr. FEINGOLD (for himself, Mr. BROWNBACK, and Mr. BAUCUS) submitted an amendment intended to be proposed by him to the bill H.R. 2506, making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 1846. Mr. FEINGOLD (for himself, Mr. BROWNBACK, and Mr. BAUCUS) submitted an amendment intended to be proposed by him to the bill H.R. 2506, making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . COST OF LIVING ADJUSTMENT FOR MEMBERS OF CONGRESS.

Notwithstanding any other provision of law, no adjustment shall be made under section 601(a) of the Legislative Reorganization Act of 1946 (2 U.S.C. 31) (relating to cost of living adjustments for Members of Congress) during fiscal year 2002.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, October 4, 2001, at 11 a.m., in open session to receive testimony on the Department of Defense's Quadrennial Defense Review (QDR).

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, October 4, 2001, to conduct a mark-up of the International Money Laundering Abatement and Anti-Terrorist Financing Act of 2001.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Thursday, October 4, 2001 at 10:00 a.m. to consider the Nomination of JoAnne Barnhart, to be Commissioner of the Social Security Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, October 4, 2001 at 11:30 a.m. to hold a Business Meeting.

The Committee will consider and vote on the following agenda:

Legislation: S. 1465 a bill to authorize the President to provide assistance to Pakistan and India through September 30, 2003, with a substitute amendment.

Nominee: Mr. Patrick F. Kennedy, of Illinois, to be Alternate Representative of the United States of America to the Sessions of the General Assembly of the United Nations during his tenure of service as Representative of the United States of America to the United Nations for U.N. Management and Reform.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Government Affairs be authorized to meet on Thursday, October 4, 2001 at 9:30 a.m. for a hearing entitled ''Critical Infrastructure Protection: Who's In Charge?''

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet for a hearing on Job Training: Helping Workers in a Fragile Economy during the session of the Senate on Thursday, October 4, 2001. At 10:00 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. REID. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a markup on Thursday, October 4, 2001 at 12:00 p.m. in room S–216.

AGENDA

I. Nominations:

Barrington Parker, Jr. to be U.S. Circuit Court Judge for the 2nd Circuit.

Michael P. Mills to be District Court Judge for the Northern District of Mississippi.

Jay Stephens to be Associate Attorney General.

Benigno G. Reyna to be Director of the U.S. Marshal Service.

To Be United States Attorney:

Susan W. Brooks, Southern District of Indiana,

John L. Brownlee, Western District of Virginia,

Timothy M. Burgess, District of Arkansas,

Steven M. Colloton, Southern District of Iowa,

Todd Peterson Graves, Western District of Missouri,

Terrell Lee Harris, Western District of Tennessee,

David C. Iglesias, District of New Mexico,

Charles W. Larson, Sr., Northern District of Iowa,

Gregory G. Lockhart, Southern District of Ohio,

Henry S. Mattice, Jr., Eastern District of Tennessee,

Robert G. McCampbell, Western District of Oklahoma,

Matthew H. Mead, District of Wyoming,

Michael Mosman, District of Oregon,

John Suthers, District of Colorado.

II. Resolutions:

S.J. Res. 18—A joint resolution memorializing fallen firefighters by lowering the United States flag to half-staff on the day of the National Fallen Firefighters Memorial Service in Emmitsburg, Maryland.

S. Con. Res. 74—A concurrent resolution condemning bigotry and violence against Sikh-Americans in the wake of terrorist attacks in New York City and Washington, D.C. on September 11, 2001.

S. Res. 164—A resolution designating October 19, 2001, as ''National Mammography Day.''

S. Res. 166—''National Childhood Lead Poisoning Week.''

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. REID. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a nominations hearing on Thursday, October 4, 2001, at 2:00 p.m. in Dirksen Room 226.

TENTATIVE WITNESS LIST

Panel I: Senator Don Nickles (R–OK), Senator James M. Inhofe (R–OK), and Senator Mary Landrieu (D–LA).

Panel II: Edith Brown Clement to be United States Circuit Judge for the Fifth Circuit.

Panel III: Karen K. Caldwell to be United States District Judge for the Eastern District of Kentucky; Laurie Smith Camp to be United States District Judge for the District of Nebraska; Claire V. Eagan to be United States District Judge of the Northern District of Oklahoma; and James H. Payne to be United States District Judge for the Northern, Eastern and Western Districts of Kentucky.

Panel IV: Jay S. Bybee to be Assistant Attorney General for the Office of Legal Counsel.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON HOUSING AND TRANSPORTATION

Mr. REID. Mr. President, I ask unanimous consent that the Subcommittee on Housing and Transportation of the Committee on Banking, Housing, and Urban Affairs be authorized to meet

during the session of the Senate on Thursday, October 4, 2001. to conduct an oversight hearing on ''Transit Safety in the Wake of September 11.''

THE PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORITY FOR INTRODUCTION OF COUNTERTERRORISM BILL

Mr. REID. Mr. President, I ask unanimous consent that notwithstanding the adjournment of the Senate today it be in order for a bipartisan counterterrorism bill to be introduced today by Senators DASCHLE and LOTT and others and that it be considered as having had its first reading, with an objection to the second reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONGRATULATING AND HONORING BALTIMORE ORIOLE CAL RIPKEN, JR.

Mr. REID. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of S. Res. 168, submitted earlier today by Senators SARBANES and MIKULSKI, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 168) congratulating and honoring Cal Ripken, Jr., for his amazing and storybook career as a player for the Baltimore Orioles and thanking him for his contributions to baseball, the State of Maryland, and the United States.

There being no objection, the Senate proceeded to consider the resolution.

Mr. SARBANES. Mr. President, I submitted S. Res. 168 with my colleague, Senator MIKULSKI, honoring Cal Ripken, Jr.

On Saturday October 6, 2001, at Oriole Park at Camden Yards, not far from my home in Baltimore, Cal Ripken, Jr. will play in his final baseball game. Cal Ripken's career will have spanned 21 seasons in the major leagues, every one of them with the Baltimore Orioles. In fact, beginning with Cal's father, Cal Ripken, Sr., there has been a Ripken in the Orioles organization for 45 consecutive years. Over the past 21 years, Cal Ripken, Jr. has built what will be a lasting legacy not only as one of the greatest players in the history of professional baseball, but as a true ambassador of the game and a shining example of sportsmanship, character, and the American work ethic.

An entire generation was born and grew up watching Cal Ripken play baseball every day the right way. Many of my constituents in Maryland have rooted for the Orioles knowing beyond a shadow of a doubt that Cal Ripken would be playing, first at Memorial Stadium and then later at Camden Yards, and that they would be able to see Cal give that one game everything that he had. Not only will the city of Baltimore miss Cal's number 8 on the left-side of the infield and in the heart of the line-up, but all residents of Maryland, and millions of Americans, from die-hard baseball fans, to those who have only seen one game, will always associate the Baltimore Orioles with their legendary shortstop, Cal Ripken.

Cal Ripken's achievements on the field of play are legendary: Ripken is one of only seven players in history to record both 400 home runs and 3,000 hits and along with fellow Oriole, longtime teammate, and good friend, Eddie Murray, they are the only infielders to accomplish this feat. Simply put, Cal redefined the position of shortstop in every respect: offense, defense, durability, consistency, and popularity.

Listing all of Cal's baseball accomplishments could go on forever, but there is one record for which he is best known, and that in Maryland is simply referred to as ''The Streak.'' For 17 straight years, Ripken played in every single game on the Baltimore Orioles' schedule, never succumbing to injury or weakness, always willing to do his best to help the Orioles over an amazing 2,632 consecutive games. It is this consistency and work ethic that has so endeared him to the American public, and was so stirringly celebrated on the evening of September 6, 1995, the day that he played has 2,131st consecutive game, surpassing the record set by the ''Iron Horse,'' Hall-of-Famer Lou Gehrig. I will repeat what I said on this very floor on September 7, 1995: throughout both ''The Streak'' and the rest of Cal's storybook career, Cal played baseball for one reason and one reason only: because he loves the game. And, Cal, the game loves you.

When Cal was approaching Mr. Gehrig's record in 1995, it was a turbulent time in the history of Major League Baseball; the sport was trying to recover from the damage done by a players' strike in the 1994 season that canceled the World Series for the first time in history. There was a breach of trust between the sport and its fans, but there is no doubt in anyone's mind that Cal Ripken's journey toward this great record was a focus point in the healing process that ultimately restored much of the good will lost for America's pastime.

Ripken, over the course of 21 consecutive seasons, spent hours before and after games signing autographs for countless fans. There were jokes in the Baltimore clubhouse that if anything were to end ''The Streak,'' it would be an injury to his right hand from signing too many autographs. But it is this willingness to go the extra mile, to not treat his fame and influence as a burden but to welcome his responsibility to the public, particularly to children, as a role model that distinguishes Cal Ripken from even the greatest athletes and enables him to transcend his sport.

Unlike so many of our modern athletes, Cal Ripken embraced his status as a role model. With his wife Kelly by his side, the Ripkens engaged in charity work ranging from literacy programs to fighting Lou Gehrig's disease, as well as working tirelessly to promote the game of baseball to all children, especially those that are disadvantaged. Fittingly, one of the many tasks that Cal will devote himself to in his retirement is the Cal Ripken Little League Division of Babe Ruth Baseball, which has over 700,000 children learning the fundamentals of baseball. Another project that Cal will be working on is that of building Inspiration Field in his home community of Harford County, Maryland. Cal has always been devoted to his Maryland roots, but beyond that is his devotion to his family, his mother Vi, his late father Cal Ripken, Sr., his wife Kelly, and his children Ryan and Rachel. Cal has shown this devotion countless times, and I know that in his retirement, Cal, will have more time to enjoy the loving family that we are all proud to know simply as the Ripkens.

But here, as with the statistics and records, listing Cal's charitable programs and donations and noting his loving role as son, husband, and father, can not fully capture the phenomenal manner in which Cal Ripken has lived his life and given back to his community. Cal was born in Havre de Grace, MD, and was raised in the neighboring City of Aberdeen. He was drafted by the Baltimore Orioles organization in 1978, and spent every year of his professional career, except one, playing baseball in the State of Maryland. Cal Ripken's career has been the fulfillment of the childhood dream of so many of us, to become an athletic superstar and play your entire career for your hometown team. And beyond that, Cal Ripken has lived this dream with the dignity, honor, humility, charity, passion, and pure love of baseball that make myself, the City of Aberdeen, the City of Baltimore, the State of Maryland, and the United States of America proud to call Cal a legend and a role model for us all. I urge my colleagues to join us in honoring and congratulating Cal Ripken's amazing and storybook career by saying thank you Cal.

Ms. MIKULSKI. Mr. President, I rise today to celebrate the life and career of Cal Ripken. He has given us 21 glorious years—and I know that we have seen nothing yet. The resolution that I am introducing with Senator SARBANES seeks to commemorate one of the great careers in baseball—and one of the great role models of our time.

Most Marylanders will confess to some sadness about what will happen this weekend. We will see the Iron Man

take the field for the last time at Camden Yards. But I promise my colleagues—this is not the last you will hear of Cal Ripken. He will go on to other careers and other challenges. He will continue his extraordinary service to his community. He will continue to be someone we can all look up to and respect.

We all know the amazing statistics he compiled in his career. In 1982, he won Rookie of the Year—and after that, the records kept breaking. He set a record for most home runs by a shortstop. He received the most Silver Slugger Awards of any shortstop and set eleven different fielding records. He was MVP twice during the regular season twice, and twice during the All-Star Games. He also amassed over three thousand hits and four hundred home runs.

He is best known for setting the record for most consecutive games played. It is unlikely that his record of 2,632 games will ever be broken.

Cal did not do this just for the sake of breaking a record; he broke that record because that is how he lives. He gives 100 percent every day. Ask any of the hundreds of Baltimore Orioles who played with him over the last twenty-one years.

Ask Cal's coaches who have seen him rededicate himself every day. Ask any of the thousands and thousands and even millions of Orioles fans for whom he stayed at the ballpark late at night, willing to sign autographs. Ask the community and charitable organizations who he volunteered for. Ask the thousands of children who he helps through his foundations.

Athletes of Cal's caliber often move from town to town and team to team. Yet Cal spent his entire career here in Baltimore. He did it for his family—his father Cal, Sr.—the great former manager of the Orioles. He did it for his children—to enable them to grow up as he did—in a community that values faith, family, community and patriotism.

Cal always puts these values into action. He has a passion for teaching baseball to children and for his charitable organizations. He created ''Reading, Runs and Ripken'' program, the Cal Ripken Little League Division, the Kelly and Cal Ripken, Jr., Foundation, and the Cal Ripken, Jr./Lou Gehrig ALS Research Fund. These service organizations will continue—serving children into the future.

Cal Ripken is the Iron Man, not because of his streak but because of his values, the Oriole way—showing up every day, working hard, playing by the rules, putting the team first. Cal will have lots of adulation over the next few days—and he absolutely deserves it. But Cal would want us to honor him not only with resolutions and parades and cheers from the grandstand. He would want us to practice the Oriole way: show up, work hard, play by the rules—and put your family and team first.

Mr. REID. Mr. President, I ask unanimous consent that I be added as a cosponsor to the resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that the resolution and preamble be agreed to en bloc; that the motion to reconsider be laid upon the table; and that any statements relating to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 168) was agreed to.

The preamble was agreed to.

(The text of S. Res. 168 is printed in today's RECORD under ''Statements on Submitted Resolutions.'')

MEMORIALIZING FALLEN FIREFIGHTERS

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 181, S.J. Res. 18.

The PRESIDING OFFICER. The clerk will report the joint resolution by title.

The legislative clerk read as follows:

A joint resolution (S.J. Res. 18) memorializing fallen firefighters by lowering the United States flag to half-staff on the day of the National Fallen Firefighters Memorial Service in Emmitsburg, Maryland.

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. REID. Mr. President, I ask unanimous consent that the joint resolution be read the third time and passed, the motion to reconsider be laid upon the table, and any statement relating to the joint resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolution (S.J. Res. 18) was read the third time and passed, as follows:

S.J. RES. 18

Whereas 1,200,000 men and women comprise the fire service in the United States;

Whereas the fire service is considered one of the most dangerous jobs in the United States;

Whereas fire service personnel selflessly respond to over 16,000,000 emergency calls annually, without reservation and with an unwavering commitment to the safety of their fellow citizens;

Whereas fire service personnel are the first to respond to an emergency, whether it involves a fire, medical emergency, spill of hazardous materials, natural disaster, act of terrorism, or transportation accident; and

Whereas approximately 100 fire service personnel die annually in the line of duty: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That each year, the United States flags on all Federal facilities will be lowered to half-staff on the day of the National Fallen Firefighters Memorial Service in Emmitsburg, Maryland.

MEMORIALIZING FALLEN FIREFIGHTERS

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.J. Res. 42, which is at the desk.

The PRESIDING OFFICER. The clerk will report the joint resolution by title.

The legislative clerk read as follows:

A joint resolution (H.J. Res. 42) memorializing fallen firefighters by lowering the American flag to half-staff in honor of the National Fallen Firefighters Memorial Service in Emmitsburg, Maryland.

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. SARBANES. Mr. President, I rise in strong support of House Joint Resolution 42, a bill to memorialize our Nation's fallen firefighters by lowering the American flag to half-staff in honor of the National Fallen Firefighters Memorial Service in Emmitsburg, MD. This measure is similar to legislation that I introduced earlier this year. Both bills seek to recognize the courage and commitment of America's fire service and to pay this special tribute to those firefighters who have made the ultimate sacrifice in the line of duty.

Our Nation's firefighters are among our most dedicated public servants. From major cities such as New York to our smaller rural communities, every day America's firefighters answer emergency calls, willing to sacrifice their own lives to protect the lives and property of their fellow citizens. Sadly, this dedication to service can result in tragedy.

Few would question the fact that our fallen firefighters are heroes. Throughout our Nation's history, we have recognized the passing of our public servants by lowering our Nation's flag to half-staff in their honor. In the past, this list has included elected officials, members of the Armed Services, and America's peace officers. In my view, our fallen firefighters are equally deserving of this high honor.

For the past 19 years, a memorial service has been held on the campus of the National Fire Academy in Emmitsburg to honor those firefighters who have given their lives while protecting the lives and property of their fellow citizens. Since 1981, the names of 2,081 fallen firefighters have been inscribed on plaques surrounding the National Fallen Firefighters Memorial, Congressionally designated monument to these brave men and women. On October 7, at the 20th Annual National Memorial Service, an additional 101 names will be added. I am pleased that President

and Mrs. Bush will be present this year to lead the Nation in honoring these fallen fire heroes and to pay special tribute to those firefighters who perished as a result of the events of September 11.

Over the years, I have worked very closely with the National Fallen Firefighters Foundation to ensure that National Memorial Service is an occasion befitting the sacrifices that these individuals have made, In my view, lowering the United States flag to half-staff is an essential component of this ''Day of Remembrance.'' It will be a fitting tribute to the men and women who die each year performing their duties as our nation's career and volunteer firefighters. It will also serve to remind us of the critical role played by the 1.2 million fire service personnel who risk their lives every day to ensure our safety and that of our communities.

I express my gratitude to those Senators who agreed to cosponsor my legislation, S.J. Res. 18, and urge my colleagues to support the swift passage of H.J. Res. 42.

Mr. REID. Mr. President, I ask unanimous consent that the joint resolution be read the third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the joint resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolution (H.J. Res. 42) was read the third time and passed.

PROVIDING ASSISTANCE TO PAKISTAN AND INDIA

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to immediate consideration of Calendar No. 180, S. 1465.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 1465) to authorize the President to provide assistance to Pakistan and India through September 30, 2003.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Foreign Relations, with an amendment and an amendment to the title.

(Strike out all after the enacting clause and insert the part printed in italic.)

SECTION. 1. EXEMPTIONS AND WAIVER OF APPROPRIATIONS ACT PROHIBITIONS WITH RESPECT TO PAKISTAN.

(a) FISCAL YEAR 2002 AND PRIOR FISCAL YEARS.—

(1) EXEMPTIONS.—Any provision of the foreign operations, export financing, and related programs appropriations Act for fiscal year 2002, or any provision of such Act for a prior fiscal year, that prohibits direct assistance to a country whose duly elected head of government was deposed by decree or military coup shall not apply with respect to Pakistan.

(2) PRIOR CONSULTATION REQUIRED.—Not less than 5 days prior to the obligation of funds for Pakistan under paragraph (1), the President shall consult with the appropriate congressional committees with respect to such obligation.

(b) FISCAL YEAR 2003.—

(1) WAIVER.—The President is authorized to waive, with respect to Pakistan, any provision of the foreign operations, export financing, and related programs appropriations Act for fiscal year 2003 that prohibits direct assistance to a country whose duly elected head of government was deposed by decree or military coup, if the President determines and certifies to the appropriate congressional committees that such waiver—

(A) would facilitate the transition to democratic rule in Pakistan; and

(B) is important to United States efforts to respond to, deter, or prevent acts of international terrorism.

(2) PRIOR CONSULTATION REQUIRED.—Not less than 5 days prior to the exercise of the waiver authority under paragraph (1), the President shall consult with the appropriate congressional committees with respect to such waiver.

SEC. 2. INCREASED FLEXIBILITY IN THE EXERCISE OF WAIVER AUTHORITY OF MTCR AND EXPORT ADMINISTRATION ACT SANCTIONS WITH RESPECT TO PAKISTAN.

Any waiver under 73(e) of the Arms Export Control Act (22 U.S.C. 2797b(e)), or under section 11B(b)(5) of the Export Administration Act of 1979 (50 U.S.C. App. 2410b(b)(5)) (or successor statute), with respect to a sanction that was imposed on foreign persons in Pakistan prior to January 1, 2001, may be exercised—

(1) only after consultation with the appropriate congressional committees; and

(2) without regard to the notification periods set forth in the respective section authorizing the waiver.

SEC. 3. EXEMPTION OF PAKISTAN FROM FOREIGN ASSISTANCE PROHIBITIONS RELATING TO FOREIGN COUNTRY LOAN DEFAULTS.

The following provisions of law shall not apply with respect to Pakistan:

(1) Section 620(q) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(q)).

(2) Such provision of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2002, as is comparable to section 512 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2001 (Public Law 106–429; 114 Stat. 1900A–25).

SEC. 4. MODIFICATION OF NOTIFICATION DEADLINES FOR DRAWDOWNS AND TRANSFER OF EXCESS DEFENSE ARTICLES TO RESPOND TO, DETER, OR PREVENT ACTS OF INTERNATIONAL TERRORISM.

(a) DRAWDOWNS.—Notwithstanding the second sentence of section 506(b)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2318(b)(1)), each notification under that section with respect to any drawdown authorized by subclause (III) of subsection (a)(2)(A)(i) that the President determines is important to United States efforts to respond to, deter, or prevent acts of international terrorism shall be made at least 5 days in advance of the drawdown in lieu of the 15-day requirement in that section.

(b) TRANSFERS OF EXCESS DEFENSE ARTICLES.—Notwithstanding section 516(f)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(f)(1)), each notification under that section with respect to any transfer of an excess defense article that the President determines is important to United States efforts to respond to, deter, or prevent acts of international terrorism shall be made at least 15 days in advance of the transfer in lieu of the 30-day requirement in that section.

SEC. 5. APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.

In this Act, the term ''appropriate congressional committees'' means the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on International Relations and the Committee on Appropriations of the House of Representatives.

SEC. 6. TERMINATION DATE.

Except as otherwise provided in section 1 or 3, the provisions of this Act shall terminate on October 1, 2003.

Amend the title so as to read: ''A bill to authorize the President to exercise waivers of foreign assistance restrictions with respect to Pakistan through September 30, 2003, and for other purposes.''.

Mr. BIDEN. Mr. President, I am pleased that the Senate is considering this legislation, which was reported by the Committee on Foreign Relations earlier today. The bill addresses an urgent priority in the fight against terrorism by clearing the way for U.S. assistance to Pakistan. After the attacks of September 11, we asked the world to choose sides. Pakistan has chosen to stand with the United States.

We need to assist this important front-line state. The President has already done so by committing $100 million in economic assistance to Pakistan under the extraordinary authority of Section 614 of the Foreign Assistance Act. But to provide additional assistance requires Congress to amend several laws restricting such assistance. The bill before the Senate therefore provides the following authority.

First, the bill waives, for Fiscal Year 2002, the restriction in law against assistance to countries where a democratic government has been overthrown by military coup. The President may waive the restriction in Fiscal Year 2003, but only if he determines that doing so would facilitate the transition to democratic rule in Pakistan and if it is important to the fight against terrorism. As we all know, there was a military coup in Pakistan in 1999. The current government has pledged to hold elections next fall. This provision keeps the focus on the U.S. policy objective that elections should be held in Pakistan.

Second, the bill permits an expeditious waiver of sanctions imposed last fall against the Pakistani Ministry of Defense for violations of the Missile Technology Control Regime. Current law permits the President to waive these sanctions if it is essential to the national security. But he is required to notify Congress 45 working days before doing so. The bill allows the President to exercise the waiver without waiting those nine weeks.

Third, the bill waives provisions of law which restrict assistance to nations in arrears on their payments of official debt to the United States. The United States just rescheduled some of Pakistan's debt, but that rescheduling does not take effect for several weeks, so this provision allows assistance to flow to Pakistan in the meantime.

Finally, the bill provides additional flexibility in providing emergency military assistance to any country assisting us in the campaign against terrorism by reducing, but not eliminating, the notification periods for these authorities for two years.

The bill makes no other changes to current law. Rather than provide broad waiver authority to override the significant structure of laws we have enacted in recent decades, as the State Department asked, we have narrowly tailored the legislation to address the specific provisions of law that were obstacles to helping Pakistan. In so doing, we are not foregoing any of the important policy objectives we have in Pakistan, particularly our non-proliferation objectives.

I should emphasize that this provision has broad support. It was negotiated on a bipartisan basis within the Committee on Foreign Relations, and with the Chairman and Ranking Member of the Foreign Operations Subcommittee, Senator LEAHY and Senator MCCONNELL. Because of the urgency of trying to get this legislation to the President, we have agreed to ''double-track'' the bill. We will move it free-standing today, and the Appropriations Committee will incorporate it into the foreign operations appropriations bill when that is considered in the Senate.

Mr. President, as we have since September 11, we stand united in support of the President. We stand ready to assist the Administration in the campaign against terrorism. I hope my colleagues will support this legislation.

Mr. REID. I ask unanimous consent that the committee amendment be agreed to, the bill be read a third time and passed, the title amendment be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendment in the nature of a substitute was agreed to.

The bill (S. 1465), as amended, was read the third time and passed.

The title amendment was agreed to.

MEASURE READ THE FIRST TIME—S. 1499

Mr. REID. Mr. President, I understand that S. 1499, introduced earlier today by Senator KERRY and others, is at the desk, and I ask for its first reading.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 1499) to provide assistance to small business concerns adversely impacted by the terrorist attacks perpetrated against the United States on September 11, 2001, and for other purposes.

Mr. REID. I now ask for its second reading and object to my own request on behalf of the other side.

The PRESIDING OFFICER. The bill will remain at the desk.

MEASURES INDEFINITELY POSTPONED—S. 985 and S. 1181

Mr. REID. Mr. President, I ask unanimous consent that Calendar Nos. 127 and 130 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR FRIDAY, OCTOBER 5, AND TUESDAY, OCTOBER 9, 2001

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 10 a.m. Friday, October 5, for a pro forma session, and that following the pro forma session, the Senate adjourn until Tuesday, October 9, at 9:30 a.m.

Further, on Tuesday, immediately following the prayer and the pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and there be a period for morning business with Senators permitted to speak for up to 5 minutes each, with the following exception: Senator BYRD of West Virginia, 30 minutes; further, that at 10 a.m., the Senate resume consideration of the motion to proceed to S. 1447, the aviation security bill, with 30 minutes of debate equally divided between the majority leader and the Republican leader, or their designees, prior to a 10:30 a.m. rollcall vote on cloture on the motion to proceed, with the mandatory quorum waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. REID. Mr. President, the Senate will convene on Friday for a pro forma session and adjourn until Tuesday at 9:30 a.m. On Tuesday, there will be a period of morning business until 10 a.m. The Senate will vote on cloture on the motion to proceed to the aviation safety bill at 10:30 a.m. on Tuesday. We hope cloture will be invoked so the Senate may begin consideration of the aviation bill next week.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. REID. If there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:30 p.m., adjourned until Friday, October 5, 2001, at 10 a.m.

HOUSE OF REPRESENTATIVES—*Thursday, October 4, 2001*

The House met 10 a.m.

Rabbi Alan Katz, Temple Sinai, Rochester, New York, offered the following prayer:

Today is the third day of the Jewish Festival of Tabernacles, Succoth, our Feast of Booths. This festival is also called the Time of Our Rejoicing, and begins only 5 days after Yom Kippur, our most solemn of holy days. In renewed spirit, we therefore pray for the Almighty's divine protection. We ask You, Universal God, to spread over us the tabernacle of Your peace and direct us in good counsel. Be our rock and support in both times of grief and of joy.

As the Jewish people from ancient days to the present dwelt and survived in Harvest Booths under the protecting wings of God's presence, bless our entire Nation with the shelter of love and peace that helps us to regain our confidence and security. Be with the leaders of our country who, in wisdom and compassion, seek to establish justice and peace in our Nation and in the world. Strengthen our citizens to reach out in kindness as we acknowledge the holiness of the Divine image found in each and every person. Allow us to stand upright and tall in the face of all that comes our way, always champions for freedom and peace.

Praised are You, Eternal One, whose shelter of peace encompasses us and all humanity.

Amen.

THE JOURNAL

The SPEAKER. 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. Will the gentleman from Oregon (Mr. BLUMENAUER) come forward and lead the House in the Pledge of Allegiance.

Mr. BLUMENAUER 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 Mr. Monahan, one of its clerks, announced that the Senate has passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

> H.R. 768. An act to amend the Improving America's Schools Act of 1994 to make permanent the favorable treatment of need-based educational aid under the antitrust laws.

The message also announced that the Senate has passed without amendment a joint resolution of the House of the following title:

> H.J. Res. 51. Joint resolution approving the extension of nondiscriminatory treatment with respect to the products of the Socialist Republic of Vietnam.

The message also announced that the Senate has passed a bill of the following title in which the concurrence of the House is requested:

> S. 1438. An act to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The gentlewoman from New York (Ms. SLAUGHTER) will be recognized for the first 1-minute. After that, there will be ten 1-minutes on each side.

The Chair requests the gentlewoman from Illinois (Mrs. BIGGERT) to assume the Chair.

WELCOME TO RABBI ALAN KATZ, TEMPLE SINAI OF ROCHESTER, NEW YORK

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

Ms. SLAUGHTER. Madam Speaker, today we open this legislative day with a prayer from Rabbi Alan Katz. I want to take a moment to tell my colleagues and the country about Rabbi Katz and the important role that he plays in my community.

Rabbi Katz has served as rabbi of Temple Sinai in Rochester since 1986, and he has played prominent roles in many of Rochester's civic and faith organizations. Rabbi Katz is joined here today by his parents; his wife, Jan; and his brother, David.

Rabbi Katz knows better than anyone that one of America's strengths is our diversity. As Americans, we have enormous freedom; and some in other lands do not understand it. Rochester is a community of many faiths; and Rabbi Katz is a leader in helping others learn, understand, and celebrate our differences. He is known for his ability to reach across racial, ethnic, and religious lines to create understanding and friendship. He is part of a Muslim-Jewish dialogue group; and he has fostered a relationship between Temple Sinai and AME Baber Church with Reverend Norvell Goff, Sr. Along with Catholic Bishop Matthew Clark, he co-led the Rochester Interfaith Mission to Israel in the summer of 1998.

In these difficult and emotional times, many of us are returning to faith to seek guidance and understanding. Many people in Rochester turn to Rabbi Katz for his wisdom, his understanding, and his ability to heal. I am proud to have known Rabbi Katz for a number of years; and I am grateful for his work in our community, as well as his personal friendship. I am honored that he was here today to lead us in prayer.

TRIBUTE TO CITY OF HOPE MEDICAL CENTER FOR ITS WORK TO FIGHT BREAST CANCER

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

Ms. ROS-LEHTINEN. Madam Speaker, the sea of stripes and stars and red, white, and blue that decorate shop windows and adorn our homes and cars is evidence that Americans have renewed our sense of pride and unity. Donning ribbons and waving flags, hundreds more will fill the streets of South Florida this Sunday, October 7. They will participate in a patriotic salute; but as our Nation gets back to business, these South Floridians will Walk for Hope Against Breast Cancer.

Walk for Hope Against Breast Cancer will help raise funds for lifesaving research at City of Hope Medical Center and at the Beckman Research Institute. I congratulate the event co-chairs of the walk, Michael Yavner and Mason Mishcon; as well as the Grand Marshal of the walk, Susan Wise, the Morning Diva at 101.5 Lite FM, and Jade Alexander, entertainment reporter for CBS 4, who have utilized their TV and radio talents to promote the event.

I also congratulate Ambassador Naomi Wright, director of community relations at Pro-player Stadium, who has worked to raise funds that will benefit clinical trials and hereditary and clinically associated research.

One in eight women will be diagnosed with breast cancer, but with the dedication and leadership of groups like City of Hope Medical Center, we will soon be trained with the weapons to fight this devastating disease.

URGING CONGRESS TO ALLOW GOD BACK INTO THE SCHOOLROOMS

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

Mr. TRAFICANT. Madam Speaker, after September 11, America turned to prayer. Churches, community groups, colleges, all of America prayed for the victims, their families, and our great Nation.

Once again, when in crisis, America turns to prayer and turns to God. Yet, America has banned God from our schools. Shame. A nation that bans God from our schools is a nation that invites the devil.

I yield back our right of religious freedom and urge this Congress to take whatever steps and means are necessary to invite and allow God back into our schoolrooms.

WHY WE MUST GO TO WAR

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

Mr. PITTS. Madam Speaker, we seem to be entering a new era of war protesters. The professional protesters who have been marching against globalism and capitalism and other causes now have a new cause.

I respect true pacifists, although I do not agree with them. I believe sometimes we have to fight against tyrants. But we should remind one another that freedom is not free. Our freedoms were not won with poster paint. It was costly. They were won by the blood of patriots.

The reason our soldiers fight and die is to secure our freedoms: the freedom, the luxury, even, to protest and carry a sign, and the freedom to be tolerant; the freedoms of religion, speech, press, assembly, and redress of grievances.

This war is against terrorists who will kill innocent women and children and take the law into their own hands to achieve their own ends. This war is to guarantee that our people, our children, can have a secure and free future. The intent of the terrorist is not our defeat, it is our destruction. If they had weapons of mass destruction, they would use them. They are seeking such capability as we speak.

That is why we must go to war. We must exact justice on the terrorists, and we must prevent them from getting that capability so the world can live in peace and freedom.

TANCREDO AMENDMENT WILL STOP BARBARIC PRACTICE OF COCKFIGHTING

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

Mr. BLUMENAUER. Madam Speaker, the House this morning has an opportunity to stop the barbaric and inhumane practice of cockfighting. Roosters bred, trained, and equipped not just to kill but maim and do maximum damage and bloodshed is something that is abhorrent to the American public.

Starting in 1837, Massachusetts and 46 other States over the years have done their job. Congress has not done its. Even though 25 years ago the House passed the legislation and last month passed legislation, we have never had time to do it right.

It is time to close this loophole that transports these fighting birds across State lines. Join the advocates for humane treatment of animals, law enforcement, and the overwhelming majority of American citizens. I urge my colleagues to join the gentleman from Colorado (Mr. TANCREDO) and I to close this loophole by voting for the amendment.

URGING SCHOOL DISTRICTS TO RESCHEDULE SAFETY PATROL TRIPS TO THE U.S. CAPITOL

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

Mr. FOLEY. Madam Speaker, I want to applaud my colleagues as co-chairman of the Congressional Travel and Tourism Caucus for their outstanding work on getting America flying again, traveling again, and looking at some of the implications of September 11.

One disturbing note: I have heard many school districts around the Nation are talking about canceling the all-important safety patrol trips to our Nation's Capitol. I urge them to reconsider those decisions. One of the great times for us in Congress is a chance to meet with our young constituents when they come to Washington, D.C., their eyes big as saucers, looking at the wonderful majesticness of this building, our national monuments, and the history invoked in this room.

This is a singularly important trip for these young people and should not be put aside based on fear or irrational concerns over safety. We want the children to be treated safely. We want them, yet, to have a great historical time in our Nation's Capitol.

I urge those school boards to reconsider their decision and allow their kids to travel to our Nation's Capitol. They will be safe, and more important, they will gain an insight into the workings of the Federal Government, which is important for themselves and their future.

TODAY CONGRESS CAN FUNDAMENTALLY REFORM AGRICULTURE POLICY TO BENEFIT ALL FARMERS

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

Mr. KIND. Madam Speaker, today we have a chance to fundamentally reform agriculture policy so all farmers in all regions of the country will benefit under the next farm bill.

□ 1015

I, along with the gentleman from New York (Mr. BOEHLERT), the gentleman from Maryland (Mr. GILCHREST) and the gentleman from Michigan (Mr. DINGELL) will offer an amendment that takes a little bit of the increase of the subsidy payments that the largest commodity producers will receive, and instead move those resources into voluntary and incentive-based land and water conservation programs that our farmers want and are calling for.

As the Bush administration made clear in their statement on the farm bill released yesterday, even they cannot support the committee bill because, and I quote, ''It misses the opportunity to modernize the Nation's farm programs through market oriented tools, innovative environmental programs, including extending benefits to working lands and aid programs that are consistent with our trade agenda.''

Our amendment, Madam Speaker, accomplishes these objectives, and I urge my colleagues to support the Boehlert-Kind-Gilchrest-Dingell amendment.

AIDING OUR CITIZENS

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

Mr. STEARNS. Madam Speaker, the recent terrorist acts against our Nation have scared and angered us. Many have been directly affected by this tragedy and some have lost loved ones, and some are experiencing job displacement and others just need someone to talk to. There is help for those affected by this misfortune.

There are forms of aid available to them and their families and friends in this difficult time. I wanted to ensure our citizens that they have knowledge and access to these helpful programs.

If folks are out of work because of the attack, they are eligible for disaster unemployment assistance including access to health insurance. It is possible for states to receive funding from the Department of Labor if a large amount of their citizens have experienced job loss. If employment has

been terminated due to a downsizing in the company resulting from these events, there are employment services that will assist in finding a new job.

Madam Speaker, looking to our neighbors and offering help at times such as these is what makes America and our citizens resilient. Our land may have been damaged, but our strength is indestructible.

HONORING THOMAS JOHNSON

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

Ms. CARSON of Indiana. Madam Speaker, I rise today to honor Mr. Thomas Johnson, a professional truck driver for Roadway Express and proudly one of my constituents.

Mr. Johnson was recently invited into the ranks of the Individual Million Mile Safe Drivers, a small group of truck drivers who have driven their vehicles more than one million miles without accident.

To put what Mr. Johnson has done into perspective, the average car driver would have to travel around the world at least 40 times to equal this milestone. This is a remarkable accomplishment, and is an outstanding safety achievement. I rise today to congratulate Mr. Johnson for his hard work and for the example he sets for other professional truck drivers and regular motorists.

Mr. Johnson has been with Roadway Express for over 8 years and I know that they are as proud of him as I am. I wish Mr. Johnson, his family, his company all the best for the future and hope that he will keep on trucking safely for many years to come.

FIGHT HUNGER TO REDUCE POVERTY

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

Mr. QUINN. Madam Speaker, October 16 is United Nations World Food Day. This annual event, as we know, seeks to raise awareness for the problem of hunger around the world, as well as to provide a plan to address and make a significant reduction in the number of people who are without food. This year's theme, Fight Hunger To Reduce Poverty underscores the U.N.'s belief that fighting hunger is the first step in reducing poverty.

In conjunction with the food bank of Western New York and Buffalo, we are honored to sponsor a Columbus Day food raiser Monday, October 8. Food and money donated to this event will go towards supplying families in our area food items over the holiday and Thanksgiving times. In my district and throughout the region, the food bank is dedicated to feeding hungry people, providing over 90,000 individuals with close to a million meals per month.

Madam Speaker, I would encourage all of our colleagues to work with their local relief organizations to continue to fight hunger.

IMPORTANCE OF URBAN FORESTRY

(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. Madam Speaker, as we consider the agriculture relief package today, I urge my colleagues to support the increase of funding for Urban forestry. In my district, the city of Atlanta, loses 50 acres of green space each day. The city, once known as the city of trees, is in danger of becoming the city of asphalt, strip malls and sprawl. Urban forestry helps to correct this problem.

Madam Speaker, this is an important issue. It is about more than just a few trees and parks. We need to open green space in our cities so that families can come together and watch the wonder of nature. We need open green spaces in our communities so that young people can belt 3–2 pitches over the fence. We need open green space in our neighborhood so that our seniors can sit and talk about the days gone by.

Madam Speaker, we need urban forestry.

RETURN TO THE SKIES

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

Mr. GIBBONS. Madam Speaker, today Washington, D.C. Ronald Reagan National Airport reopened, a reopening that reflects the freedom to access the world's seat of democracy. This is yet another sign that our country is recovering and we will not cower to the threat of terrorism.

I applaud the administration for their commitment to assuring the American public and that it is safe to return to the skies. Washington, D.C., like other favorite tourist destinations in our great Nation, welcomes millions of visitors every year and the reopening of Ronald Reagan National Airport will once again allow people to travel from the farthest corners of the world to see our Nation at work, to see our Nation's capital and to see democracy at work.

Our Nation is strong. Our resolve is strong. Madam Speaker, we will not allow terrorists to shut down our airports, our society or our freedoms. I encourage everyone to battle terrorism individually by returning to their normal day-to-day work routines and to enjoy the freedoms of travel and enjoy their lives as Americans.

ADOPTION INFORMATION ACT

(Mrs. JO ANN DAVIS of Virginia asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. JO ANN DAVIS of Virginia. Madam Speaker, I rise today to speak about the Adoption Information Act which I recently introduced.

The act requires that eligible family planning clinics that receive Federal funds provide information listing the adoption agencies in that State to every person who enters these clinics and requests family planning services.

Opinion surveys consistently find that the general public views adoption as an attractive option in the case of an out-of-wedlock pregnancy or other situations in which the mother is unable to care for the unexpected child. Yet very few women choose adoption when confronted with an unwanted pregnancy. I believe this is in part because adoption information is not available to them and they often have to search for a provider of adoption services. This bill is a small step in the right direction and provides women with another option.

Adoption is a safe, loving choice for both the mother and the child. I urge my colleagues to support the Adoption Information Act.

EXPRESSING THANKS TO THE PEOPLE IN THE FOURTH CONGRESSIONAL DISTRICT OF ALABAMA

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

Mr. ADERHOLT. Madam Speaker, we have all heard stories over the past three weeks where Americans have gone out of their way and beyond the call of duty to help the victims of their families of the September 11 attacks of the United States. I have seen several examples in Alabama and in the congressional district I represent, the Fourth District of Alabama.

One such example is in the northeastern part of the fourth congressional district in DeKalb County. A family there heard a firefighter tell of a need that was so simple, that many may not have even thought about it, the need for clean, dry socks. It should be noted that this area of the district is the ''sock capital'' of the world.

After a few phone calls to numerous sock mills in the Fort Payne area, those in Alabama's hosiery industry were there to help, offering socks made in America, from American materials, finished in America, packaged in America and, most importantly, for American heroes in their time of need.

The hosiery industry in Fort Payne and DeKalb County was presented with a need and answered the call within 24 hours. More than 5,000 pairs of socks

were delivered to both New York City and the Pentagon.

I want to express my thanks for the actions of the people of the Fort Payne area and the thousands of other families in Alabama's Fourth District who work in these sock mills. I am proud to represent this community, Fort Payne, even though it may not have been in the headlines of the New York Times, they stood up in an important way to help their fellow Americans.

GENERAL LEAVE

Mr. COMBEST. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous materials on H.R. 2646.

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

There was no objection.

FARM SECURITY ACT OF 2001

The SPEAKER pro tempore. Pursuant to House Resolution 248 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2646.

□ 1026

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 further consideration of the bill (H.R. 2646) to provide for the continuation of agricultural programs through fiscal year 2011, with Mr. HASTINGS of Washington (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Wednesday, October 3, 2001, Amendment Number 52, printed in the CONGRESSIONAL RECORD, by the gentleman from Michigan (Mr. SMITH) had been disposed of and the amendment in the nature of a substitute was open to amendment at any point.

Are there further amendments?

AMENDMENT NO. 61 OFFERED BY MR. TIERNEY

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 61 offered by Mr. TIERNEY:

At the end of the bill, insert the following new section:

SEC. 932. REPORT REGARDING GENETICALLY ENGINEERED FOODS.

(a) IN GENERAL.—Not later than one year after funds are made available to carry out this section, the Secretary of Agriculture, acting through the National Academy of Sciences, shall complete and transmit to Congress a report that includes recommendations for the following:

(1) DATA AND TESTS.—The type of data and tests that are needed to sufficiently assess and evaluate human health risks from the consumption of genetically engineered foods.

(2) MONITORING SYSTEM.—The type of Federal monitoring system that should be created to assess any future human health consequences from long-term consumption of genetically engineered foods.

(3) REGULATIONS.—A Federal regulatory structure to approve genetically engineered foods that are safe for human consumption.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary of Agriculture $500,000 to carry out this section.

Mr. TIERNEY. Mr. Chairman, the safety of our food supply is one of our Nation's top priorities obviously, but increasingly, Americans are becoming concerned about the genetically engineered ingredients that are in their food. Because of that concern, I have introduced this reasonable amendment that provides for a National Academy of Sciences study to examine three important health-related aspects of genetically engineered foods.

First, that the tests being performed on genetically engineered foods to ensure their health safety are adequate and relevant.

Second, what type of monitoring system is needed to assess future health consequences from genetically engineered foods.

And third, what type of regulatory structure should be in place to approve genetically engineered foods for humans to eat.

Genetically engineered crops can be found in many of the foods we eat every day. Potato chips, soda, baby food, they all contain genetically engineered ingredients. Last year, many Americans became aware of the pervasiveness of these ingredients in our food when Starlink corn that was genetically engineered wound up in human food, and not just the animal feed for which it was approved.

We need to address this issue before we have more unexpected incidents like this.

Mr. Chairman, this issue is not going to be resolved on its own. Several States, including my home State of Massachusetts, are considering legislation that would impose a moratorium on the planting of genetically engineered crops. In the meantime, the number of genetically engineered crops planted by farmers is continuing to grow.

In the year 2000, more than 100 million acres of land around the world were planted with genetically engineered crops. This is 25 times as much as was planted just 4 years before. If we do not make an effort to ensure the best testing, monitoring and regulatory structures are in place now, our farmers are going to suffer the consequences of any future lack of public confidence in genetically engineered foods.

This effort has been endorsed by the Center for Science in the Public Interest, an organization devoted to improving the safety and nutritional quality of our food supply, and I urge all of my colleagues to join me in supporting this common sense amendment to protect our farmers and our families.

Mr. COMBEST. Mr. Chairman, will the gentleman yield?

Mr. TIERNEY. I yield to the gentleman from Texas.

Mr. COMBEST. Mr. Chairman, I appreciate the gentleman's offering the amendment, and I know that this is of great concern. I wanted to mention that numerous studies have been undertaken by private scientific societies, public universities, regulatory agencies and the National Academy of Sciences, which have addressed and dismissed this question.

While the initial reaction to this amendment may be to question the duplicative nature of yet another study, I recognize there is value in continued education, evaluation of the ability to oversee the application of new technologies to our food production and processing systems, and I would like to indicate to the gentleman from Massachusetts that the committee would be happy to accept the amendment.

□ 1030

Mr. TIERNEY. I thank the chairman.

Mr. SMITH of Michigan. Mr. Chairman, I move to strike the last word.

It is generally agreed that the 21st century brings with it a new era of biological sciences, with the advances in molecular biology and biotechnology that promises longer, healthier lives and the effective control, perhaps elimination of a host of acute and chronic diseases. Right now we have the best safeguards in the world in testing any new food product.

The biotechnological development of new plants that is achieved through this new technology is more safe (according to witnesses testifying at five hearings I have had now in my Subcommittee on Research) more safe than the traditional cross-breeding or hybrid breeding of plants. Most everything that we eat now, and buy at the grocery store, has been genetically modified. The genetic modification has been accomplished by crossing one plant with another. With maybe 25 to 30,000 genes in a typical plant crossed with another plant, not knowing what the end result is going to be is potentially more dangerous than using the new technology.

With the new biotechnology, we have the ability to identify particular genes and the folding of proteins related to those genes to help assure that the resulting product is going to be safe. In addition to that, we have the best regulatory safeguards anywhere in the world, with USDA, with the Food and Drug Administration, and the Environmental Protection Agency all looking into safeguarding these new plant and food products.

I would hope we would not support any suggestion that is going to reduce the scientific effort to achieve the kind of new food and feed products that we need in this country and that have the potential of being helpful to third world countries and a hungry world. The kind of food products that could, for example, grow in the arid soils where they were not able to grow in the past; food products that provide vaccines or important vitamins and nutrients.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The question is on the amendment offered by the gentleman from Massachusetts (Mr. TIERNEY).

The amendment was agreed to.

AMENDMENT NO. 46 OFFERED BY MR. PICKERING

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

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

The text of the amendment is as follows:

Amendment No. 46 offered by Mr. PICKERING:

At the end of title IX, add the following section:

SEC. 9____. MARKET NAME FOR PANGASIUS FISH SPECIES.

The term ''catfish'' may not be considered to be a common or usual name (or part thereof) for the fish Pangasius bocourti, or for any other fish not classified within the family Ictalariidae, for purposes of section 403 of the Federal Food, Drug, and Cosmetic Act, including with respect to the importation of such fish pursuant to section 801 of such Act.

Mr. PICKERING. Mr. Chairman, I want to take this opportunity first to thank the Chairman, the gentleman from Texas (Mr. COMBEST), and the ranking member, the gentleman from Texas (Mr. STENHOLM), for their leadership on the underlying legislation, the farm bill, which is greatly needed to stabilize and secure the farm economy as we go forward over the next decade.

The amendment that I have before us today is very simple. In December 2000, the FDA made a unilateral decision to allow the Vietnamese to label basafish as catfish. Now, this is equivalent to allowing water buffalo to be imported into this country under the label of beef.

Since that time we have seen false, deceptive, and misleading labeling of this product. For example, we have cajun delight catfish, we have delta fresh farm raised catfish, and I can tell my colleagues that we do not have these fish raised in the Mississippi Delta. It is misleading.

The tragedy is that we have allowed a situation to occur which is hurting an industry born a generation ago in Mississippi and Louisiana and Arkansas and across the southeast that has given the catfish the good name and the good flavor it has. This industry has created a vital and important contribution to my State's economy. We need to do everything that we can to make sure that our trade practices and labeling are fair.

This amendment will do that and will require the labeling of the Vietnamese import to be basa, as it should be.

Mr. Chairman, I want to recognize and thank my colleagues, the gentleman from Arkansas (Mr. BERRY), the gentleman from Mississippi (Mr. SHOWS), and the gentleman from Arkansas (Mr. ROSS), who are joining with me. I also want to thank the chairman for his work with me in this effort.

Mr. COMBEST. Mr. Chairman, will the gentleman yield?

Mr. PICKERING. I yield to the gentleman from Texas.

Mr. COMBEST. Mr. Chairman, I appreciate the gentleman's amendment. I understand the problem that the catfish farmers are facing as a result of an imported fish being inappropriately labeled.

The gentleman from Mississippi (Mr. PICKERING) has worked hard to develop a solution to this problem both administratively and legislatively. We can continue to work to try to find solutions to the problem. I appreciate the gentleman's amendment and will be happy to accept it.

Mr. PICKERING. I thank the chairman.

Mr. BERRY. Mr. Chairman, I rise in support of the amendment, and I want to join with my colleague from Mississippi this morning in support of this amendment.

The catfish industry in America is a very innovative, creative industry. My father was one of the pioneers in that industry. I think he would be terribly disappointed today to see what we are allowing to happen as basafish are being brought into this country and mislabeled catfish or mislabeled delta fresh. They are two completely different products. They are genetically different. This would be the same as calling a cat a cow, and we just simply should not allow it.

The Vietnamese basafish claim to be delta fresh. There is no way that this can be possible and it misleads our customers. The Vietnamese basafish are raised using cages thrown into the Mekong River, one of the most polluted watersheds in the world.

It is costing our producers about 10 to 20 cents a pound as they try to stay in business. They are struggling right now. They have a very difficult marketplace because of the situation that this basafish import has created. This price differential has made it so that our producers are no longer profitable.

We simply cannot continue to let unsafe, mislabeled product destroy our catfish producers in this country. Delta farm-raised catfish are of the highest quality. They are clearly what the consumers want, and we should not allow the mislabeling of Vietnamese basafish to continue and to mislead our consumers.

Mr. SHOWS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I appreciate the gentleman from Mississippi (Mr. PICKERING) and all my colleagues in supporting this amendment.

Mr. Chairman, right now we know what rural America and rural Mississippi is going through in agriculture. It is being depleted and we are losing jobs and farmers every day. Catfish may not be a big industry in the rest of the country, but catfish is the fourth largest agricultural product in Mississippi. All the catfish feed mills and processing plants are either family-owned or farmer-owned cooperatives.

Our family farmers are on the verge of going out of business and the Vietnamese imported fish industry is putting them out of business. Vietnamese fish products labeled as farm-raised catfish are flooding our markets today. The Vietnamese farmers are producing inferior, potentially unsafe fish products and disguising them with labels that imitate the ones we place on ours, like farm-raised catfish. It is a ploy to mislead and confuse the consumer about the origin of the product.

In 1997, the U.S. imported 120,000 pounds of Vietnamese fish product. Just 4 years later, in 2001, we are up to almost 20 million pounds of so-called farm-raised catfish. The Vietnamese Government has verbally agreed to cooperate with the American trade officials about labeling the fish products, but we cannot rest on their assertions. This is why I wholeheartedly support this amendment, and I encourage my colleagues to protect our American catfish and our farmers in rural America.

Mrs. EMERSON. Mr. Chairman, I move to strike the requisite number of words.

I want to thank Chairman COMBEST and Ranking Member STENHOLM for working endlessly on the Farm Security Act of 2001. I want them to know that I think they have done a superb job. I think it is an excellent bill. The producers in my district think it is an excellent bill, in spite of what some other people might say. I sincerely appreciate their efforts to include the McGovern-Dole International Food for Education and Child Nutrition Program in the trade title of the farm bill.

Missouri's own Harry Truman joined 20,000 Americans on May the 8th, 1946, in sending food donations to victims and survivors of World War II. Many of these recipients were children. And when the packages reached the port at LeHavre, France, it was clear that the folks in the U.S. had joined forces to help those in need, something that Americans have always done at home and abroad.

We are fortunate to have overcome the scars of starvation experienced in

World War II here in this country, but the battle against hunger and for survival still exists today. We know the school lunch program here in America has made a genuine difference in the lives of hungry children; but, unfortunately, children in other countries are still starving. Three hundred million poor children are undernourished, and 35,000 children die every day from hunger-related disease and illness. A hungry child cannot learn.

I am very, very proud of the bill that my colleague, the gentleman from Massachusetts (Mr. MCGOVERN), and I introduced, the George McGovern and Bob Dole International Food for Education and Child Nutrition Act of 2001, which is loosely based on our American School Lunch Program, which was originally sponsored in the United States Senate by Senator Dole and Senator McGovern, who are known worldwide for being champions of ending hunger.

Now, the Food for Education Act would make permanent a pilot program for commodity donations that was established during the 106th Congress. This is truly a win-win endeavor for the United States. Not only are we able to feed children here at home and in poor countries, but we also use surpluses from our farmers and producers, and that helps strengthen their bottom lines at a time when our farmers are truly hurting.

Additionally, it strengthens farm prices, and we all know that aid does lead to trade.

So I just want to thank the chairman and the ranking member once again for including this very, very important piece of legislation within the bill.

Mr. ROSS. Mr. Chairman, I move to strike the requisite number of words.

I am honored today to be a cosponsor of the Pickering-Ross amendment to the farm bill. The farm-raised catfish industry is an important part of the economy of my congressional district, which covers all of south Arkansas, where many farm families have converted their row-crop farms into catfish farms in recent years in order to turn a more decent profit. In fact, Arkansas is number three in catfish sales in the Nation, with nearly $66 million, or 13 percent, of the total United States sales, behind only Mississippi and Alabama.

Today, these catfish producers in my district and around the country, especially in the delta region, are being unfairly hurt by so-called catfish being dumped into American markets from Vietnam and sold as catfish. The truth is, it is not catfish. It is even not the same species of fish. In fact, American farm-raised catfish and Vietnamese so-called catfish are no more related than a cat is to a cow. Our amendment would protect our farm-raised catfish producers by saying that the term catfish cannot be used for any fish, such as the ones from Vietnam, that are not specifically a member of the catfish family.

Last year, imports of Vietnamese catfish totaled 7 million pounds, more than triple the 2 million pounds imported in 1999 and more than 12 times the 575,000 pounds imported back in 1998. Indications show that imports have now reached as much as 1 million pounds a month. Many catfish farmers estimate that these imports have taken away as much as 20 percent of their market share.

In Vietnam, the so-called catfish can be produced at a much lower cost due to cheap labor and less stringent environmental regulations. Many of these fish are being grown in cages in polluted rivers. Then they are dumped into American markets and passed off as farm-raised catfish.

□ 1045

This dumping of so-called catfish into our country not only hurts our farm families, if hurts our working families. Many of the plants where the catfish are processed, hire workers who are making the transition from welfare to work.

Just a few weeks ago, I visited a plant in my district in the Delta in Lake Village, Arkansas that has already been forced to cut their work schedule to a 4-day work week. Other catfish processing plants are facing similar problems, and some are even facing the possibility of having to close altogether.

It is really quite simple. Our farmers and our workers do not mind competition, but they do mind when the competition is unfair. I urge my colleagues to support America's farm-raised catfish industry, our farm families, and our working families. I urge my colleagues to vote for this amendment.

Mr. MCGOVERN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of title III for this bill, and in particular section 312, George McGovern-Robert Dole International Food for Education and Child Nutrition Program.

I especially want to express my appreciation for the leadership of the gentleman from Illinois (Mr. HYDE) and the gentleman from California (Mr. LANTOS) for including this provision in the chairman's mark of title III when it was taken up by the Committee on International Relations.

I commend the gentleman from Texas (Mr. COMBEST) and the gentleman from Texas (Mr. STENHOLM) for negotiating on language and agreeing to include section 312 in the final version of H.R. 2646.

I pledge to work with my colleagues and the administration to identify a reliable funding stream for this program as the farm bill moves through the legislative process. In the meantime, section 312 makes it clear that the President may continue to use existing authorities to continue and expand the pilot program.

In May, the gentlewoman from Missouri (Mrs. EMERSON) and I introduced H.R. 1700, a bill to establish the Global Food for Education Program inspired by a proposal advocated by former Senators McGovern and Dole, this bill currently has 107 bipartisan cosponsors. Section 312 is a modified version of this bill.

The George McGovern-Robert Dole International Food for Education and Child Nutrition Program would provide at least one nutritious meal each day in a school setting to many of the more than 300 million school children who go to bed hungry. Some 130 million of these children do not go to school because their parents need them to go to work at home or go to menial jobs or because they are orphaned by war, natural disasters, or diseases like AIDS.

This program would complement and expand throughout the world America's own highly successful school breakfast and school lunch programs. It would expand the President's commitment to education and to leave no child behind to the international stage.

A pilot program currently reaches 9 million children in 38 countries. With the provision in this bill, we now have the opportunity to create a permanent program and expand its reach to nearly 30 million children. We can blaze a trail for other donor nations to follow. We can demonstrate America's commitment to achieving the worldwide goal of cutting the number of hungry people in the world in half by 2015, while at the same time providing education for all.

To carry out this program, we can call on the experience of groups like Catholic Relief Services, CARE, Save the Children, Land O'Lakes, and the United Nations World Food Program, that have successfully proven that school feeding programs get more children into school and keep them in school, especially girls.

We can purchase the necessary commodities from American farmers, using the products of their hard labor to provide a school breakfast, lunch, power snack or take-home meal that will turn a listless and dull-eyed child into an attentive student. And American rail workers, truck drivers, dock workers, port authorities and merchant marine will make sure the food gets from our farms and our shores to where it is needed most.

For just 10 cents a day for each meal, we can feed a hungry child and help that child learn. With what we pay for a Big Mac, fries, and a soft drink, we can afford to feed two entire classrooms of kids in Ghana or Nepal.

In these difficult times, every action taken by the Congress, including this

farm bill, takes on added meaning in the eyes of the world community. In examining our farm and rural policy, we must seek to add value, economic, social, and moral, to the dollars we spend on farm policy. One of the ways we do this is by increasing international food aid through our existing programs and by undertaking new initiatives. This bill does both.

For most of recent history, dating back to the 1950s, our country has been the single largest donor of international food assistance. The Global Food for Education Program, section 312, upholds that tradition. It is especially important, during this trying time for our Nation, that we continue our international involvement, particularly our aid to children in developing countries, so that the world can clearly see our abiding commitment to eradicating poverty, hunger, illiteracy, and intolerance.

Mr. Chairman, I commend the chairman's work on title III and the increase in food aid programs. I strongly support the George McGovern-Robert Dole International Food for Education Program, and I urge my colleagues to support these food aid programs.

Mr. THUNE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I also compliment the gentleman from Texas (Mr. COMBEST) and the gentleman from Texas (Mr. STENHOLM) and the gentleman from Illinois (Mr. HYDE) and the gentleman from California (Mr. LANTOS) for including the George McGovern-Robert Dole International Food for Education in this farm bill.

George McGovern is one of South Dakota's native sons, a Senator, candidate for President of this great country, and a humanitarian. Senator Dole is someone that he worked with on both sides of the aisle putting together a bipartisan plan that would help address the needs of needy children around the world.

Coming from a farm State, the McGovern-Dole Food Act appeals to South Dakota because of its impact on the agricultural economy. While the food aid is shipped overseas, much of the money stays here in the United States. Domestic beneficiaries of food aid exports include agricultural producers, places like my home State of South Dakota, and suppliers, processors and millers .

In addition, food aid leads to food trade. U.S. food aid alleviates poverty and promotes economic growth in recipient countries. At the same time as incomes in developing countries are rising, consumption patterns are changing and food and other imports of U.S. goods and services increase. In 1996, 9 of the top 10 agricultural importers of U.S. products were prior food aid recipients.

It is important to note that this legislation targets hungry and malnourished children who are not going to school and who live in poor communities. They wish they did have the money to buy American agricultural products, but they do not.

The overwhelming majority of these children reside in the 87 low-income, food deficit countries of the world. So even their governments do not have the money to purchase our food.

Mr. Chairman, I believe food aid is a better alternative to the billions of dollars in foreign aid that we spend every year. This legislation would assure that children in need get food assistance rather than giving money to some of the regimes around the world who have less-than-pure motives when it comes to the way that they treat their people.

The United States has a surplus of its high-quality agricultural products. Why not help the starving children in underdeveloped nations by giving them a piece of that surplus.

Mr. Chairman, I appreciated the willingness of the leadership on both sides of the aisle to support this important initiative, this legislation which has been worked on so diligently by a couple of great statesmen and leaders in this countries, Senator McGovern and Senator Dole. And I appreciate that it has been made a part of this farm legislation, and I thank the leadership for their assistance with it. It is a win-win for American producers and hungry children across the world.

Mr. WICKER. Mr. Chairman, I rise today in strong support of the amendment offered by my good friend, Mr. PICKERING. The United States Catfish industry is currently subjected to unfair trade competition which threatens the future success of many catfish producers and the communities they support. Frozen fish fillets of an entirely different family of fish are imported and unlawfully passed off to customers as "catfish". This is happening in such large and increasing volumes that the true "North American Catfish" market is being flooded by a lesser quality product at a much cheaper price.

American consumers are defrauded into believing that they are receiving farm raised U.S. catfish instead of another species of fish raised along the Mekong River in Vietnam. Most of the Vietnamese fish are raised in floating cages and ponds along the Mekong River Delta, feeding on whatever floats down the river. Yet the importers are fraudulently marketing them as farm-raised grain-fed catfish. Since the Vietnamese do not place a high value on cultivating the fish in a controlled environment, their cost of production is much lower.

Importers of the Vietnam fish, searching for new markets, were allowed by the FDA to use the term "catfish" in combination with previously approved names. This has resulted in imports entering the U.S. in skyrocketing quantities. The amendment offered today will correct this mistake and help assure that consumers are receiving the quality product that they so desire.

It is unlawful to pass a cheaper fish species off as another species. There is evidence of widespread illegal packaging and labeling of the Vietnamese fish which violates numerous existing laws, including the Fair Packaging and Labeling Act, the Trade-Mark Act of 1946, the Customs origin marking requirements, and the Federal Food Drug and Cosmetic Act.

Since 1997, the total import volume of Vietnamese catfish has risen from less than 500 thousand pounds to over 7 million pounds in 2000. According to the most recent data, imports are reaching levels of 2 million pounds per month and are on target to reach over 20 million pounds this year. As of May this year, Vietnamese fish imports have captured an estimated 20% of the U.S. catfish fillet market.

There are over 189,000 acres of land in catfish production, of which 110,000 are in my home state of Mississippi. U.S. catfish farmers produce 600 million pounds of farm-raised catfish annually and require 1.8 billion pounds of feed. This supports over 90,000 acres of corn, 500,000 acres of soybeans, and cotton seed from over 230,000 acres of cotton.

This very young industry has created a catfish market where none had previously existed. They have done this by investing substantial capital to producing a quality product which the consumer considers to be reliable, safe, and healthy. We cannot allow unfair competition to destroy the livelihood of farmers, processors, employees and communities which depend on the American catfish industry.

I urge my colleagues to help protect the American catfish industry and ensure that consumers are receiving the quality product they expect by supporting the amendment offered by Mr. PICKERING.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The question is on the amendment offered by the gentleman from Mississippi (Mr. PICKERING).

The amendment was agreed to.

AMENDMENT NO. 29 OFFERED BY MR. HOLT

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

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

The text of the amendment is as follows:

Amendment No. 29 offered by Mr. HOLT:

At the end of title IX, insert the following new section:

SEC. ___. PROGRAM OF PUBLIC EDUCATION REGARDING USE OF BIOTECHNOLOGY IN PRODUCING FOOD FOR HUMAN CONSUMPTION.

(a) PUBLIC INFORMATION CAMPAIGN.—Not later than one year after the date of the enactment of this Act, the Secretary of Agriculture shall develop and implement a program to communicate with the public regarding the use of biotechnology in producing food for human consumption. The information provided under the program shall include the following:

(1) Science-based evidence on the safety of foods produced with biotechnology.

(2) Scientific data on the human outcomes of the use of biotechnology to produce food for human consumption.

(b) AUTHORIZATION OF APPROPRIATIONS.—For each of fiscal years 2002 through 2011 there are authorized to be appropriated such sums as may be necessary to carry out this section.

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

Mr. HOLT. Mr. Chairman, this amendment is modeled after the Food Biotechnology Information Act, the legislation that I introduced in the 106th Congress and again this year.

The point of the bill and this amendment is to give consumers the best information possible so they can make informed choices about the food they eat.

There is much uncertainty and much misinformation about biotechnology and food engineering. Certainly we need to be careful with biotechnology, as we need to be careful with all new and emerging technologies. With a tool this powerful, there are possibilities of damage and misuse. But as a scientist, I believe the use of biotechnology can provide greater yields of nutritionally enhanced foods with less land used and reduced use of pesticides and herbicides. That is to say, biotechnology can be a real benefit to the consumer and the environment.

Biotechnology applications are already reviewed and controlled by the Department of Agriculture, the Food and Drug Administration, and other agencies. My amendment deals with public information. I think the government has a responsibility to provide clear, science-based, evidence-based public information that helps consumers, policymakers, and others make informed choices about foods.

I applaud the gentleman from Texas (Mr. COMBEST) and the gentleman from Texas (Mr. STENHOLM) for including part of my legislation, the Food Biotechnology Information Act in this bill. It deals with sound scientific research, and I thank them for doing that.

Mr. Chairman, I would like to complete this by including this information on this amendment on public information. It is a straightforward amendment that directs the Secretary of Agriculture to undertake an information campaign to provide scientifically based information to consumers to allow them to understand the benefits and indications of this new technology for their food choices.

Mr. COMBEST. Mr. Chairman, will the gentleman yield?

Mr. HOLT. I yield to the gentleman from Texas.

Mr. COMBEST. Mr. Chairman, I appreciate the gentleman's interest. Biotechnology offers extraordinary potential, not only to improve the economic viability of farms in the country, but to also help combat animal and plant diseases, improve food safety and quality, and enhance our ability to produce more food on less land with fewer agricultural inputs. Therefore, improving our ability to enhance the environment. I appreciate the gentleman's interest in the subject.

Mr. Chairman, the committee would be pleased to accept the gentleman's amendment.

Mr. STENHOLM. Mr. Chairman, will the gentleman yield?

Mr. HOLT. I yield to the gentleman from Texas.

Mr. STENHOLM. Mr. Chairman, I, too, think this is a good amendment. It could be very complementary to the activity that is already going on in the biotechnology community. Since science-based information is required, this is an excellent amendment; and I, too, join in its support.

Mr. HOLT. Mr. Chairman, I thank the gentleman from Texas (Chairman COMBEST) and the ranking member, the gentleman from Texas (Mr. STENHOLM).

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New Jersey (Mr. HOLT).

The amendment was agreed to.

AMENDMENT NO. 65 OFFERED BY MR. WATKINS OF OKLAHOMA

Mr. WATKINS of Oklahoma. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 65 offered by Mr. WATKINS of Oklahoma:

At the end of title V, insert the following:

SEC. ___. TEMPORARY SUSPENSION OF FORECLOSURE ON CERTAIN REAL PROPERTY OWNED BY, AND RECOVERY OF CERTAIN PAYMENTS FROM, BORROWERS WITH SHARED APPRECIATION ARRANGEMENTS.

During the period that begins with the date of the enactment of this Act and December 31, 2002, in the case of a borrower who has failed to make a payment required under section 353(e) of the Consolidated Farm and Rural Development Act with respect to real property, the Secretary of Agriculture—

(1) shall suspend foreclosure on the real property by reason of the failure; and

(2) may not attempt to recover the payment from the borrower.

Mr. WATKINS of Oklahoma. Mr. Chairman, I salute the gentleman from Texas (Chairman COMBEST) and the ranking member, the gentleman from Texas (Mr. STENHOLM), for the job they have done in putting together this tough piece of legislation.

Mr. Chairman, I have a strong commitment to agriculture. I know that it is a very difficult issue to work through. It is a very important program for this great country and for the economy that we have which extends around the world.

Mr. Chairman, I have an amendment; and I offer this amendment to the farm bill which is vitally important to many family farmers across the country. My amendment would temporarily suspend the collection schedule, the foreclosures, until December 31, 2002, about 14 months, on certain real property owned by, and recovery of certain payments from farmer-borrowers with shared appreciation agreements.

Beginning in 1989, over 12,000 family farmers enrolled in shared appreciation agreement. These agreements allowed farmers and ranchers that so desperately need it to restructure their debt.

After 10 years, many of these farmers have been shocked and find themselves in conflict with their own government about the repayment and the type of schedule they must go through, and also how these new payments have been calculated.

My amendment is important to many of our family farmers, especially a lot of our elderly farmers in America. You cannot find a more committed and dedicated people to our land, our soil, and our country; but many farmers believe they have been misled by their government. I think it is very important we allow ample time, and this is what my amendment actually does.

□ 1100

We have got to look at the calculations and the recapturing costs and values of this. It gives the committee and others ample time to look into these before many of our farmers and ranchers are hurt even further.

I would like to request that the chairman and his ranking member accept this to allow us the time to be able to look into it.

Mr. COMBEST. Mr. Chairman, will the gentleman yield?

Mr. WATKINS of Oklahoma. I yield to the gentleman from Texas.

Mr. COMBEST. I appreciate the gentleman working with the committee on trying to come up with this amendment and his advance notice of it. We have looked at it. We appreciate the gentleman's interest in agriculture. We wish he served on our committee, but I understand that the powerful committee that he is on has an agricultural interest as well. I would like to tell the gentleman that the committee would be in a position to accept the amendment.

Mr. WATKINS of Oklahoma. I thank the chairman and the ranking member.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The question is on the amendment offered by the gentleman from Oklahoma (Mr. WATKINS).

The amendment was agreed to.

AMENDMENT NO. 3 OFFERED BY MR. ANDREWS

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

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

The text of the amendment is as follows:

Amendment No. 3 offered by Mr. ANDREWS:

At the end of subtitle F of title II, insert the following:

SEC. . PROVISION OF ASSISTANCE FOR REPAUPO CREEK TIDE GATE AND DIKE RESTORATION PROJECT, NEW JERSEY.

(a) IN GENERAL.—Notwithstanding section 403 of the Agricultural Credit Act of 1978 (16

U.S.C. 2203), the Secretary of Agriculture, acting through the Natural Resources Conservation Service, shall provide assistance for planning and implementation of the Repaupo Creek Tide Gate and Dike Restoration Project in the State of New Jersey.

(b) FUNDING.—Of the funds available for the Emergency Watershed Protection Program, not to exceed $600,000 shall be available to the Secretary of Agriculture to carry out subsection (a).

MODIFICATION TO AMENDMENT NO. 3 OFFERED BY MR. ANDREWS

Mr. ANDREWS. Mr. Chairman, I ask unanimous consent that my amendment be modified by striking subparagraph B.

The CHAIRMAN pro tempore. The Clerk will report the modification.

The Clerk read as follows:

Modification to amendment No. 3 offered by Mr. ANDREWS:

Strike subsection (b).

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. ANDREWS. Mr. Chairman, I would like to begin by thanking Chairman COMBEST and Ranking Member STENHOLM for their excellent work on this piece of legislation.

This amendment deals with a very serious problem in Gloucester County, New Jersey, in my district which could lead to severe flooding, loss of life and property damage for hundreds of families who live adjacent to the Repaupo Creek. The tide gate, which is supposed to control flooding on that creek, is in severely dilapidated condition. The excellent work of the Agriculture Department in the State of New Jersey has thus far indicated a willingness of that Department to address and solve this problem.

In order to make it explicit that the Department of Agriculture has the authority to provide assistance for the planning and implementation of the Repaupo Creek tide gate and dike restoration project, I have introduced this amendment. Again, I believe it is an excellent preventative measure.

Mr. COMBEST. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from Texas.

Mr. COMBEST. I appreciate the gentleman yielding.

Mr. Chairman, just to make the record clear, subsection B of the amendment would have provided an opportunity for a point of order by the Committee on Appropriations. The gentleman from New Jersey (Mr. ANDREWS) has worked this issue out with Chairman BONILLA. Striking that subsection makes the amendment agreeable.

I would be in a position to recommend the committee accept the amendment.

Mr. ANDREWS. Reclaiming my time, I also wish to express my thanks to Chairman BONILLA and his staff for helping us.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New Jersey (Mr. ANDREWS), as modified.

The amendment, as modified, was agreed to.

AMENDMENT NO. 57, AMENDMENT NO. 58 AND AMENDMENT NO. 59 OFFERED BY MR. THUNE

Mr. THUNE. Mr. Chairman, I offer amendments, and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

The CHAIRMAN pro tempore. The Clerk will designate the amendments.

The text of the amendments is as follows:

Amendment No. 57, amendment No. 58 and amendment No. 59 offered by Mr. THUNE:

Amendment No. 57: At the end of subtitle B of title II, insert the following:

SEC. 215. EXPANSION OF PILOT PROGRAM TO ALL STATES.

Section 1231(h) of the Food Security Act of 1985 (16 U.S.C. 3831(h)) is amended—

(1) in paragraph (1), by striking ''and 2002'' and all that follows through ''South Dakota'' and inserting ''through 2011 calendar years, the Secretary shall carry out a program in each State'';

(2) in paragraph (3)(C), by striking ''—'' and all that follows and inserting ''not more than 150,000 acres in any 1 State.''; and

(3) by striking paragraph (2) and redesignating paragraphs (3) through (5) as paragraphs (2) through (4), respectively.

Amendment No. 58: Add at the end of title IX the following:

SEC. 932. GAO STUDY.

(a) IN GENERAL.—The Comptroller General shall conduct a study and make findings and recommendations with respect to determining how producer income would be affected by updating yield bases, including—

(1) whether crop yields have increased over the past 20 years for both program crops and oilseeds;

(2) whether program payments would be disbursed differently in this Act if yield bases were updated;

(3) what impact this Act's target prices with updated yield bases would have on producer income; and

(4) what impact lower target prices with updated yield bases would have on producer income compared to this Act.

(b) REPORT.—The Comptroller General shall submit a report to Congress on the study, findings, and recommendations required by subsection (a), not later than 6 months after the date of enactment of this Act.

Amendment No. 59: At the end, add the following (and make such technical and conforming changes as may be appropriate):

SEC. 932. INTERAGENCY TASK FORCE ON AGRICULTURAL COMPETITION.

(a) APPOINTMENT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Agriculture shall establish an Interagency Task Force on Agricultural Competition (in this section referred to as the ''Task Force'') and, after consultation with the Attorney General, shall appoint as members of the Task Force such employees of the Department of Agriculture and the Department of Justice as the Secretary considers to be appropriate. The Secretary shall designate 1 member of the Task Force to serve as chairperson of the Task Force.

(b) HEARINGS.—The Task Force shall conduct hearings to review the lessening of competition among purchasers of livestock, poultry, and unprocessed agricultural commodities in the United States and shall include in such hearings review of the following matters:

(1) The enforcement of particular Federal laws relating to competition.

(2) The concentration and vertical integration of the business operations of such purchasers.

(3) Discrimination and transparency in prices paid by such purchasers to producers of livestock, poultry, and unprocessed agricultural commodities in the United States.

(4) The economic protection and bargaining rights of producers who raise livestock and poultry under contracts.

(5) Marketing innovations and alternatives available to producers of livestock, poultry, and unprocessed agricultural commodities in the United States.

(c) REPORT.—Not later than 1 year after the last member of the Task Force is appointed, the Task Force shall submit, to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, a report containing the findings and recommendations of the Task Force for appropriate administrative and legislative action.

Mr. THUNE. Mr. Chairman, the first amendment that I offer today would direct the Comptroller General of the GAO to conduct a study with respect to determining how producer income would be affected by updating yield bases. The yield base is one part of the equation to determining a farmer's assistance payment. Updating yield bases in this bill is crucial to the corn farmers of South Dakota. Currently, yield bases are taken from yield information from 1981 to 1985. Corn yield technology has changed significantly in the past 20 years in South Dakota. As a consequence, corn farmers in my State believe that the next farm bill should include language that provides for updated yield bases to accommodate the vast increase of base yields that producers in South Dakota have seen in recent decades.

The study I am proposing would detail, first, whether crop yields have increased over the past 20 years for both program crops and oilseeds; second, whether program payments would be disbursed differently in this Act if yield bases were updated; third, what impact this Act's target prices with updated yield bases would have on producer income; and, finally, what impact lower target prices with updated yield bases would have on producer income compared to this Act.

I would ask, Mr. Chairman, that Members support this amendment to study how producer income would be affected by updating yield bases.

The second amendment, Mr. Chairman, that I offer has to do with extending the Farmable Wetlands Pilot Program through the life of this farm bill. The Farmable Wetlands Pilot Program

is a six-State voluntary program to restore up to 500,000 acres of farmable wetlands and associated buffers by improving the land's hydrology and vegetation. Eligible producers in South Dakota, North Dakota, Iowa, Minnesota, Montana and Nebraska can enroll eligible lands in the pilot through the Conservation Reserve Program. The pilot was authorized by the fiscal year 2001 Agricultural Appropriations Act.

Eligible acreage includes farmed and prior converted wetlands that have been impacted by farming activities. Eligibility requirements include that land must be cropland planted to agriculture commodities 3 of the 10 most recent crop years and be physically and legally capable of being planted in a normal manner to an agricultural commodity; a wetland must be five acres or less; a buffer may not exceed the greater of three times the size of the wetland or an average of 150 feet on either side of the wetland; and participants must agree to restore the hydrology of the wetland to the maximum extent possible.

Producers in my State have had an enthusiastic enrollment thus far and have requested that the program be extended through the life of this farm bill. While doing so, my amendment also opens the program to all States.

I ask that Members support this amendment to continue the effectiveness of the Conservation Reserve Program as it pertains to farmable wetlands.

The third amendment, Mr. Chairman, that I ask be approved directs the Secretary of Agriculture to appoint an interagency task force on agricultural competition. The task force would review the lessening of competition among purchasers of livestock, poultry and unprocessed agricultural commodities in the United States by appraising, one, the enforcement of particular Federal laws relating to competition; the concentration and vertical integration of the business operations of such purchasers; discrimination and transparency in prices paid by such purchasers to producers of commodities; the economic protection and bargaining rights of producers who raise livestock and poultry under contracts; and marketing innovations and alterations available to producers.

During my tenure in Congress, the Committee on the Judiciary held a hearing at my request on competitiveness in the agriculture and food marketing industry. At that hearing and in subsequent conversations with other Members of Congress, I proposed that Congress thoroughly examine existing antitrust statutes and consider how those statutes are being applied and whether agencies and courts are following the laws according to congressional intent.

The very purpose of our antitrust statutes, namely, the Sherman Act and the Clayton Act, is to protect our suppliers from anticompetitive practices that result from market dominance. There are laws on the books that prohibit monopolistic or anticompetitive practices. Unfortunately for family farmers, these laws are not preventing such activities from occurring.

For example, the hog industry has consolidated rapidly, with the four largest firms' shares of hog slaughter reaching 57 percent in 1998 compared with 32 percent in 1980. In the cattle sector, the four largest beef packers accounted for 79 percent of all cattle slaughtered in 1998 compared with 36 percent in 1980. Additionally, four firms control nearly 62 percent of flour milling, four firms control 57 percent of dry corn milling, four firms control 74 percent of wet corn milling, and four firms control nearly 80 percent of soybean crushing.

From 1984 to 1998, consumer food prices increased 3 percent while the prices paid to farmers for their products plunged by 36 percent. The impact of this price disparity is highlighted by reports of record profits among agribusiness firms at the very same time that agricultural producers are suffering through an economic crisis.

Mr. Chairman, with that said, I ask that Members support this amendment to create an interagency task force on agricultural competition to recommend appropriate administrative and legislative action on this very important issue to agriculture across this country.

I ask that these amendments be approved en bloc.

Mr. BEREUTER. Mr. Chairman, I rise in support of the amendments.

I think the gentleman from South Dakota (Mr. THUNE) should be commended for offering these three amendments. All are subjects of great concern and interest to my own constituency. As I held my agricultural town hall meetings, all of these issues were brought up as important issues that should be addressed. The gentleman from South Dakota, in offering No. 58, specifically on wetlands, has a major impact, as he mentioned, not only on his State, but several States including my own. And No. 60, which is an issue directed against the lack of competition in the marketing area and in the input area, is particularly important to our constituents.

I think these amendments deserve very strong support.

Mr. HILL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of that part of the amendment of the gentleman from South Dakota which directs the Secretary of Agriculture to appoint an interagency task force on agricultural competition.

Family farmers in Indiana often say they feel squeezed by the growing power and size of agribusinesses. They say they have fewer and fewer choices on where and with whom to do business. A farmer often has no choice but to buy seeds, fertilizer and chemicals from a division of the same company that will end up buying the farmer's finished crops at harvest. Farmers and ranchers also say that their bargaining power is eroding more every day as big changes take place in American agriculture.

As agribusinesses merge and become vertically integrated, America's family farmers worry there is no room for them in the future of agriculture. It is alarming enough that there are one-third as many farms now as there were in the 1930s. There were 7 million farms in the United States in the 1930s. Now there are about 2.2 million farms, a decline of 70 percent in 70 years. Now farmers fear they are losing control of their ability to make regular, routine decisions about their own small businesses.

The facts seem to bear out the concerns of America's farmers and ranchers. The five largest beef packers account for about 83 percent of the cattle slaughter. The four largest corn exporters control nearly 70 percent of that market. Just 50 producers market half of all the pigs raised in this country.

Farmers and ranchers are the heart of America's rural communities, and they feel they are being ignored by the law. It is time their concerns about agribusinesses are addressed. If the big companies are engaging in anticompetitive practices, our farmers and ranchers deserve to know the facts. And if agribusinesses are doing business fairly, farmers and ranchers should know that as well. The interagency task force on agricultural competition would review the lessening of competition in agriculture and recommend appropriate administrative and legislative action.

For that reason, I ask that Members support this amendment.

The CHAIRMAN pro tempore. The question is on the amendments offered by the gentleman from South Dakota (Mr. THUNE).

The amendments were agreed to.

AMENDMENT NO. 4, AMENDMENT NO. 6 AND AMENDMENT NO. 7 OFFERED BY MR. BEREUTER

Mr. BEREUTER. Mr. Chairman, I offer amendments, and I ask unanimous consent that they be taken up en bloc.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The CHAIRMAN pro tempore. The Clerk will designate the amendments.

The text of the amendments is as follows:

Amendment No. 4, amendment No. 6 and amendment No. 7 offered by Mr. BEREUTER:

Amendment No. 4: In section 212(a)—

(1) strike ''and'' at the end of paragraph (1);

(2) strike the last period at the end of paragraph (2) and insert ''; and''; and

(3) add at the end the following:

(3) by adding after and below the end the following flush sentence:

''Notwithstanding the preceding sentence (but subject to subsection (c)), the Secretary may not include in the program established under this subchapter any land that has not been in production for at least 4 years, unless the land is in the program as of the effective date of this sentence.''.

Amendment No. 6: At the end of title IX, insert the following new section:

SEC. ___. AUTHORIZATION FOR ADDITIONAL STAFF AND FUNDING FOR THE GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION.

There are authorized to be appropriated such sums as are necessary to enhance the capability of the Grain Inspection, Packers and Stockyards Administration to monitor, investigate, and pursue the competitive implications of structural changes in the meat packing industry. Sums are specifically earmarked to hire litigating attorneys to allow the Grain Inspection, Packers and Stockyards Administration to more comprehensively and effectively pursue its enforcement activities.

Amendment No. 7: At the end of title V, insert the following:

SEC. ___. AUTHORITY TO MAKE BUSINESS AND INDUSTRY GUARANTEED LOANS FOR FARMER-OWNED PROJECTS THAT ADD VALUE TO OR PROCESS AGRICULTURAL PRODUCTS.

Section 310B(a)(1) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(a)(1)) is amended by inserting ''(and in areas other than rural communities, in the case of insured loans, if a majority of the project involved is owned by individuals who reside and have farming operations in rural communities, and the project adds value to or processes agricultural commodities)'' after ''rural communities''.

Mr. BEREUTER. Mr. Chairman, I want to compliment our colleagues from Texas, the chairman and ranking member of the Committee on Agriculture, for their efforts in bringing us important legislation, and one, I think, that will be even further improved by a variety of amendments that they have agreed to accept. I have three that I offer today at this point.

The first relates to the Conservation Reserve Program. By virtually any measure, the CRP has proven to be enormously successful. It is a national investment which provides dividends to environmentalists, farmers, sportsmen, conservationists, the general public and wildlife. The CRP actually dwarfs other conservation and wildlife protection efforts. This Member is pleased that it has been reauthorized and expanded.

However, this amendment is offered to close a loophole which was brought to this Member's attention at a recent listening session in northeast Nebraska. Quite simply, this amendment ensures that the CRP be used for its intended purposes. This straightforward amendment states that only land which has been in production for 4 consecutive years is eligible for the CRP, unless the land is already in the program.

We are finding that a variety of people are using this to buy land which they will use for acreage, leaving it in the CRP a short period of time. I understand that the staff may work in conference to perfect this, if necessary, but I believe it is an important change and closes a loophole unintendedly created within the program.

□ 1115

The second amendment that I offer in No. 6 relates to the Grain Inspection, Packers and Stockyards part of the USDA. It is based on legislation introduced in the other body by the distinguished gentleman from Iowa, Mr. GRASSLEY. Clearly, the issue of concentration in agriculture, particularly in the meat packing industry, is a growing concern. There is simply too little competition, and Congress should work to correct this problem.

The report issued by the General Accounting Office last year found significant shortcomings in the composition of the Grain Inspection, Packers and Stockyards Administration's, GIPSA, investigative teams. This amendment helps to address these concerns.

During listening sessions in this Member's district and in other meetings, producers have made it clear that the consolidation and concentration of firms that sell supplies to farmers and among those that buy their crops and livestock is hurting family farm operations. This is an issue which is mentioned over and over in a concerted and emphatic manner. The support for their views often may be anecdotal, but I believe it is a concern so widely and strongly expressed that the House Committee on Agriculture and the Congress must not ignore it.

Mr. Chairman, the third amendment that I offer en bloc, No. 7, relates to value-added loans. It enhances the USDA's Rural Business Industry Guaranteed Loan Program and promotes value-added products.

The amendment simply expands the loan program to areas other than rural communities if a majority of those individuals involved in the project reside and have farming operations in rural communities, and the project adds value to or processes agriculture commodities. This would remove a stumbling block for worthwhile projects which currently are prohibited even though they would benefit our Nation's farmers.

Mr. Chairman, I think it is critically important that Congress assist these projects designed to add value to agriculture commodities. Producers need to be able to move up the agriculture and food-producing and marketing chain in order to capture a larger share of the profits generated from processing their raw commodities. This amendment is a small, but I think positive, step toward that goal. It removes a barrier to receiving a business and industry guaranteed loan, while maintaining important safeguards to help ensure that the program is used as intended.

This Member urges his colleagues to support this amendment and the other two.

Mr. COMBEST. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from Texas.

Mr. COMBEST. Mr. Chairman, I appreciate the gentleman's yielding and his agreement to roll these into one vote, therefore conserving some time. We certainly looked at the amendment. The gentleman makes some very good points. The committee would be in a position to accept the amendments.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The question is on the amendments offered by the gentleman from Nebraska (Mr. BEREUTER).

The amendments were agreed to.

AMENDMENT NO. 45 OFFERED BY MRS. MORELLA

Mrs. MORELLA. Mr. Chairman, I offer an amendment.

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

The text of the amendment is as follows:

Amendment offered by Mrs. MORELLA:

At the end of title IX, insert the following new section:

SEC. ___. ENFORCEMENT OF THE HUMANE METHODS OF SLAUGHTER ACT OF 1958.

(a) FINDINGS.—Congress finds as follows:

(1) Public demand for passage of Public Law 85–765 (7 U.S.C. 1901 et seq.; commonly known as the ''Humane Methods of Slaughter Act of 1958'') was so great that when President Eisenhower was asked at a press conference if he would sign the bill, he replied, ''If I went by mail, I'd think no one was interested in anything but humane slaughter''.

(2) The Humane Methods of Slaughter Act of 1958 requires that animals be rendered insensible to pain when they are slaughtered.

(3) Scientific evidence indicates that treating animals humanely results in tangible economic benefits.

(4) The United States Animal Health Association passed a resolution at a meeting in October 1998 to encourage strong enforcement of the Humane Methods of Slaughter Act of 1958 and reiterated support for the resolution at a meeting in 2000.

(5) The Secretary of Agriculture is responsible for fully enforcing the Act, including monitoring compliance by the slaughtering industry.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of Agriculture should fully enforce Public Law 85–765 (7 U.S.C. 1901 et seq.; commonly known as the ''Humane Methods of Slaughter Act of 1958'') by ensuring that humane methods in the slaughter of livestock—

(1) prevent needless suffering;

(2) result in safer and better working conditions for persons engaged in the slaughtering industry;

(3) bring about improvement of products and economies in slaughtering operations; and

(4) produce other benefits for producers, processors, and consumers that tend to expedite an orderly flow of livestock and livestock products in interstate and foreign commerce.

(c) POLICY OF THE UNITED STATES.—It is the policy of the United States that the slaughtering of livestock and the handling of livestock in connection with slaughter shall be carried out only by humane methods, as provided by Public Law 85–765 (7 U.S.C. 1901 et seq.; commonly known as the ''Humane Methods of Slaughter Act of 1958'').

Mrs. MORELLA. Mr. Chairman, my amendment is just a simple sense of Congress that reaffirms our support for the Humane Methods of Slaughter Act, which has been law since 1958. I want to thank the gentleman from Oregon (Mr. BLUMENAUER) also for letting me speak on this noncontroversial amendment at this time.

This law that we passed in 1958 intends to prevent the needless suffering of animals that are slaughtered for food. It states that animals must be in a state of complete unconsciousness throughout the butchering process, and under no conditions can an animal ever be dragged while conscious or disabled. In short, slaughter-bound animals are never to be rushed, beaten, or tortured while they are still alive.

The Humane Methods of Slaughter Act was strengthened in 1978 to empower USDA inspectors to stop the slaughter line if they observe any cruelty. USDA has the power to enforce humane slaughter regulations. The American people expect them to uphold this law, and supporting this amendment will demonstrate that Congress continues to believe that animals being slaughtered should be treated humanely.

In addition, this sense of Congress supports the full enforcement of existing law by the U.S. Department of Agriculture's Food Safety and Inspection Service. Through full cooperation and disclosure, we can assure the American people that the meat that they buy was slaughtered in a humane way. In the words of Gandhi, ''The greatness of a nation and its moral progress can be judged by the way its animals are treated.''

All we are asking is that we enforce the laws that we made. I encourage all Members to support this amendment.

I want to thank the gentleman from Texas (Chairman COMBEST) for allowing me to be able to offer this.

Mr. COMBEST. Mr. Chairman, will the gentlewoman yield?

Mrs. MORELLA. I yield to the gentleman from Texas.

Mr. COMBEST. Mr. Chairman, I want to thank the gentlewoman for working with us to develop her amendment. This is a very important matter that we take very seriously. We appreciate the work that the gentlewoman is doing on it. The committee would be in a position to accept the amendment.

Mrs. MORELLA. Mr. Chairman, reclaiming my time, I thank the gentleman for his leadership and comments.

Mr. STENHOLM. Mr. Chairman, will the gentlewoman yield?

Mrs. MORELLA. I yield to the gentleman from Texas.

Mr. STENHOLM. Mr. Chairman, I want to thank the gentlewoman for her concern in this area. I join in the support of the chairman for her amendment. I thank her for her interest in this.

Mrs. MORELLA. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentlewoman from Maryland (Mrs. MORELLA).

The amendment was agreed to.

AMENDMENT NO. 8 OFFERED BY MR. BLUMENAUER

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

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

The text of the amendment is as follows:

Amendment offered by Mr. BLUMENAUER:

At the end of title IX (page 354, after line 16), insert the following new section:

SEC. 932. PROHIBITION ON INTERSTATE MOVEMENT OF ANIMALS FOR ANIMAL FIGHTING.

(a) PROHIBITION ON INTERSTATE MOVEMENT OF ANIMALS FOR ANIMAL FIGHTING.—Section 26(d) of the Animal Welfare Act (7 U.S.C. 2156(d)) is amended to read as follows:

''(d) ACTIVITIES NOT SUBJECT TO PROHIBITION.—This section does not apply to the selling, buying, transporting, or delivery of an animal in interstate or foreign commerce for any purpose, so long as the purpose does not include participation of the animal in an animal fighting venture.''.

(b) EFFECTIVE DATE.—The amendment made by this section take effect 30 days after the date of the enactment of this Act.

In the table of contents, after the item relating to section 931 (page 8, before line 1), insert the following new item:

Sec. 932. Prohibition on interstate movement of animals for animal fighting.

Mr. BLUMENAUER. Mr. Chairman, I rise in support of the amendment in association with the gentleman from Colorado (Mr. TANCREDO) and appreciate his leadership and support on this important issue.

One area of overwhelming consensus on the part of the American public is for the protection of animals, and there is an almost universal aversion to barbaric sports like dog fighting and cockfighting. We have done our job as it relates to dogs. We have not, as it relates to the practice of cockfighting. The majority of the American public overwhelmingly opposes it, and this House voted to ban its use 25 years ago. Yet it still lingers on.

Male chickens are bred to display traits of hostility. They are trained to fight, and then they are armed with pikes or knives to maim other roosters. It is calculated to maximize the bloodshed.

Sadly, we are in today the third century of a struggle to eliminate this cruel and barbaric practice. Much progress has in fact been made; not here in Congress, but at the State level. It began in the 19th century with the State of Massachusetts in 1837, and went on through the 1800's with States like Mississippi and Arkansas. Today, 47 States have outlawed the practice, and there is strong evidence that the citizens of the three remaining States are likewise strongly opposed. In all likelihood, there will be another one or two States that will outlaw this through their legislatures, and, if not, then by the people themselves.

The purpose of this amendment, Mr. Chairman, is to make sure that the Federal Government is not complicit in aiding and abetting this barbaric practice. The Federal Government has no business undermining the laws in the 47 States by permitting the transfer of these birds across State lines.

There are a couple of problems with the situation that we face right now. In the States where the practice is legal, just the three of them, the cockfighting activities, the arenas, the pits, have developed around the borders of the State. So like in Texas, people come across the border into Oklahoma and engage in the practice. It makes it easy for people to undermine the activities in a State like Texas by going to Louisiana or to Oklahoma.

The practice of moving these birds across State lines raises another difficult problem, because law enforcement officials have to deal with the consequences of what is happening in the other 47 States where it is not legal. People who are involved, they claim they are just raising and training the birds, not involved in actual cockfighting activities itself. But time and time and time again, the practice activities degenerate into actual illegal cockfighting activities, and I will not take the time now to enter into the RECORD example after example where these activities are taking place. And it is not just the barbaric act on the animals themselves that has been outlawed, but there is a great deal of illegal gambling; and there are time and time again violent acts that are associated with these clandestine activities. That is why over 100 law enforcement agencies have urged the enactment of this legislation.

Mr. Chairman, Members of this body have recognized that it is time to step up and be counted. Last session we had a majority of Members who cosponsored legislation, with the lead sponsor being our colleague, the gentleman from Minnesota (Mr. PETERSON). For some reason, we could not bring that legislation forward. This session we have over 200 Members who have already cosponsored legislation, but

somehow it has been left out of this bill.

I strongly urge that we correct this oversight now. Every major law enforcement agency in my State is supporting the measure because it will make their job easier while stopping this barbaric practice. I suggest that we move to approve this amendment now, to support the humane treatment of animals, and support the efforts of our law enforcement officials. We do not have to wait for legislation that is somehow lingering. We can put it into this bill now.

We do not allow transportation across State lines of dogs for fighting purposes. We should do the same thing as it relates to cockfighting. Take the Federal Government out of the business of aiding and abetting this 3-century legacy of shame.

Mr. COMBEST. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do not know of anyone who is supportive of the inhumane treatment of animals, and it is something which obviously there are many occasions in which one can point to in which that occurs. But the concern that the Committee on Agriculture has is a number of unintended consequences that this may have in a more broad-reaching impact and implication.

We held a hearing on this issue in September of last year to determine the need for the legislation. It was very apparent during testimony, we were trying to look at what other implications might be brought into it unintentionally; and from questioning many witnesses, there are issues and concerns that have not been resolved.

Among these issues were the effectiveness of the legislative proposal, the impact such legislation could have on transportation of birds for purposes other than fighting, and the implications for animal health programs.

If the amendment was enacted, someone wishing to get under the legislation that the law would create could simply indicate that they are not shipping the birds to Oklahoma, but instead they were going to the Philippines.

The amendment would have a chilling effect on transportation of other birds. Breeders and exhibitors of fancy birds have testified that airlines, shipping companies, et cetera, were not willing or able to distinguish between live birds for fighting or those from exhibition, kids in 4–H clubs or FFA clubs or others for show purposes that happen many times between States.

Many poultry breeders, including those breeding game birds, voluntarily participate in the National Poultry Improvement Program. This program is a joint effort between industry, the Federal and State officials to establish standards for evaluating poultry breeding stock and hatchery products for freedom from hatchery dissemination and egg dissemination diseases. The National Poultry Improvement Program's mission is to certify all baby chicks, poults and hatching eggs for interstate and international movement. Criminalizing interstate shipment of game birds may dissuade game breeders from participating in the program, which could have certainly some impact on the industry.

This is a $25 billion-a-year industry. So there are the concerns that were raised by people in the business, and I will say people who do not engage in game fighting, that I think are very legitimate, that I think in fact warrant further discussion and clarification, so that if broad blanket of trying to reach a number of folks that I think the gentleman's intent is to reach, we do not also encompass many, many others who in fact are interested.

□ 1130

Mr. BLUMENAUER. Mr. Chairman, will the gentleman yield?

Mr. COMBEST. I yield to the gentleman from Oregon.

Mr. BLUMENAUER. Mr. Chairman, I appreciate the gentleman's courtesy in yielding. I have another amendment at the desk that would close this loophole for the international transport, not just for fighting birds, but also for dogs. We do not permit fighting dogs to be transported intrastate.

Would the gentleman agree that the adoption of the other amendment that we have pending would be able to close this loophole for them all?

Mr. COMBEST. Mr. Chairman, reclaiming my time, it does nothing to address the issue of concern about those people who are trying to ship totally legitimately poultry within the United States; that may be a totally legitimate shipment that would not be involved in game fighting that would, in fact, come under this. That is the primary concern I have.

The point that I was simply trying to make, and certainly maybe his second amendment does address that, relative to whether it is intrastate or international, it probably would be addressed by his second amendment, but the other concerns that I mention, in fact, would not be addressed.

Mr. BLUMENAUER. Mr. Chairman, will the gentleman yield?

Mr. COMBEST. I yield to the gentleman from Oregon.

Mr. BLUMENAUER. Mr. Chairman, if I may, and I appreciate the gentleman's concern, but we have been able to successfully ship dogs around the country; they have been able to have dogs for show purposes, and they have been outlawed for some 50 years, meaning transport for fighting purposes. Why could we not do the same thing, have the same protection for poultry that we have for dogs?

Mr. COMBEST. Mr. Chairman, reclaiming my time, certainly there is probably some merit to what the gentleman said. I think, however, it is much more identifiable which dogs potentially are going to be used for fighting purposes than there are for game birds.

Mr. TANCREDO. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the Blumenauer-Tancredo amendment. It is a narrowly drawn measure that eliminates a one-phrase loophole in the Animal Welfare Act. Simply put, it bars the shipment of birds for the purpose of fighting. It is clear. It is not ambiguous. I think that it cannot be used to do anything but what we are saying it should do.

Now, I know that if it puts a slight burden on any other aspect of the industry, there are people who are going to be opposed to it and, I assume, or I suppose that that is proper from their point of view; but I think that it is not that much of a burden that it would prevent this amendment from being effective, from actually doing what it simply says we should do, that these birds should not be shipped across State lines for this horrendous purpose. It does not affect the ownership of the use of birds for show or the legitimate transport of birds for agricultural purposes. It strikes the provision that permits transporting birds for the purpose of fighting, the purpose of fighting, to States in which cockfighting is legal.

This particular activity is rampant, in part, because of the Federal loophole that allows birds to be transported for this activity. This loophole will be closed if this passes and, up to this point, it has served to undermine local law enforcement in trying to enforce their own State laws against this practice. Illegal and violent activities often accompany cockfights, such things as gambling, money laundering, assaults, and even more serious, murders. Most of the money made in this activity is illegal. Gambling tax evasion is rampant. The activity itself of cockfighting is inhumane and barbaric. It is not just a human issue, it is a serious law enforcement issue. Over 100 law enforcement agencies have endorsed this amendment.

This is not an attack on a way of life but, rather, an attack on a criminal activity and a way to help law enforcement do their own job in their own States.

Mr. Chairman, I urge support for the Blumenauer-Tancredo amendment.

Mrs. MORELLA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Blumenauer-Tancredo amendment. I want to thank the gentleman for bringing this inhumane issue of cockfighting to the floor.

The amendment seeks to eliminate a one-phrase loophole in the Federal Animal Welfare Act by barring any interstate shipment of birds for fighting

purposes. I understand the concerns of the chairman, but I think they can be worked out.

Currently, 47 States have outlawed cockfighting, but a Federal loophole allows the shipment of birds from States where cockfighting is illegal to any State where it is legal. This loophole is exploited to conduct illegal activity around the country.

I want to stress that this amendment would not affect the ownership or use of birds for show purposes or the transport of birds for legitimate agricultural purposes. This amendment would protect States' rights by removing this loophole which currently undermines the ability of State and local law enforcement agencies to enforce their bans on animal fighting.

The amendment has the endorsement, as has been mentioned, of 98 law enforcement agencies, 40 newspapers across the country, and also no mainstream agricultural organizations have expressed any opposition to the legislation.

Cockfighting is not a sport. Cockfighting promotes illegal gambling and animal cruelty. At cockfights, birds are dragged to increase their aggression and drugged; they are affixed with knives to their legs, placed in a pit; and unable to escape the pit, the birds mutilate each other.

I am sure my colleagues will all agree that fighting dogs for entertainment is inhumane and cruel. Surely, cockfighting is inhumane and cruel. I urge my colleagues to join me in supporting the Blumenauer-Tancredo amendment.

Mr. STENHOLM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, in Texas, cockfighting is illegal, and several law enforcement organizations say that prohibiting transport to other States will help them crack down on illegal operations. That is our law.

I would like to ask a question of the authors of this amendment, though.

In a situation in which it is legal within a State to have cockfighting, under this amendment, if it should pass, would it prohibit a raiser of fighting chickens in a State in which it is legal to ship to a foreign country in which it is also legal?

Mr. BLUMENAUER. Mr. Chairman, will the gentleman yield?

Mr. STENHOLM. I yield to the gentleman from Oregon.

Mr. BLUMENAUER. Mr. Chairman, to the best of my knowledge, it is not. That is why I have a subsequent amendment designated number 9 which I will offer that would make it illegal to transport these birds out of the United States.

Mr. STENHOLM. Mr. Chairman, reclaiming my time, I guess this is what is troubling. Personally, I oppose cockfighting. I mean that is our State law, and that is my personal feeling. But I am troubled, as so often is the case, when we pass amendments that do that which we all want to do, there are unintended consequences. It seems to me that if we have a State in which an activity is legal, whether I agree with it or not is immaterial, so long as it is constitutional. I am troubled by this wording and unintended consequences that might then be interpreted in other areas in which none of us can even think about right now.

But if the gentleman is going to say to a State that has made the determination as yet that it is still legal and then we are going to begin prosecuting legal activities within a State that ship to another country, we are getting into interstate commerce; and I am not sure all of this is what the gentleman intends to do.

I raise this question. I appreciate the gentleman's clarification of his intent, but I think it points out that there can be some very, very serious unintended consequences. As I say, in Texas we outlawed it a long time ago; you cannot do it legally in Texas, and I agree with that. I agree with our law enforcement that are having a difficult time doing what the gentleman is trying to prohibit, but I also worry about the unintended consequences.

Mr. BLUMENAUER. Mr. Chairman, will the gentleman yield?

Mr. STENHOLM. I yield to the gentleman from Oregon.

Mr. BLUMENAUER. Mr. Chairman, I appreciate the gentleman's concern about unintended consequences. The issue that the gentleman talks about in terms of the export of these animals out of the country, which is perfectly legal, is one of those unintended consequences. The reason I will be offering another amendment is right now, it is legal to export from the United States dogs that are bred for fighting. I do not think anybody here agrees with it. It is illegal in the United States to do it. It is an unintended consequence.

What we are attempting to do with this amendment that is before us now is to close the unintended consequence in terms of how it moves right now across State lines, and amendment No. 9 would close the loophole not just for fighting birds, but for dogs which I think no Member of this assembly believes we should do, and it was one of the unintended consequences of not writing the Animal Welfare law properly whenever that was enacted.

I appreciate the gentleman's concern, and I will be offering an amendment to try and correct that.

Mr. STENHOLM. Mr. Chairman, reclaiming my time, I thank the gentleman for his clarification. I am not an attorney, but there is something that just raised its head regarding constitutionality and individual rights, whether we agree with them or not. How many times do we stand on this floor and have individuals say, I do not agree with this, but the Constitution of the United States provides that it happens. Until we change laws, I am troubled by the fact that we here are about to supersede our wisdom on another State's interpretation of what is legal and illegal. As I said, in Texas, we made the decision. But I think we are trying to make a decision for a few other States in which I question whether that is something we want to do.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The question is on the amendment offered by the gentleman from Oregon (Mr. BLUMENAUER).

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

Mr. BLUMENAUER. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Oregon (Mr. BLUMENAUER) will be postponed.

AMENDMENT NO. 5 OFFERED BY MR. BEREUTER

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

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

The text of the amendment is as follows:

Amendment No. 5 offered by Mr. BEREUTER:

At the end of subtitle B of title I (page 66, after line 3), insert the following new section:

SEC. 132. ALTERNATIVE LOAN RATES UNDER FLEXIBLE FALLOW PROGRAM.

(a) DEFINITION OF TOTAL PLANTED ACREAGE.—In this section, the term ''total planted acreage'' means the cropland acreage of a producer that for the 2000 crop year was—

(1) planted to a covered commodity;

(2) prevented from being planted to a covered commodity; or

(3) fallow as part of a fallow rotation practice with respect to a covered commodity, as determined by the Secretary.

(b) ELECTION TO PARTICIPATE.—In lieu of receiving a loan rate under section 122 with respect to production eligible for a loan under section 121, a producer may elect to participate in a flexible fallow program for any of the 2002 through 2011 crops under which annually—

(1) the producer determines which acres of the total planted acreage are assigned to a specific covered commodity;

(2) the producer determines—

(A) the projected percentage reduction rate of production of the specific covered commodity based on the acreage assigned to the covered commodity under paragraph (1); and

(B) the acreage of the total planted acreage of the producer to be set aside under subparagraph (A), regardless of whether the acreage is on the same farm as the acreage planted to the specific covered commodity;

(3) based on the projected percentage reduction rate of production as a result of the acreage set aside under paragraph (2), the producer receives the loan rate for each covered commodity produced by the producer, as determined under subsection (c); and

(4) the acreage planted to covered commodities for harvest and set aside under this section is limited to the total planted acreage of the producer.

(c) LOAN RATES UNDER PROGRAM.—

(1) IN GENERAL.—Subject to paragraphs (2) and (3), in the case of a producer of a covered commodity that elects to participate in the flexible fallow program under this section, the loan rate for a marketing assistance loan under section 121 for a crop of the covered commodity shall be based on the projected percentage reduction rate of production determined by the producer under subsection (b)(2), in accordance with the following table:

Projected Percentage Reduction Rate	Corn Commodity Rate ($/bushel)	Wheat Loan Rate ($/bushel)	Soybean Loan Rate ($/bushel)	Upland Cotton Loan Rate ($/pound)	Rice Loan Rate ($/hundredweight)
0%	1.89	2.75	4.72	0.5192	6.50
1%	1.91	2.78	4.77	0.5268	6.60
2%	1.93	2.81	4.81	0.5344	6.70
3%	1.95	2.83	4.86	0.5420	6.80
4%	1.97	2.86	4.91	0.5496	6.90
5%	1.99	2.89	4.96	0.5572	7.00
6%	2.01	2.92	5.01	0.5648	7.10
7%	2.03	2.95	5.06	0.5724	7.20
8%	2.05	2.98	5.11	0.5800	7.30
9%	2.07	3.01	5.16	0.5876	7.40
10%	2.09	3.04	5.21	0.5952	7.50
11%	2.12	3.08	5.29	0.6028	7.60
12%	2.15	3.13	5.36	0.6104	7.70
13%	2.18	3.17	5.43	0.6180	7.80
14%	2.21	3.22	5.51	0.6256	7.90
15%	2.24	3.27	5.58	0.6332	8.00
16%	2.28	3.31	5.65	0.6408	8.10
17%	2.31	3.36	5.73	0.6484	8.20
18%	2.34	3.41	5.81	0.6560	8.30
19%	2.37	3.46	5.88	0.6636	8.40
20%	2.41	3.51	5.96	0.6712	8.50
21%	2.44	3.55	6.04	0.6788	8.60
22%	2.47	3.60	6.12	0.6864	8.70
23%	2.51	3.65	6.19	0.6940	8.80
24%	2.54	3.70	6.27	0.7016	8.90
25%	2.57	3.75	6.35	0.7092	9.00
26%	2.61	3.80	6.43	0.7168	9.10
27%	2.64	3.85	6.51	0.7244	9.20
28%	2.68	3.90	6.60	0.7320	9.30
29%	2.71	3.95	6.68	0.7396	9.40
30%	2.75	4.01	6.76	0.7472	9.50

(2) COUNTY AVERAGE YIELDS.—

(A) IN GENERAL.—The loan rate for a marketing assistance loan made to a producer for a crop of a covered commodity under paragraph (1) shall apply with respect to the production of the crop of the covered commodity by the producer in a quantity that does not exceed the historical county average yield for the covered commodity established by the National Agricultural Statistics Service, adjusted for long-term yield trends.

(B) EXCESS PRODUCTION.—The loan rate for a marketing assistance loan made to a producer for a crop of a covered commodity under paragraph (1) with respect to the production of the crop of the covered commodity in excess of the historical county average yield for the covered commodity described in subparagraph (A) shall be equal to the loan rate established for a 0% projected percentage reduction rate for the covered commodity under paragraph (1).

(C) DISASTERS.—

(i) IN GENERAL.—If the production of a crop of a covered commodity by a producer is less than the historical county average yield for the covered commodity described in subparagraph (A) as a result of damaging weather, an insurable peril, or related condition, the producer may receive a payment on the lost production that shall equal the difference between—

(I) the maximum quantity of covered commodity that could have been designated for the loan rate authorized under this section for the producer; and

(II) the quantity of covered commodity the producer was able to produce and commercially market.

(ii) CALCULATION OF PAYMENT.—The payment described in clause (i) shall be equal to the loan deficiency payment the producer could have received on the lost production on any date, selected by the producer, on which a loan deficiency payment was available for that crop of the covered commodity.

(3) OTHER COVERED COMMODITIES.—In the case of a producer of a covered commodity not covered by paragraphs (1) and (2) that elects to participate in the flexible fallow program under this section, the loan rate for a marketing assistance loan under section 121 for the crop of the covered commodity shall be based on—

(A) in the case of grain sorghum, barley, and oats, such level as the Secretary determines is fair and reasonable in relation to the rate that loans are made available for corn, taking into consideration the feeding value of the commodity in relation to corn;

(B) in the case of extra long staple cotton, such level as the Secretary determines is fair and reasonable; and

(C) in the case of oilseeds other than soybeans, such level as the Secretary determines is fair and reasonable in relation to the loan rate available for soybeans, except that the rate for the oilseeds (other than cottonseed) shall not be less than the rate established for soybeans on a per-pound basis for the same crop.

(d) CONSERVATION USE OF SET-ASIDE ACREAGE.—To be eligible for a loan rate under this section, a producer shall devote all of the acreage set aside under this section to a conservation use approved by the Secretary and manage the set-aside acreage using management practices designed to enhance soil conservation and wildlife habitat. The Secretary shall prescribe the approved management practices for a county in consultation with the relevant State technical committee.

(1) LIMITED GRAZING.—The Secretary may permit limited grazing on the set-aside acreage when the grazing is incidental to the gleaning of crop residues on adjacent fields.

(e) CERTIFICATION.—To be eligible to participate in the flexible fallow program for any of the 2002 through 2011 crops, a producer shall certify to the Secretary (by farm serial number) the total planted acreage assigned, planted, and set aside with respect to each covered commodity.

Mr. COMBEST. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN pro tempore. A point of order is reserved.

The gentleman from Nebraska (Mr. BEREUTER) is recognized for 5 minutes on his amendment.

Mr. BEREUTER. Mr. Chairman, this important amendment would permit farmers to voluntarily set aside a portion of their total crop acreage in exchange for higher loan rates on their remaining production.

This innovative proposal, which goes by the name of Flexible Fallow in Farm Country represents an effort to maintain planning flexibility, while improving on other areas of our farm policy. As I said, it is a voluntary program. It is an annual conservation use feature. It would be added to the farm bill's loan rate provisions.

If a farmer wants to operate under the new farm bill conditions, that opportunity remains. If a farmer needs greater leverage over crop production and marketing, Flexible Fallow would make that possible. The amendment would allow producers to conserve up to 30 percent or set aside up to 30 percent of their planted acreage on a crop-by-crop basis.

This approach was suggested during one of the agriculture advisory meetings this Member held in his district; and it, in fact, is considered in other States. The proposal, I think, has significant grass-roots support, because agricultural producers recognize the need for change and the need for more options to increase farm revenue.

Another very important point to stress is that this proposal would allow producers to make this decision annually. As a result, the land taken out of production would not send a long-term signal to our global competitors about

our future production. It would leave producer countries like Brazil or Argentina guessing as to the impact of the collective decision of the American farmers who choose to participate in the Flexible Fallow program from year to year. They have the capacity to bring substantial amounts of land into production in those countries to replace ours in export markets, something we certainly should seek to avoid.

This Flexible Fallow program is a market-responsive proposal. When commodity prices are low, farmers could choose to voluntarily conserve or set aside more land in exchange for a higher loan rate. As prices improve, more land would come back into production.

In August of 1999, the Food and Agriculture Policy Research Institute, FAPRI, released an analysis of the Flexible Fallow program. FAPRI is a well-respected, dual-university research program involving the University of Missouri-Columbia and Iowa State University and joined by a consortium of four other universities.

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Its analysis found that crop farmers' annual net income would increase $5.4 million over the 2000 through 2008 period.

The FAPRI analysis stated, ''Reduced plantings translate into stronger crop prices under the Flexible Fallow scenario. The largest impacts occur in the 2000 to 2002 period as more producers take advantage of the land-idling provisions.''

The Flexible Fallow Program also promotes conservation. The legislation requires the idle land to be devoted to a conservation use. Producers would use management practices designed to enhance soil conservation and wildlife habitat.

This Member is aware of the projected costs or estimated costs of this program. They are not inconsequential, but I believe that the funds made available under this legislation, authorized by it, could be better used if part of those funds were shifted over to the Flexible Fallow Program.

That is a matter of choice, a matter of policy. I happen to think this is the right way to go and as do many of my farmers.

Mr. Chairman, American farmers continue to face enormously difficult times. Producers continue to struggle with plentiful supplies and low prices. While there are no easy answers, there are some steps we can take to help farmers. A lot of that is being done here today as part of this bill.

This Flexible Fallow amendment provides one important alternative. I urge my colleagues to support it.

POINT OF ORDER

Mr. COMBEST. Mr. Chairman, I rise to make a point of order.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The gentleman will state it.

Mr. COMBEST. Mr. Chairman, I rise to make a point of order under 302(f) of the Budget Act.

The CHAIRMAN pro tempore. Does any other Member wish to be heard on the point of order?

Mr. BEREUTER. Mr. Chairman, regrettably, I concede the point of order.

The CHAIRMAN pro tempore. The point of order is conceded and sustained based on estimates provided by the Committee on the Budget.

Mr. STENHOLM. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would ask the gentleman from Nebraska (Mr. BEREUTER) if he might know, what would be the administration's position on this amendment, were it not out of order because of budget reasons?

Mr. BEREUTER. Mr. Chairman, will the gentleman yield?

Mr. STENHOLM. I yield to the gentleman from Nebraska.

Mr. BEREUTER. Mr. Chairman, I would say to the gentleman from Texas, I do not know the answer to that.

Mr. STENHOLM. I thank the gentleman for that answer.

AMENDMENT NO. 9 OFFERED BY MR. BLUMENAUER

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

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

The text of the amendment is as follows:

Amendment No. 9 offered by Mr. BLUMENAUER:

At the end of title IX (page 354, after line 16), insert the following new section:

SEC. 932. PENALTIES AND FOREIGN COMMERCE PROVISIONS OF THE ANIMAL WELFARE ACT.

(a) PENALTIES AND FOREIGN COMMERCE PROVISIONS OF THE ANIMAL WELFARE ACT.—Section 26 of the Animal Welfare Act (7 U.S.C. 2156) is amended—

(1) in subsection (e)—

(A) by inserting ''PENALTIES.—'' after ''(e)'';

(B) by striking ''$5,000'' and inserting ''$15,000''; and

(C) by striking ''1 year'' and inserting ''2 years''; and

(2) in subsection (g)(2)(B), by inserting at the end before the semicolon the following: ''or from any State into any foreign country''.

(b) EFFECTIVE DATE.—The amendments made by this section take effect 30 days after the date of the enactment of this Act.

In the table of contents, after the item relating to section 931 (page 8, before line 1), insert the following new item:

Sec. 932. Penalties and foreign commerce provisions of the Animal Welfare Act.

Mr. BLUMENAUER. Mr. Chairman, I did want to follow up on the important points raised by the chairman and the ranking member dealing with unintended consequences and other issues that we have in terms of dealing with activities of animals for fighting purposes.

Mr. Chairman, I offer this amendment to deal with the concerns, legitimate concerns, that have been raised. It would close a loophole in the Animal Welfare Act that allows for the shipment of fighting dogs or birds from the United States to foreign countries, and it increases the penalties for promoting illegal animal fighting venues.

Mr. Chairman, the current penalties are 25 years old and are in dire need of update. It increases the maximum penalties from 1 year and a $5,000 fine to 2 years and a $15,000.

For comparison, Mr. Chairman, the Federal law passed last year prohibiting animal crush videos provided for maximum penalties of 5 years and $250,000 fine; and in most States there are provisions for a maximum of 5 years imprisonment for animal fighting, with some States' penalties as high as 10 years or $100,000.

With higher penalties, U.S. Attorneys are more likely to prosecute animal fighting violations. When the Federal anti-animal fighting law was enacted in 1976, no State made animal fighting a felony. Today, 46 States have felony provisions for animal fighting. We must increase our quarter-century-old Federal penalties to make them work in today's climate.

Closing the foreign commerce loophole is equally important. I appreciate my colleague's pointing it out. In 1976, Congress added a section to the Animal Welfare Act, section 26, to crack down on dogfighting and cockfighting; but it did not, however, ban shipment of dogs or birds from the United States to foreign countries. This loophole allows shipment of fighting birds to foreign countries that provides a smoke screen behind which illegal cockfighters operate here.

Ironically, Mr. Chairman, the United States prohibits the importing of animals for fighting but still allows the exports of this animal; a practice I believe may well violate international trade rules.

It is also important to note that the provisions of this amendment apply to the practice of dogfighting. As I mentioned previously, this is illegal in all 50 States. The same dire activities to breed the animals for aggressive characteristics, train them, and then place them in a pit to fight, to injure, or die applies as it does to cockfighting. We must not allow these dogs to be bred in the United States for shipment abroad.

Mr. Chairman, cockfighters rear birds for aggressive behavior. We have had the same thing in terms of what happens to the dogs. These practices are a major underground industry. It is time to close all possible loopholes, increase the penalties, and ban shipments of fighting dogs and birds to foreign countries.

The CHAIRMAN pro tempore. The question is on the amendment offered

by the gentleman from Oregon (Mr. BLUMENAUER).

The amendment was agreed to.

AMENDMENT NO. 49 OFFERED BY MR. SHERWOOD

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

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

The text of the amendment is as follows:

Amendment No. 49 offered by Mr. SHERWOOD:

At the end of chapter 1 of subtitle C of title I (page 75, after line 17), insert the following new sections:

SEC. 147. NORTHEAST INTERSTATE DAIRY COMPACT.

(a) IN GENERAL.—Section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256) is amended—

(1) in the matter preceding paragraph (1), by striking ''States'' and all that follows through ''Vermont'' and inserting ''States of Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont'';

(2) by striking paragraphs (1), (3), (4), and (7);

(3) by redesignating paragraph (2) as paragraph (1) and, in such paragraph, by striking ''Class III-A'' and inserting ''Class IV'';

(4) by inserting after paragraph (1), as so redesignated, the following new paragraphs:

''(2) COMPENSATION OF SPECIAL MILK PROGRAM.—Before the end of each fiscal year in which a Compact price regulation is in effect, the Northeast Interstate Dairy Compact Commission shall compensate the Secretary for the increased cost of any milk and milk products provided under the special milk program established under section 3 of the Child Nutrition Act of 1966 (42 U.S.C. 1772) that results from the operation of the Compact price regulation during the fiscal year, as determined by the Secretary (in consultation with the Commission) using notice and comment procedures provided in section 553 of title 5, United States Code.

''(3) ADDITIONAL STATE.—Ohio is the only additional State that may join the Northeast Interstate Dairy Compact.'';

(5) by redesignating paragraph (5) as paragraph (4) and, in such paragraph, by striking ''the projected rate of increase'' and all that follows through ''Secretary'' and inserting ''the operation of the Compact price regulation during the fiscal year, as determined by the Secretary (in consultation with the Commission) using notice and comment procedures provided in section 553 of title 5, United States Code''; and

(6) by redesignating paragraph (6) as paragraph (5).

(b) EFFECTIVE DATE.—The amendments made by subsection (a) take effect as of September 30, 2001.

SEC. 148. SOUTHERN DAIRY COMPACT.

(a) IN GENERAL.—Congress consents to the Southern Dairy Compact entered into among the States of Alabama, Arkansas, Georgia, Kansas, Kentucky, Louisiana, Mississippi, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee, Virginia, and West Virginia, subject to the following conditions:

(1) LIMITATION OF MANUFACTURING PRICE REGULATION.—The Southern Dairy Compact Commission may not regulate Class II, Class III, or Class IV milk used for manufacturing purposes or any other milk, other than Class I, or fluid milk, as defined by a Federal milk marketing order issued under section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Act of 1937 (referred to in this section as a ''Federal milk marketing order'') unless Congress has first consented to and approved such authority by a law enacted after the date of enactment of this joint resolution.

(2) COMPENSATION OF SPECIAL MILK PROGRAM.—Before the end of each fiscal year in which a Compact price regulation is in effect, the Southern Dairy Compact Commission shall compensate the Secretary of Agriculture for the increased cost of any milk and milk products provided under the special milk program established under section 3 of the Child Nutrition Act of 1966 (42 U.S.C. 1772) that results from the operation of the Compact price regulation during the fiscal year, as determined by the Secretary (in consultation with the Commission) using notice and comment procedures provided in section 553 of title 5, United States Code.

(3) ADDITIONAL STATES.—Florida, Nebraska, and Texas are the only additional States that may join the Southern Dairy Compact, individually or otherwise.

(4) COMPENSATION OF COMMODITY CREDIT CORPORATION.—Before the end of each fiscal year in which a Compact price regulation is in effect, the Southern Dairy Compact Commission shall compensate the Commodity Credit Corporation for the cost of any purchases of milk and milk products by the Corporation that result from the operation of the Compact price regulation during the fiscal year, as determined by the Secretary (in consultation with the Commission) using notice and comment procedures provided in section 553 of title 5, United States Code.

(5) MILK MARKETING ORDER ADMINISTRATOR.—At the request of the Southern Dairy Compact Commission, the Administrator of the applicable Federal milk marketing order shall provide technical assistance to the Compact Commission and be compensated for that assistance.

(b) COMPACT.—The Southern Dairy Compact is substantially as follows:

''ARTICLE I. STATEMENT OF PURPOSE, FINDINGS AND DECLARATION OF POLICY

''§ 1. Statement of purpose, findings and declaration of policy

''The purpose of this compact is to recognize the interstate character of the southern dairy industry and the prerogative of the states under the United States Constitution to form an interstate commission for the southern region. The mission of the commission is to take such steps as are necessary to assure the continued viability of dairy farming in the south, and to assure consumers of an adequate, local supply of pure and wholesome milk.

''The participating states find and declare that the dairy industry is an essential agricultural activity of the south. Dairy farms, and associated suppliers, marketers, processors and retailers are an integral component of the region's economy. Their ability to provide a stable, local supply of pure, wholesome milk is a matter of great importance to the health and welfare of the region.

''The participating states further find that dairy farms are essential and they are an integral part of the region's rural communities. The farms preserve land for agricultural purposes and provide needed economic stimuli for rural communities.

''In establishing their constitutional regulatory authority over the region's fluid milk market by this compact, the participating states declare their purpose that this compact neither displace the federal order system nor encourage the merging of federal orders. Specific provisions of the compact itself set forth this basic principle.

''Designed as a flexible mechanism able to adjust to changes in a regulated marketplace, the compact also contains a contingency provision should the federal order system be discontinued. In that event, the interstate commission is authorized to regulate the marketplace in replacement of the order system. This contingent authority does not anticipate such a change, however, and should not be so construed. It is only provided should developments in the market other than establishment of this compact result in discontinuance of the order system.

''By entering into this compact, the participating states affirm that their ability to regulate the price which southern dairy farmers receive for their product is essential to the public interest. Assurance of a fair and equitable price for dairy farmers ensures their ability to provide milk to the market and the vitality of the southern dairy industry, with all the associated benefits.

''Recent, dramatic price fluctuations, with a pronounced downward trend, threaten the viability and stability of the southern dairy region. Historically, individual state regulatory action had been an effective emergency remedy available to farmers confronting a distressed market. The federal order system, implemented by the Agricultural Marketing Agreement Act of 1937, establishes only minimum prices paid to producers for raw milk, without preempting the power of states to regulate milk prices above the minimum levels so established.

''In today's regional dairy marketplace, cooperative, rather than individual state action is needed to more effectively address the market disarray. Under our constitutional system, properly authorized states acting cooperatively may exercise more power to regulate interstate commerce than they may assert individually without such authority. For this reason, the participating states invoke their authority to act in common agreement, with the consent of Congress, under the compact clause of the Constitution.

''ARTICLE II. DEFINITIONS AND RULES OF CONSTRUCTION

''§ 2. Definitions

''For the purposes of this compact, and of any supplemental or concurring legislation enacted pursuant thereto, except as may be otherwise required by the context:

''(1) 'Class I milk' means milk disposed of in fluid form or as a fluid milk product, subject to further definition in accordance with the principles expressed in subdivision (b) of section three.

''(2) 'Commission' means the Southern Dairy Compact Commission established by this compact.

''(3) 'Commission marketing order' means regulations adopted by the commission pursuant to sections nine and ten of this compact in place of a terminated federal marketing order or state dairy regulation. Such order may apply throughout the region or in any part or parts thereof as defined in the regulations of the commission. Such order may establish minimum prices for any or all classes of milk.

''(4) 'Compact' means this interstate compact.

''(5) 'Compact over-order price' means a minimum price required to be paid to producers for Class I milk established by the commission in regulations adopted pursuant to sections nine and ten of this compact, which is above the price established in federal marketing orders or by state farm price

regulations in the regulated area. Such price may apply throughout the region or in any part or parts thereof as defined in the regulations of the commission.

''(6) 'Milk' means the lacteral secretion of cows and includes all skim, butterfat, or other constituents obtained from separation or any other process. The term is used in its broadest sense and may be further defined by the commission for regulatory purposes.

''(7) 'Partially regulated plant' means a milk plant not located in a regulated area but having Class I distribution within such area. Commission regulations may exempt plants having such distribution or receipts in amounts less than the limits defined therein.

''(8) 'Participating state' means a state which has become a party to this compact by the enactment of concurring legislation.

''(9) 'Pool plant' means any milk plant located in a regulated area.

''(10) 'Region' means the territorial limits of the states which are parties to this compact.

''(11) 'Regulated area' means any area within the region governed by and defined in regulations establishing a compact over-order price or commission marketing order.

''(12) 'State dairy regulation' means any state regulation of dairy prices, and associated assessments, whether by statute, marketing order or otherwise.

''§ 3. Rules of construction

''(a) This compact shall not be construed to displace existing federal milk marketing orders or state dairy regulation in the region but to supplement them. In the event some or all federal orders in the region are discontinued, the compact shall be construed to provide the commission the option to replace them with one or more commission marketing orders pursuant to this compact.

''(b) The compact shall be construed liberally in order to achieve the purposes and intent enunciated in section one. It is the intent of this compact to establish a basic structure by which the commission may achieve those purposes through the application, adaptation and development of the regulatory techniques historically associated with milk marketing and to afford the commission broad flexibility to devise regulatory mechanisms to achieve the purposes of this compact. In accordance with this intent, the technical terms which are associated with market order regulation and which have acquired commonly understood general meanings are not defined herein but the commission may further define the terms used in this compact and develop additional concepts and define additional terms as it may find appropriate to achieve its purposes.

''ARTICLE III. COMMISSION ESTABLISHED

''§ 4. Commission established

''There is hereby created a commission to administer the compact, composed of delegations from each state in the region. The commission shall be known as the Southern Dairy Compact Commission. A delegation shall include not less than three nor more than five persons. Each delegation shall include at least one dairy farmer who is engaged in the production of milk at the time of appointment or reappointment, and one consumer representative. Delegation members shall be residents and voters of, and subject to such confirmation process as is provided for in the appointing state. Delegation members shall serve no more than three consecutive terms with no single term of more than four years, and be subject to removal for cause. In all other respects, delegation members shall serve in accordance with the laws of the state represented. The compensation, if any, of the members of a state delegation shall be determined and paid by each state, but their expenses shall be paid by the commission.

''§ 5. Voting requirements

''All actions taken by the commission, except for the establishment or termination of an over-order price or commission marketing order, and the adoption, amendment or rescission of the commission's by-laws, shall be by majority vote of the delegations present. Each state delegation shall be entitled to one vote in the conduct of the commission's affairs. Establishment or termination of an over-order price or commission marketing order shall require at least a two-thirds vote of the delegations present. The establishment of a regulated area which covers all or part of a participating state shall require also the affirmative vote of that state's delegation. A majority of the delegations from the participating states shall constitute a quorum for the conduct of the commission's business.

''§ 6. Administration and management

''(a) The commission shall elect annually from among the members of the participating state delegations a chairperson, a vice-chairperson, and a treasurer. The commission shall appoint an executive director and fix his or her duties and compensation. The executive director shall serve at the pleasure of the commission, and together with the treasurer, shall be bonded in an amount determined by the commission. The commission may establish through its by-laws an executive committee composed of one member elected by each delegation.

''(b) The commission shall adopt by-laws for the conduct of its business by a two-thirds vote, and shall have the power by the same vote to amend and rescind these by-laws. The commission shall publish its by-laws in convenient form with the appropriate agency or officer in each of the participating states. The by-laws shall provide for appropriate notice to the delegations of all commission meetings and hearings and of the business to be transacted at such meetings or hearings. Notice also shall be given to other agencies or officers of participating states as provided by the laws of those states.

''(c) The commission shall file an annual report with the Secretary of Agriculture of the United States, and with each of the participating states by submitting copies to the governor, both houses of the legislature, and the head of the state department having responsibilities for agriculture.

''(d) In addition to the powers and duties elsewhere prescribed in this compact, the commission shall have the power:

''(1) To sue and be sued in any state or federal court;

''(2) To have a seal and alter the same at pleasure;

''(3) To acquire, hold, and dispose of real and personal property by gift, purchase, lease, license, or other similar manner, for its corporate purposes;

''(4) To borrow money and issue notes, to provide for the rights of the holders thereof and to pledge the revenue of the commission as security therefor, subject to the provisions of section eighteen of this compact;

''(5) To appoint such officers, agents, and employees as it may deem necessary, prescribe their powers, duties and qualifications; and

''(6) To create and abolish such offices, employments and positions as it deems necessary for the purposes of the compact and provide for the removal, term, tenure, compensation, fringe benefits, pension, and retirement rights of its officers and employees. The commission may also retain personal services on a contract basis.

''§ 7. Rulemaking power

''In addition to the power to promulgate a compact over-order price or commission marketing orders as provided by this compact, the commission is further empowered to make and enforce such additional rules and regulations as it deems necessary to implement any provisions of this compact, or to effectuate in any other respect the purposes of this compact.

''ARTICLE IV. POWERS OF THE COMMISSION

''§ 8. Powers to promote regulatory uniformity, simplicity, and interstate cooperation

''The commission is hereby empowered to:

''(1) Investigate or provide for investigations or research projects designed to review the existing laws and regulations of the participating states, to consider their administration and costs, to measure their impact on the production and marketing of milk and their effects on the shipment of milk and milk products within the region.

''(2) Study and recommend to the participating states joint or cooperative programs for the administration of the dairy marketing laws and regulations and to prepare estimates of cost savings and benefits of such programs.

''(3) Encourage the harmonious relationships between the various elements in the industry for the solution of their material problems. Conduct symposia or conferences designed to improve industry relations, or a better understanding of problems.

''(4) Prepare and release periodic reports on activities and results of the commission's efforts to the participating states.

''(5) Review the existing marketing system for milk and milk products and recommend changes in the existing structure for assembly and distribution of milk which may assist, improve or promote more efficient assembly and distribution of milk.

''(6) Investigate costs and charges for producing, hauling, handling, processing, distributing, selling and for all other services performed with respect to milk.

''(7) Examine current economic forces affecting producers, probable trends in production and consumption, the level of dairy farm prices in relation to costs, the financial conditions of dairy farmers, and the need for an emergency order to relieve critical conditions on dairy farms.

''§ 9. Equitable farm prices

''(a) The powers granted in this section and section ten shall apply only to the establishment of a compact over-order price, so long as federal milk marketing orders remain in effect in the region. In the event that any or all such orders are terminated, this article shall authorize the commission to establish one or more commission marketing orders, as herein provided, in the region or parts thereof as defined in the order.

''(b) A compact over-order price established pursuant to this section shall apply only to Class I milk. Such compact over-order price shall not exceed one dollar and fifty cents per gallon at Atlanta, Ga., however, this compact over-order price shall be adjusted upward or downward at other locations in the region to reflect differences in minimum federal order prices. Beginning in nineteen hundred ninety, and using that year

as a base, the foregoing one dollar fifty cents per gallon maximum shall be adjusted annually by the rate of change in the Consumer Price Index as reported by the Bureau of Labor Statistics of the United States Department of Labor. For purposes of the pooling and equalization of an over-order price, the value of milk used in other use classifications shall be calculated at the appropriate class price established pursuant to the applicable federal order or state dairy regulation and the value of unregulated milk shall be calculated in relation to the nearest prevailing class price in accordance with and subject to such adjustments as the commission may prescribe in regulations.

''(c) A commission marketing order shall apply to all classes and uses of milk.

''(d) The commission is hereby empowered to establish a compact over-order price for milk to be paid by pool plants and partially regulated plants. The commission is also empowered to establish a compact over-order price to be paid by all other handlers receiving milk from producers located in a regulated area. This price shall be established either as a compact over-order price or by one or more commission marketing orders. Whenever such a price has been established by either type of regulation, the legal obligation to pay such price shall be determined solely by the terms and purpose of the regulation without regard to the situs of the transfer of title, possession or any other factors not related to the purposes of the regulation and this compact. Producer-handlers as defined in an applicable federal market order shall not be subject to a compact over-order price. The commission shall provide for similar treatment of producer-handlers under commission marketing orders.

''(e) In determining the price, the commission shall consider the balance between production and consumption of milk and milk products in the regulated area, the costs of production including, but not limited to the price of feed, the cost of labor including the reasonable value of the producer's own labor and management, machinery expense, and interest expense, the prevailing price for milk outside the regulated area, the purchasing power of the public and the price necessary to yield a reasonable return to the producer and distributor.

''(f) When establishing a compact over-order price, the commission shall take such other action as is necessary and feasible to help ensure that the over-order price does not cause or compensate producers so as to generate local production of milk in excess of those quantities necessary to assure consumers of an adequate supply for fluid purposes.

''(g) The commission shall whenever possible enter into agreements with state or federal agencies for exchange of information or services for the purpose of reducing regulatory burden and cost of administering the compact. The commission may reimburse other agencies for the reasonable cost of providing these services.

"§ 10. Optional provisions for pricing order

''Regulations establishing a compact over-order price or a commission marketing order may contain, but shall not be limited to any of the following:

''(1) Provisions classifying milk in accordance with the form in which or purpose for which it is used, or creating a flat pricing program.

''(2) With respect to a commission marketing order only, provisions establishing or providing a method for establishing separate minimum prices for each use classification prescribed by the commission, or a single minimum price for milk purchased from producers or associations of producers.

''(3) With respect to an over-order minimum price, provisions establishing or providing a method for establishing such minimum price for Class I milk.

''(4) Provisions for establishing either an over-order price or a commission marketing order may make use of any reasonable method for establishing such price or prices including flat pricing and formula pricing. Provision may also be made for location adjustments, zone differentials and for competitive credits with respect to regulated handlers who market outside the regulated area.

''(5) Provisions for the payment to all producers and associations of producers delivering milk to all handlers of uniform prices for all milk so delivered, irrespective of the uses made of such milk by the individual handler to whom it is delivered, or for the payment of producers delivering milk to the same handler of uniform prices for all milk delivered by them.

''(A) With respect to regulations establishing a compact over-order price, the commission may establish one equalization pool within the regulated area for the sole purpose of equalizing returns to producers throughout the regulated area.

''(B) With respect to any commission marketing order, as defined in section two, subdivision three, which replaces one or more terminated federal orders or state dairy regulations, the marketing area of now separate state or federal orders shall not be merged without the affirmative consent of each state, voting through its delegation, which is partly or wholly included within any such new marketing area.

''(6) Provisions requiring persons who bring Class I milk into the regulated area to make compensatory payments with respect to all such milk to the extent necessary to equalize the cost of milk purchased by handlers subject to a compact over-order price or commission marketing order. No such provisions shall discriminate against milk producers outside the regulated area. The provisions for compensatory payments may require payment of the difference between the Class I price required to be paid for such milk in the state of production by a federal milk marketing order or state dairy regulation and the Class I price established by the compact over-order price or commission marketing order.

''(7) Provisions specially governing the pricing and pooling of milk handled by partially regulated plants.

''(8) Provisions requiring that the account of any person regulated under the compact over-order price shall be adjusted for any payments made to or received by such persons with respect to a producer settlement fund of any federal or state milk marketing order or other state dairy regulation within the regulated area.

''(9) Provision requiring the payment by handlers of an assessment to cover the costs of the administration and enforcement of such order pursuant to Article VII, Section 18(a).

''(10) Provisions for reimbursement to participants of the Women, Infants and Children Special Supplemental Food Program of the United States Child Nutrition Act of 1966.

''(11) Other provisions and requirements as the commission may find are necessary or appropriate to effectuate the purposes of this compact and to provide for the payment of fair and equitable minimum prices to producers.

"ARTICLE V. RULEMAKING PROCEDURE

"§ 11. Rulemaking procedure

''Before promulgation of any regulations establishing a compact over-order price or commission marketing order, including any provision with respect to milk supply under subsection 9(f), or amendment thereof, as provided in Article IV, the commission shall conduct an informal rulemaking proceeding to provide interested persons with an opportunity to present data and views. Such rulemaking proceeding shall be governed by section four of the Federal Administrative Procedure Act, as amended (5 U.S.C. § 553). In addition, the commission shall, to the extent practicable, publish notice of rulemaking proceedings in the official register of each participating state. Before the initial adoption of regulations establishing a compact over-order price or a commission marketing order and thereafter before any amendment with regard to prices or assessments, the commission shall hold a public hearing. The commission may commence a rulemaking proceeding on its own initiative or may in its sole discretion act upon the petition of any person including individual milk producers, any organization of milk producers or handlers, general farm organizations, consumer or public interest groups, and local, state or federal officials.

"§ 12. Findings and referendum

''(a) In addition to the concise general statement of basis and purpose required by section 4(b) of the Federal Administrative Procedure Act, as amended (5 U.S.C. § 553(c)), the commission shall make findings of fact with respect to:

''(1) Whether the public interest will be served by the establishment of minimum milk prices to dairy farmers under Article IV.

''(2) What level of prices will assure that producers receive a price sufficient to cover their costs of production and will elicit an adequate supply of milk for the inhabitants of the regulated area and for manufacturing purposes.

''(3) Whether the major provisions of the order, other than those fixing minimum milk prices, are in the public interest and are reasonably designed to achieve the purposes of the order.

''(4) Whether the terms of the proposed regional order or amendment are approved by producers as provided in section thirteen.

"§ 13. Producer referendum

''(a) For the purpose of ascertaining whether the issuance or amendment of regulations establishing a compact over-order price or a commission marketing order, including any provision with respect to milk supply under subsection 9(f), is approved by producers, the commission shall conduct a referendum among producers. The referendum shall be held in a timely manner, as determined by regulation of the commission. The terms and conditions of the proposed order or amendment shall be described by the commission in the ballot used in the conduct of the referendum, but the nature, content, or extent of such description shall not be a basis for attacking the legality of the order or any action relating thereto.

''(b) An order or amendment shall be deemed approved by producers if the commission determines that it is approved by at least two-thirds of the voting producers who, during a representative period determined by the commission, have been engaged in the production of milk the price of which would be regulated under the proposed order or amendment.

''(c) For purposes of any referendum, the commission shall consider the approval or disapproval by any cooperative association of producers, qualified under the provisions of the Act of Congress of February 18, 1922, as amended, known as the Capper–Volstead Act, bona fide engaged in marketing milk, or in rendering services for or advancing the interests of producers of such commodity, as the approval or disapproval of the producers who are members or stockholders in, or under contract with, such cooperative association of producers, except as provided in subdivision (1) hereof and subject to the provisions of subdivision (2) through (5) hereof.

''(1) No cooperative which has been formed to act as a common marketing agency for both cooperatives and individual producers shall be qualified to block vote for either.

''(2) Any cooperative which is qualified to block vote shall, before submitting its approval or disapproval in any referendum, give prior written notice to each of its members as to whether and how it intends to cast its vote. The notice shall be given in a timely manner as established, and in the form prescribed, by the commission.

''(3) Any producer may obtain a ballot from the commission in order to register approval or disapproval of the proposed order.

''(4) A producer who is a member of a cooperative which has provided notice of its intent to approve or not to approve a proposed order, and who obtains a ballot and with such ballot expresses his approval or disapproval of the proposed order, shall notify the commission as to the name of the cooperative of which he or she is a member, and the commission shall remove such producer's name from the list certified by such cooperative with its corporate vote.

''(5) In order to insure that all milk producers are informed regarding the proposed order, the commission shall notify all milk producers that an order is being considered and that each producer may register his approval or disapproval with the commission either directly or through his or her cooperative.

''§ 14. Termination of over-order price or marketing order

''(a) The commission shall terminate any regulations establishing an over-order price or commission marketing order issued under this article whenever it finds that such order or price obstructs or does not tend to effectuate the declared policy of this compact.

''(b) The commission shall terminate any regulations establishing an over-order price or a commission marketing order issued under this article whenever it finds that such termination is favored by a majority of the producers who, during a representative period determined by the commission, have been engaged in the production of milk the price of which is regulated by such order; but such termination shall be effective only if announced on or before such date as may be specified in such marketing agreement or order.

''(c) The termination or suspension of any order or provision thereof, shall not be considered an order within the meaning of this article and shall require no hearing, but shall comply with the requirements for informal rulemaking prescribed by section four of the Federal Administrative Procedure Act, as amended (5 U.S.C. § 553).

''ARTICLE VI. ENFORCEMENT

''§ 15. Records; reports; access to premises

''(a) The commission may by rule and regulation prescribe record keeping and reporting requirements for all regulated persons. For purposes of the administration and enforcement of this compact, the commission is authorized to examine the books and records of any regulated person relating to his or her milk business and for that purpose, the commission's properly designated officers, employees, or agents shall have full access during normal business hours to the premises and records of all regulated persons.

''(b) Information furnished to or acquired by the commission officers, employees, or its agents pursuant to this section shall be confidential and not subject to disclosure except to the extent that the commission deems disclosure to be necessary in any administrative or judicial proceeding involving the administration or enforcement of this compact, an over-order price, a compact marketing order, or other regulations of the commission. The commission may promulgate regulations further defining the confidentiality of information pursuant to this section. Nothing in this section shall be deemed to prohibit (i) the issuance of general statements based upon the reports of a number of handlers, which do not identify the information furnished by any person, or (ii) the publication by direction of the commission of the name of any person violating any regulation of the commission, together with a statement of the particular provisions violated by such person.

''(c) No officer, employee, or agent of the commission shall intentionally disclose information, by inference or otherwise, which is made confidential pursuant to this section. Any person violating the provisions of this section shall, upon conviction, be subject to a fine of not more than one thousand dollars or to imprisonment for not more than one year, or to both, and shall be removed from office. The commission shall refer any allegation of a violation of this section to the appropriate state enforcement authority or United States Attorney.

''§ 16. Subpoena; hearings and judicial review

''(a) The commission is hereby authorized and empowered by its members and its properly designated officers to administer oaths and issue subpoenas throughout all signatory states to compel the attendance of witnesses and the giving of testimony and the production of other evidence.

''(b) Any handler subject to an order may file a written petition with the commission stating that any such order or any provision of any such order or any obligation imposed in connection therewith is not in accordance with law and praying for a modification thereof or to be exempted therefrom. He shall thereupon be given an opportunity for a hearing upon such petition, in accordance with regulations made by the commission. After such hearing, the commission shall make a ruling upon the prayer of such petition which shall be final, if in accordance with law.

''(c) The district courts of the United States in any district in which such handler is an inhabitant, or has his principal place of business, are hereby vested with jurisdiction to review such ruling, provided a complaint for that purpose is filed within thirty days from the date of the entry of such ruling. Service of process in such proceedings may be had upon the commission by delivering to it a copy of the complaint. If the court determines that such ruling is not in accordance with law, it shall remand such proceedings to the commission with directions either (1) to make such ruling as the court shall determine to be in accordance with law, or (2) to take such further proceedings as, in its opinion, the law requires. The pendency of proceedings instituted pursuant to this subdivision shall not impede, hinder, or delay the commission from obtaining relief pursuant to section seventeen. Any proceedings brought pursuant to section seventeen, except where brought by way of counterclaim in proceedings instituted pursuant to this section, shall abate whenever a final decree has been rendered in proceedings between the same parties, and covering the same subject matter, instituted pursuant to this section.

''§ 17. Enforcement with respect to handlers

''(a) Any violation by a handler of the provisions of regulations establishing an over-order price or a commission marketing order, or other regulations adopted pursuant to this compact shall:

''(1) Constitute a violation of the laws of each of the signatory states. Such violation shall render the violator subject to a civil penalty in an amount as may be prescribed by the laws of each of the participating states, recoverable in any state or federal court of competent jurisdiction. Each day such violation continues shall constitute a separate violation.

''(2) Constitute grounds for the revocation of license or permit to engage in the milk business under the applicable laws of the participating states.

''(b) With respect to handlers, the commission shall enforce the provisions of this compact, regulations establishing an over-order price, a commission marketing order or other regulations adopted hereunder by:

''(1) Commencing an action for legal or equitable relief brought in the name of the commission of any state or federal court of competent jurisdiction; or

''(2) Referral to the state agency for enforcement by judicial or administrative remedy with the agreement of the appropriate state agency of a participating state.

''(c) With respect to handlers, the commission may bring an action for injunction to enforce the provisions of this compact or the order or regulations adopted thereunder without being compelled to allege or prove that an adequate remedy of law does not exist.

''ARTICLE VII. FINANCE

''§ 18. Finance of start-up and regular costs

''(a) To provide for its start-up costs, the commission may borrow money pursuant to its general power under section six, subdivision (d), paragraph four. In order to finance the costs of administration and enforcement of this compact, including payback of start-up costs, the commission is hereby empowered to collect an assessment from each handler who purchases milk from producers within the region. If imposed, this assessment shall be collected on a monthly basis for up to one year from the date the commission convenes, in an amount not to exceed $.015 per hundredweight of milk purchased from producers during the period of the assessment. The initial assessment may apply to the projected purchases of handlers for the two-month period following the date the commission convenes. In addition, if regulations establishing an over-order price or a compact marketing order are adopted, they may include an assessment for the specific purpose of their administration. These regulations shall provide for establishment of a reserve for the commission's ongoing operating expenses.

''(b) The commission shall not pledge the credit of any participating state or of the United States. Notes issued by the commission and all other financial obligations incurred by it, shall be its sole responsibility

and no participating state or the United States shall be liable therefor.

"§ 19. Audit and accounts

''(a) The commission shall keep accurate accounts of all receipts and disbursements, which shall be subject to the audit and accounting procedures established under its rules. In addition, all receipts and disbursements of funds handled by the commission shall be audited yearly by a qualified public accountant and the report of the audit shall be included in and become part of the annual report of the commission.

''(b) The accounts of the commission shall be open at any reasonable time for inspection by duly constituted officers of the participating states and by any persons authorized by the commission.

''(c) Nothing contained in this article shall be construed to prevent commission compliance with laws relating to audit or inspection of accounts by or on behalf of any participating state or of the United States.

"ARTICLE VIII. ENTRY INTO FORCE; ADDITIONAL MEMBERS AND WITHDRAWAL

"§ 20. Entry into force; additional members

''The compact shall enter into force effective when enacted into law by any three states of the group of states composed of Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia and West Virginia and when the consent of Congress has been obtained.

"§ 21. Withdrawal from compact

''Any participating state may withdraw from this compact by enacting a statute repealing the same, but no such withdrawal shall take effect until one year after notice in writing of the withdrawal is given to the commission and the governors of all other participating states. No withdrawal shall affect any liability already incurred by or chargeable to a participating state prior to the time of such withdrawal.

"§ 22. Severability

''If any part or provision of this compact is adjudged invalid by any court, such judgment shall be confined in its operation to the part or provision directly involved in the controversy in which such judgment shall have been rendered and shall not affect or impair the validity of the remainder of this compact. In the event Congress consents to this compact subject to conditions, said conditions shall not impair the validity of this compact when said conditions are accepted by three or more compacting states. A compacting state may accept the conditions of Congress by implementation of this compact.''.

SEC. 149. PACIFIC NORTHWEST DAIRY COMPACT.

Congress consents to a Pacific Northwest Dairy Compact proposed for the States of California, Oregon, and Washington, subject to the following conditions:

(1) TEXT.—The text of the Pacific Northwest Dairy Compact shall be identical to the text of the Southern Dairy Compact, except as follows:

(A) References to ''south'', ''southern'', and ''Southern'' shall be changed to ''Pacific Northwest''.

(B) In section 9(b), the reference to ''Atlanta, Georgia'' shall be changed to ''Seattle, Washington''.

(C) In section 20, the reference to ''any three'' and all that follows shall be changed to ''California, Oregon, and Washington.''.

(2) LIMITATION OF MANUFACTURING PRICE REGULATION.—The Dairy Compact Commission established to administer the Pacific Northwest Dairy Compact (referred to in this section as the ''Commission'') may not regulate Class II, Class III, or Class IV milk used for manufacturing purposes or any other milk, other than Class I, or fluid milk, as defined by a Federal milk marketing order issued under section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Act of 1937 (referred to in this section as a ''Federal milk marketing order'').

(3) COMPENSATION OF SPECIAL MILK PROGRAM.—Before the end of each fiscal year in which a Compact price regulation is in effect, the Pacific Northwest Dairy Compact Commission shall compensate the Secretary of Agriculture for the increased cost of any milk and milk products provided under the special milk program established under section 3 of the Child Nutrition Act of 1966 (42 U.S.C. 1772) that results from the operation of the Compact price regulation during the fiscal year, as determined by the Secretary (in consultation with the Commission) using notice and comment procedures provided in section 553 of title 5, United States Code.

(4) EFFECTIVE DATE.—Congressional consent under this section takes effect on the date (not later than 3 years after the date of enactment of this Act) on which the Pacific Northwest Dairy Compact is entered into by the second of the 3 States specified in the matter preceding paragraph (1).

(5) COMPENSATION OF COMMODITY CREDIT CORPORATION.—Before the end of each fiscal year in which a price regulation is in effect under the Pacific Northwest Dairy Compact, the Commission shall compensate the Commodity Credit Corporation for the cost of any purchases of milk and milk products by the Corporation that result from the operation of the Compact price regulation during the fiscal year, as determined by the Secretary (in consultation with the Commission) using notice and comment procedures provided in section 553 of title 5, United States Code.

(6) MILK MARKETING ORDER ADMINISTRATOR.—At the request of the Commission, the Administrator of the applicable Federal milk marketing order shall provide technical assistance to the Commission and be compensated for that assistance.

SEC. 150. INTERMOUNTAIN DAIRY COMPACT.

Congress consents to an Intermountain Dairy Compact proposed for the States of Colorado, Nevada, and Utah, subject to the following conditions:

(1) TEXT.—The text of the Intermountain Dairy Compact shall be identical to the text of the Southern Dairy Compact, except as follows:

(A) In section 1, the references to ''southern'' and ''south'' shall be changed to ''Intermountain'' and ''Intermountain region'', respectively.

(B) References to ''Southern'' shall be changed to ''Intermountain ''.

(C) In section 9(b), the reference to ''Atlanta, Georgia'' shall be changed to ''Salt Lake City, Utah''.

(D) In section 20, the reference to ''any three'' and all that follows shall be changed to ''Colorado, Nevada, and Utah.''.

(2) LIMITATION OF MANUFACTURING PRICE REGULATION.—The Dairy Compact Commission established to administer the Intermountain Dairy Compact (referred to in this section as the ''Commission'') may not regulate Class II, Class III, or Class IV milk used for manufacturing purposes or any other milk, other than Class I, or fluid milk, as defined by a Federal milk marketing order issued under section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Act of 1937 (referred to in this section as a ''Federal milk marketing order'').

(3) COMPENSATION OF SPECIAL MILK PROGRAM.—Before the end of each fiscal year in which a Compact price regulation is in effect, the Intermountain Dairy Compact Commission shall compensate the Secretary of Agriculture for the increased cost of any milk and milk products provided under the special milk program established under section 3 of the Child Nutrition Act of 1966 (42 U.S.C. 1772) that results from the operation of the Compact price regulation during the fiscal year, as determined by the Secretary (in consultation with the Commission) using notice and comment procedures provided in section 553 of title 5, United States Code.

(4) EFFECTIVE DATE.—Congressional consent under this section takes effect on the date (not later than 3 years after the date of enactment of this Act) on which the Intermountain Dairy Compact is entered into by the second of the 3 States specified in the matter preceding paragraph (1).

(5) COMPENSATION OF COMMODITY CREDIT CORPORATION.—Before the end of each fiscal year in which a price regulation is in effect under the Intermountain Dairy Compact, the Commission shall compensate the Commodity Credit Corporation for the cost of any purchases of milk and milk products by the Corporation that result from the operation of the Compact price regulation during the fiscal year, as determined by the Secretary (in consultation with the Commission) using notice and comment procedures provided in section 553 of title 5, United States Code.

(6) MILK MARKETING ORDER ADMINISTRATOR.—At the request of the Commission, the Administrator of the applicable Federal milk marketing order shall provide technical assistance to the Commission and be compensated for that assistance.

Mr. GREEN of Wisconsin. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN pro tempore. The gentleman from Wisconsin reserves a point of order on the amendment.

Mr. SHERWOOD. Mr. Chairman, the Sherwood-Etheridge-McHugh amendment to the farm bill would implement provisions of H.R. 1827, the Dairy Consumers and Producers Protection Act of 2001, a very bipartisan measure sponsored by 165 Members of the House representing 30 sites in the country.

This amendment allows the expansion and the extension of the Northeast Dairy Compact, which expired on September 30, and the creation of a Southern Dairy Compact, a Pacific Northwest Dairy Compact, and an Intermountain Dairy Compact.

Other Members offering this amendment are the gentleman from Vermont (Mr. SANDERS), the gentleman from Pennsylvania (Mr. HOLDEN), the gentleman from New York (Mr. HINCHEY), the gentleman from New York (Mr. SWEENEY), the gentleman from Mississippi (Mr. PICKERING), and the gentleman from Mississippi (Mr. SHOWS).

I have also sent out a Dear Colleague letter signed by 30 Members who want a debate and a vote on dairy compact

extension and expansion legislation. The time has come for this debate.

Dairy compacts are good for our farmers, they are good for our consumers and our Nation for several reasons: They operate at no cost to taxpayers; they are constitutional; they enjoy strong support in Congress; and in the 25 States in which they have been overwhelmingly passed, the vote was over 5,000 to 300 for.

They keep dairy farmers producing high-quality milk our consumers demand at a stable and affordable price. Compacts also strengthen rural communities and help save farmland from urban sprawl. The reason they operate at no cost to taxpayers is the payments come from the milk market, and they are only made to farmers when the compact commission price is over the Federal marketing price.

That only happens on certain occasions. Right now, the compact would not be effective. The Federal order price is sufficient for people to produce milk. But when it goes down, it is a great safety net for producers of fluid milk.

The compacts are constitutional. Since passage of compact legislation in the 1996 farm bill, the U.S. Court of Appeals for the District of Columbia affirmed on January 20, 1998, that the compact is constitutional. Additional court rulings found that the compact commission's regulations were consistent with the commerce clause, the compact clause, and the due process clause of the U.S. Constitution.

Concerning bioterrorism, it will be much better for the stability of our food supply if milk is produced across the country, instead of just in certain concentrated areas. Milk is also proven to be cheaper under the compact in Boston than it is in many other areas of the country.

So in summary, Mr. Chairman, there are many reasons for compacts. They are good for farmers and rural communities, they are good for food security in a terrorist time, they are good for consumers because it assures a stable supply of fresh milk at a good price, they are good for taxpayers because the payments do not come out of the public Treasury, and they are proven in New England to work.

Mr. Chairman, I grew up in a small town in Nicholson, Pennsylvania. As a young man, we had three creameries, four feed dealers, and two automobile and equipment dealers in that little town. Today, there are none of those. The consolidation of agriculture is very tough on rural communities. So I would ask that we support this measure and pass dairy compacts. They are good for the country.

Mr. BALDACCI. Mr. Chairman, I rise in strong support, as a cosponsor of the amendment offered by the gentleman from Pennsylvania (Mr. SHERWOOD), along with the other Members who are signing onto this, and the over 160 Members, and counting, of this House of Representatives that support not only the continuation of the dairy compact but the expansion of the compact.

Mr. Chairman, we are talking about a document and legislation that is being supported by State legislatures, that is being supported by governors, and that is asking the United States Congress, not for the first time, Mr. Chairman, but for the third time to extend and expand the compact.

This works. It has worked well. My friends may offer arguments by saying it protects a region, that it increases the prices, and is not a benefit to the consumers. But the facts do not bear that out. In the compact States, as we have been able to show, the production is down versus the national average. In the compact States, the prices are lower than the national average. The consumers have actually been able to benefit.

I would submit, Mr. Chairman, that by supporting locally owned independent small businesses, which are these agricultural entities, we are supporting the strength of America and the strength of Maine, which is predominantly small businesses, family businesses.

In my own family business, we have always lamented about the fact that we have been exempted from child labor laws, so we worked early and often, and we did not receive very much for it. But as my mother says to me today, it never hurt any of us at all.

I think that the strength of that work ethic, that family involvement in local communities, is something that this compact supports, so we should not be discouraging these kinds of developments, but we should be encouraging these kinds of developments. What is wrong with locally owned home-grown small businesses, agricultural businesses? For far too long, we have been relegated to the back parts of America and in our communities.

I have always said to people, if we were able to fence it in like a defense establishment and be able to talk about the farm families, the farm income, and the impact to our communities, we as political leaders would be falling all over ourselves to do everything possible to make sure not only we kept them but we expanded upon them.

Agriculture is our strongest defense, and our national food security interest. I think it is vital to make sure that they are strong and healthy and vibrant. This is the kind of a program that the dairy compact has been able to produce.

Having worked on two agricultural farm programs over the 8 years that I have served in Congress, the importance is to make sure that we have a countercyclical program, to make sure that we have a program that works with farmers, works with communities.

This is the ultimate program. It does not kick in unless it hits a floor. Right now, the fluid milk prices are at a particular level that we do not need to have the compact kick in, but if, in fact, things do not maintain that high level, the compact kicks in, so it is a floor. It is an insurance policy. Also, they have been able to see that the lack of reduction in farm families that occurred in the compact areas.

Mr. BALDACCI. Mr. Chairman, and Members of the House, I rise in strong support of the amendment to the Farm Bill proposed by my colleagues Mr. SHERWOOD, Mr. ETHERIDGE, and Mr. MCHUGH to extend and expand the Northeast Dairy Compact and to authorize the creation of other Interstate Dairy Compacts in other regions of the country.

I was disappointed that this important amendment did not receive a waiver from the Rules Committee yesterday to allow for a definitive up or down vote in the full House of Representatives. I would like to stress the importance of this amendment to dairy farmers in the Northeast as well as other states wishing to enter into their own dairy compacts.

As a member of the Agriculture Committee, I have worked diligently to help craft a Farm Bill which not only maintains current agriculture policy, but expands conservation and research to represent the changing values of American farmers. I believe that a critical part of our farm policy must be Interstate Dairy Compacts. The existing authorization for the Northeast Dairy Compact expired on September 30, 2001.

One of the highlights of this year's Farm Bill is a return to the counter-cyclical price support system to aid farmers when prices drop below a sustainable level. Dairy Compacts provide the ultimate counter-cyclical payment: farmers receive aid only when milk prices drop below the Compact Commission-established minimum. In contrast to other farm support programs, however, all Compact expenditures come directly from the milk producers themselves, therefore costing the taxpayers nothing. Compacts allow for regions to best set their own prices, similar to other programs which delegate pricing authority to state and local levels. Evidence has shown that over the life of the Northeast Dairy Compact, consumers in Compact states have seen a reduction in milk prices, while farmers have received more for their milk on average than those in non-Compact states.

Since the implementation of the Northeast Dairy Compact, there has been no overproduction of milk in the Compact region; in fact drinking milk consumption has outstripped production in New England during the Compact period. More to the point, a recent GAO study found the Compact structure to have little to no impact on price and production of milk in non-Compact states. We expect the same results from an expanded Northeast Compact and the new Compacts authorized under this amendment.

During the year 2000 alone, the Compact provided $4.8 million in assistance to Maine farmers, at absolutely no cost to the federal government. Through the benefits of the Compact, the rate of decline in the number of

Maine dairy farms dropped from 16% to 6%. In short, dairy compacts save farms and allow for locally produced milk to reach consumers at a competitive price.

In addition to these statistics, we must also take into account the intangible benefits that Dairy Compacts can provide. Preservation of open space and conservation of land has become a key issue facing this Farm Bill.

Dairy Compacts protect open space by allowing farmers to receive competitive prices for their milk and remain in business. Wildlife habitat is saved from sprawl and intrusion by ever-expanding urban communities, and families have a chance to purchase locally-produced milk at a stable price. The importance of compacts cannot be understated, as evidenced by the number of states seeking to join one.

I understand that this amendment will not reach a final vote because of a point of order. It is my intention to work with my colleagues to find another vehicle by which to resurrect the Dairy Compact structure which expired September 30th. This is a program which is vitally important to dairy farmers in Maine and at least 25 other states. My colleagues who support the Dairy Compact and I will continue to press ahead to see that our farmers receive the assistance that they need and deserve. I ask only that the Compact be given a chance for a fair vote so that this issue can be resolved.

Mr. MCGOVERN, Mr. Chairman, I rise in support of the Sherwood, Etheridge, McHugh amendment to permanently authorize the Northeast Dairy Compact. This is a good program that is vital for dairy farmers in the northeast and southeast—farmers I represent.

The Northeast Diary Compact expired on September 30, 2001—merely 3 days ago. The House could have addressed this issue by allowing a debate and a vote on the compact at any point this year. Instead, the House and the other chamber decided to ignore the plight of dairy farmers.

Members of Congress from the Northeast and the Southeast have worked tirelessly to reauthorize the dairy compact and to extend it to help those dairy farmers who don't have the fortune of living in the Midwest.

The Northeast Dairy Compact is good, sound policy for my dairy farmers and for dairy farmers who live outside of Wisconsin and Minnesota. In the absence of a national dairy policy, the dairy compact is the only way for these dairy farmers to remain viable.

Dairy prices today are comparable to prices in 1978 and my farmers cannot stay in business with these low prices. The 270 dairy farms in Massachusetts received an average of $13,300 per farm in 2000. This total, $3.6 million in all, came at no cost to federal, state or local governments. Like farmers in other sectors of agriculture in other parts of the country, dairy farmers in the Northeast cannot succeed without help.

The Northeast Dairy Compact is not only a priority for dairy farmers but it is also a priority for conservationists. As we know, urban sprawl is diminishing our quality of life. By helping farms stay open, the Northeast Dairy Company has protected over 113,000 acres of open space from urban sprawl. Without the compact, we'll see open space turning into strip malls, WalMarts or parking lots. The Dairy Compact is good for the environment.

Mr. Chairman, the only action dairy compact supporters have asked for is an up or down vote on this issue. Our dairy farmers deserve the opportunity to have this issue debated fairly and to have the House express its support or disapproval for dairy compact. Dairy is a commodity and should be debated along with other commodities. The Farm Bill is the right place to have this debate.

Mr. Chairman, I want to take time to thank several Members who have been active on the Dairy Compact. Specifically, I want to thank former Representative Asa Hutchison for introducing the bill to permanently authorize the Northeast Dairy Compact and to form the Southeast Dairy Compact. I also want to thank Representatives DON SHERWOOD, BOB ETHERIDGE and JOHN MCHUGH for offering this amendment today. And I want to thank Chairman JIM WALSH and Representative BERNIE SANDERS, as well as the other Members in the Northeast and Southeast, for their hard work and commitment to the Dairy Compact.

On September 17, 2001, the Boston Globe editorialized on the Northeast Dairy Compact. I quote—"If Congress doesn't act by the end of this month, dairy farmers in New England will lose a regional price support system that has helped to keep many in business. The long-term effect will be loss of farms, farmland, and locally produced fresh milk."

I urge the leadership of both parties to come together, schedule a debate and allow an up or down vote on the Dairy Compact This is the best we can do for all dairy farmers until we have a national policy.

Mr. BASS. Mr. Chairman, today I rise in support of the Sherwood Amendment to permanently extend the Northeast Dairy Compact. This Compact is critical to the survival of small dairy farms not only in my district in New Hampshire but also throughout the Northeast. Its operation provides a safety net for New Hampshire farmers, and it ensures a stable supply of fresh, local milk for consumers.

In my district, rural communities are profoundly affected by the survival of dairy farms, which provide jobs, purchase goods and services, and preserve dwindling agricultural land. The Northeast Dairy Compact has kept these farms in business for the good of farmers and consumers.

Dairy compacts neither cost the federal government nor allow retail milk prices to increase disproportionately. Congress should listen to the farmers, taxpayers, and the twenty-five states, which have passed compact legislation, and support the permanent extension of the Northeast Dairy Compact.

Mr. OBERSTAR. Mr. Chairman, I rise to express my strong support for the point of order to ensure that the proponents of the Northeast Dairy Compact are not able to extend this unwise experiment in dairy policy.

Mr. Chairman, the current milk marketing system is complex and flawed, and the creation of the Northeast Dairy Compact has exacerbated the deficiencies of our national dairy policy. Dairy reform is needed, but we should not permit the continuation of the Northeast Dairy Compact, and we certainly should not allow an expansion of dairy compacts into other regions of the country.

I am greatly troubled that the supporters of the Northeast Dairy Compact are once again attempting to bypass the rules of the House to impose a regional milk cartel that has hurt dairy farmers in my congressional district and throughout the upper Midwest region.

The Northeast Dairy Compact initiative was inserted into the 1996 Farm bill conference report in violation of House rules and the proponents utilized midnight parliamentary tactics to create a milk regime that distorts the market and hurts consumers. While it is worth noting that the Northeast Dairy Compact proponents are here on the House Floor today during the light of day, they are here, nevertheless, to offer an amendment to this year's Farm bill that is in violation of House rules. The rules of the House are very clear that the jurisdiction of interstate compacts falls within the House Judiciary Committee, not the House Agriculture Committee.

Since this amendment to extend and expand this faulty compact is not germane to the Farm bill, it is incumbent upon the Chair to sustain the point of order and rule against this amendment. If my colleagues want this compact to continue, I would encourage them to follow the rules of the House and work with the Judiciary Committee.

□ 1200

POINT OF ORDER

Mr. GREEN of Wisconsin. Mr. Chairman, I will make my point of order.

The CHAIRMAN pro tempore (Mr. FOSSELLA). The gentleman from Wisconsin is recognized.

Mr. GREEN of Wisconsin. Mr. Chairman, at this point I stress the point of order that under clause 7 of rule XVI, this amendment is not germane. The amendment is not germane because all interstate compacts fall under the jurisdiction of the House Committee on the Judiciary, not the Committee on Agriculture. Therefore, the amendment fails to meet the jurisdictional test of clause 7 of rule XVI.

The CHAIRMAN pro tempore. Does any other Member wish to be heard on the point of order?

The gentleman from New York (Mr. SWEENEY).

Mr. SWEENEY. Mr. Chairman, I wish to be heard on the point of order.

Mr. Chairman, our dairy farmers are faced with extreme circumstances and have been for quite some time. Today in this House we have an opportunity to debate, discuss and vote on the single greatest source of relief for those people. It really, fundamentally, Mr. Chairman, is we are faced with a question of fairness in whether this House can deliberate openly and do the business of the people.

We are faced with an underlying bill that addresses all sorts of commodity issues, but for New York and the Northeast, we do very little as it relates to supporting dairy farmers and small dairy families.

I would like to point out, Mr. Chairman, that there is tremendous and substantial support, 165 Members representing 30 States from both sides of

the aisle have co-sponsored this. Twenty-five states have asked this Congress to act and allow them the opportunity to move forward and develop compacts within their region.

The policy is very good. During these tough economic times while we are contemplating appropriating tens of billions of dollars for an economic stimulus package, here is a process, a program that will afford substantial parts of this Nation, a substantial sector in this Nation, economic relief without costing the Federal Government a dime.

As some other speakers have pointed out, Mr. Chairman, I would like to also say that there is a very important point that needs to be brought to light considering the recent events that we have faced in this Nation. Opponents have said the concept of regionalized dairy policy is an outdated concept. Unfortunately and sadly, due to the events of September 11, we now see that our transportation system cannot only be attacked but made vulnerable.

Consumers deserve a stable supply of local fresh milk. Local farmers are the best way to do that. This amendment offered by the gentleman from Pennsylvania (Mr. SHERWOOD) is an opportunity for this Congress to do something very positive and very forceful in that regard.

Let me say this, Mr. Chairman, that it is an important strategic need that we actually are debating today. One that we need to have brought to this floor today, and if not today, soon. My constituents demand it. We need a debate on the extension and expansion of regional dairy compacts. We need to show America that at the core of all of this, when so much interest and so many Members and so many States support this notion, this Congress is able to act.

The CHAIRMAN pro tempore. The Chair reminds Members that after the Chair rules on this point of order, Members may invoke the 5-minute rule to continue debate on this matter.

The gentleman from Maine (Mr. BALDACCI).

Mr. BALDACCI. Mr. Chairman, before the ruling, the germaneness issue here, is the charge being made that the dairy interest is not part of the agricultural interest? Is that the germaneness issue? That it does not belong in the debate even though we are talking about a 10-year reauthorization of the farm bill, that the dairy is not farm or not agriculture?

The CHAIRMAN pro tempore. The Chair will rule after argument is heard by the proponents and opponents of the point of order.

Mr. BALDACCI. Mr. Chairman, thank you.

The CHAIRMAN pro tempore. The gentleman from Wisconsin (Mr. SENSENBRENNER).

Mr. SENSENBRENNER. Mr. Chairman, the point of order should be sustained. The rules of the House very clearly state that interstate compacts, regardless of the nature of them, fall within the jurisdiction of the Committee on the Judiciary. This bill is a bill that has been produced not by the Committee on the Judiciary, but the Committee on Agriculture, and consequently the amendment does not meet the jurisdictional test that is contained in clause 7 of rule XVI. The point of order should be determined to be well taken.

The CHAIRMAN pro tempore. The gentleman from Vermont (Mr. SANDERS).

Mr. SANDERS. Mr. Chairman, I would hope that as an act of comity, the gentleman who originally raised the point of order will withdraw it at this time so that Members who feel strongly about this issue will have a chance to debate a life and death issue for hundreds of thousands of family farmers in this country.

We understand the germaneness issue, but common courtesy would indicate that you allow many Members to come to the floor of the House and debate this issue. I do not know what my friend from Maine was going to ask the gentleman from Wisconsin, but I have the feeling that he may have asked him how many hearings were held on this issue despite the fact that 165 Members of the Congress, Democrats, Republicans, Independents, Conservatives, Progressives are fighting for this issue.

I think he might have asked the gentleman how many hearings were held when 25 States, half of the States in this country, voted to do something for their dairy farmers in supporting the dairy compact. We can argue the merits or the demerits of the dairy compact. It has worked. I am a strong proponent of it. It has helped save family farms. But the more important issue is basic fairness here on the floor of the House. How do you turn your back, especially, I might say, those who believe in devolution, those who say, let the States have power, how do you say to those 25 States who are seeing their family farmers go out of business, their rural economies suffering, how do you say to those people, you cannot even get a hearing on the floor of the House. You cannot even get a vote on the floor of the House.

If the Members are so sure of the righteousness of their our ideas, debate the ideas and bring a vote to the floor of the House.

Mr. Chairman, I would at least ask as an act of comity, may I have a dialogue with my friend who raised the point of order?

The CHAIRMAN pro tempore. Will the gentleman from Vermont suspend?

The gentleman will remember that the Chair controls the time on the point of order, and members may not engage in colloquies.

Mr. SANDERS. Mr. Chairman, I do remember that. I would ask my friend, yield to him briefly, would he be so kind as to withdraw his objection at this time?

The CHAIRMAN pro tempore. Will the gentleman from Vermont suspend?

Mr. SANDERS. Mr. Chairman, I would just hope at least that we can continue this debate on such an important issue.

The CHAIRMAN pro tempore. The gentlewoman from Connecticut (Mrs. JOHNSON).

Mrs. JOHNSON of Connecticut. Mr. Chairman, I would like to be recognized on this point of order.

The CHAIRMAN pro tempore. The gentlewoman is recognized.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I do not think it is as black and white as the gentleman from Wisconsin maintains. There is genuine ambiguity about the germaneness of this amendment.

Because while the statute the gentleman from Wisconsin (Mr. SENSENBRENNER) cites in terms of regional compacts is one consideration, the other consideration is that the agricultural bill and the Department of Agriculture do establish the whole milk marketing system, which is a market governance mechanism that if you were going to be consistent, should be under judiciary, if your point of order were to hold.

This is merely a variant of the milk marketing order to accommodate it to meet the goals that the Department of Agriculture has set for its milk marketing system, which goals that milk marketing system does not meet. The milk marketing system's goals were to assure regional production, but within that system were also mechanisms to prevent overproduction.

The national system is not working. This regional system is working. Under the national system, there was a 7.4 percent increase in production over the period of the compact, and in the region of the compact, production actually went down. Why? Because we have an incentive system that discourages overproduction. It is something the Federal Government has desperately tried to develop in every one of its ag subsidy programs and has failed.

Our incentives to control production, which is a Department of Agriculture goal, part of the milk marketing order policy contained in this ag bill is a goal that is better achieved through this adjustment to the milk marketing order system than through underlying national policy because it does adjust that policy for regional concerns and puts in place not only a system that can address supply, but one in which consumers are represented. So it is a far more democratic process than the Federal milk marketing order process.

So I would say that the issue of germaness is not black and white. It is

ambiguous, and we have every much as good a case that this is germane as the gentleman from Wisconsin has that it is not germane, and what should influence the Chair is not only that ambiguity, but the fact that the Committee on the Judiciary has refused to give this matter consideration, to hold hearings, to give us our voice, to even bring it to the floor with a negative recommendation or choose one of the other processes available.

We should not be muffled. The interests of our people in national agricultural policy are very real, and this bill establishes national agricultural policy and has within it a market structure that is the market structure that we wish to adjust to regional interests. So I would say the issue is ambiguous, and I would urge the Chair to rule in favor of all those regions of the country that get no other benefit from the ag bill but would benefit in supporting the farm income in exactly the same way they want to support the income of other farmers under the ag bill.

So I urge Members' support of the Sherwood amendment.

The CHAIRMAN pro tempore. Does the gentleman from North Carolina (Mr. ETHERIDGE) wish to be heard on the point of order?

Mr. ETHERIDGE. Mr. Chairman, on the point of order, on the issue of jurisdiction and ambiguity, and I understand the Chair is getting prepared to rule, but Mr. Chairman, I would join the gentlewoman from Connecticut (Mrs. JOHNSON) who just spoke that there is enough ambiguity. We are looking at issues that 25 States have expressed their wishes, governors have signed the papers indicating their wishes to be a part of a compact, my State being one of those States that want to be a part of it.

We are seeing a loss in farmers. Twenty-five years ago in my State, there was 1,600 dairy farmers. Today, we have about a fourth of that figure. We are asking for trouble if we allow milk production to be consolidated into just a few small hands, and we have seen that, as you have already heard about what happened on September 11, continue.

We must take action to allow more small dairy farmers to survive, and compacts are a proven method to do that. We have seen that in the northeast. If my State of North Carolina were a member of a compact as were other dairy States in the northeast, their combined income would have been over $20 million in the year 2000, but instead they received 5.4 million in Federal dollars. They do not want the money from the Federal Government. They want to get it from the marketplace.

We write these farm bills because of the fluctuation in the marketplace. It has made it difficult for farmers to plan, and we are trying to help level it out as we should to help production in agriculture, but denying a vote on the no cost options to help dairy farmers when prices decline simply does not make sense.

That is what we are about. We are about a democratic body, expressing the wills and wishes of the people of this country. The northeast compact has shown that you can take the volatility out of the milk pricing, keep dairy farmers in business and provide a fresh supply of local milk at a fair price, all without costing the Federal Government a cent. We ought to be about that. That ought to be about what we are doing.

The compact establishes a floor, as you have already said. Producers, consumers and even processors play a role in determining the price. Some argue that compacts cause overproduction of milk which would then flood our class III producers, like cheese, and cause the prices of these products to decline, but that has just not happened in what we have seen in the northeast. In fact, last year, every compact State saw a decrease in milk production, except one, and that was Vermont which had an increase of only 2.8 percent less than the national average. That follows a similar decrease in production in 1999. We ought to be endorsing that. That ought to be what we are working about as a body here to help make a difference.

The northeast compact even provides incentives to farmers not to overproduce, and there is no reason why these incentives will not work in other parts of the Nation.

Some may also argue that the northeast compact has not stopped dairy farmers from going out of business in that region. Nothing in this underlying farm bill will keep every single farmer in business, regardless if they are in dairy, wheat or any other product. We understand that, but since the compact has been in place, the rate of closing of dairy farms in the northeast has decreased. If we would have had that in my State of North Carolina, I am convinced we would have more dairy farmers today and this country would be better off.

I could talk more about the benefits of the compact, and I hope as you consider your ruling, you will take this into effect, but Mr. Chairman, I believe if we deny a vote on this amendment, that will be most unfortunate, and the full debate of this House will not be had, and I would yield to my friend, the gentleman from New York (Mr. BOEHLERT) for a comment.

The CHAIRMAN pro tempore. The Chair will remind Members, the Chair controls the time on arguments regarding the point of order, and members may not engage in colloquies.

Mr. SANDERS. Mr. Chairman, he yielded. He did not yield back his time. He yielded to the gentleman from New York (Mr. BOEHLERT).

The CHAIRMAN pro tempore. The Chair will remind Members that the Chair controls the time on arguments both for and against this point of order. The Chair will remind Members as well, the Chair is entertaining arguments on the point of order. Members may remain, after the ruling on the point of order, to debate the substance of dairy policy if so desired.

Does the gentleman from Minnesota (Mr. GUTKNECHT) wish to be heard on the point of order?

□ 1215

The CHAIRMAN pro tempore (Mr. FOSSELLA). Does the gentleman from Minnesota (Mr. GUTKNECHT) wish to be heard on the point of order?

Mr. GUTKNECHT. I would like to offer advice to the Chair.

The CHAIRMAN pro tempore. The gentleman is recognized.

Mr. GUTKNECHT. Mr. Chairman, clearly, listening to the debate now on this issue, it becomes clearer and clearer that the point of order is well taken. This is a debate about States' rights. We have heard that. That belongs in the judiciary, not the agriculture, bill.

Now, a lot of the arguments we have heard today I share the concern. I represent a lot of dairy farmers. They have had a lot of tough luck here the last several years. And we are all entitled to our own opinions, but we are not entitled to our own facts. Let me just remind Members of a couple of important facts that have been underscored by independent consultants that have looked at this.

The truth of the matter is we are losing dairy farmers at about the same rate in States that are in the compact as those States who are not. Now, we have heard these arguments this morning. We continue to hear them. Well, the dairy compacts will increase the amount of net income for dairy farmers, but it will not raise the price of milk; and it will not cost the taxpayers anything. Well, that sounds like the tooth fairy to me. The truth of the matter is, the only thing that we can honestly say that the dairy compacts have succeeded in doing is to divide the dairy farmers of the United States. That is a mistake.

At the very time that we need to speak with one voice about dairy policy, we are speaking with different voices. We have the Northeast, we have the Southeast, we have the people in the Southwest, we have the Upper Midwest and we have California; and they are all speaking a different language. They are all suffering the same consequence. We are losing too many dairy farmers. But creating these intrastate cartels makes no sense.

In terms of advice to the Chair, the reason that the 13 colonies came together, one of the reasons they came together was to prevent this very kind of thing from happening, from allowing

one or two or several States to come together to gang up against the rest. One of the arguments the proponents forward is, well, we have 165 co-sponsors. Well, perhaps they can get even more States into their compact and they can get 300 cosponsors. That still does not make it right. The real issue is whether or not States ought to be able to come together to gang up on other States.

The net result to the Upper Midwest ultimately will be is that we will be pinched further and further and further. In Wisconsin and in Minnesota we are losing three to four dairy farmers every single day. And creating compacts in the Northeast or the Southwest or the Southeast is not going to change that. It is going to make matters worse. So the only thing this accomplishes is it divides dairy farmers at the very time we ought to be speaking with one voice.

A couple of years ago our colleague from Wisconsin read the formula by which milk prices are set for our dairy farmers under the milk marketing order system. It is the most convoluted system in the world. And the problem with the northeast dairy compact is it makes it even worse.

We ought to have national pooling. The cows in my district do not know where the milk comes from. The cows in my district do not know where the milk comes from or what it goes into. We have this unbelievable system in the United States right now. Creating compacts only makes it worse. It divides dairy farmers. That is the reason the colonies came together, to prevent this kind of thing from happening.

This amendment is not in order on this bill. Perhaps we should have the debate later, but let it work through the process in the Committee on the Judiciary.

The CHAIRMAN pro tempore. Does the gentleman from New York (Mr. HINCHEY) wish to be heard on the point of order?

Mr. HINCHEY. Mr. Chairman, I do wish to be heard on the point of order.

The CHAIRMAN pro tempore. The gentleman is recognized.

Mr. HINCHEY. Mr. Chairman, the assertion has been made that the idea of establishing dairy compacts is not germane to the agricultural bill, the farm bill that is presently on the floor of this House and being debated here. In order to believe that, we would have to be prepared to believe that the dairy industry is not part of American agriculture; that farm bills ought not to address themselves to the dairy industry; and that parts of the United States ought not to have the opportunity to participate, as they see fit, in the provisions of agricultural law made by this Congress. That, on its face, is an absurd notion.

The dairy compact ought to be recognized in the context of this debate; and we ought to have an opportunity, all of us, to be heard on it, and there ought to be a vote on it on the floor this afternoon in the context of the debate on this bill.

One of the escape hatches that the proponents of this theory have established for themselves is the idea that this ought to be taken up not in the context of agricultural policy but it ought to be taken up by the Committee on the Judiciary as a matter of law under the jurisdiction of the Committee on the Judiciary. Well, some of us might be prepared to accept that if there was any possibility whatsoever that the Committee on the Judiciary in this House would address itself to this issue during the course of this Congress, but there has been no evidence presented anywhere that the Committee on the Judiciary has any interest in taking up this bill.

So what the proponents of the agriculture bill and the proponents of this point of order would have us believe is, first of all, that dairy policy has no place in the farm bill; and that, secondly, they want us to believe the myth that the Committee on the Judiciary will take this issue up at some point in the future. Both of them are absurd. Both of them are false. Therefore, this point of order ought to be ruled against, and we ought to allow this amendment to be debated here on the floor this afternoon in the context of this 10-year agricultural bill.

The CHAIRMAN pro tempore. Does the gentleman from New York (Mr. BOEHLERT) wish to be heard on the point of order?

Mr. BOEHLERT. I wish to be heard on the point of order.

The CHAIRMAN pro tempore. The gentleman is recognized.

Mr. BOEHLERT. Mr. Chairman, I would hope that the individual raising the point of order would accede to the very reasonable request advanced by our colleague, the gentleman from Vermont (Mr. SANDERS), that the point of order at least be temporarily withdrawn so that we can discuss this issue in some detail on the floor.

I think it is only fair and prudent that we request that the people's House work the people's will. The people's House cannot work the people's will if we have unyielding response from the committee of basic jurisdiction. And, believe me, I have the hardest time explaining to anyone why the dairy compact legislation is not germane to the farm bill; that it is off on another committee, the Committee on the Judiciary. Hard time explaining that. People think that the farm bill should deal with farm matters, and I certainly agree.

The dairy compact will not cost the taxpayers a dime; not the Federal taxpayers, not the State taxpayers. What it does is allow farmers to help themselves. It gets away from the command and control notion that Washington is the source of all wisdom and should regulate everything and places faith and the fate of dairy farmers in the hands of State governments and the farmers themselves. And let me tell my colleagues that I have a lot more confidence in the farmers of America than I do a lot of bureaucrats in Washington, D.C.

Over 25 States have already, by overwhelming vote, approved legislation which has been then endorsed by each Governor, and it was not squeaky margins. The total vote was 5,405 for the dairy compacts and only 316 against. And then I have people come up and tell me, well, if Congress passes the dairy compact legislation, it is going to mean that the price of milk might go up. Well, if we do approve the dairy compact legislation, there might be a penny or two a gallon increase in the price of milk. But I tell my colleagues, we live in a town that takes a poll every nanosecond. We poll everything. And poll after poll proves conclusively that the American people are sympathetic to the plight of the Nation's dairy farmers and would be willing to accept a modest penny or two a gallon increase in the price of milk if they were convinced that the money went to the people who need it, the dairy farmers themselves.

In my own State of New York, we have lost 2,133 farms since 1995, and those were figures current only as of the first of this year. My friend from Wisconsin talks about the plight of his dairy farmers. Well, I can assure him the same thing holds true for the dairy farmers of New York. They are going out of business one after another. That just should not be. If we continue on this road, pretty soon we will see an American landscape with one after another dairy farms out of business. We will have the concentration of all production in the hands of a very few mega-corporate farms. And guess what? They will dictate the price to all of us. Katy, bar the door. We do not want that.

And as a national security issue, and all of us are concerned about national security, particularly during these very difficult times, as a national security issue we should keep the small family dairy farms in business. If my colleagues are concerned about urban sprawl, and boy, everybody tells us how concerned they are about urban sprawl, think of what we do if we allow the continued demise of the family farm and force the family farmers to sell to the developers. All of America will be developed.

Let me close with this thought. I have so much more that I could say, but I think it was said best by a Wisconsin dairy farmer in the Nation's leading dairy farm journal, Hoard's Dairyman. He said, ''Compacts are a good thing overall. Support,'' he said,

''our brother and sister dairy farmers in the northeast and encourage compacts elsewhere. That is in the interest of fairness.''

We are not pitting a few States against a few other States. We are opening up the door of opportunity for all the States to do as they wish. I would strongly urge the offerer of the point of order to rethink that contention. And perhaps in the interest of comity, as suggested by the gentleman from Vermont (Mr. SANDERS), let us talk some more in the people's House about the people's will.

Mr. OBEY. Mr. Chairman, I wish to address the point of order.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The gentleman will confine his remarks to the point of order and is recognized.

Mr. OBEY. Mr. Chairman, I want to say that I think the Chair has been most generous in allowing Members to range beyond the focus of the point of order. Obviously, the point of order raised by the gentleman from Wisconsin is correct, because the committee which is considering this legislation does not have jurisdiction with respect to the issue of compacts.

With respect to the question of hearings, Mr. Chairman, I would point out that I find it quaint that somehow the gentleman from Wisconsin (Mr. SENSENBRENNER) is being questioned for the lack of hearings held by the Committee on the Judiciary, when in fact the entire compact arrangement was imposed on the country without ever having had a hearing in either House, and, in fact, without having a vote in this House. The history demonstrates that the only vote that occurred was in the other body, and the other body turned down the proposition of compacts. Then somehow, through the process of immaculate conception, we wound up getting dairy compacts in a conference report in violation of the rules of both Houses.

So it seems to me it is time to uphold the rule of the House. After that has been done, Mr. Chairman, then I would hope that we could bring the regions of the country together on this issue, as we are trying to bring all parties in this country together on a wide variety of issues in light of what happened the last 3 weeks. And I would hope that we could actively pursue some kind of a compromise on this issue. I know the gentleman from Vermont (Mr. SANDERS) has been working to try to develop a framework around which we might be able to achieve some regional togetherness, for a change, which I think would be a healthy development.

□ 1230

Mr. Chairman, very clearly without getting into the merits of the issue, it was clear from the beginning when compacts were imposed on the country through an egregious violation of the rules of both Chambers, and right now it is clear under the rules of this House that this amendment is not germane; and, therefore, the gentleman's point of order should stand.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington.) For what purpose does the gentleman from Pennsylvania rise?

Mr. PETERSON of Pennsylvania. Mr. Chairman, I rise to speak on the point of order.

The CHAIRMAN pro tempore. The gentleman is recognized to speak on the point of order.

Mr. PETERSON of Pennsylvania. Mr. Chairman, I rise to make the statement that if milk marketing belongs in the Committee on the Judiciary, then missile defense belongs in the Committee on Agriculture. How many staff people on the Committee on the Judiciary know anything about agricultural marketing systems?

There is nobody, and there should not be anybody. To use a stretch of the rules, to use a technicality to deprive this House of a debate of one of the most important farm issues facing this country is wrong. For this House not to have the right to debate this issue up or down is wrong. It is unfair.

Just last week in response to a terrorism act, we spent billions on American airlines to help them. This bill gives millions to corporate, rich farmers to help them. An amendment yesterday that I supported that limited that help to $150,000, which is pretty sizable, was defeated. Wrongly, but it was defeated.

The most important issue facing this country, dairy, what is in this bill to help it? Not a dime. Not a word. Not any guidance, and that is wrong.

This House needs to debate agricultural issues with the agricultural bills before this House, not in the Committee on the Judiciary. Dairy farmers are fighting for their life for a stable market, a stable market. It is the most wholesome natural food we have. I have a perspective that is different than most of my colleagues. I was a supermarket operator for 26 years. I sold food for a living.

Mr. Chairman, I understand the food distribution system. And we have the safest system in the world; the most cost-effective system in the world; and we give the best, purest products to our people. When our people go to our supermarkets and come home, they have fresh products because we have the best system in the world.

Yes, milk is very reasonable. You can buy it for $2.50 a gallon. It is often cheaper than soda which is flavoring, soda water, and sugar. Milk is often cheaper than the juice drinks which are a little bit of juice and a lot of water and sugar.

Yes, when my colleagues go to convenience stores, they pay $1.90 for a 16-ounce or 20-ounce bottle of water. More expensive than milk. Can we not be put in the Committee on the Judiciary? Can we have this issue before us as part of the agricultural issue to develop a marketing system that is fair? That allows our farmers to have a stable price.

It is okay for the moment, but for 2 years our dairy farmers produced milk at less than what it cost. For 2 years, not 2 months, not 3 months; and it has put thousands of them out of business. The Northeast Dairy Compact had a steadying effect upon farms with fewer farms lost in compact States after the initiation of the compact.

A new policy is needed to address the complete failure of our current dairy policy. Dairy compact legislation has passed in 25 States. Dairy compacts return power to the States over fluid milk.

We must make sure that we allow a stable supply of milk and dairy products throughout this country, that we are not hauling them from coast to coast. We need regional dairy supplies, and the dairy compact legislation will allow us to work towards that.

Consumers are not stuck with higher prices in compact States. OMB and others found that price surveys show that compact retail prices are more stable and not more expensive to the consumer. We just want a fair debate on an agricultural issue with the farm bill in front of us.

I urge Mr. Chairman to rule that this issue stays before the Committee on Agriculture where it belongs.

The CHAIRMAN pro tempore. For what purpose does the gentlewoman from North Carolina rise?

Mrs. CLAYTON. Mr. Chairman, I rise to speak on the point of order.

The CHAIRMAN pro tempore. The gentlewoman is recognized to speak on the point of order.

Mrs. CLAYTON. Mr. Chairman, I would like to speak to the point of order, and also to say that we certainly can use a point of order when we want to.

The gentleman from Pennsylvania (Mr. PETERSON) discussed the incident where we considered the appropriation for aviation. That did not go through any committee. Members understood the urgency of waiving the point of order so we could respond to the urgency of the airline industry.

Well, I have come to say that the point of order should not stand in the way of us responding to the urgency of our dairy farmers. They have the same urgency. There needs to be some vote up or down. We should have a right to at least debate it.

The whole issue, one of my colleagues said that this is unconstitutional, that is a bogus argument. It has been tried in the State court of New York and the Federal courts, and they say the compact is constitutional. So the issue that we are putting together something that is going to bar trade

does not do that. It does not violate that trade barrier.

Mr. Chairman, we need to find a way where agricultural issues that have the same urgency that the people of that industry suffer, just like the airline industry, at least we ought to be able to give them the right to discuss it.

Furthermore, Mr. Chairman, when we have rules of the House that can defeat public debate, the Chair is required to ensure that the Chair has not stifled that debate by ensuring there will be full hearing in the House. Now, I do not know if that has been discussed. Have you inquired whether the Committee on the Judiciary plans to have a hearing any time in the next 14 months?

The CHAIRMAN pro tempore. The Chair will rule on the point of order after hearing the arguments on the point of order.

Mrs. CLAYTON. Mr. Chairman, can I ask in the ruling on the point of order, if the point of order is going to be insisted upon, there ought to be a corresponding responsibility that the Committee on the Judiciary will indeed have the obligation of hearing it? Can I ask that?

The CHAIRMAN pro tempore. The Chair will rule on the germaneness point of order that has been raised by the gentleman from Wisconsin. The Chair will go no further than ruling on that point of order.

Mrs. CLAYTON. Mr. Chairman, the germaneness is based on the House rule?

The CHAIRMAN. The Chair will rule after the Chair hears the arguments on the point of order.

Mrs. CLAYTON. My point is that I do not know how the Chair can sustain a point of order based on the House rule that there is committee jurisdiction or there is exclusive jurisdiction unless the Chair is asserting that that particular committee that claims that jurisdiction plans to pursue that responsible role. Otherwise, the Chair is part of the frustration in denying a full debate on the issue.

The CHAIRMAN pro tempore. The Chair will advise Members there has been a great deal of discussion regarding the point of order. The Chair will listen to two more Members on the point of order, and then the Chair is prepared to rule having heard the arguments.

The Chair will advise Members that they may stay after the ruling of the Chair and seek recognition to speak to their hearts' content on the dairy issue regardless of the Chair's ruling.

For what purpose does the gentleman from New York rise?

Mr. REYNOLDS. Mr. Chairman, I wish to be heard on the point of order.

The CHAIRMAN pro tempore. The gentleman is recognized.

Mr. REYNOLDS. Mr. Chairman, I serve on the Committee on Rules which has the responsibility of technically looking at claims of jurisdiction, waiving points of order, and other considerations relative to the farm bill this year.

We know that it is an open rule. We recognized that the chairman of the Committee on the Judiciary wrote a very clear cover letter on the history of jurisdiction and the judiciary responsibility over dairy compacts, and he stated that case in his letter. The Committee on Rules stood by that as no waivers or points of order were made on the legislation.

So we have it before us today with a point of order that gets down to family farmers, not technical decisions of the House of Representatives. As some of my colleagues eloquently said before me, September 30 expired the Northeast Dairy Compact. Those farmers in the existing compact and those from my State that have the ability to make the drive into that compact no longer have the compact in existence.

So when we look at jurisdiction and the aspect of respect of jurisdiction, particularly as this legislation has had that history since being referred there by the parliamentarian in the 1990s when the compact concept came before us, that is a tough thing to explain to my farmers in New York.

Mr. Chairman, I represent the largest dairy-producing county in New York. I cannot tell them why I cannot get an up-or-down vote on farm policy that affects their very livelihoods. In a 10-year period, the number of dairy farms in New York drastically dropped from 13,887 to only 8,700, a loss of more than 5,000 family farms. Though dairy farms are going out of business at a rate of 36 percent a year.

Compacts would help save the farm lands in rural communities, and the family farms need the assurance of stable milk prices which the compact provides. Dairy compacts will make certain that the bottom does not fall out on the dairy market. That has been the message of the tough deliberation on the concept of dairy compacts that were brought before the State, as Farm Bureaus, county by county decided to support it years ago.

Today when we look at jurisdiction, which no one can explain back home why the farm bill will not allow with 165 cosponsors of the legislation calling for dairy compacts throughout the country, if those States so desire, why there is not an up-or-down vote.

Mr. Chairman, I implore the gentleman who has raised the point of order that we look at the possibility of that happening today, and pleas from across the country; or, that we begin to look at when I can look my farmers in the eye in New York and tell them there will be a vote on the will of the Congress based on the dairy compact legislation. Either it will pass or it will not, so we know where we go from here. But not to have a vote, as the dairy compacts have expired on September 30, and find us today debating a farm bill on the 2nd day, and not having the ability to use a commonsense approach of an up-or-down vote on the will of 165 cosponsors of this House, is something that no one can explain outside of the House of Representatives.

Mr. Chairman, I implore consideration if not today, tomorrow or the next day, but that we proceed with hearings and a vote of finality up or down on dairy compacts by this House.

The CHAIRMAN pro tempore. For what purpose does the gentleman from Maine rise?

Mr. ALLEN. Mr. Chairman, I rise to speak to the point of order.

The CHAIRMAN pro tempore. The gentleman is recognized.

Mr. ALLEN. Mr. Chairman, the decision before the Chair on the point of order is vitally important. As the gentleman from New York said, this will be tough to explain to people in Maine because I believe, as they believe, that the issue dealing with the dairy compact has to be germane to the farm bill. Any other conclusion, it seems to me, is unexplainable.

As the gentleman from New York just said, the Northeast Dairy Compact just expired on September 30. When that compact was created in 1997, the goal was to provide dairy farmers in the Northeast with some modicum of price stability and consumers in New England with some stability in retail milk prices.

Mr. Chairman, 4 years later those goals have been achieved, and the compact should be allowed to continue. What do I say to consumers in Maine, dairy farmers in Maine. Well, the dairy compact, the future of the dairy industry in my home State of Maine is a matter that needs to go before the Committee on the Judiciary where there is not the expertise to deal with it. That will not wash. That will not wash in Maine, and it will not wash anywhere in the Northeast.

□ 1245

Ray and Tina Ellsworth in Sabattus, Maine wrote to my office just last week, saying that without the dairy compact, they will not be able to afford to milk their cows. What do I tell Ray and Tina Ellsworth? ''Well, this is a matter that needs to go to the Judiciary Committee. They don't have the expertise on the Judiciary Committee. The expertise is on the Agriculture Committee.'' But somehow they will not understand that kind of reasoning.

Maine consumers have very simple requests. They want a reliable source of fresh milk, and the dairy compact makes that possible. The dairy compact protects farmers. It costs taxpayers nothing. It does not lead to overproduction of milk. This is a case where we have been able, through the

compact in the Northeast, to satisfy our dairy farmers, to protect our consumers and provide stability.

The last thing I would say is, well, two things. First of all, the desire for dairy compacts around the country is well known. Twenty-five States have passed legislation. This is a direction that makes sense for farmers and for consumers. But in the State of Maine, we have got our potato industry, which is smaller than it used to be. The chicken farms are all gone. We have got some roadside stands. Agriculture in Maine outside of potatoes has almost everything to do with dairy. That is all we have got, 460 dairy farms. That is it. If we lose this dairy compact, those farms are in severe jeopardy. They probably, most of them, will not be able to continue. And it is a travesty for us not to be able to come to the floor of this House and have a vote, up or down, across the country on this issue.

Mr. Chairman, you have the matter before you, but I urge you to reject the point of order.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The Chair has heard the entire argument and is prepared to rule. The debate on the merits of the point of order has been going on now for nearly an hour, and so the Chair is prepared to rule. But the Chair would also remind Members that under the rules providing for consideration of this bill, Members can speak under the 5-minute rule on the merits of dairy compacts after the point of order has been dispensed with.

The gentleman from Wisconsin raises a point of order that the amendment offered by the gentleman from Pennsylvania is not germane.

The bill, H.R. 2646, is a comprehensive agriculture bill. It addresses programs covering nearly all of the subject matters within the jurisdiction of the Committee on Agriculture. In addition to a comprehensive treatment of agricultural law, it also addresses the subject matters of human nutrition, forestry, and rural development, matters within the jurisdiction of the Committee on Agriculture. H.R. 2646 was referred to and reported by the Committee on Agriculture. It also amends programs addressing the foreign distribution of agricultural commodities, a matter specifically excepted from the jurisdictional statement of the Committee on Agriculture in rule X. On this basis, the bill was sequentially referred to and reported by the Committee on International Relations.

The amendment would place additional terms on an existing dairy compact and provide the consent of Congress to three new compacts. As stated in clause 1(k) of rule X, ''Interstate compacts generally'' fall within the jurisdiction of the Committee on the Judiciary. The jurisdictional origin of the compact is traced to the Constitution. Article 1, section 10, clause 3, of the United States Constitution provides that ''no State shall, without the consent of Congress, enter into any agreement or compact with another State, or with a foreign power.'' Congress' consent is required in order to prevent interstate agreements and compacts from harming nonparty States or conflicting with Federal law or Federal interests. The Chair would note that a bill in this Congress, H.R. 1827, had similar text to the amendment and was referred solely to the Committee on the Judiciary.

Clause 7 of rule XVI, the germaneness rule, provides that no proposition on a ''subject different that from that under consideration shall be admitted under color of amendment.'' One of the central tenets of the germaneness rule is that an amendment should be within the jurisdiction of the committee reporting the bill. This principle is recorded on page 682 of the House Rules and Manual. This principle is not the exclusive test of germaneness where the proposition being amended contains provisions so comprehensive, through amendments to other laws, as to overlap several committees' jurisdictions. The Chair would note a relevant precedent.

On October 8, 1985, the Committee of the Whole was considering an omnibus agriculture bill that included provisions that were added by floor amendments amending other laws within the jurisdiction of the Committees of Energy and Commerce, Merchant Marine and Fisheries, Ways and Means, and Foreign Affairs. The Chair held that an amendment conditioning eligibility in price support and payment programs upon furnishing agricultural employees with certain labor protections, within the jurisdiction of the Committee on Education and Labor, was germane. This precedent is memorialized in Deschler-Brown Precedents, volume 10, chapter 28, section 4.67.

While the pending bill is a comprehensive agriculture bill, it does not amend laws within the jurisdiction of several committees, as was the case with the 1985 precedent.

The amendment offered by the gentleman from Pennsylvania falls outside the jurisdictions reported in the pending text. The Chair finds that the sweep of those jurisdictions, those of the Committee on Agriculture and the Committee on International Relations, is not so broad as to render that test of germaneness invalid.

The Chair therefore holds that the amendment is not germane. The point of order is sustained.

Mr. CUNNINGHAM. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to speak to this issue. I do not have a dog in this fight on dairy farmers, but it is about the rightness. It is about the rightness to allow a vote in the People's House. The chairman of Judiciary is against dairy compacts. It is ridiculous. That is why they want it referred there, because it will never see the light of day in Judiciary. He will kill it and stop this body from having a fair vote on the issue.

The same issue happened with H.R. 218. We had 372 votes in this House on both sides of the aisle and the chairman is opposed to that and he killed it. He fired one of his staffers because they brought it up. And even yesterday in a mark, let me be careful in my words, members of his own committee were strongly told not to offer the amendment.

That is wrong, Mr. Chairman. For one person, one chairman, to have that power to stop the people's will, either on H.R. 218 or this dairy compact, is wrong. I will sign, which I oppose most of the time, a discharge petition to bring it up just to bring a vote to this floor.

Mr. SHOWS. Mr. Chairman, I move to strike the last word.

I rise in strong support, too, of the Sherwood-Etheridge-McHugh amendment. I am proud to discuss this matter because it needs to be voted on, dairy compacts, on this House floor.

This amendment reauthorizes a program that works, one that benefits farmers and consumers alike. I have heard a lot of talk how it has not worked in some parts of the country, but according to all my facts, it has worked in the northeastern United States and we need it in the southeast. It does not cost taxpayers anything. Payments to support dairy producers in times of need come from the milk market itself and outside of the compact support themselves.

From the Northeast Dairy Compact, we have learned that a compact among dairy producers will not cause overproduction. We know that rural America is going broke today, and we know that rural America in Mississippi and especially our agriculture community is going out of business. A southeast dairy compact could help keep our farmers in business.

We have also learned from compacts that they do not increase prices for the American consumer. For example, while the Northeast Dairy Compact provides a safety net for milk producers, the compact is required by its charter to see that retail milk prices do not increase disproportionately. Studies also show that the compact does not create a trade barrier or hinder trade of products from other parts of the country. In fact, in the Northeast Dairy Compact, trade increased by 7 percent after 1 year.

Finally, the compact does not affect Federal programs for the poor. In fact, the compact commission, by law, reimburses the most important Federal nutrition programs.

Let us reauthorize a system that works and allow other States to join

together to stabilize the dairy farmer, dairy industry and protect the American consumers. Farmers and communities like Walthall County and Tylertown, Mississippi need this legislation. In Mississippi, we had 700 dairy farmers 6 years ago. Now we are down to 300. This compact will help keep them in business.

Mr. VITTER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise, too, in strong support of the dairy compact concept, the freestanding bill, this amendment which had been offered on the agricultural bill, the farm bill. The opposition to the dairy compact clearly had the right to bring their point of order, and they did that and they did it successfully. But we just do not all have rights, we have responsibilities, too. They have a responsibility, and this whole body has a responsibility, to face and debate and vote on an issue which is so important to so many American communities.

This compact legislation has existed for some time with very significant bipartisan support. It goes to the heart, the backbone of so many communities, in the Northeast where there has been a compact, in the Southeast, my part of the world, where we desire a compact, and other parts of the United States. Yet any vote, any vote whatsoever on the entire concept, has been blocked time and time again through procedural hurdles and often the will of single individuals. So we can talk about rights and points of order, but we also must talk about responsibilities. It is all of our responsibility and it is the responsibility of this body to act and vote on this issue of vital importance.

In Louisiana, which I represent, dairy farmers are going out of business every week. About 80 percent of all dairies in the State are in my part of the State in my district. And every week they are going out of business. They are going out of business because of the extreme volatility at times of milk prices. What the compact is designed, very well designed, to do is stabilize, do away with those huge peaks and valleys, stabilize that lay of the land, not as we so often do in the area of agriculture with buckets of taxpayer dollars, but within the milk industry itself. And this is not some wild theory, some wild model. This is a plan that has successfully been put in place specifically in the Northeast.

We have concrete and specific history and record to go on. And what is that history? It is not some dramatic increase in milk prices. It is either a modest, slight increase or no increase at all, because the price of milk in Boston is lower significantly than in many other parts of the country.

So this can work. This can help dairy stabilize their future. This can do all of that without giving any shock to consumers. And it is needed, not just by dairies but by communities, because the dairies, because the agricultural part of those communities are often the backbone, the spirit of those communities, in the Northeast, in the Southeast and elsewhere around the country.

Let me end where I began, by asking those opponents of the dairy compact to not just consider their rights to a point of order or anything else but to join us as we all consider our responsibilities. We have a responsibility to debate this issue, and we have a responsibility to have a vote on this issue. We need that vote. We need that debate. We cannot simply go on forever and never have any vote on the issue. That is just flat out ridiculous when there is such wide, significant and bipartisan support for this significant legislation.

Ms. BALDWIN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, we have heard a lot from representatives who clearly are articulating with great passion for their own constituents, their own farming constituents. But make no mistake about it, if you utilize this tool, these interstate dairy compacts, to help your farmers, you are hurting the ones I represent. And any extension or further expansion of dairy compacts will hurt the farmers I represent even more.

We must find a dairy policy that helps all dairy farmers in this country, not just regional interstate dairy compacts that help some.

□ 1300

There are hard-working Members of this Congress who are seeking to do that. I hope that we will have a debate later on a germane amendment to this bill that seeks to do precisely that. But, unfortunately, the reason this was not germane is because we are using a very archaic tool in the form of interstate dairy compacts in order to achieve something that should be achieved in another manner, a way to help all dairy farmers.

I serve on the Committee on the Judiciary and its Subcommittee on Commercial and Administrative Law, and I wanted to respond to the comment that there might not be the sufficient expertise on that committee to deal with this issue. The gentleman who just spoke from Louisiana and myself both represent dairy farmers. We both sit on that subcommittee and sat on it last year when we spent almost 7 hours dealing with this issue in markup and debate. The committee has dealt with this issue.

As to those who have made comments about the necessity for a debate and a fair vote on this floor on the compacts, I just want to remind you how we got compacts in the first place, because my constituents never got a fair debate or a fair vote when compacts were first approved. When it was stuck into a conference committee report in the middle of the night, that issue was never debated on this floor; it never got a vote. My constituents have suffered from the results of that.

I feel I have a responsibility to them, and I take that responsibility very seriously. We have got to find another way to help all dairy farmers and the dairy industry in these United States, other than interstate compacts.

Mr. MCHUGH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, first of all, I want to pay a compliment to the chairman of the full committee, the gentleman from Texas (Mr. COMBEST), and the ranking member, the gentleman from Texas (Mr. STENHOLM). They found themselves in a very difficult position on this issue in that they do not have technical jurisdiction; and the gentleman from Texas (Mr. COMBEST), from my personal perspective, was very gracious in bringing some of us in and trying to work a way through this very difficult question and one over which, as the Chair has so, may I say, Mr. Chairman, eloquently and very thoroughly reviewed and ruled on the technicality of germaneness.

But I want to associate myself with the words of the gentleman from Louisiana, who spoke at this very podium a few moments ago with respect to the great difference between technical rights and responsibilities. Several Members today, including the gentlewoman who preceded me, have spoken accurately about the fact that the current compact came about in ways which, in their perspective, was not adherent to the normal practices of this Congress, certainly this House. As I said before the Committee on Rules not so many hours ago, that is an issue on which we all agree.

I have been involved with the compact since my days in the State senate in 1985, where I was fortunate enough, from my perspective, to have the opportunity to help write the first version of that; and I can tell you that I have no joy in the fact that the Northeast Compact exists as it does today through the process that was followed.

But I would say to the gentlewoman, and I would say to my friend, the gentleman from Wisconsin (Mr. OBEY), who also accurately noted the process to create this dairy compact, how can you say and complain about no debate, and then act very deliberately today to prevent the debate?

There are a lot of things that are points of disagreement on merits. We have heard a lot of, as I have heard so many times in the past, Mr. Chairman, claims that are laid as fact that are simply untrue; claims of effects on consumers, where reports from OMB, reports from the USDA, reports from various ACNielsen scanner data, and on

and on and on, have rejected those arguments. We have heard about consumer impacts that are certainly and without question unfounded, and on and on and on.

As much as I would not just welcome, I would relish the chance to engage in a debate on those merits so we can lay out the facts and let Members decide to vote as they will, we are precluded again this day.

Speaking now as more of a plea, Mr. Chairman, I take no joy as well in the very fact that, as has been related here today, and giving credit to the gentlewoman from Wisconsin about the pain that dairy farmers are feeling across this Nation, including her State and her region, and, as I have been saying on the floor of this House now for at least the past 4 years, I very much want to work with any Member to try to do everything we can to help all dairy farmers, because they are alike, they are hard-working individuals, they need assistance, and, frankly, we need to help them, because they help us so much.

But the inability for those of us to have the opportunity on the floor of the people's House for just a debate and just an honest, open vote to decide this issue, creates frustration that I doubt few can truly comprehend.

It is with great sadness I stand here today, Mr. Chairman, but with no animosity, and, again, with a plea to those who are in a position to effect a change in the developments of this day, that we be provided that opportunity as Members rightfully elected from our individual districts.

In closing, again, a word of appreciation and friendship to the chairman and the ranking member.

AMENDMENT NO. 32 OFFERED BY MS. EDDIE BERNICE JOHNSON OF TEXAS

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. EDDIE BERNICE JOHNSON of Texas:

At the end of Subtitle C of title VII (page 313, after line 10), insert the following new section:

SEC. ___. AGRICULTURAL BIOTECHNOLOGY RESEARCH AND DEVELOPMENT FOR THE DEVELOPING WORLD.

(a) GRANT PROGRAM.—The Secretary of Agriculture shall establish a program to award grants to entities described in subsection (b) for the development of agricultural biotechnology with respect to the developing world. The Secretary shall administer and oversee the program through the Foreign Agricultural Service of the Department of Agriculture.

(b) PARTNERSHIPS.—(1) In order to be eligible to receive a grant under this section, the grantee must be a participating institution of higher education, a nonprofit organization, or consortium of for profit institutions with in-country agricultural research institutions.

(2) A participating institution of higher education shall be an historically black or land-grant college or university, an Hispanic serving institution, or a tribal college or university that has agriculture or the biosciences in its curricula.

(c) COMPETITIVE AWARD.—Grants shall be awarded under this section on a merit-reviewed competitive basis.

(d) USE OF FUNDS.—The activities for which the grant funds may be expended include the following:

(1) Enhancing the nutritional content of agricultural products that can be grown in the developing world to address malnutrition through biotechnology.

(2) Increasing the yield and safety of agricultural products that can be grown in the developing world through biotechnology.

(3) Increasing through biotechnology the yield of agricultural products that can be grown in the developing world that are drought and stress-resistant.

(4) Extending the growing range of crops that can be grown in the developing world through biotechnology.

(5) Enhancing the shelf-life of fruits and vegetables grown in the developing world through biotechnology.

(6) Developing environmentally sustainable agricultural products through biotechnology.

(7) Developing vaccines to immunize against life-threatening illnesses and other medications that can be administered by consuming genetically engineered agricultural products.

(e) FUNDING SOURCE.—Of the funds deposited in the Treasury account known as the Initiative for Future Agriculture and Food Systems on October 1, 2003, and each October 1 thereafter through October 1, 2007, the Secretary of Agriculture shall use $5,000,000 during each of fiscal years 2004 through 2008 to carry out this section.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, I rise to offer this amendment for myself, the gentleman from New Jersey (Mr. PAYNE), and the gentlewoman from California (Ms. WATSON) to encourage research and development of agriculture biotechnology with respect to the developing world.

Agricultural biotechnology offers innovative solutions to some of the most intractable problems facing the developing world, such as hunger, malnutrition and disease. Many of us are familiar with the newly developed strain of golden rice that was developed by plant scientists to have increased vitamin A and iron content. Vitamin A deficiency causes more than 1 million childhood deaths each year, and is the single most prevalent cause of blindness among children in the developing world.

Golden rice is only the beginning of the potential benefits of biotechnology for the developing world. Biotechnology can help developing countries produce higher crop yields while using fewer pesticides and herbicides, and can also promote sustainable agriculture, leading to food and economic security. By increasing crop yields, the amount of land that needs to be farmed is reduced.

Biotechnology can also improve the health of citizens of developing countries by combatting illness. Substantial progress has been made in the developed world on vaccines against life-threatening illnesses; but unfortunately, infrastructure limitations often hinder the effectiveness of traditional vaccination methods in some parts of the developing words. For example, many vaccines must be kept refrigerated until they are injected. Even if a health clinic has electricity and is able to deliver effective vaccines, the cost of multiple needles can hinder vaccination efforts. Additionally, the improper use of hypodermic needles can spread HIV, the virus that causes AIDS. Biotechnology offers a prospect of orally delivering vaccines to immunize against life-threatening illnesses through agriculture products in a safe and effective manner.

Because of the immense potential of agriculture biotechnology to help solve some of the developing world's most serious problems, I am offering this amendment that will establish a grant program under the Secretary of Agriculture to encourage research and development of agriculture biotechnology with respect to the developing world.

The amendment calls for $5 million per year for 5 years, beginning in fiscal year 2004. Eligible grant recipients include historically black colleges and land grant colleges or universities, Hispanic serving institutions, and tribal colleges and universities. Nonprofit organizations and a consortia of for-profit institutions with in-country research institutions are also eligible. Grants will be awarded on a competitive merit-reviewed basis.

I feel that this effort will go a long way in helping to provide food in an independent manner for our developing countries, as well as combatting disease.

Mr. COMBEST. Mr. Chairman, will the gentlewoman yield?

Ms. EDDIE BERNICE JOHNSON of Texas. I yield to the gentleman from Texas.

Mr. COMBEST. Mr. Chairman, I appreciate the gentlewoman yielding, and I appreciate her leadership on this extremely important issue.

Certainly agricultural biotechnology, such as golden rice, which is a product with enhanced vitamin A, already is being used to solve problems of childhood blindness among cultures whose diets are heavily dependent upon rice but would normally be deficient in this important vitamin; and I think this is just one example of some of the benefits that can come from biotechnology.

As I believe our staffs have discussed, there are some technical issues regarding the structure of the amendment which we would like to work with the gentlewoman on as we proceed through conference. The gentlewoman has been

very agreeable to do that, and I appreciate that.

I will just say that the committee is prepared to accept the amendment.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, reclaiming my time, I thank the gentleman very much, and thanks also to the ranking member for his hard work on this bill. I ask for support for this measure.

Ms. SLAUGHTER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to go back to the dairy compact. I do want to talk about the sadness that I feel about what has happened to the Northeast area compact. I understand the ruling, and we were pretty sure before we got here that it was going to be ruled out of order. But I do nonetheless want to strongly express my support for this amendment.

It seems that the Congress giveth and the Congress taketh away; and once again, the dairy farmers that I have been working with in the 15 years I have been here are going to be in serious trouble once again.

The dairy compact has been instrumental in helping dairy farmers not only in New York. We are not selfish enough to ask for anything just for ourselves. But it helps people across the country, because all they do is establish a minimum safety net price to be paid to dairy producers on Class I milk only.

Just as milk does the body good, the dairy compact does the economy and the dairy farmer good. Dairy is important to the entire Northeast and the rest of the country because of the economic contributions it makes, both in dollars and jobs. Without the Northeast Dairy Compact, thousands of dairy farmers will be forced out of business and consumers will suffer increased prices as a reflection of the forced transportation costs.

In addition to helping family farmers stay afloat, the Northeast Dairy Compact has helped save farmland that would have normally been lost to urban sprawl. For many of us, there is nothing more heart breaking than seeing wonderful farmland and dairyland going under the bulldozer. As a sign of odd bedfellows, both dairy farmers and environmentalists have come together to support dairy compacts.

Again, I am proud to join my Northeast colleagues in support of not only continuing the Northeast dairy compact, but expanding it.

Ms. WATSON of California. Mr. Chairman, I rise in support of the Johnson-Payne-Watson amendment to H.R. 2646 the "Farm Bill". This amendment establishes a grant program under the Secretary of Agriculture to support research and development of American programs in agricultural biotechnology. Information provided by these programs can address the food and economic needs of the developing world.

Biotechnology can help developing countries produce higher crop yields while using fewer pesticides and herbicides. Biotechnology can also promote sustainable agriculture, leading to food and economic security. Biotechnology offers the prospect of delivering vaccines to immunize against life-threatening illnesses through agricultural products in a safe and effective manner. Advances in biotechnology can overcome the infrastructure and cost limitations faced by traditional vaccination methods in the developing world.

One obstacle for biotechnology in the developing world is the capacity of scientific organizations and public funding for agricultural research. For example, Africa's crop production is the lowest in the world. 200 million people on the African continent alone are chronically malnourished. Increased funding for international programs from the United States would have a great impact on the problem. Eligible grant recipients include historically black colleges and universities, land grant colleges, Hispanic-serving institutions, and tribal colleges, or universities. Non-profit, for profit, and other in-country agricultural research centers are also eligible.

Mr. Chairman, I encourage my colleagues to vote for vitamin-enhanced foods, higher in protein, fruits and vegetables with longer shelf lives, reduced rate of habitat destruction, increased crop yields and sustainable agriculture. These are just a few benefits that would result from the $5 million per for 5 years, beginning in fiscal year 2004. Vote "yes" on the Johnson-Payne-Watson Amendment to H.R. 2646.

The CHAIRMAN pro tempore. Is there any Member that wishes to speak on the amendment of the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON)?

If not, the question is on the amendment offered by the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON).

The amendment was agreed to.

Mr. GILCHREST. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I have a comment about the dairy compact. The dairy compact should be extended during the renegotiation of the process while we deal with the issues of stabilizing the infrastructure, the important infrastructure, that supports not only the dairy industry at large, but, more importantly, the farm, the dairy farm, in many places where you find it around the diverse landscape of this Nation.

Mr. Chairman, I yield to the gentleman from New York (Mr. WALSH).

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Mr. WALSH. Mr. Chairman, I thank the gentleman for yielding and for speaking in favor of the Northeast Dairy Compact.

I rise today also in support of the compact for a number of reasons. As I stand here today, approximately 11 years after offering my first amendment as a Member of Congress to the 1990 Farm Bill, a dairy provision, I never envisioned that it would be this difficult to get a vote on an issue of such great importance to the farmers not only of my district, but throughout the country.

As many of my colleagues wait in anticipation of an up-or-down vote on the extension and expansion of the Northeast Dairy Compact, I recall it has been almost 2 years now since I stood in this Chamber and announced my opposition to the agriculture appropriations bill, a committee of which I am a member. At the same time, we had assurances all the way along through subcommittee, full committee, and then going into conference, that we would be able to address the dairy issue; but unfortunately, that was denied us also. In fact, the conference never actually concluded its work. We did not even have the opportunity to offer amendments or to debate these critical issues.

As the gentleman from Pennsylvania pointed out, I did offer an amendment in the 2002 Agriculture Appropriations Subcommittee but withdrew it at the request of the chairman of the subcommittee, the gentleman from Texas (Mr. BONILLA), in hopes of getting consideration of the bill in the Committee on the Judiciary. The Committee on the Judiciary has objected to this amendment and have claimed jurisdiction, and they have said it is not germane. If it is the responsibility of the Committee on the Judiciary, why do they offer to hold no hearings? Why did they propose no legislation? Why did they let the clock run out? Why did they let the clock run out not only on the dairy compact, but on thousands of farmers all over the country? The clock is also running out on my New York dairy farmers. In just 5 years, we have gone from 10,000 to just over 7,000 dairy farms.

As many of my colleagues will point out today, dairy compacts are the best available safety net for producers of class 1 drinking milk. They are governed by a commission of consumers and processors and farmers to ensure a fresh local supply and a fair price.

I think the biggest benefit of compacts is they do not cost the taxpayer one single dollar. Payments come from the milk market, they are countercyclical, and are made to farmers only when the prices fall below the marketing order price.

We should recognize the initiative of 25 States who voted to authorize dairy compacts for their farmers and for their consumers at no expense to the Federal Government. We should embrace their reactions and continue a program that returned $140 million in over-order payments since its inception to farmers in the Northeast.

Many factors cause farmers to go out of business, including health, lack of interested parties to continue the business, nonstop work schedule, or land development opportunities. By providing a more livable income, the compact addresses one factor, among many others, that encourages farmers to keep farming. For farmers able, willing, and interested in continuing dairy

farming, compacts provide a reliable source of assistance. This is critical as dairy farmers are key components to the survival of our rural communities.

Again, I want to thank the gentleman from Pennsylvania (Mr. SHERWOOD) and the rest of the forces on this Congress from across the country who have risen to support the dairy compact.

Ms. DELAURO. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I did not speak to the discussion of the point of order, and I commend my colleagues who did get up and speak for so doing. We did know what the ruling was going to be, but nevertheless, the discussion was critically important. To think that a dairy compact could not be discussed in the context of this bill really has no description. I think we understand why this came about, and it really is discouraging in the sense that this is the people's House. As far as I understand, dairy farmers around the country make up the population of the United States. They are the people and they ought to have an opportunity to have their interests, their concerns, their frustrations, their livelihood, their economics discussed in this body.

In terms of my own State of Connecticut, this compact is vital. It is vital to the existence of our dairy farms, each one of them a small family farm. And, like others who have spoken here this afternoon, this is vital to a way of life that is being jeopardized.

The compact serves as a safety net for these dairy farmers by maintaining stable milk prices for them over the course of a year. In the year 2000, it returned $4.8 million in income back to Connecticut's farmers. This is an average of about $21,000 per farmer. These dollars are helped to reverse a serious, long-term trend in my State: the loss of family farms.

Since the compact, there has been no overproduction in New England. In fact, there has been a decrease in milk production, whereas other parts of the country have witnessed dramatic increases. Over 99 percent of CCC purchases of surplus dairy products came from the Midwest and the West.

The compact costs the taxpayer nothing, as my colleagues have pointed out. Payments come from the milk market and are only made to farmers when the compact commission price is below the Federal milk marketing price. So, in most months, farmers do not receive compact payments.

I would just say to my colleagues, it is truly unfortunate when, in this body, we cannot discuss an issue that is of grave concern to farmers in this country. The dairy farmers are part of this effort. We have today excluded them from the opportunity to have their economic crisis defended when just about every other economic crisis of any group in this Nation gets a hearing, gets time on the floor, and gets substantial quantities of money to make themselves whole. Shame on this House for ignoring this country's dairy farmers.

Mr. SHERWOOD. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to thank the gentleman from Texas (Mr. COMBEST) and the gentleman from Texas (Mr. STENHOLM) for their consideration here today. I would like to thank my 20 colleagues that have spoken on behalf of dairy compacts. We have shown that they are good for jobs, they are good for the rural economy, they are good for the environment, because we know that when that milk production is spread out across the country, instead of in great cattle-feeding operations, it is spread out across the country, it is good for the environment. We know it is good for food safety, and it is a weapon against bioterrorism, because when the food supply is spread out close to the consuming public and not in one location or two locations across the country, we are much more flexible.

This is an issue whose time has come. The New England dairy compact has been an experiment that worked and it has proven to us it worked. Believe me, I am not a theorist. I am a hard-nosed businessman that was in business for 30 years before I came to this Chamber, and I do not believe in theory, I believe in practice.

The New England dairy compact has worked. We have shown that there are overwhelmingly 25 State legislatures that want this. We have cosponsors, 165 of them, from 30 States in the Nation. The time has come that we need to get around the procedural rules of this House that make ridiculous statements that milk and farm issues are not on the farm bill, they are on the judiciary bill. We need to revisit some of these things. We need to show the United States of America and our hardworking farmers that we are interested in what they do and we are interested in a strong, fresh, stable supply of drinking milk. It is time to bring this issue to a head.

AMENDMENT NO. 10 OFFERED BY MR. BOEHLERT

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 10 offered by Mr. BOEHLERT:

Strike title II and insert the following:

TITLE II—CONSERVATION

Subtitle A—Farm and Ranch Preservation

SEC. 201. FARMLAND PROTECTION PROGRAM.

Section 388 of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3830 note) is amended to read as follows:

"SEC. 388. FARMLAND PROTECTION PROGRAM.

''(a) ESTABLISHMENT AND PURPOSE.—The Secretary of Agriculture (in this section referred to as the ''Secretary'') shall carry out a farmland protection program for the purpose of protecting farm and ranch lands with prime, unique, or other productive uses and agricultural lands that contain historic or archaeological resources, by limiting the nonagricultural uses of the lands. Under the program, the Secretary may provide matching grants to eligible entities described in subsection (d) to facilitate their purchase of—

''(1) permanent conservation easements in such lands; or

''(2) conservation easements or other interests in such lands when the lands are subject to a pending offer from a State or local government.

''(b) CONSERVATION PLAN.—Any highly erodible land for which a conservation easement or other interest is purchased using funds made available under this section shall be subject to the requirements of a conservation plan that requires, at the option of the Secretary of Agriculture, the conversion of the cropland to less intensive uses.

''(c) MAXIMUM FEDERAL SHARE.—The Federal share of the cost of purchasing a conservation easement under subsection (a)(1) may not exceed 50 percent of the total cost of purchasing the easement.

''(d) ELIGIBLE ENTITY DEFINED.—In this section, the term 'eligible entity' means any of the following:

''(1) An agency of a State or local government.

''(2) A federally recognized Indian tribe.

''(3) Any organization that is organized for, and at all times since its formation has been operated principally for, 1 or more of the conservation purposes specified in clause (i), (ii), or (iii) of section 170(h)(4)(A) of the Internal Revenue Code of 1986 and—

''(A) is described in section 501(c)(3) of the Code;

''(B) is exempt from taxation under section 501(a) of the Code; and

''(C) is described in paragraph (2) of section 509(a) of the Code, or paragraph (3) of such section, but is controlled by an organization described in paragraph (2) of such section.

''(e) GRANT FACTORS.—Among the factors the Secretary shall consider in making grants under this section, the Secretary shall consider the extent to which States are encouraging or adopting measures to protect farmland and ranchland from conversion to non-agricultural uses.

''(f) TITLE; ENFORCEMENT.—An eligible entity may hold title to a conservation easement purchased using grant funds provided under subsection (a)(1) and enforce the conservation requirements of the easement.

''(g) STATE CERTIFICATION.—As a condition of the receipt by an eligible entity of a grant under subsection (a)(1), the attorney general of the State in which the conservation easement is to be purchased using the grant funds shall certify that the conservation easement to be purchased is in a form that is sufficient, under the laws of the State, to achieve the purposes of the farmland protection program and the terms and conditions of the grant.

''(h) FUNDING.—

''(1) USE OF COMMODITY CREDIT CORPORATION FUNDS.—The Secretary shall use not more than $100,000,000 in fiscal year 2002, $200,000,000 in fiscal year 2003, $350,000,000 in fiscal year 2004, $450,000,000 in fiscal year 2005, and $500,000,000 in each of fiscal years 2006 through 2011, of the funds of the Commodity Credit Corporation to carry out this section.

''(2) LIMITATION ON TECHNICAL ASSISTANCE.—To provide technical assistance to

carry out this section, the Secretary may use not more than 10 percent of the amount made available for any fiscal year under paragraph (1).

''(i) GRANTS AND ASSISTANCE TO ENHANCE FARM VIABILITY.—For each year for which funds are available for the program under this section, the Secretary may use not more than $10,000,000 to provide matching market development grants and technical assistance to farm and ranch operators who participate in the program. As a condition of receiving such a grant, the grantee shall provide an amount equal to the grant from non-Federal sources.''.

SEC. 202. SOCIALLY DISADVANTAGED FARMERS.

Section 2501(a)(3) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(a)(3)) is amended—

(1) by striking ''$10,000,000'' and inserting ''$15,000,000 from the Commodity Credit Corporation''; and

(2) by adding at the end the following: ''Any agency of the Department of Agriculture may participate jointly in any grant or contract entered in furtherance of the objectives of this section if it agreed that the objectives of the grant or contract will further the authorized programs of the contributing agency.''.

Subtitle B—Environmental Stewardship On Working Lands

SEC. 211. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.

Section 1240 of the Food Security Act of 1985 (16 U.S.C. 3839aa) is amended—

(1) by striking ''to—'' and all that follows through ''provides'' and inserting ''to provide'';

(2) inserting ''air'' after ''that face the most serious threats to'';

(3) by redesignating the subparagraphs (A) through (D) that follow the matter amended by paragraph (2) of this section as paragraphs (1) through (4), respectively;

(4) by moving each of such redesignated provisions 2 ems to the left; and

(5) by striking ''farmers and ranchers'' each place it appears and inserting ''producers''.

SEC. 212. DEFINITIONS.

Section 1240A of the Food Security Act of 1985 (16 U.S.C. 3839aa–1) is amended—

(1) in paragraph (1)—

(A) by inserting ''nonindustrial private forest land,'' before ''and other land''; and

(B) by striking all after ''poses a serious threat to'' and inserting ''air, soil, water, or related resources.''; and

(2) in paragraph (4), by inserting '', including nonindustrial private forestry'' before the period.

SEC. 213. ESTABLISHMENT AND ADMINISTRATION.

(a) REAUTHORIZATION.—Section 1240B(a)(1) of the Food Security Act of 1985 (16 U.S.C. 3839aa–2(a)(1)) is amended by striking ''2002'' and inserting ''2011''.

(b) INCENTIVE PAYMENTS.—Section 1240B of such Act (16 U.S.C. 3839aa–2) is amended by adding at the end the following:

''(h) WATERSHED QUALITY INCENTIVE PROGRAM.—

''(1) IN GENERAL.—The Secretary shall create a program to improve water quality in individual watersheds nationwide. Except as otherwise provided in this subsection, the program shall be administered in accordance with the terms of the Environmental Quality Incentives Program.

''(2) CONSISTENCY WITH WATERSHED PLAN.—In allocating funds under this subsection, the Secretary shall consider the extent to which an application for the funds is consistent with a locally developed watershed plan, in addition to the other factors established by section 1240C.

''(3) CONTRACTS.—The Secretary shall enter into contracts in accordance with this section with producers whose activities affect water quality, including the quality of public drinking water supplies, to implement and maintain nutrient management, pest management, soil erosion practices, and other conservation activities that protect water quality and protect human health. The contracts shall—

''(A) describe the nutrient management, pest management or soil loss practices to be implemented, maintained, or improved;

''(B) contain a schedule of implementation;

''(C) address water quality priorities of the watershed in which the operation is located to the greatest extent possible; and

''(D) contain such other terms as the Secretary determines to be appropriate.

''(4) VOLUNTARY WATER QUALITY BENEFITS EVALUATION.—On approval of the producer, the Secretary may include the cost of water quality benefits evaluation as part of a contract entered into under this section.

''(5) DRINKING WATER SUPPLIERS PILOT PROGRAM.—

''(A) IN GENERAL.—The Secretary shall establish a pilot program in 15 watersheds to improve water quality in cooperation with local water utilities.

''(B) PILOT PROGRAM.—The Secretary shall select the watersheds and make available funds to be allocated to producers in partnership with drinking water utilities in the watersheds, provided that drinking water utilities measure water quality and target incentives payments to improve water quality.

''(6) NUTRIENT REDUCTION PILOT PROGRAM.—The Secretary shall use up to $100,000,000 annually of the funds provided under this subsection in 5 impaired watersheds each year to provide incentives for agricultural producers to reduce nitrogen and phosphorous applications by at least 15 percent below the average rates used by comparable farms in the State. Incentive payments shall reflect the extent to which producers reduce nitrogen and phosphorous applications.

''(7) RECOGNITION OF STATE EFFORTS.—The Secretary shall recognize the financial contribution of States, among other factors, during the allocation of funding under this subsection.''.

(c) NON-FEDERAL ASSISTANCE.—Section 1240B(g) of such Act (16 U.S.C. 3839aa–2(g)) is amended—

(1) by inserting ''drinking water utility'' after ''forestry agency,''; and

(2) by inserting '', cost-share payments, and incentives'' after ''technical assistance''.

SEC. 214. EVALUATION OF OFFERS AND PAYMENTS.

Section 1240C of the Food Security Act of 1985 (16 U.S.C. 3839aa–3) is amended to read as follows:

''SEC. 1240C. EVALUATION OF OFFERS AND PAYMENTS.

''The Secretary shall establish a ranking process and benefits index to prioritize technical assistance, cost-share payments, and incentives payments to producers to maximize soil and water quality and wildlife habitat and other environmental benefits per dollar expended. The ranking process shall be weighted to ensure that technical assistance, cost-share payments, and incentives are provided to small or socially-disadvantaged farmers (as defined in section 8(a)(5) of the Small Business Act). The Secretary shall consult with local, State, and Federal public and private entities to develop the ranking process and benefits index.''.

SEC. 215. LIMITATION ON PAYMENTS.

Section 1240G of the Food Security Act of 1985 (16 U.S.C. 3839aa–7) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking ''$10,000'' and inserting ''$30,000''; and

(B) in paragraph (2), by striking ''$50,000'' and inserting ''$150,000'';

(2) in subsection (b)—

(A) by striking ''and'' at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting ''; and''; and

(C) by adding at the end the following:

''(3) to share the cost of digesters.''; and

(3) by striking subsection (c).

SEC. 216. REAUTHORIZATION OF FUNDING.

Section 1241(a) of the Food Security Act of 1985 (16 U.S.C. 3841(a)) is amended by striking ''2002'' and inserting ''2011''.

SEC. 217. FUNDING.

Section 1241(b)(1) of the Food Security Act of 1985 (16 U.S.C. 3841(b)(1)) is amended—

(1) by striking ''$130,000,000'' and all that follows through ''2002'' and inserting ''$200,000,000 for fiscal year 2001, $1,000,000,000 in fiscal years 2002 and 2003, and $1,000,000,000 for each of fiscal years 2004 through 2011'';

(2) by inserting ''(other than under section 1240B(h))'' before the period; and

(3) by adding at the end the following: ''In addition, the Secretary shall make available for the program under section 1240B(h), $450,000,000 for fiscal years 2002 and 2003, $500,000,000 for fiscal year 2004, $650,000,000 for fiscal year 2005, and $700,000,000 for each of fiscal years 2006 through 2011, to provide incentive payments to producers who implement watershed quality incentive contracts.''.

SEC. 218. ALLOCATION FOR LIVESTOCK AND OTHER CONSERVATION PRIORITIES.

(a) IN GENERAL.—Section 1241(b)(2) of the Food Security Act of 1985 (16 U.S.C. 3841(b)(2)) is amended—

(1) by striking ''2002'' and inserting ''2011''; and

(2) by inserting ''(other than under section 1240B(h))'' before ''shall''.

(b) AGRICULTURAL SUSTAINABILITY.—Section 1241(b) of such Act (16 U.S.C. 3841(b)) is amended by adding at the end the following:

''(3) TARGETING OF PRACTICES TO PROMOTE AGRICULTURAL SUSTAINABILITY.—

''(A) To the maximum extent practicable, the Secretary shall attempt to dedicate at least 10 percent of the funding in this subsection to each of the following practices to promote agricultural sustainability:

''(i) Managed grazing.

''(ii) Innovative manure management.

''(iii) Surface and groundwater conservation through improved irrigation efficiency and other practices.

''(iv) Pesticide and herbicide reduction, including practices that reduce direct human exposure.

''(B) DEFINITIONS.—In subparagraph (A):

''(i) MANAGED GRAZING.—The term 'managed grazing' means practices which frequently rotate animals on grazing lands to enhance plant health, limit soil erosion, protect ground and surface water quality, or benefit wildlife.

''(ii) INNOVATIVE MANURE MANAGEMENT.—The term 'innovative manure management' means manure management technologies which—

''(I) eliminate the discharge of animal waste to surface and groundwaters through direct discharge, seepage, and runoff;

''(II) substantially eliminate atmospheric emissions of ammonia;

''(III) substantially eliminate the emission of odor;

''(IV) substantially eliminate the release of disease-transmitting vectors and pathogens;

''(V) substantially eliminate nutrient heavy metal contamination; or

''(VI) encourage reprocessing and cost-effective transportation of animal waste.

''(ii) IMPROVED IRRIGATION EFFICIENCY.—The term 'improved irrigation efficiency' means the use of new or upgraded irrigation systems that conserve water, including the use of—

''(I) spray jets or nozzles which improve water distribution efficiency;

''(II) irrigation well meters;

''(III) surge valves and surge irrigation systems; and

''(IV) conversion of equipment from gravity or flood irrigation to sprinkler or drip irrigation, including center pivot systems.''.

Subtitle C—Preservation of Wildlife Habitat

SEC. 221. WILDLIFE HABITAT INCENTIVES PROGRAM.

(a) EXTENSION AND FUNDING INCREASE.—Section 387(c) of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3836a) is amended to read as follows:

''(c) FUNDING.—To carry out this section, there shall be made available $200,000,000 for fiscal years 2002 and 2003, $350,000,000 for fiscal year 2004, $450,000,000 for fiscal year 2005, $500,000,000 for each of the fiscal years 2006 through fiscal year 2009, $400,000,000 for fiscal year 2010, and $200,000,000 for fiscal year 2011.''.

(b) ADDITIONAL INCENTIVES FOR WILDLIFE CONSERVATION.—Section 387(b) of such Act (16 U.S.C. 3836(b)) is amended by inserting '', or for other costs relating to wildlife conservation,'' before ''approved by the Secretary''.

(c) PROGRAM MODIFICATIONS.—Section 387 of such Act (16 U.S.C. 3836a) is amended by adding at the end the following:

''(d) INCENTIVE PAYMENTS.—The Secretary may provide incentive payments to landowners in exchange for the implementation of land management practices designed to create or preserve wildlife habitat. The payments may be in an amount and at a rate determined by the Secretary to be necessary to encourage a landowner to engage in the practice.

''(e) FUNDING PRIORITY.—The Secretary shall give priority to landowners whose lands contain important habitat for imperiled species or habitat identified by State conservation plans, where available.

''(f) CONSULTATION.—To the extent practicable, the Secretary shall consult with local, State, Federal and private experts, as considered appropriate by the Secretary, to ensure that projects under this section maximize conservation benefits and are regionally equitable.

''(g) ACQUISITION OF EASEMENTS.—Beginning with fiscal year 2003, not more than 10 percent of the funds available shall be used to acquire permanent easements, provided that land enrolled in an easement is not land taken out of agricultural production''.

SEC. 222. WETLANDS RESERVE PROGRAM.

(a) ENROLLMENT AUTHORITY.—Section 1237(b)(1) of the Food Security Act of 1985 (16 U.S.C. 3837(b)(1)) is amended to read as follows:

''(1) ENROLLMENT.—The Secretary shall enroll in the wetlands reserve program a total of not less than 250,000 acres in fiscal years 2002 and 2003, and not less than 250,000 acres in each of fiscal years 2004 through 2011.''.

(b) REGIONAL EQUITY.—Section 1237 of such Act (16 U.S.C. 3837) is amended by adding at the end the following:

''(h) Not later than 60 days after the date of the enactment of this sentence, the Secretary shall devise a plan to promote wetlands conservation in all regions where opportunities exist for wetlands restoration.''.

SEC. 223. CONSERVATION RESERVE PROGRAM.

(a) ENROLLMENT AUTHORITY.—Section 1231 of the Food Security Act of 1985 (16 U.S.C. 3831) is amended—

(1) in subsection (a)—

(A) by striking ''2002'' and inserting ''2011''; and

(B) by striking ''and water'' and inserting '', water, and wildlife'';

(2) in subsection (d)—

(A) by striking ''36,400,000'' and inserting ''45,000,000''; and

(B) by striking ''2002'' and inserting ''2011''; and

(3) in subsection (h)(1), by striking ''and 2002'' and inserting ''through 2011''.

(b) ELIGIBILITY.—Section 1231(b) of such Act (16 U.S.C. 3831(b)) is amended—

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

''(3) pasture, hay, and rangeland if the land will be restored as a wetland, or is within 300 feet of a riparian area and will be restored in native vegetation; and''; and

(2) in paragraph (4)—

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

''(A) if the Secretary determines that—

''(i) the lands contribute to the degradation of soil, water, or air quality, or would pose an on-site or off-site environmental threat to soil, water, or air quality if permitted to remain in agricultural production; and

''(ii) soil, water, and air quality objectives with respect to the land cannot be achieved under the environmental quality incentives program established under chapter 4;'';

(B) by striking ''or'' at the end of subparagraph (C);

(C) by striking the period at the end of subparagraph (D) and inserting ''; or''; and

(D) by adding at the end the following:

''(E) if the Secretary determines that enrollment of the lands would contribute to conservation of ground or surface water.

For purposes of the program under this subchapter, buffer strips on lands used for the production of fruits, vegetables, sod, orchards, or specialty crops shall be considered cropland.''.

(c) ENVIRONMENTALLY SENSITIVE LANDS AND BUFFER STRIPS.—Section 1231(d) of such Act (16 U.S.C. 3831(d)) is amended by adding at the end the following: ''Until December 31, 2007, of the acreage authorized for enrollment, not less than 7,000,000 acres shall be used to enroll environmentally sensitive lands through the continuous enrollment program and the conservation reserve enhancement program.''.

(d) LIMITED PERMANENT EASEMENT AUTHORITY.—Section 1231(e) of such Act (16 U.S.C. 3831(e)) is amended by adding at the end the following:

''(3) PERMANENT EASEMENTS.—

''(A) IN GENERAL.—Notwithstanding paragraph (1), the Secretary may enroll up to 3,000,000 acres in the conservation reserve using permanent easements to protect critically important environmentally sensitive lands (including 1,000,000 acres for isolated wetlands) and habitats such as native prairies, native shrublands, small wetlands, springs, seeps, fens, and other rare and declining habitats. The terms of the easement shall be consistent with section 1232(a).

''(B) LIMITATIONS ON TRANSFERABILITY.—The Secretary may transfer a permanent easement established under subparagraph (A) to a State or local government or a qualified nonprofit conservation organization. The holder of such a permanent easement may not transfer the easement to an entity other than a State or local government or a qualified nonprofit conservation organization.''.

(e) CONTINUOUS ENROLLMENT OF BUFFER STRIPS.—Section 1231 of such Act (16 U.S.C. 3831) is amended by adding at the end the following:

''(i) CONTINUOUS ENROLLMENT OF BUFFER STRIPS.—The Secretary shall allow continuous enrollment of buffers whose width and vegetation is designed to provide significant wildlife or water quality benefits, as determined by the Secretary.

''(j) IRRIGATED LANDS.—Irrigated lands shall be enrolled at irrigated land rates unless the Secretary determines that other compensation is appropriate.

''(k) EXCEPTION TO PAYMENT LIMITATION.—Payments made in connection with the enrollment of lands pursuant to the continuous enrollment or the conservation reserve enhancement program shall not be subject to any payment limitations under section 1239c(f)(1).

''(l) LIMITED EXCEPTIONS TO PROHIBITIONS ON ECONOMIC USES.—Notwithstanding the prohibitions on economic use on lands enrolled in the Conservation Reserve Program under section 1232(a), the Secretary may permit on such lands the collection of native seeds and the use of wind turbines, so long as such activities preserve the conservation values of the land and take into account wildlife and wildlife habitat.''.

SEC. 224. CONSERVATION OF PRIVATE GRAZING LANDS.

Section 386 of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 2005b) is amended by striking subsection (f) and inserting the following:

''(f) INCENTIVE PAYMENTS.—The Secretary may enter into 5-year, 10-year and 20-year contracts with landowners to provide financial assistance for landowner efforts to improve the ecological health of grazing lands, including practices that reduce erosion, employ prescribed burns, restore riparian area, control or eliminate exotic species, reestablish native grasses, or otherwise enhance wildlife habitat.

''(g) AUTHORIZATION OF FUNDING.—The Secretary shall make available $20,000,000 for each of the fiscal years 2002 through 2011 from the Commodity Credit Corporation to carry out this section.''.

SEC. 225. GRASSLAND RESERVE AND ENHANCEMENT PROGRAM.

Chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3830–3837f) is amended by adding at the end the following:

''Subchapter D—Grassland Reserve and Enhancement Program

''SEC. 1238. GRASSLAND RESERVE AND ENHANCEMENT PROGRAM.

''(a) ESTABLISHMENT.—The Secretary shall establish a program to use contracts and easements to protect 3,000,000 acres of environmentally critical grasslands, shrubs, and blufflands. Beginning in fiscal year 2002, the Secretary shall conduct outreach to inform the public of the program.

''(b) ENROLLMENT CONDITIONS.—

''(1) MAXIMUM ENROLLMENT.—The total number of acres enrolled in the program shall not exceed 3,000,000 acres. The Secretary shall enroll lands using permanent easements to meet demand, but in no case shall more than 50 percent of the available acreage be enrolled in permanent easements,

and the balance shall be enrolled in contracts through which the Secretary shall provide assistance and incentive payments.

''(2) TERMS OF CONTRACTS OR EASEMENTS.—The Secretary shall enroll in the program for a willing owner not less than 100 contiguous acres of land west of the 100th meridian or not less than 50 contiguous acres of land east of the 90th meridian through 10-year or 20-year contracts or permanent easements.

''(c) ELIGIBLE LAND.—Land shall be eligible to be enrolled in the program if the Secretary determines that—

''(1) the land is natural grass or shrubland;

''(2) the land—

''(A) is located in an area that has been historically dominated by natural grass or shrubland; and

''(B) has potential to serve as habitat for animal or plant populations of significant ecological value if the land is restored to natural grass or shrubland; or

''(3) the land is adjacent to land described in paragraph (1) or (2), and the Secretary determines it is necessary to maintain or restore native grassland or shrubland under this section.

''(d) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, there shall be available for each of fiscal years 2002 through 2011 such sums as may be necessary from the funds of the Commodity Credit Corporation.

''SEC. 1238A. CONTRACTS AND AGREEMENTS.

''(a) REQUIREMENTS OF LANDOWNER.—To be eligible to enroll land in the program, the owner of the land shall—

''(1) agree to comply with the terms of the contract and related restoration agreements; and

''(2) agree to the suspension of any existing cropland base and allotment history for the land under any program administered by the Secretary.

''(b) TERMS OF CONTRACT OR EASEMENT.—A contract or easement under subsection (a) shall—

''(1) permit—

''(A) common grazing practices on the land in a manner that is consistent with maintaining the viability of natural grass and shrub species indigenous to that locality;

''(B) haying, mowing, or haying for seed production, except that such uses shall not be permitted until after the end of the nesting and brood-rearing season for birds in the local area which are in significant decline or are conserved pursuant to State or Federal law, as determined by the Natural Resources Conservation Service State conservationist;

''(C) construction of fire breaks and fences, including placement of the posts necessary for fences; and

''(D) practices that reduce erosion, restore native species, control and eradicate exotic species, enhance habitat for native wildlife, and improve the health of riparian areas;

''(2) prohibit—

''(A) forestry and the production of any agricultural commodity (other than hay);

''(B) unless allowed under subsection (d), the conduct of any other activity that would disturb the surface of the land covered by the contract or easement; and

''(C) the development of homes, businesses or other structures on land subject to the contract or easement; and

''(3) include such additional provisions as the Secretary determines are appropriate to carry out or facilitate the administration of this subchapter.

''(c) RANKING APPLICATIONS.—

''(1) ESTABLISHMENT OF CRITERIA.—The Secretary shall establish criteria to evaluate and rank applications for contracts under this subchapter.

''(2) EMPHASIS.—In establishing the criteria, the Secretary shall emphasize support for native grass and shrubland, grazing operations, and plant and animal biodiversity.

''(d) RESTORATION AGREEMENTS.—The Secretary shall prescribe the terms by which grassland that is subject to a contract under the program shall be restored. The agreement shall include duties of the land owner and the Secretary, including the Federal share of restoration payments and technical assistance.

''(e) VIOLATIONS.—On the violation of the terms or conditions of a contract or restoration agreement entered into under this section—

''(1) the contract shall remain in force; and

''(2) the Secretary may require the owner to refund all or part of any payments received by the owner under this subchapter, with interest on the payments as determined appropriate by the Secretary.

''SEC. 1238B. DUTIES OF SECRETARY.

''(a) IN GENERAL.—In return for the granting of a contract by an owner under this subchapter, the Secretary shall make contract payments and payments of the Federal share of restoration and provide technical assistance to the owner in accordance with this section. The Secretary shall base the amount paid for an easement on the fair market value of the easement.

''(b) FEDERAL SHARE OF RESTORATION.—The Secretary shall make payments to the owner of not more than—

''(1) in the case of virgin (never cultivated) grassland, 90 percent of the costs of carrying out measures and practices necessary to restore grassland functions and values; or

''(2) in the case of restored grassland, 75 percent of such costs.

''(c) TECHNICAL ASSISTANCE.—A landowner who is receiving a benefit under this subchapter shall be eligible to receive technical assistance in accordance with section 1243(d) to assist the owner or operator in carrying out a contract entered into under this subchapter.

''(d) PAYMENTS TO OTHERS.—If an owner who is entitled to a payment under this subchapter dies, becomes incompetent, is otherwise unable to receive the payment, or is succeeded by another person who renders or completes the required performance, the Secretary shall make the payment, in accordance with regulations promulgated by the Secretary and without regard to any other provision of law, in such manner as the Secretary determines is fair and reasonable in light of all the circumstances.''.

Subtitle D—Organic Farming

SEC. 231. PROGRAM TO ASSIST TRANSITION TO ORGANIC FARMING.

(a) ASSISTANCE AUTHORIZED.—The Secretary of Agriculture (in this section referred to as the ''Secretary'') shall expand the National Organic Program to include a voluntary program to assist agricultural producers in making the transition from conventional to organic farming and to assist existing organic farmers. Under the program, the Secretary may make payments to cover all or a portion of—

(1) production and marketing losses;

(2) conservation practices related to organic food production;

(3) certification costs;

(4) technical assistance by qualified third parties;

(5) educational materials; or

(6) farm-to-consumer market development.

(b) LIMITATION ON EXPENDITURES.—Payments to individual farm and ranch operators under this section shall not exceed $10,000 per year, and such payments shall not be made to individuals operating a conventional farm or ranch in more than 3 fiscal years.

(c) ORGANIC CERTIFICATION REIMBURSEMENT PROGRAM.—The Secretary shall reimburse producers for the cost of organic certification. To expedite certification, farmers seeking certification shall be eligible for a direct reimbursement of up to $500 by the Secretary of certification costs, so long as producers present an organic certificate and receipt.

(d) FUNDING.—Of the funds of the Commodity Credit Corporation, there shall be available to the Secretary to carry out this section $20,000,000 for fiscal years 2002 and 2003, $40,000,000 for fiscal year 2004, $40,000,000 for fiscal year 2005, $50,000,000 for fiscal year 2006, $50,000,000 for fiscal year 2007, $50,000,000 for fiscal year 2008, and $0 for fiscal years 2009 through 2011.

Subtitle E—Forestry

SEC. 241. URBAN AND COMMUNITY FORESTRY.

Section 9(i) of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2105(i)) is amended to read as follows:

''(i) FUNDING.—The Secretary shall use $50,000,000 of the funds of the Commodity Credit Corporation to carry out this section for each of the fiscal years 2002 through 2011. In addition, there are authorized to be appropriated to the Secretary not more than $50,000,000 to carry out this section for each of the fiscal years 2002 through 2011. As determined by the Secretary, socially disadvantaged foresters shall be eligible for funding under this section.''.

SEC. 242. WATERSHED FORESTRY INITIATIVE.

(a) ESTABLISHMENT.—The Secretary shall establish a program for the purpose of providing financial assistance to enhance the quality of municipal water supplies and to encourage the long-term sustainability of private forestland.

(b) EASEMENTS.—The Secretary shall annually use $75,000,000 from the Commodity Credit Corporation to be matched equally by any non-Federal source for each of the fiscal years 2002 through 2011 to acquire permanent easements that promote watershed protection. The Secretary shall establish a system to fairly compensate landowners for the value of an easement entered into under this section.

(c) LAND-USE PRACTICES.—The Secretary shall annually use $25,000,000 from the Commodity Credit Corporation for each of the fiscal years 2002 through 2011 to share equally with any non-Federal source the cost of land management practices on nonindustrial forestland that protect municipal drinking water supplies and other conservation purposes. The Secretary shall consider, among other factors, the extent to which projects are identified in a regional or watershed conservation plan. Practices that are eligible for funding under this section include the following:

(1) Natural forest regeneration.

(2) Prescribed burns.

(3) Native species restoration.

(4) Stream and watershed restoration.

(5) Road retirement.

(6) Riparian restoration.

(7) Other practices that improve water quality and wildlife habitat, as determined by the Secretary.

(d) REGIONAL AND WATERSHED PLANNING.—The Secretary shall establish a program to make grants not exceeding $10,000 to develop and implement regional and watershed-based conservation plans to comply with existing

laws and meeting water quality standards. The Secretary shall consider, among other factors, the extent to which applicants develop interjurisdictional conservation plans, protect nationally significant resources, engage the public, and demonstrate local support. The Secretary shall use not more than $10,000,000 from the Commodity Credit Corporation for each of the fiscal years 2002 through 2011 to carry out this subsection.

Subtitle F—Technical Assistance

SEC. 251. CONSERVATION TECHNICAL ASSISTANCE.

(a) Section 6 of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590f) is amended—

(1) by striking the 1st undesignated paragraph and inserting the following:

''(a) The Secretary shall make available $200,000,000 each fiscal year from the Commodity Credit Corporation, and such additional sums as may be appropriated by the Congress, to carry out this Act.''; and

(2) by desginating the 2nd undesignated paragraph as subsection (b).

(b) Section 7 of such Act (16 U.S.C. 590g) is amended by striking ''and (7)'' and inserting ''(7) any of the purposes of agricultural conservation programs authorized by Congress, and (8)''.

SEC. 252. REIMBURSEMENT FOR PROGRAM ADMINISTRATION.

Subtitle E of title XII of the Food Security Act of 1985 (16 U.S.C. 3841–3843) is amended—

(1) by inserting ''(1)'' before the first unnumbered paragraph;

(2) by redesignating paragraphs (1) through (3) as subparagraphs (A) through (B);

(3) by moving the newly designated subparagraphs (A) through (B) three ems to the right;

(4) by adding at the end the following:

''(2) For each of fiscal years 1996 through 2011, the Secretary shall use the funds of the Commodity Credit Corporation for the provision of technical assistance to allow for full reimbursement of actual costs for delivering all conservation programs funded through the Commodity Credit Corporation for which technical assistance is required.''.

SEC. 253. CONSERVATION TECHNICAL ASSISTANCE BY THIRD PARTIES.

Section 1243(d) of the Food Security Act of 1985 (16 U.S.C. 3843(d)) is amended—

(1) by striking ''In the preparation'' and inserting the following:

''(1) IN GENERAL.—In the preparation''; and

(2) by adding at the end the following:

''(2) ESTABLISHMENT OF TRAINING CENTERS.—To facilitate the training and certification of Federal and non-Federal employees and qualified third parties, the Secretary may establish training centers in the following locations:

''(A) Fresno, California.

''(B) Platteville, Wisconsin.

''(C) Lincoln, Nebraska.

''(D) Ithaca, New York.

''(E) Pullman, Washington.

''(F) Orono, Maine.

''(G) Gainesville, Florida.

''(H) College Park, Maryland.

''(3) CERTIFICATION OF THIRD-PARTY PROVIDERS.—

''(A) IN GENERAL.—Not later than 6 months after the date of the enactment of this Act, the Secretary of Agriculture shall, by regulation, establish a system for approving persons to provide technical assistance pursuant to this title. In the system, the Secretary shall give priority to a person who has a memorandum of understanding regarding the provision of technical assistance in place with the Secretary.

''(B) EXPERTISE REQUIRED.—In prescribing such regulations, the Secretary shall ensure that persons with expertise in the technical aspects of conservation planning, watershed planning, environmental engineering, including commercial entities, qualified nonprofit entities, State or local governments or agencies, and other Federal agencies, are eligible to become approved providers of such technical assistance.

''(C) QUALIFIED NONPROFIT ORGANIZATIONS.—Qualified nonprofit organizations shall include organizations whose missions primarily promote the stewardship of working farmland and ranchland.

''(4) QUALITY ASSURANCE PROGRAM.—The Secretary shall establish a program to assess the quality of the technical assistance provided by third parties.''.

SEC. 254. CONSERVATION PRACTICE STANDARDS.

The Secretary of Agriculture shall—

(1) revise standards and, when necessary, establish standards for eligible conservation practices to include measurable goals for enhancing natural resources, including innovative practices;

(2) within 6 months after the date of the enactment of this section, revise the National Handbook of Conservation Practices and field office technical guides; and

(3) not less frequently than once every 5 years, update the Handbook and technical guides to reflect the best available science.

Subtitle G—Miscellaneous Conservation Provisions

SEC. 261. CONSERVATION PROGRAM PERFORMANCE REVIEW AND EVALUATION.

(a) IN GENERAL.—The Secretary shall establish a grant program to evaluate the benefits of the conservation programs under title XII of the Food Security Act of 1985 and under sections 242 and 262 of this Act.

(b) GRANTS.—The Secretary shall make grants to land grant colleges and other research institutions whose applications are highly ranked under subsection (c) to evaluate the economic and environmental benefits of conservation programs, and shall use such research to identify and rank measures needs to improve water quality, fish and wildlife habitat, and other environmental goals of conservation programs.

(c) SCIENTIFIC PANELS.—The Secretary shall establish a panel of independent scientific experts to review and rank the grant applications submitted under subsection (a).

(d) FUNDING.—The Secretary shall use $10,000,000 from the Commodity Credit Corporation for each of fiscal years 2002 through 2011 to carry out this section.

SEC. 262. GREAT LAKES BASIN PROGRAM FOR SOIL EROSION AND SEDIMENT CONTROL.

(a) IN GENERAL.—The Secretary of Agriculture, in consultation with the Great Lakes Commission created by Article IV of the Great Lakes Basin Compact (82 Stat. 415) and in cooperation other appropriate Federal agencies may carry out the Great Lakes Basin Program for Soil Erosion and Sediment Control.

(b) ASSISTANCE.—In carrying out the Program, the Secretary shall—

(1) provide project demonstration grants, provide technical assistance, and carry out information and education programs to improve water quality in the Great Lakes Basin by reducing soil erosion and improving sediment control; and

(2) provide a priority for projects and activities that directly reduce soil erosion or improve sediment control.

(c) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated to carry out this section $10,000,000 for each of fiscal years 2003 through 2011.

(2) ADMINISTRATIVE COSTS.—

(A) COMMISSION.—The Great Lakes Commission may use not more than 10 percent of the funds made available for a fiscal year under paragraph (1) to pay administrative costs incurred by the Commission in carrying out this section.

(B) SECRETARY.—None of the funds made available under paragraph (1) may be used by the Secretary to pay administrative costs incurred by the Secretary in carrying out this section.

Subtitle H—Conservation Corridor Program

SEC. 271. CONSERVATION CORRIDOR PROGRAM.

(a) PURPOSE.—The purpose of this subtitle is to provide for the establishment of a program that recognizes the leveraged benefit of an ecosystem-based application of the Department of Agriculture conservation programs, addresses the increasing and extraordinary threats to agriculture in many areas of the United States, and recognizes the importance of local and regional involvement in the protection of economically and ecologically important farmlands.

(b) ESTABLISHMENT.—The Secretary of Agriculture (in this subtitle referred to as the ''Secretary'') shall establish a Conservation Corridor Program through which States, local governments, tribes, and combinations of States may submit, and the Secretary may approve, plans to integrate agriculture and forestry conservation programs of the United States Department of Agriculture with State, local, tribal, and private efforts to address farm preservation, water quality, wildlife, and other conservation needs in critical areas, watersheds, and corridors in a manner that enhances the conservation benefits of the individual programs, tailors programs to State and local needs, and promotes and supports ecosystem and watershed-based conservation.

(c) MEMORANDUM OF AGREEMENT.—On approval of a proposed plan, the Secretary may enter into a memorandum of agreement with a State, a combination of States, local governments, or tribes, that—

(1) guarantees specific program resources for implementation of the plan;

(2) establishes different or automatic enrollment criteria than otherwise established by regulation or policy, for specific levels of enrollments of specific conservation programs within the region, if doing so will achieve greater conservation benefits;

(3) establishes different compensation rates to the extent the parties to the agreement consider justified;

(4) establishes different conservation practice criteria if doing so will achieve greater conservation benefits;

(5) provides more streamlined and integrated paperwork requirements; and

(6) otherwise alters any other requirement established by United States Department of Agriculture policy and regulation to the extent not inconsistent with the statutory requirements and purposes of an individual conservation program.

SEC. 272. CONSERVATION ENHANCEMENT PLAN.

(a) PREPARATION.—To be eligible to participate in the program under this subtitle, a State, combination of States, political subdivision or agency of a State, tribe, or local government shall submit to the Secretary a plan that proposes specific criteria and commitment of resources in the geographic region designated, and describes how the linkage of Federal, State, and local resources will—

(1) improve the economic viability of agriculture by protecting contiguous tracts of land;

(2) improve the ecological integrity of the ecosystems or watersheds within the region by linking land with high ecological and natural resource value; and

(3) in the case of a multi-State plan, provide a draft memorandum of agreement among entities in each State.

(b) SUBMISSION AND REVIEW.—Within 90 days after receipt of the conservation plan, the Secretary shall review the plan and approve it for implementation and funding under this subtitle if the Secretary determines that the plan and memorandum of agreement meet the criteria specified in subsection (c).

(c) CRITERIA FOR PARTICIPATION.—The Secretary may approve a plan only if, as determined by the Secretary, the plan provides for each of the following:

(1) Actions taken under the conservation plan are voluntary and require the consent of willing landowners.

(2) Criteria specified in the plan and memorandum of agreement assure that enrollments in each conservation program incorporated through the plan are of exceptionally high conservation value.

(3) The program provides benefits greater than the benefits that would likely be achieved through individual application of the federal conservation programs because of such factors as—

(A) ecosystem- or watershed-based enrollment criteria;

(B) lengthier or permanent conservation commitments;

(C) integrated treatment of special natural resource problems, including preservation and enhancement of natural resource corridors; and

(D) improved economic viability for agriculture.

(4) Staffing and marketing, considering both Federal and non-Federal resources, are sufficient to assure program success.

(d) APPROVAL AND IMPLEMENTATION.—Within 90 days after approval of a conservation plan, the Secretary shall begin to provide funds for the implementation of the plan.

(e) PRIORITY.—In carrying out this section, the Secretary shall give priority to multi-State or multi-tribal plans.

SEC. 273. FUNDING REQUIREMENTS.

(a) COST-SHARING.—As a further condition on the approval of a conservation plan submitted by a non-Federal interest under section 272, the Secretary shall require the non-Federal interest to contribute at least 20 percent of the total cost of the Conservation Corridor Program.

(b) EXCEPTION.—The Secretary may reduce the cost-share requirement in the case of a specific activity under the Conservation Corridor Program on good cause and demonstration that the project or activity is likely to achieve extraordinary natural resource benefits.

(c) COORDINATION.—The Secretary shall require that non-Federal interests contributing financial resources for the Conservation Corridor Program shall implement streamlined paperwork requirements and other procedures to allow for integration with the Federal programs for participants in the program.

(d) RESERVATION OF FUNDS.—The Secretary shall direct funds on a priority basis to the Conservation Corridor Program and to projects in areas identified by the plan.

(e) ADMINISTRATION.—A State may submit multiple plans, but the Secretary shall assure opportunity for submission by each State. Acreage committed as part of approved Conservation Reserve Enhancement Programs shall be considered acreage of the Conservation Reserve Program committed to a Conservation Enhancement Program.

Subtitle I—Funding Source and Allocations

SEC. 281. FUNDING FOR CONSERVATION FUNDING.

(a) REDUCTION IN FIXED DECOUPLED PAYMENTS AND COUNTER-CYCLICAL PAYMENTS.—Notwithstanding sections 104 and 105, the Secretary of Agriculture (in this subtitle referred to as the ''Secretary'') shall reduce by $1,900,000,000 the total amount otherwise required to be paid under such sections in each of fiscal years 2002 through 2011, in accordance with this section.

(b) MAXIMUM TOTAL PAYMENTS BY TYPE AND FISCAL YEAR.—In making the reductions required by subsection (a), the Secretary shall ensure that—

(1) the total amount paid under section 104 does not exceed—

(A) $3,425,000,000 in fiscal year 2002; or

(B) $4,325,000,000 in any of fiscal years 2003 through 2011; and

(2) the total amount paid under section 105 does not exceed—

(A) $3,332,000,000 in fiscal year 2003;

(B) $4,494,000,000 in fiscal year 2004;

(C) $4,148,000,000 in fiscal year 2005;

(D) $3,974,000,000 in fiscal year 2006;

(E) $3,701,000,000 in fiscal year 2007;

(F) $3,222,000,000 in fiscal year 2008;

(G) $2,596,000,000 in fiscal year 2009;

(H) $2,057,000,000 in fiscal year 2010; or

(I) $1,675,000,000 in fiscal year 2011.

(c) LIMITATIONS TO PROTECT SMALLER FARMERS, PRESERVE TRADE AGREEMENTS, AND ENSURE PROGRAM AND REGIONAL BALANCE.—In making the reductions required by subsection (a), the Secretary shall—

(1) accomplish all of the reductions required with respect to a fiscal year by making pro rata reductions in the amounts otherwise payable under sections 104 and 105 to the 10 percent (or, if necessary, such greater percentage as the Secretary may determine) of recipients who would otherwise receive the greatest total payments under such sections in the fiscal year; and

(2) to the maximum extent practicable, ensure that—

(A) the resulting payments under such sections pose the least amount of risk to the United States of violating trade agreements to reduce subsidies; and

(B) the reductions are made in a manner that achieves balance among programs and regions.

SEC. 282. ALLOCATION OF CONSERVATION FUNDS BY STATE.

(a) STATE ALLOCATION.—To the maximum extent practicable in each of fiscal years 2002 through 2011, the Secretary, subject to the rules of the conservation programs administered by the Secretary, shall ensure that each State receives at a minimum the State's share of the $1,900,000,000 based on the State's share of the total agricultural market value of production, with each State receiving not less than 0.52 percent and not more than 7 percent of such amount annually.

(b) TRANSITION AND UNOBLIGATED BALANCES.—If the offices of the United States Department of Agriculture in each respective State cannot expend all funds allocated in this title within 2 consecutive fiscal years for the programs identified in this title, the funds shall be remitted to the Secretary for reallocation as the Secretary deems appropriate among States to address unmet conservation needs through the programs in this title, except that in no event shall these unobligated balances be used to fund technical assistance.

(c) REGIONAL EQUITY.—Section 1230 of the Food Security Act of 1985 (16 U.S.C. 3830) is amended by adding at the end the following:

''(d) REGIONAL EQUITY.—In carrying out the ECARP, the Secretary shall recognize the importance of regional equity, and the importance of accomplishing many conservation objectives that can sometimes only be achieved on land of high value.''.

Subtitle J—Rural Development

SEC. 291. EXPANSION OF STATE MARKETING PROGRAMS.

(a) FEDERAL-STATE MARKET INCENTIVE PAYMENTS.—Section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623) is amended by striking ''such sums as he may deem appropriate'' and inserting ''$10,000,000 from the Commodity Credit Corporation for each of the fiscal years 2002 through 2011''.

(b) MARKET DEVELOPMENT GRANTS.—Section 203(e)(1) of such Act (7 U.S.C. 1622(e)(1)) is amended by adding at the end the following: ''The Secretary shall transfer to State departments of agriculture and other State marketing offices at least 10 percent of the funds appropriated for a fiscal year for this subsection to facilitate the development of local and regional markets for agricultural products, including direct farm-to-consumer markets.''.

Amend the table of contents accordingly.

Mr. BOEHLERT. Mr. Chairman, I think by now the thrust of the Boehlert-Kind-Gilchrest-Dingell amendment is well-known. Our amendment would significantly increase the conservation funding in the bill, while leaving total farm bill spending essentially unchanged. This amendment will protect water quality, preserve open space, foster wildlife populations, and increase opportunities for sportsmen, all while helping more farmers in more States than the base bill.

That is why the amendment is supported by a wide range of groups, including Ducks Unlimited, the Wildlife Management Institute, the Izaak Walton League, groups representing the Nation's water and sewer agencies, the National League of Cities, and the League of Conservation Voters. Quite simply, our amendment is good environmental policy and good agriculture policy.

This amendment will provide increases for the numerous important conservation programs that do not receive significant increases in the bill. These programs, like the Wetland Reserve Program and the Conservation Reserve Program, which help farmers, especially small farmers, have a long waiting list. As the administration's own recent report, Taking Stock for a New Century acknowledges, these programs could and should help many more farmers work the land, care for the land, and protect water quality.

I represent an agricultural area, and I know from the farmers in my own congressional district just how vital and successful these programs can be.

Now, we are going to hear a lot of spurious arguments against this

amendment, even more than usual, because the chairman has refused to agree to a time limit on debate. But the main argument we are going to hear is the most ridiculous of all. We are going to hear that this amendment would destroy the delicate, carefully crafted balance that holds together the underlying bill.

Let me tell my colleagues bluntly about the way this bill is balanced. This is the kind of balance they used to have in Latin America dictatorships where all of the leading families got together and divided the money equally among themselves to ensure that the rest of the public was held at bay. They were called ''banana republics.'' Here, I guess, we have a ''cotton republic.'' But the principle is the same. The balance in this bill is that all of the big commodity groups got together and divided up the spoils without regard to the needs of other people or of good public policy.

Now, just like oligarchies, they are threatening anyone who would dare to disagree: food stamp advocates, dairy farmers advocates, you name it. There is nothing delicate about the way this bill was put together. It was an exercise in raw power.

Do not take my word for this. Listen to the Bush administration. The administration does not support the base bill because, and I quote, ''It misses the opportunity to modernize farm programs through innovative environmental programs; it encourages overproduction, and fails to help farmers most in need,'' especially small farmers and ranchers. This amendment corrects these deficiencies.

Our amendment will help more farmers in more States than the base bill. Our amendment will encourage innovative environmental practices. Our amendment will keep lands in production. Our amendment will target assistance to smaller farms who need it the most. Our amendment will help protect precious water supplies from coast to coast. In fact, commodity payments will still increase significantly with our amendment, and 97 percent of American farmers, 97 percent, will receive the exact same payments they would under the underlying bill.

So I urge my colleagues to support this amendment. It represents true balance. It will help farmers and cities protect land and water, preserve open space, and keep farms in business. It is fair, it is equitable, and it deserves our support.

□ 1330

Mr. COMBEST. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, let me just say to the gentleman from New York (Mr. BOEHLERT), who made reference in his opening comments about the fact that the Chair would not agree to a time agreement, I might just mention that we have been working on this bill for 9 months.

This bill was reported from committee in July. It has been out there. People have had the opportunity to look at our bill. We have only been able to look at this very lengthy and complex amendment, offered by the gentleman from New York (Mr. BOEHLERT) and the gentleman from Wisconsin (Mr. KIND) for the last 36 hours.

This amendment has a wide variety of things which we want to make for certain that Members of Congress have the opportunity to know are in the bill before we, in fact, do vote on it. We will have an opportunity to discuss that as the day goes on.

Mr. Chairman, the Committee on Agriculture is appropriately named. I think if we look back at what has occurred over the past 4 years, recognizing that we have had virtually record-setting low prices for every year for commodities across this country, and why the Congress very generously provided an additional $30 billion was a recognition that under a program that has not had an adequate safety net, the American agricultural economy potentially is in peril.

So we set out 2 years ago to begin to look at what we could do to keep the good parts of the current farm bill and to make changes in the areas that, in fact, needed changes. We recognize that we cannot be regional in our approach. We have to look at the Nation as a whole. We have to look at all aspects of legislation, of programs which come under our jurisdiction, from food stamps to research to export programs to commodity programs to conservation to rural development, to all of those things that, in fact, fall under our jurisdiction.

In almost any other climate, the areas that we have changed in terms of conservation would have been considered at least generous. For example, in the current program versus the new program, here are the comparisons of some of the numbers.

In conservation reserve, we have moved from 36.4 million acres, a $1.5 billion increase, to 39.2 million acres. In wetland reserves, we have gone from 1 million acres to 1.5 million acres, with a $1.7 billion increase. In the environmental quality incentives program, we have gone from $1 billion to $12 billion. In water conservation programs, there were no programs, and we have gone to $555 million. In wildlife habitat incentives programs, we have gone from $62 million to $385 million. In farmland protection programs, we have gone from $52 million to $500 million. There was no grassland reserve program. We have gone to a program that will provide 2 million acres to be able to come into contracts and easements.

But the concern that I have about this amendment, let there be no question about it, from the approach that we are trying to take to deal with American agriculture, this amendment, if passed, would totally devastate the bill.

The reason I say that is because, as we have traveled for the last 2 years over this country and in every region of the country, and as we have had many hearings in our committee over the past several months, the one thing which stood out in all of the recommendations that the people who were suffering the most under the current program, was the need for a countercyclical program. It is the countercyclical program that is being attacked in this amendment.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The time of the gentleman from Texas (Mr. COMBEST) has expired.

(By unanimous consent, Mr. COMBEST was allowed to proceed for 5 additional minutes.)

Mr. COMBEST. Mr. Chairman, a countercyclical program works in such a way that if prices are low, there is a safety net which is built into the program. I think, to my budget-conscious colleagues, of which I am one, this is much more of an honest way to deal with this problem than ad hoc disaster bill after disaster bill after disaster bill after disaster bill.

It also gives an opportunity for farmers to plan much better, because they know there is a program in place. If prices are high or if prices are good, a countercyclical program does not kick in.

So I would say to my friends who look at this from a spending standpoint, under our program, if we achieve what we are hoping for, and that is higher commodity prices, we will spend substantially less, substantially less than we would by the authors of this amendment, if it passed, because this spending will be there, regardless of what happens to crops.

If prices next year or the next year or the next year are extremely low, do we not think that we are going to come back to the Congress, because there is no mechanism to help in those low-price situations, and ask for billions upon billions of dollars?

Another thing, this amendment also is very unfair, Mr. Chairman, and I think it is important to point out a couple of things that sound pretty good on the surface, but when we begin to look under a little bit, we begin to realize that this is a little inequitable.

It is great to name the people who get payments. We are only taking from the top 5 or 10, percent, or whatever. Let me just mention, for one thing, that it is sort of like one robs money where the bank is; the reason some people get more money is because they produce more. They are more at risk. They are the ones who provide the food and fiber for this country. They are not hobby farmers, they make their living

farming. They are heavily at risk every year with weather and with pricing conditions over which they have no control, and with huge increases in the price of production.

Let us talk about how inequitable this is. If we take and separate this across the top 10 percent of those, and that sounds good, only the top 10 percent, if we are on an average corn farm of 409 acres, which is not a big farm, that would receive, on an average yield, $12,500 in a fixed decoupled payments, that farmer would be cut back to $4,250, whereas his neighbor on a 392-acre, who would fall just below the cutoff point, would get $12,500. That seems to me to be a terribly inequitable situation.

If there is a countercyclical program, and the only commodity in the country is corn that has a low price, then all of the other producers in the country do not share in this. All of the money comes off of the top producers of the people who produce corn.

So just by capping, you are hurting the people who actually need the help the most. The people who have good crops, the people who have good prices are not going to be affected because that is the design of our program. They are not going to get that payment, anyway. But the person who actually would need it, because the prices are so low, is going to be the one that is damaged the most. So it seems to me to be extremely inequitable.

I understand, it is much easier for people to come up and try to create divisions among regions of the country when they do not have to represent the country as a whole. The gentleman from Texas (Mr. STENHOLM) and I went into this whole discussion and debate, for the last 2 years on farm policy, recognizing that we have to look at agriculture as a whole. We have to represent this entire country. We have to look at it as to what we can do to maintain a balance in which everybody feels that they are being treated equitably.

Yes, the gentleman from New York (Mr. BOEHLERT) and the gentleman from Wisconsin (Mr. KIND) have a group of people for their amendment, but I did not notice that the people who farmed for a living are the people who are for their amendment. If we look at people who are in support of the House bill as passed by the committee, we will find it is the American farmer. It is the person out there providing the food and fiber for the people in this country, and it is the one group that has been hurt more economically in the last 4 years of any economic group in the country.

Mr. KIND. Mr. Chairman, I rise in support of the amendment.

Mr. KIND. Mr. Chairman, I am one of the named sponsors of this amendment today. I am also a proud member of the Committee on Agriculture.

Just to set the record straight, the amendment that we are offering today is not something that is new. In fact, it is based on legislation that I, along with 56 other Members of this body, introduced last June, the Working Lands Stewardship Act. It was an amendment that we had discussed during the markup of this farm bill in committee at the end of July, with the hopes of being able to discuss with the leadership further about working out some arrangement in regard to what we would like to accomplish.

So with all due respect to the chairman, to claim that this is new or something just thrown upon them in the last 36 hours is not accurate.

Mr. Chairman, I commend the chairman and the ranking member and the other members on the committee and the staff for the hard work that they have done in this farm bill. It is not an easy task to try to craft farm policy to help all our family farmers throughout the country. We can stipulate today that all of us have the intent to try to help our family farmers and the producers in this country under very difficult and challenging times.

I represent a district in Wisconsin. The dairy industry is still the number one industry in the State of Wisconsin. In my congressional district in western Wisconsin, I have close to 10,500 family farms alone who are producing dairy, but every one of them is also producing commodity crops. So the claim that those of us offering this amendment are not working in the interests of family farmers is not fair or accurate.

Today we have a chance to fundamentally reform agriculture policy so all farmers in all regions of the country will benefit under the next farm bill. The amendment we have today takes a little bit of the increase in subsidy payments that will go to the largest commodity producers in the country and will instead move those resources into voluntary incentive-based land and water conservation programs.

As the Bush administration made clear in their statement on farm policy released just yesterday, even they cannot support the committee bill because, and I quote, ". . . it misses the opportunity to modernize the Nation's farm programs through market-oriented tools, innovative environmental programs, including extending benefits to working lands, and aid programs that are consistent with our trade agenda."

Our amendment accomplishes all these objectives by relying on flexible and innovative conservation programs that all farmers in all regions of the country can participate in, and it is entirely compliant with our WTO and trade agreement responsibilities.

These objectives are far from radical, as some of our opponents claim. In fact, they are entirely consistent with where the Bush administration's principles and farm policy lie, and it is consistent with the work currently being done in the United States Senate.

This is what the Bush administration had to say in their statement of policy released yesterday in regard to the committee bill:

"Some of our Nation's producers are in serious financial straits, especially smaller farmers and ranchers. Rather than address these unmet needs, H.R. 2646 will continue to direct the greatest share of resources to those least in need of government assistance. Nearly half of all recent government payments have gone to the largest 8 percent of farms, usually very large producers, while more than half of all U.S. farmers share in only 13 percent of the payments. H.R. 2646 would only increase this disparity."

So Members do not have to take our word for it on the floor, or from others who support the amendment, they merely need to just look at the Bush administration's only statement of policy on the farm bill to understand where they lie in regard to the committee work.

Our amendment provides economic assistance to all farmers who want to meet their environmental challenges. Unfortunately, today, most farmers, ranchers, and foresters are rejected when they apply for conservation payments. Seventy percent of farmers and ranchers seeking Federal funds to improve water quality are annually rejected due to the inadequacy of funding. More than 3,000 farmers offering to restore more than one-half million acres of wetlands are currently being rejected due to the inadequacy of funding. Nine out of ten farmers and ranchers offering to preserve their farms and preserve open space against sprawl by selling their developmental rights are currently being rejected because of the inadequacy of funding. Three thousand farmers and ranchers offering to create wildlife habitat on their farms and ranches are currently being rejected because of the inadequacy of funding.

□ 1345

Three out of every four farmers and ranchers seeking basic technical assistance for their conservation plans on their own land are currently being rejected due to the inadequacy of funding. Unfortunately, just about all of these stewards will continue to be rejected under H.R. 2646 being offered today.

Mr. Chairman, I would like to address some of the specific misinformation spread about this amendment.

Supporters of H.R. 2646 claim that the passage of our amendment will cause irreparable harm to the agricultural economy and to small farmers. Nothing could be further from the truth.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The time of

the gentleman from Wisconsin (Mr. KIND) has expired.

(By unanimous consent, Mr. KIND was allowed to proceed for 2 additional minutes.)

Mr. KIND. Mr. Chairman, in fact, under our amendment, all farmers, including commodity crop farmers, will still receive substantial increases in Federal farm funding. Specifically, our amendment would leave intact a doubling of subsidy payments to commodity producers from what they received under the 1996 farm bill.

How do we pay for our amendment? We find offsets from the largest, the biggest of the big, commodity producers, the 10 percent. In fact, this pie chart shows the universe of farmers in the country today. Seventy percent of our farmers do not produce the commodity crops or receive the subsidy payments that would be affected under our amendment. With the remaining 30 percent of those commodity producers, 90 percent of them are held harmless; and, therefore, the offsets would only come from 3 percent of the farmers or producers in this country. Hardly a revolutionary sea change.

Of those 3 percent, they would still be receiving a doubling of the subsidy payments that they are currently receiving under the former farm bill passed in 1996. Hardly a radical change in policy proposal. What we are advocating in our amendment is simple fairness, simple equity, to recognize that there is a vast universe of farmers and producers in many regions throughout the country that are currently excluded under current farm bills and would continue to be excluded under the new farm bill.

That is why we feel the Boehlert-Kind-Gilchrest-Dingell amendment is fair. It is time for a fundamental change in farm policy. I would encourage our colleagues to support us in this amendment.

Mr. GANSKE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I oppose the amendment offered by my friends and colleagues, the gentlemen from New York and Wisconsin (Mr. BOEHLERT, Mr. KIND).

We do need strong conservation efforts on the farm. The bill itself increases the baseline figures for conservation efforts by almost 80 percent over the previous bill. The bill already encourages conservation by providing more cost-share assistance and conservation program funding.

I had a meeting with representatives of Ducks Unlimited and Pheasants Forever and other conservation groups in Iowa, and they liked this conservation funding that is in this basic bill. A farm bill must also protect the Nation's food production and maintain stability on our farms and in our rural communities. Passage of the Kind amendment would hinder those efforts.

Over the first 3 years of legislation, if the Kind amendment passed, Iowa farmers would lose over $800 million in support. That, Mr. Chairman, would not be kind to Iowa farm families or the small towns and merchants that depend on their business.

In these troubled economic times, that could precipitate a rural farm crisis like something we saw in the 1980's in Iowa. Over the past several years, the farm economy has been stabilized by support of Congress through supplemental programs. In a time of economic uncertainty in our Nation, the last thing we need to do is to increase that uncertainty in our farm community.

Mr. Chairman, this spring I called for Congress to pass a farm bill this year because our rural communities and farmers need a farm bill now. The tragic events of last month have not changed that. We should move forward this year with a farm bill, and we should move forward with a commodity title that is not reduced by $1.9 billion.

Mr. Chairman, I urge defeat of this amendment and passage of the underlying bill.

Mr. HOLDEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, first I would like to commend and congratulate the gentleman from Texas (Mr. COMBEST) and the gentleman from Texas (Mr. STENHOLM) and the gentleman from Kentucky (Mr. LUCAS) and all the members of the committee for the hard work they have done on this legislation over the past 2 years. I would like to thank the chairman for holding a hearing in my district while we were writing this legislation at Cookstown University.

Finally, as the ranking Democrat on the Subcommittee of Conservation, Credit, Rural Development and Research, I would like to thank the committee and particularly the gentleman from Kentucky (Mr. LUCAS) for their significant increase in funding and investment in conservation.

By saying that, Mr. Chairman, I am reminded of the words of our former great Speaker when he said, ''All politics is local.''

Mr. Chairman, not only all politics is local, but all public policy is local. I want the leaders of my committee to know that I take no pleasure in opposing them on this amendment. But at the end of the day, every Member in this body must look at this legislation and see how it effects their State and how it effects their district.

When I look at this legislation, even with its increased investment in conservation, the funding distribution is just not fair to the Commonwealth of Pennsylvania where agriculture is still the number one industry. I believe it is the number one industry in New York or the Northeastern part of the country.

I listen very closely to my mentor and leader, the gentleman from Texas (Mr. STENHOLM) over the last few years, and it is true that as a result of the 1996 farm bill that some of the inequities that Pennsylvania faced and the Northeast faced was brought on by ourselves, by our own producers' unwillingness to participate in traditional programs because we do not grow farm commodities.

So I went and worked very closely with the Commonwealth of Pennsylvania, with their Department of Agriculture. I said, What can we do? What can we bring to this floor to try to have a better distribution of Federal investment in agriculture?

The message was heard loud and clear that we need to have more with conservation. Even with the increase of 75 or 80 percent that the gentleman from Kentucky (Mr. LUCAS) worked so hard for, the distribution still is not fair. If we can get more money into the conservation title, it will give the Commonwealth of Pennsylvania more options to take up the backlog that they have at EQIP or Farmland Protect or CRP or any of the other programs that we have not been able to utilize significantly.

I know this is coming down to a regional vote. I want to commend the leaders for bringing this legislation to the floor, but we all need to look at this. I urge all the Members from the Northeast and from the mid-Atlantic States to look closely at this legislation and examine what it does to each Member's district. I believe we can do better.

Mr. LUCAS of Oklahoma. Mr. Chairman, I move to strike the requisite number of words as Chairman of the Subcommittee on Conservation, Credit, Rural Development and Research in the Committee on Agriculture.

Mr. Chairman, first of all, I think we need to step back and look at the underlying bill that this amendment proposes to change, a bill that makes a dramatic commitment to conservation in this country: 16 billion new dollars over a 10-year period, bringing conservation spending in the agricultural bill to $37 billion over the life of the bill; a $1 billion increase in the EQIP program; increasing the CRP program, the conservation reserve program, to 39 million acres; a million and a half new acres to be enrolled in WRP; $500 million over the life of the bill to go to eradicate and determine and make things happen when it comes to farm land protection; wildlife habitat incentive programs, an additional 25 million a year, ramping up to 50 million a year; a two million acre grasslands reserve program from scratch. It is a major commitment that this committee made.

Now, why do I rise to oppose the Boehlert-Kind amendment? Why do I think that the Boehlert-Kind amendment will add more strings and more

restrictions to conservation programs for farmers and ranchers out there? Let us look for a moment at EQIP.

EQIP, the program that is voluntary, that farmers and ranchers use when they think the programs will help them in their conservation efforts and meet their environmental challenges. We had hearings across this topic, hearing from 23 different groups, and 4 basic topics came back from producers in EQIP: Provide more money; reform the priority area system; provide more flexibility; make the EQIP process fair for all producers.

How did we respond in H.R. 2646? We increased EQIP spending from $200 million a year to $1.285 billion a year. Twelve billion over 10 years. The amendment drops that back to 10 billion, a reduction.

Also in the amendment, they spend money on programs that were never requested by producers. The water quality incentives program that gives drinking water utilities, not producers, control over the program. Furthermore, this program adds monitoring and compliance requirements to the EQIP program and then charges the producer for those costs. Why would producers want more regulatory guidelines? Why would producers want to spend money on programs they never asked for or endorsed? Who controls the information collected by these utilities? Not us, and there is certainly no guarantee of confidentiality in this amendment.

The second biggest producer problem with EQIP is that USDA sets up these priority districts with 65 percent of the EQIP funds going to the prioritized areas. What did that cause? Well, that led producers across the country to find that if they were in the wrong county or on the wrong side of the county line, if they were on the wrong side of the river, they were denied funding simply because they were outside of the priority area. H.R. 2646 makes the Secretary consider EQIP contracts on their own merit and value. This amendment retains the current law that forces USDA to set up priority areas that pit producer against producer.

What was one of the other things that producers asked for? They repeatedly stated they wanted more flexibility. This amendment takes away flexibility. It forces the Secretary to commit at least 40 percent of the funds to four particular areas. In other words, 40 percent of the money is tied up from the very get-go, and if the producers do not request those programs as specified, then the money is wasted. The money is lost. It is not available to the rest of EQIP.

What else did producers make clear? They made it clear that they wanted an EQIP program for all producers. H.R. 2646 changed the EQIP program to make the program fair to all producers. It allows contracts to vary from 1 year to 10 in length instead of the current 5- to 10-year contracts. This allows small producers who want to do shorter contracts to use the EQIP program.

H.R. 2646 allows small producers to get paid in the same year they sign the contract. Currently they have to wait a year following the contract to receive their cost share money. H.R. 2646 makes the contract be considered by USDA on its own merit and value. What a concept, judging each contract on its own merit, and H.R. 2646 caps the money that can be spent per year per contract so that money is available to all producers.

The Boehlert-Kind-Gilchrest-Dingell amendment is biased toward certain producers.

The CHAIRMAN pro tempore. The time of the gentleman from Oklahoma (Mr. LUCAS) has expired.

(By unanimous consent, Mr. LUCAS of Oklahoma was allowed to proceed for 2 additional minutes.)

Mr. LUCAS of Oklahoma. Mr. Chairman, it ensures that small and socially-disadvantaged farmers are awarded a contract. It sounds meritorious on its surface, but does this mean that they are the cause of pollution or want a contract any worse than other producers? Of course not. Contracts should be considered on their own merit and value.

Further, this amendment retains the current law that allows the largest producers to outbid small- to medium-sized farmers. I urge my colleagues to vote for their producers. Vote for this environmentally friendly underlying base bill H.R. 2646 and oppose this amendment.

Mr. PETERSON of Minnesota. Mr. Chairman, I move to strike the requisite number of words.

I rise to oppose this amendment. As a leader of the Congressional Sportsmen Caucus who spent a number of months working with a task force that we set up to look specifically at the conservation part of the farm bill, and also spending the last couple of years looking at these programs, we have been working with all interested parties to improve Federal programs that promote soil and water conservation, wildlife habitat, water quality and farmland preservation.

I oppose this current amendment, not because of its intent, but because the amendment really goes too far in some ways at the wrong time. I recognize the hard work and good intentions of my friend the gentleman from Wisconsin (Mr. KIND), the gentleman from New York (Mr. BOEHLERT), the gentleman from Maryland (Mr. GILCHREST) and others, and I even support several of the programs and features that they have in this amendment, but it is simply not possible, and this is the conclusion that we came to, to support this entire package with what it costs and do the kinds of things that we need to do for farmers to keep them in business.

It is not time to start new programs that have not been through the committee process and have not been subjected to hearings and the work that needs to be done, and it is just not possible to do all of the good things that they want to do, in our opinion, and some of it, frankly, I have some concerns about.

□ 1400

Now, Mr. Chairman, the farm bill, as we know, is an act of careful balance and compromise; and we have spent a lot of time trying to come to that. So I ask my colleagues to take a step back and recall the past farm bill debates. My colleagues may remember past disagreements were over how much funding to include for conservation programs. The fights were over whether we are going to keep these important programs from being completely eliminated in some of these bills, and through the years we have struggled to keep and improve the programs that we have.

Now, we have been through, I think, the talk about what is in this bill. There are significant increases for conservation. And in the task force that looked at this, we came to the conclusion that the best thing to do with the available money is put it into the existing programs that have big backlogs. These programs have worked well. They have done tremendous things, the CRP, WRP. They have brought back ducks and pheasants and deer to the levels we have never seen in this country. And with the resources, we just did not feel this was a time to go in setting up new programs that may or may not work or may or may not be the right thing to do.

One of the other big problems with the current amendment is the dramatic cuts it makes in commodity programs that these farmers need. Now, supporters claim these cuts are on the largest farmers that do not really represent family farms. I would just like for everybody to understand that the USDA says that a large farm is one that has more than $250,000 worth of gross receipts. That is 15 percent of the farmers in this country, and the gentleman from Wisconsin (Mr. KIND) is talking about 10 percent.

Well, those 15 percent of the farmers produce 54 percent of the food, and they only get 47 percent of the Government payments. On the other hand, the smaller farmers, the 85 percent that produce 46 percent of the food, they get 53 percent of the payments. So do not get drug into this big-versus-little issue. This will hurt everybody, and the chairman I think did a good job of pointing out that it is not the right kind of solution given the times we are in.

Now, the National Farmers Union, the Farm Bureau, every major commodity group, all reality-based conservation groups oppose the deep cuts this amendment makes. Farmers are on the front lines of conservation. These groups understand that we cannot have successful conservation by eliminating the certainty and the safety net that our farmers need.

Supporters of this amendment may have forgotten that the farm bill is still a work in process. The House Committee on Agriculture has worked over 2 years to develop this bill. We act today in a continuum that includes further negotiations, including a conference committee with the Senate; and at no time has the bill language been set in stone. We have been massaging this as we have gone through. In addition to the large increases in conservation funding provided in the committee markup, there have been significant improvements since then that have been made possible with continued negotiations with the committee.

I want to commend the chairman for his willingness and openness to work with the Sportsmen's Caucus, Waterfowl Task Force, and groups like Pheasants Forever, the International Association of Fish and Wildlife Agencies, and the Nature Conservancy. I think it is regretful that some wildlife groups and the environmental community resisted compromise and negotiation with the committee by endorsing this amendment only a few days after there was committee action.

So I urge my colleagues to join me today and oppose this amendment and support the bill.

Mr. LAHOOD. Mr. Chairman, I move to strike the requisite number of words in opposition to this amendment.

I have served on the Committee on Agriculture, and I am proud of my service there, for 6 years. This is my second farm bill. This is the fairest farm bill that has been put together during the time that I have been here and during the last two times that we have put together farm bills. Dozens of hearings have been held. People have been asked their opinions all over this country. What should we be doing? What should farm policy really be?

There are 51 members on the Committee on Agriculture. It is a broad-based committee. It represents America. It represents the interests of America. One of the authors of this amendment is a member of that committee; and I am told that he had the opportunity to trot out this idea, to offer it in the full committee, but then he realized that it did not have standing in the committee; that he could not find anybody to support it. So what did he do? He either withdrew it or decided not to offer it. So that is why it is not a part of the bill. It is not a part of the delicate balancing act that there needs to be to put together a farm bill to serve the country, not one particular region of the country.

So part of the reason that we should vote against this is because this was tried in the committee; and the committee, for whatever reason, did not want to vote on it or the gentleman did not have the votes. The gentleman knows there was a debate, he knows he did not have the support, so he decided to get some of the other groups, conservation groups, and bring it to the floor and short-circuit the system that we all have to live under when we bring a major piece of legislation like this to the floor.

So that is one fault with it. I will tell my colleagues the other part. The chairman of the Committee on Science, who is also an author of this and is part of the process here, knows how difficult it is to put bills together. He knows that. He is the chairman on the Committee on Science, and he has done a lot of good work on environmental issues. But the idea that somehow the gentleman was ignored or this issue was ignored is nonsense. It is just simply not true. It was an idea that has been out there. It has been floating around. It was a part of the discussion in the Committee on Agriculture. And so, as a chairman, I would think the gentleman would think better of the fact that if it was brought before the committee, that maybe he would have thought better than to try to short-circuit what went on.

The best name for this amendment is the ''land grab amendment,'' because this affects the idea that we can take a big chunk out of a farm bill that was delicately put together and turn it into something that can be called conservation or preserving the land. I have the largest CRP program in the country in central Illinois and the 14 counties. I take no back seat to anybody, make no apologies for the fact that we have a big conservation program. We are doing an awful lot with conservation, with the Nature Conservancy, with a lot of the different conservation groups; and we have done well by that. But we have done it under the programs established by the Congress, established by the 51 members of the committee who sit on the committee, who worked very hard to put this together.

This is a very, very bad idea because it short-circuits the process. It goes around the process. It simply does not make sense to do this to the chairman, to the ranking member, to the members of the committee, the 51 members of the committee, who had an opportunity to talk about this. There is an increase in conservation. We all know that. That has been well stated here. It is not as if it has been short-circuited. It certainly has not.

The bottom line is if Members want to save the family farm, if they really want to do something for small farmers, if they want to help agriculture, if they really want to send a message to a part of our economy that has been in a recession while the rest of the economy has been booming for the last 5 years, because agriculture has been in recession; and we have passed on this floor $30 billion of additional payments, so that has been taken care of, but if my colleagues really want to help farmers, the small family farm, if they want to save the family farm, if they want to really give opportunity to the small farmer, they will defeat this amendment which sends the message that it cannot be a part of the overall bill. It does not fit. It does not work. It is not a part of what was put together.

This is an opportunity, I think, to really send a message that we believe in the family farm, we are going to help the family farmer, and we are going to do all we can to support the family farm. We are not going to have to pass additional payments year in and year out because we have put together a farm bill. The chairman and the ranking member deserve a lot of credit. They traveled the country. They went to many counties. They went to many States. They listened to people.

This is a good opportunity to say to people we are with you, we are going to help you, we are going to save the family farm. Defeat the Kind amendment.

Mr. DINGELL. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. DINGELL. Mr. Chairman, I have enjoyed the comments that have been just made; and regrettably, they are useful, but only slightly so. This is a good amendment to a good bill. It is a good amendment that makes a good bill much better.

The President had some words to say to my colleagues on both sides of the aisle the other day. The administration noted that nearly half of the government payments have gone to the largest 8 percent of the farms, while more than half of all the other farmers have received only 13 percent.

Now, where are the cuts that are made here, about which my colleagues on the Committee on Agriculture complain so much in the amendment? They are to the commodity section. But interesting to note is that the commodity section is going to pay more than it has in the past to the American farmer. So the American farmer is going to do fine under this.

LDP payments are increased. But where is the big increase? The big increase in funding under this legislation is to conservation. And it is going in a way which permits all farmers, especially the smaller farmers, to begin to draw an adequate opportunity to participate in funding for conservation purposes.

It is noteworthy, I would tell my colleagues, that three out of four farmers

have been turned away from the conservation programs because of a lack of money. Three out of four. This is going to give the little farmer a chance to participate in conservation, where there is an enormous benefit. The only conservation programs that have really received significant increases under the bill are those which have benefited the big farmers, not the little farmers. This switches it.

This takes care of the hunters, the conservationists, the people who are concerned about wise handling of our lands and public resources. It sees to it the money goes into the hands of the little farmer, who will begin to spend money, which he does not now have for conservation, for the protection of fish and wildlife, for keeping our waters clean and safe.

It is not going to benefit some of the enormous hog farmers, or the farmers who, and I am not sure we can really call them farmers, but people who put enormous numbers of hogs or cattle in feedlots and stuff them, producing unbelievable amounts of manure. We can use other laws to address those problems by making them clean up as polluters, if they in fact are doing that.

The amendment offered by the gentleman from Wisconsin (Mr. KIND) increases the Wetland Reserve Program, it increases the Farm Protection Program, it increases the Wildlife Habitat Incentives Program, it increases funds for conservation of private grazing lands, it increases the Grassland Reserve Program, and conservation technical assistance. Those are things which we need to do in the interest of all. The Conservation Reserve Program, a program which will assist transition from conventional to organic farming programs, those are things which are important.

I have listened to some of my colleagues tell me how the real conservation organizations favor the bill. Perhaps. But the real conservation organizations favor the amendment. The International Association of Game, Fish and Conservation Commissioners, Sierra Club, the National Wildlife Federation. Every meaningful conservation organization. Ducks Unlimited, Pheasants Unlimited. Those organizations support the amendment.

What we are seeking here is an opportunity to benefit all of the farmers; to increase money going to the real farmer, to the family farmer, and to the little farmer to enable them to spend money for conservation, for programs which benefit everybody and which responsible farmers like.

I met with some farmers who came in to see me the other day. They were complaining about my support of this amendment. I said, it is going to leave you with more money for your commodities programs. It is going to leave you with much more money and access to conservation programs that are good. What are your complaints? They really had no complaints.

If this is explained properly to the farmers, they will understand and they will see that what we are doing is good. I urge the adoption of the amendment.

Mr. GUTKNECHT. Mr. Chairman, I move to strike the requisite number of words.

It has been interesting listening to this debate, and again we are wandering a bit far afield. I want to clarify one thing for the benefit of all Members.

□ 1415

Mr. Chairman, Pheasants Forever supports the base bill as it is written. I want to come back to two very important facts that Members seem to be getting away from.

Fact number one, this is a farm bill. Did everybody hear that? This is a farm bill. This is not an environmental bill, and Members need to think about that.

Fact number two, this bill increases conservation programs by 78 percent. I understand that may not be enough for some people, but that is a huge increase. The gentleman from Michigan (Mr. DINGELL) just talked about farmers who were turned away on some of the conservation programs. He was evidently talking about the EQIP program. We increased that program under this bill from about $200 million to $1.2 billion. That is a huge increase.

But what this amendment is about is redefining what a ''real farmer'' is. We just heard that expression. A real farmer is somebody who farms full time. When I hear these arguments, even coming from some of the folks in the administration who have never seen a real farm, they do not seem to understand that out in places where we really farm, farmers do not farm 20 or 30 acres any more. To be a real farmer, farmers have to farm 400, 600, 800 acres, or more.

According to the research that we have from FAPRI, which is an independent, nonpartisan farm consulting group, they said that this amendment will cut payments to farmers who grow more than 409 acres in Minnesota, the payments they could receive, by two-thirds. That is devastating. Two-thirds. Somebody who is growing 409 acres of corn in Minnesota is not a big farmer. That is not a corporate farmer.

Incidently, in the State of Minnesota, and in most States now, we have outlawed corporate farming. There are no corporate farms. The only corporate farms we have are family-owned corporations where a brother, a sister, two brothers, a family has created a corporation.

This is bad business. We have to talk about that average family farm. It is going to affect them. One of the things that we have tried to do in this bill, and I congratulate the chairman and the ranking member because I think they have come together and realized one of the weaknesses we had in farm policy is we did not have a countercyclical program. We gave people too much money when prices were good; and then we had to come back with these supplemental programs when prices were bad.

Mr. Chairman, we want predictability not only for that average farmer, we want predictability for the Federal budget. This is a good bill as written. We cannot afford to strip away $1.9 billion every year from that average family farmer, to take away that support in the countercyclical payments, and put it into additional conservation programs. Seventy-eight percent is more than enough. This is a farm bill, not an environmental bill. Defeat the Kind amendment. Pass the bill as written.

Mr. OLVER. Mr. Chairman, I move to strike the requisite number of words.

Mr. OLVER. Mr. Chairman, in its current form, the farm bill before us shortchanges conservation programs that serve farms and ranches of all sizes all over the country while increasing subsidies for large, often corporate operations that are producing commodity crops in specific parts of the country.

Many farmers and ranchers want to be good stewards of the land, to restore lost wetlands, grasslands, and implement a variety of other practices to protect wildlife habitat. There is a long list of farmers eager to participate in conservation programs. Currently, 67 percent of the payments go to only 10 percent of the farmers, excluding most of our Nation's farms.

The Boehlert-Kind amendment makes payments available to more farmers in more regions of the country by funding conservation programs from which all farmers can benefit because they are not based primarily on the level of production of a narrow group of crops. The Boehlert-Kind amendment shifts only about 2.5 percent of the overall dollar authorization in this legislation away from the largest corporate producers and increases the funding for land conservation programs in every single State in the country.

Furthermore, President Bush does not support the committee's bill in its current form. The statement of administration policy states that the farm bill, ''Misses an opportunity to modernize the Nation's farm program through innovative environmental programs, including extending benefits to working lands.''

The Bush administration also criticizes the bill for encouraging overproduction when prices are low and for failing to help the agricultural producers most in need, especially smaller farms and ranches.

Mr. Chairman, we have an opportunity to address these flaws by voting

in support of the Boehlert-Kind-Gilchrest-Dingell amendment. This amendment will aid small and medium-sized agricultural producers while expanding conservation programs. I urge all Members to vote ''yes'' on the amendment.

Mr. GILCHREST. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have a few comments about statements by some of the previous speakers. First of all, I want to tell the Nation that we are here concerned and continue to work on the problems that occurred in New York, Washington, and Pennsylvania. We are working to make America safer, more secure, and more economically viable, even though we are strongly debating differences of opinion in the agriculture bill.

Mr. Chairman, I also want to say that the gentleman from Texas (Mr. COMBEST) and the gentleman from Texas (Mr. STENHOLM) have done a pretty good job on this agriculture bill because they have funneled dollars where they needed to go. My disagreement is the equitable distribution of those dollars and the number of dollars. Not in the Committee on Agriculture, but I worked with the gentleman from Texas (Mr. STENHOLM) some years ago on nutrient management problems. In my area it was poultry, and in his area it was dairy. There are many of us not on the Committee on Agriculture that live in agricultural communities. I am the first generation of my family not born on the farm, and yet I have an intimate relationship with agriculture.

I thank the gentleman from Oklahoma (Mr. LUCAS) for his increase in conservation dollars, and I trust his judgment because he is a good and fine gentleman.

Mr. Chairman, the issue here with me is the perspective on the equitable, my word, equitable, distribution of dollars, throughout the Nation toward those farms with a sense of urgency that are in the most need over the next few years. They are out there.

This amendment goes a long way towards dealing with agriculture that is intimately related with environmental issues. Agriculture deals with soil, one of the most complex things on Earth.

As a matter of fact, when one thinks about milk, think about buying a carton of milk. Does one think about going to the store and pulling it off the shelf; or do my colleagues think about the sun shining on grass, and then the whole natural process that goes from there to producing milk. Agriculture is intimately tied in with environmental issues, with the mechanics of natural processes.

So the issue here is how do we keep our rural areas economically viable? How do we keep our rural areas rural? Well, we do that by creating a situation where agriculture can be unique and profitable. And how does agriculture remain unique and profitable? It remains unique and profitable if those farmers can not only produce the corn, the wheat, the poultry, the hogs, the milk, et cetera, et cetera, but close to where they produce it, they can process it. They can package it. They can market it within a particular region. It is value added.

How else do we keep this rural area viable? We keep it environmentally sound. The conservation in this amendment goes a long way into making those rural areas environmentally pristine. The water quality is going to improve. The forest habitat is going to improve. The wildlife habitat is going to improve.

As a matter of fact, contained in this amendment is a unique perspective on the conservation programs. Up to this point the conservation programs were applied to one farm at a time. What we do in this amendment is to help create a regional approach so many farmers can get together and submit these plans to USDA, and then get those dollars for a regional approach. It does not have to be just one State, it could be in a multistate region.

In my area of Delmarva, we have Delaware, Maryland and Virginia. We are working on what we call Chesapeake fields, to keep agriculture viable, profitable, and environmentally sound, and create a conservation corridor from Virginia to Pennsylvania for wildlife.

There has also been some discussion that I have heard here today and I have heard in the last few days about hobby farmers. Well, just because a farmer has a small farm and just because a farmer's wife has to work in the bank or is a schoolteacher or drives a bus does not mean that farmer is not putting his heart and soul and grit and life into that dirt to make that farm profitable because that farm was received from the farmer's great, great grandparents 200 years ago; or maybe the farmer is a recent farmer.

Mr. Chairman, this is not about small farmers getting a subsidy because they are not competitive with the big farmers, and I do not want to go where some of us have gone pitting the big farmers against the small farmers. This is about preserving the infrastructure of agriculture for itself, for water quality, for wildlife habitat, but mostly to preserve the family farm because that is American.

Mr. GEORGE MILLER of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. GEORGE MILLER of California. Mr. Chairman, I hope that we pass the Boehlert - Kind - Gilchrest - Dingell amendment. I think this is the most important amendment because I think this is really an amendment about the compact that will be forged in this country, about the future of farming in this country.

We used to have a colleague in this Congress from Minnesota, and he used to get up and talk about the farm bill. He was on the Committee on Agriculture, and he would say we have doubled the productivity of the American farmer every 10 years. And he would say the way we did it was we put half of them out of work during that 10-year period so there are only half as many left.

We have had farm bill after farm bill after farm bill, and year after year what we hear about is the distress in farm country and the plight of the family farmer, about the people moving to the cities, and the people who cannot leave their farms to their children and cannot produce and make a living, and somebody else in the family has to take a job.

My colleague stood up earlier and said this is not an environmental bill, this is a farm bill. Well, America has gotten a lot smaller, a lot more crowded. Farmers cannot farm in isolation any longer.

The problems in the Chesapeake Bay, the problems in the San Francisco Bay, the problems in the Gulf of Mexico, the problems in Santa Monica Bay and Puget Sound, many of them start hundreds of miles away on farmlands where farmers do not have the capability, the resources, the wherewithal to protect the runoffs, to protect the offsite impacts of their work.

This committee has struggled with that, and the gentleman from Texas (Mr. COMBEST) and the gentleman from Texas (Mr. STENHOLM) have addressed that; but this amendment has made the determination it has been insufficient.

The problems in San Francisco Bay are created by huge dairies in the Central Valley, huge cattle feeding yards in the Central Valley. For years, the runoff ran into the creek; from the creek it ran into the San Joaquin River; from the San Joaquin River it went to the Sacramento River; from the Sacramento River it went into the San Pablo Bay; and from the San Pablo Bay it went into the San Francisco Bay.

Farmers cannot farm in isolation any longer. The connections to our commercial fishery on the Pacific Coast, the problems that we have, many of them start on the farmlands many, many miles away.

□ 1430

The protection of habitat, the protection of riparian areas, absolutely crucial to one of the great delta regions in the world, is about the effort and giving the resources and the ability of small farmers and ranchers and others to farm their land in an environmentally sound way and continue to make a living doing so. This is not a great contest between the environmentalists and the farmers. In fact, if

there had not been so much resistance to this amendment, I suspect it could have been incorporated, and for many of the things that people are criticizing it about, they are criticizing because it was not worked out in the committee.

But the fact of the matter is we need this amendment. We need this amendment. After the next reapportionment, there will be fewer people representing rural America. We need a compact that brings America together around farming. There is no shortage of production in the world. We know that soybeans are being produced at much lower prices and the cost of production in Brazil is threatening our industry in this country. The question is under what arrangements and what contracts and what agreements will we make sure that that production takes place in America?

And so you have to deal with the externalities, just as Dupont has to deal with the externalities of their business in their chemical plant or Chevron in their refineries or any other business has to deal with the externalities.

We have become a very crowded country on the coast, if you will, for the most part. And the people down in the dead zone, in the Gulf of Mexico are very interested in the farming practices up north. That is what this amendment is about. That is why it has such overwhelming and such an incredible diverse support of interest groups supporting it. It is about the stewardship in this millennium of America's lands, of America's crops, America's habitat, America's wildlife, America's fisheries and America's family farmers. It is about sharing the effort that we make in this country to keep family farms on the farm.

We have not had a great deal of success. We have not had a great deal of success. We have had a lot of farm bills, but we have not had a lot of success. So maybe we ought to just broaden our thinking and understand that this is one more tool.

Many people fought the alternative energy and wind energy. Now we are seeing the farmers are turning to that because it can lend income to their land. With maybe less than the use of 5, 6 percent of their land, they can develop substantial resources and they can stay on the land and they can continue to farm. I thought that was our interest. I thought that was our interest, was keeping families on the farms. It is an important part of our society.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The time of the gentleman from California (Mr. GEORGE MILLER) has expired.

(By unanimous consent, Mr. GEORGE MILLER of California was allowed to proceed for 1 additional minute.)

Mr. GEORGE MILLER of California. Those of us from the urban and the suburban areas ought to understand the nature of doing that. I think it is an important decision for a society like ours to make, the commitment of keeping families on the farm. But apparently we have not been able to do it as we have just shoveled the subsidies to the largest of the farmers or the largest of the commodity brokers. Something has gone wrong in this policy. This is a chance to rework it and see if there is a way to get other resources to those family farms. You already made the decision, you would not make this in any part of the economy, that half of the income is coming from the government.

So the question is what is the benefit for the other half of America? We appreciate the crops and the foods. We all know the fact that we pay less than almost any other country in the world. But I think this is really about the future compact. I think this is about the future of farming. I think this is about the sustainability of that farming, and I think it is about forging a political alliance between urban, suburban and rural communities, about the importance of making sure that we maintain the family farmer on the family farm.

Mr. Chairman, I rise today in strong support of the Boehlert-Kind amendment. This amendment would improve the way the Federal Government helps farmers and the way we conserve valuable American farmland.

At issue today is whether we are going to continue a farm program that favors certain agricultural users over others or whether we will spread that significant Federal farm subsidies more equitably throughout the farming community.

The Boehlert-Kind amendment will benefit more farmers by shifting nearly $2 billion a year in traditional Federal commodity crop subsidies to conservation programs that benefit farmers and the environment.

We all recognize that the farm bill before us today, like the farm program that it seeks to change, significantly rewards the producers of commodity corps—corn, cotton, soybeans, wheat, sorghum, rice, barley and oats—to the exclusion of non-commodity crop producers.

That hurts a lot of farmers, and a lot of states. Take California, for example.

While California generates one-eighth of the country's agricultural production, it gets very little Federal agricultural assistance—primarily because we grow specialty crops and not commodity crops.

California farmers receive just 2 cents in subsidies on every dollar of production. Meanwhile, farmers in the major commodity producing states receive at least 17 cents in subsidies on the dollar for their agricultural production.

The status quo is not equitable and needs to be changed.

This serious inequity must be addressed. But it is not the only reason to vote for the Boehlert-Kind amendment.

Voting for this amendment is also a vote to protect America's precious open spaces and environment.

I applaud Chairman COMBEST and Ranking Member STENHOLM for recognizing the importance of conservation programs and increasing funding levels for these programs.

Unfortunately, I strongly believe that conservation and environmental programs need funding over and above what the Agriculture Committee has approved. The Boehlert-Kind amendment increases the overall level for conservation funding while better defining the conservation programs.

For example, the Boehlert-Kind amendment improves the Committee's Conservation Reserve Program by preventing the loss of over 30 million acres of tall grasslands. As many of my friends that hunt know, tall grasses are needed for ducks, pheasants, and other wildlife to nest and hide. This important change to the Conservation Reserve Program is why the National Wildlife Federation and Ducks Unlimited support this amendment.

The Boehlert-Kind amendment also ensures that lands chosen for conservation programs are selected because they will actually improve environmental quality. Unfortunately, the Committee bill weakens the use of environmental merit for selecting lands in conservation programs.

The Committee bill provides no new money for technical assistance, even while promising new technical staff to help the country's largest animal feedlots. The Boehlert-Kind amendment provides funding for technical assistance, which is why the California Association of Resource Conservation Districts support the Kind amendment.

In California, increased funding and reformed environmental programs will make a big difference to our communities.

The California Farmland Conservancy Program can begin to address the 3,500 acre backlog of land farmers want to enroll in the Farmland Protection Program.

California water quality will improve by increased funding for the Environmental Quality Incentives Program (EQIP) which helps California farmers adopt practices to reduce the level of sedimentation, nitrogen and phosphorous runoff into California waters. Currently, the EQUIP program has a $35 million backlog.

Food control and wildlife population will improve by increased funding to the Conservation Reserve and Wetlands Reserve Programs, which faces an $85 million backlog.

In addition to support from the conservation community, the Boehlert-Kind amendment is also supported by the California Winegrowers, San Diego and Riverside County, Association of California Water Districts and California Irrigation Association.

The status quo has to change. Our best chance for reform is with the amendment my colleagues Mr. BOEHLERT, Mr. KIND, Mr. GILCHREST, and Mr. DINGELL are offering today.

Support the Boehlert-Kind amendment.

Mr. OSBORNE. Mr. Chairman, I move to strike the requisite number of words.

I appreciate the efforts of the gentlemen who have offered the amendment. A lot of work has gone into this. But I rise to oppose the amendment for several reasons.

One reason is simply the issue of the Conservation Reserve Program. We

currently have 36.4 million acres allocated to CRP. We are currently at the present time using only 33.5 million acres of CRP. The amendment would increase CRP to 45 million acres at the cost of several billion dollars. Why in the world would we increase CRP to 45 million acres when we are not even using the 36.4 million acres we now have allocated?

The amendment would allow anywhere from $2 to $4 billion for conservation easements. These easements would result in land being put into conservation practices that can never be taken out again. Currently, the Federal Government in the United States controls, or owns, over 30 percent of the land in the Nation. We do not need the Federal Government controlling more land. I can tell you for sure that most private landowners do not want this to happen.

Then, thirdly, I had mentioned the fact that the amendment as it is presented shifts money from those people who are involved in production agriculture to many individuals, not all, who are part-time farmers, who are people who own land for recreational purposes, and I do not think that is the purpose of a farm bill.

Some people have said, well, we are just going to shift money from the wealthy 10 percent of farmers. In my State, Nebraska, that means anyone who has 500 acres or more in base crops. The average size of a farm in Nebraska is 900 acres. So what we are talking about here is taking money from medium-sized and some small farmers to pay the $19 billion that this bill is going to cost, $1.9 billion a year. Over $500 million will be lost in the State of Nebraska alone.

I would like to explode a myth that I keep hearing floated around this body, which really begins to bother me, and, that is, that our farmers are getting wealthy by receiving checks at the expense of the general public. If that is true, why do we have thousands of people leaving farming each year? One thousand farmers a year leave my State of Nebraska. Currently, most of our farmers are telling their children not to go into farming.

We have no young farmers left in the United States. Forty years of age is a young farmer. The average age of farmers in my district is 60 years of age. Three-fourths of the farms in our country rely on off-farm income. That means the farm wife and oftentimes the farmer, too, is driving 10, 20, 30, 40 miles to work and usually these are $6, $7, $8 an hour jobs so they can stay on the farm. If that is the case, then why in the world do we say that we are making people wealthy in farming at public expense?

Lastly, just let me say this. There are 84 different groups that support the base bill. Eighty-four groups support the bill. Why is this that they support it? It is because of the process that we have gone through. Nearly every one of these groups has appeared before the Committee on Agriculture and they have been required to write the farm bill. They know what it takes, they know it is a disciplined procedure, they know it is very involved and that it is very difficult to do. They appreciate that process. It has been 2 years in the making. The two gentlemen who have authored this bill primarily are people who have spent their entire life in agriculture. They have been on the Committee on Agriculture through several bills. They know what they are doing.

It is sort of deja vu for me, because I used to be in a business or in an enterprise where we would spend 90 hours a week preparing for a contest. Then we would have people come in and say, ''Well, we don't like the way you did it.'' And we would say, ''Well, what would you do?'' And they could never give you an answer.

And so we have an administration that does not like it, but they cannot give us an answer. We have one of our leading financial newspapers that does not like the bill, but they do not have a bill. We do not know what the Senate is going to do, and so we better start acting now while we have a chance because there is not apt to be very much money next year for agriculture.

I urge support of the bill.

Mr. HASTINGS of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to this amendment. I want to make it crystal clear to all of my colleagues, but especially to the sponsors of this amendment, all of whom are my good friends and for whom I have the greatest respect. I want them to know that I fully support the spirit of their amendment and in the past have supported similar freestanding bills. It is the substance of this particular amendment that I object to, and my objection can be distilled to one word: jobs.

At a time when a different company each day announces massive layoffs, this amendment in my opinion would ultimately mean more unemployed people in this country. And, by the way, these are not people, by and large, who can just switch from company to company. No, some of these people are some of our Nation's farmers, the people who actually put the food on our table. In mine and the district of the gentleman from Florida (Mr. FOLEY), 50 percent of all the winter vegetables in this country are grown in the Glades area that we represent. These people help to put clothes on our back. I will not stand on this floor and support an amendment which will put some of the hardest working people in this country and in my State and district out of work. I exhort my colleagues to think about this before they cast a vote on this amendment.

Sometimes we speak from personal experiences here on the floor, and some people who claim some interest in farms visited their grandmama or grandpapa at some point during the course of their lifetime on a farm and do not know very much about it, and some would argue, ''Well, what do you know?'' Well, I come with the experience as a boy of having been a migrant laborer. I picked beans, cut chicory and stripped celery in the district, interestingly enough, that I am now privileged and honored to represent.

Mr. Chairman, I applaud my colleagues who have moved this amendment. Like each of them, I am proud of the environmental record I have accumulated in 9 years in this House of Representatives. In fact, according to the League of Conservation Voters, I have one of the highest environmental ratings of any Member in my State and most Members in Congress.

But let me get down to brass tacks. I wish we had the money to do everything we need to do today, not only about this, but certainly about the residual of the events of September 11. I wish we had the money to increase funding for conservation and make certain our farmers get what they need. Unfortunately, this House, in my opinion, passed an unwise tax cut months ago, and we must now live with the consequences and within the budget that we passed. The gentleman from Texas (Mr. COMBEST) and the gentleman from Texas (Mr. STENHOLM) have recognized that and have forged a good farm bill for us all to consider, and they are to be complimented along with the gentleman from Oklahoma (Mr. LUCAS) and the subcommittee as it pertains to this particular measure being debated.

This is not an either-or situation. It is simply a false argument to say that you are either for conservation or for farmers. I am both. And the authors of this bill, Chairman COMBEST, Ranking Member STENHOLM and others, have provided $16 billion for conservation programs. This represents a 75 percent increase over current funding. A 75 percent increase. I challenge any of my colleagues in the House to find another program that we give such an increase.

Look, there is an old expression around here that everything that needs to be said has been said, but everyone has not said it yet, so I am not going to go on much longer, Mr. Chairman, but I think the ranking member of the committee the gentleman from Texas (Mr. STENHOLM) had it right when he said that this amendment cuts the legs out from under our farmers. I could not agree more.

I urge my colleagues to reject this amendment and support the underlying bill.

Mr. GOODLATTE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to the Kind amendment. I want to commend the gentleman from Florida for his comments, because I think they help us to focus on what our farm bill is really about. It is about American workers and American consumers. That is how I think we have to examine this amendment. In my opinion, this amendment is going to do great harm to the American workers that the gentleman from Florida just spoke to but also to the American consumer. The reason is this: This farm bill is dedicated to the proposition that America is a land that has been noted throughout its history for producing the greatest, most abundant, safest and most affordable food supply anywhere in the world.

□ 1445

That is what this bill is designed to do. The Kind amendment will have a devastating effect on our ability to hold down food prices in this country because we will do something that is totally inappropriate.

The base bill has an 80 percent increase in programs that promote conservation in this country, and that is good. Nobody in this room does not want to protect our environment. But when you increase that money by 400 or more percent, you are wasting that money. You are using it in ways that will take land out of agricultural production unnecessarily and increase the cost of producing grains and other food items across this country.

My farmers in Virginia, by and large, are those very folks that have been described here today who have another job in town and spend a good deal of their time attempting to make some living off of the agricultural production they have. They are mostly cattle farmers, dairy farmers, and the largest production in my district is poultry, chickens, and turkeys.

Now, these folks, in order to have a profitable livelihood, spend the vast amount of the cost of their production on buying grains from Midwestern farmers. When the price of those grains goes up because the amount of production is down, then the cost that they have to spend goes up; and for a poultry farmer, 80 percent of what they spend their money on are grains. When they do that, when the price of grain goes up, it devastates the profitability to them. That in turn results in increased costs.

Whether it is a product that directly comes from the grain, like bread and pasta and so on, or whether it is a meat product that is fed by those grains, either way the cost to the consumer goes up significantly with this amendment.

The second reason I oppose this amendment is that we are attempting to rewrite the farm bill here on the floor, when we could have had the opportunity to debate this in the committee. The amendment was discussed and withdrawn, and it was not voted on. We did not get a vote, as the gentleman from Illinois accurately portrayed earlier, from the 51 members of the Committee on Agriculture, to see what America's farmers feel. Some here have stood up and said we are doing this for the farmers. The 51 members of that committee represent America's farmers as well as anybody, and I can tell you this amendment was withdrawn because it would have had no chance of success in that committee.

Finally, I am the chairman of the Subcommittee on Department Operations, Oversight, Nutrition and Forestry; and I want to say that this amendment would have a devastating impact upon the forestry programs that have been built into the farm bill. For the first time we have a significant increase in the attention we are paying to the management of our forest lands, both public and private. This bill does the private part of that.

The amendment has redundant programs. The amendment has changes in it that eliminate important accountability requirements. Existing easement and cost-share forestry programs and the FLEP program require the involvement of the State foresters and the stewardship coordinating committee, made up of a broad cross-section of conservationists. These programs secure State, community, and local support for their objectives. The Boehlert-Kind approach gives the authority to Washington. It ignores local priorities and has no reporting mechanism to tell Congress what they achieve.

This is not good government, it is not even good conservation, and it is certainly not a good use of the taxpayers' limited dollars.

The Watershed Forestry Initiative contained in the amendment limits the practices available to land managers to achieve their goals. Forestry management is extremely complex and varies tremendously across the country.

I urge my colleagues to retain that flexibility included in the underlying bill to promote good conservation with a reasonable increase in that conservation, but, most importantly, to look after the consumer and the American worker.

Mrs. TAUSCHER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I support this amendment because conservation payments will help boost farm and ranch income without encouraging production of even greater surpluses that lower crop prices.

As the Bush administration reported 2 weeks ago, traditional crop subsidies have triggered the production of huge surpluses that have lowered crop prices. Congress has responded by providing emergency payments to farmers, but these payments have also encouraged even greater production and even greater surpluses.

In particular, the Bush administration concluded that these subsidies have inflated farmland prices, making it harder for smaller producers to compete. The challenge, Mr. Chairman, is to boost farm and ranch income without triggering the production of huge crop surpluses. Conservation payments, unlike subsidy payments, cannot be used to produce more crops, but are instead used to change production methods to help the environment.

Conservation payments have two additional benefits: they reward farmers for protecting and improving water quality and wildlife habitat, and they ensure that we comply with our international trade agreements.

Finally, Mr. Chairman, farmers want to conserve and provide more open space. Nationally, more than 190,000 farmers were rejected this year when they sought water quality grants from USDA. In my State of California, farmers are facing a $122.8 million conservation backlog. Across the country, farmers are facing a $2 billion conservation backlog. This amendment will help all farmers boost their income without triggering the growth of huge surpluses that lower crop prices.

I urge my colleagues to adopt the Kind amendment.

Mr. PETRI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the bipartisan amendment before us, because it provides us with a tremendous opportunity to combine needed agricultural assistance to a broad array of farmers with environmental protection.

I would like to first of all commend the chairman of the Committee on Agriculture and ranking member, who authored the underlying bill before us, for incorporating significant increases in our conservation programs. But the fact is that we can do more. We should do more to ensure that all of our Nation's farmers have equitable access to Federal assistance by further expanding our conservation programs. This amendment provides much of this needed equity.

I share the disappointment of many farmers in my own area of Wisconsin who seek assistance for sound environmental practices, but are turned away because these programs are oversubscribed.

The benefits of this amendment for a State like Wisconsin are obvious. The dairy farmers, especially crop producers that dominate my State's agriculture, will have an opportunity to access assistance that would otherwise be unavailable to them. Farmers in my area will receive an 8 percent increase in agricultural assistance under this amendment compared with the base bill.

At the same time, this amendment does not preclude commodity producers from accessing this assistance either. The amendment simply increases the Federal Government's encouragement for sound environmental practices and gives all farmers a greater opportunity to receive assistance.

Mr. Chairman, the amendment moves the bill significantly in the direction requested by our President and our Secretary of Agriculture as outlined in their submission to the Congress and the country, over a 100-page agriculture policy statement. They have been working on this. Along with the Senate, I hope we can work better as a team with our administration.

Mr. KIND. Mr. Chairman, will the gentleman yield?

Mr. PETRI. I yield to the gentleman from Wisconsin.

Mr. KIND. Mr. Chairman, I thank the gentleman for yielding so I may clarify a couple of points.

Again, our amendment and the offsets we would find under the farm bill would affect 3 percent of the farmers in this country. We hold harmless 90 percent of the commodity producers who are currently receiving subsidy payments. Of those 3 percent, they are still going to be receiving under our amendment to the base bill a doubling of the subsidy payments that they were receiving under the last farm bill passed in 1996, which just goes to point out the intense concentration of subsidy payments going to a few, but very large, commodity producers throughout the country.

Perhaps Mike Kort, the Nebraska corn farmer who received $73,000 in subsidy payments last year alone said it best: ''There have to be limits. Why are we giving millions of dollars to millionaires?''

There has been some reference that we bypassed the committee process. Nothing could be further from the truth. We did not spring this amendment on people. We had a discussion in committee. We tried working with the committee and the staff to try to work something out before the bill came to the floor.

But the truth is this: over 80 percent of farm bill funding goes to 15 States in this country; over 80 percent to 15 States. Those 15 States are very well represented on the Committee on Agriculture. This is a democracy. There are 35 other States that would like to have a say in the crafting of farm policy. There are 384 other Representatives who do not serve on the Committee on Agriculture who also have a right to be heard in regards to the direction of our support for family farmers in all regions. That is why we are here today discussing this amendment.

Mr. BARRETT of Wisconsin. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am proud to stand today to urge the passage of the Kind-Boehlert-Gilchrest-Dingell amendment. This amendment supports incentive-based measures critical to the success of farming and conservation programs.

As we stand here this afternoon, hundreds of thousands of farmers seeking Federal assistance to improve water quality, preserve threatened farms from sprawl or restore wetlands, grasslands and other important wildlife habitat are rejected due to inadequate funding. Nationwide, half of the farmers seeking technical assistance are rejected due to lack of funding.

This amendment would boost funding for farmland and wildlife habitat protection programs, boost funding to reduce runoff and restore 300,000 acres of wetlands each year. It would also provide grants for farmers' markets, boost funding for planting trees along urban rivers, eliminate barriers to organic food production, and encourage forest protection and enhancement.

Increasing the annual funding for voluntary incentive-based conservation programs not only will help protect the environment, but also will contribute to farm and ranch income, ease regulatory burdens, and reduce water treatment costs.

Unless we reward farmers when they meet our environmental challenges, one-third of our rivers and lakes will remain polluted and millions of acres of open space will be lost forever.

Mr. Chairman, I urge my colleagues to support this amendment, and I thank the gentleman from Wisconsin (Mr. KIND) and the other cosponsors for their leadership demonstrated in the changes proposed.

Mr. THUNE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I, too, appreciate my friends and what they are trying to accomplish with their amendment. I believe that they are well intended. But the fact of the matter is, this does have a devastating effect on all the people that we are trying to help with this bill. In fact, the analysis referred to earlier suggests that South Dakota, my home State, would lose $245 million in the first 3 years of this bill under this amendment.

Now, there has been a lot of discussion today about big States and small States and some discussion about reapportionment; and while some of the bigger States are figuring out how they are going to redivide their congressional representation, South Dakota does not have that problem. We only have one in the Congress, and so does North Dakota, with my colleague, the gentleman from North Dakota (Mr. POMEROY), and other States in the rural areas of this country.

We do not have a lot of people in South Dakota. We have about 730,000 people in my State, about 32,000 farmers. Yet those 730,000 people grow the food that feeds the world. You look at any list of production in South Dakota, whether it is wheat or corn or soybeans or livestock, or any of the areas in the Midwest. Those rural areas do not have a lot of people, but we grow a lot of food and we raise a lot of crops. It is the family farmers who are doing that.

There has been some discussion about who it benefits and who it helps. Granted, when we went across the country and had hearings, I went to places in the United States that I am not all that familiar with in terms of their farming techniques and practices. We went to California and we listened to people who raised fruits and vegetables, and we went to Kentucky and heard from people who grow tobacco. Those are not things that I am intimately familiar with when it comes to farming practices and techniques.

Yet we had to structure a balance in this bill that takes into consideration all the various aspects of agriculture, all the types of producer groups around this country. And we heard from all of them. The committee was diligent in gathering testimony and taking written record and hours and hours and hours of testimony from producers from all across the United States about what they wanted to see in a new farm bill.

What we came up with was this product. Granted, it may not be perfect. There were things in here that I would like to change, there are things I would like included, there are things I would probably like to have taken out. But the reality is, this is a balance; and we have to do our best to accommodate all the various interests.

I want to tell Members something: the environmentalists did not get slighted in this bill. The EQIP program is the Environmental Quality Incentive Program. It is currently funded at about $200 million a year. This bill increases that to $1.2 billion a year. The reason there are so many people lined up because there is not enough funding is because it was not funded adequately.

□ 1500

This bill address that problem. The environmental communities, the conservation communities, they were all heard from. Everybody had an opportunity. We spent 18 months, 18 months to get to where we are today. We have a balance. Everybody may not like it, but the reality is we have to take what we have and work with it.

We have farms in South Dakota, on average about 1,300 acres. There are places I saw when I went across this country. We have bigger gardens in South Dakota than some of the farms that people are talking about here on the floor today, those small acreages. I understand that. Everybody comes to this debate wanting to make sure that their views are represented. But the fact of the matter is that we have to

find and strike that balance that represents all of the agricultural interests and the conservation interests and the environmental interests and try and do it in a way and put a bill together that is good for American agriculture. We have tried to do that with this legislation.

Unfortunately, Mr. Chairman, what I would simply say, inasmuch as the authors of this amendment are well intended, that if this amendment is adopted to this bill, it will destroy what is a very fragile and delicate balance which has been built up over the last 18 months with thousands and thousands and thousands of pages of testimony, and hours and hours and hours of hearing from the groups who have an interest in this debate.

It is important, Mr. Chairman, that we move forward and that we defeat the amendment, that we adopt the final bill, and make sure that those farmers in places like South Dakota who are producing the food and fiber that is feeding the world get out of this economic recession that they have been in for the last 5 years. It is not new to them. We are talking about a recession in this country now, but believe me, the people in my State and in the Midwest and the rural areas that grow the food know what this recession is, because they have been in it for the last 5 years.

Mr. Chairman, this is about food security for America. That is what this debate is about. We need to keep this balance together and move this bill forward and do it so that we can get a farm bill passed and signed into law.

Mr. STENHOLM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have been through five of these debates on farm bills now over my almost 23 years here, and at this point in time I usually come to the same conclusion. I come back and think of the words of Will Rogers when he said, ''It ain't people's ignorance that bothers me so much, it's them knowing so much that ain't so is the problem.''

As I have listened to so many well-intentioned individuals who support this amendment, which I am very enthusiastically opposed to, we tend to stretch the truth for all good and valid purposes. Let me say this. As I attended all of the 10 field hearings last year and most, if not all, of every one of the full committee hearings this year, I, at some point in time, acknowledged that this was going to be the greenest farm bill in the five that I have participated in and I was going to be supporting it.

To those that criticize us for not having a green enough farm bill, look at it compared to, we have heard the numbers, a 78 percent increase in conservation. Now, I wanted $5 billion. I could have stood on this floor with those of my colleagues who are for the Boehlert amendment today and argued for them. In fact, I did. Earlier this year, when I supported the Blue Dog budget, we had $5 billion a year for conservation. The gentleman from New York (Mr. BOEHLERT) and the gentleman from Maryland (Mr. GILCHREST) voted no. The gentleman from Wisconsin (Mr. PETRI) voted no. I can go down the list of everyone else who were original cosponsors of the bill, that when they had a chance to put the money in to do what they say today, they did not do it. Which is fine.

I want to say right up front, anybody who wants to challenge me, anybody who wants to enter into a little debate, I will willing to talk to them. I will not be offended if they interrupt me. I think we need a little discussion on these points because some of our colleagues are going to get a little confused about what the facts are. I would support more. But, remember, the budget that we passed gave the Committee on Agriculture $79 billion to work with. Now, I lost, you won. I worked with my chairman to bring a bill to the floor, $79 billion, of which we spent $5.5 on emergency; and we have $73.5 left. Fine. I would love to do more for the commodities that my colleagues want to take away from.

In fact, I have a difficult time convincing my farmers and other farmers in the country that having a bill that gives you 1990 price guarantees is a good bill. Now, some of my colleagues would cut from that. This amendment that is before us, you just say we are going to hold harmless 90 percent and we are going to take it from 10 percent. Now, the 90 percent that you hold harmless are landlords, retirees, hobby farmers, investors, and some producers, some producers. The 10 percent are all producers that happen to produce 85 percent of all of the food and fiber that is produced in this country.

Now, would we like to do more? Absolutely. The problem the committee had was we had to balance competing interests. We had nutrition concerns. I am proud of the nutrition title and most everyone in this body on both sides of the aisle that are concerned about feeding the hungry people and doing more are also supportive of this bill.

I would love to do more for rural development. I could do it, but we did not have the money. And we get criticized because we are busting the budget. The President says we are busting the budget. No, we are not. We are not. The budget passed. I would love to do more in the area of research. We can justify it. But the Committee on Agriculture, 51 of us, had to look at the competing interests and had to put together a bill that would do the best possible job we could for each of those, and that was our judgment.

Now, I do not begrudge anybody for coming in here and having a different opinion. I do not. In fact, that is why we asked for an open rule. But anyone that votes for this amendment and expects us to move forward with a balanced bill, you are going to be absolutely and completely disappointed. It cannot be done. The chairman has stated it very clearly, I support him 100 percent, and to all of those who have other interests on my side of the aisle, be careful what you vote for lest you might get it. This is the best possible bill we could bring to this body to send to the other body for the President's consideration, based on the art of the possible, based on the competing interests.

Now, I find it interesting that when we start talking about payments, the gentleman from Wisconsin said, 174 percent of the net farm income last year was government payments, and yet somehow the gentleman proposes to cut those and feels that he is going to be benefited.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The time of the gentleman from Texas (Mr. STENHOLM) has expired.

(By unanimous consent, Mr. STENHOLM was allowed to proceed for 2 additional minutes.)

Mr. STENHOLM. Mr. Chairman, one of the things that so many of my colleagues are overlooking or misreading is that if we are going to have conservation on farms, the farmer has to have some money in which to put up his 25 to 50 percent of the matching funds. If we take away the farm income, there will be no conservation on the ground, other than those who happen to be buying the land that are not farmers. Those of the more upper-incomed among us, who have the money through other occupations, that buy the land are the ones that will use these conservation funds if we take away the ability of the American farmer to make a profit on his farm.

That is what this amendment does today. We take away that ability, and somehow we have allowed ourselves to be convinced by some other folks who have an entirely different agenda from what agriculture ought to be, we have allowed them to convince us that we are going to be helping farmers. Could not be farther from the truth.

It was fascinating, listening to the dairy argument earlier today in which we were concerned about dairy farmers and developers. Developers will love this amendment. Farmers will hurt badly if this amendment should pass.

Mr. Chairman, I most sincerely ask my colleagues on both sides of the aisle, oppose this amendment, stick with the committee regarding this bill. It is the best possible compromise that we can have that meets all of the competing interests, not just a few.

Mr. CHAMBLISS. Mr. Chairman, I move to strike the requisite number of words, and I rise in strong opposition

to this amendment. I want to talk about two different aspects of this bill.

First of all, times are tough out in agriculture country right now. I do not care what farmers are growing, what part of the country they are in. We are seeing tough times from the standpoint of the hazards that farmers have to deal with, whether it is weather, whether it is hurricanes or some combination of both; but the biggest problem that farmers have out there today is that we are seeing the lowest commodity prices we have seen across the spectrum in 30 years. It does not make any difference whether it is corn in the Midwest or peanuts or cotton in my part of the world, farming is a tough, tough business today.

What the chairman and the ranking member did with this base farm bill is to come up with a proposal that actually provides a safety net for our farmers. The trigger is that if prices are high our farmers are not going to get government help; but if prices are low, they are going to get extended a helping hand from the Federal Government to help them out. And that is the way it ought to be.

This bill takes about $2 billion a year out of the commodity side of this farm bill and puts it into conservation. Do we need to concentrate on conservation? Sure we do. But what does this base bill do? This base bill takes an additional $37 billion over the next 10 years and puts it into conservation programs. The gentleman from Oklahoma (Mr. LUCAS), the chairman of the subcommittee, did an excellent job of putting more money into conservation; but the one thing that we never need to forget in this town is that the biggest environmentalists and the biggest conservationists in the world are our farmers. We do not make a living off the land. The farmer makes a living off the land, and they want to do everything they can to conserve and preserve their land.

Now, I am a sportsman. I, along with the gentleman from Minnesota (Mr. PETERSON), cochaired the Sportsmens' Caucus the last 2 years. I love to hunt and fish as much as anybody in the world. We are conservationists as hunters and fishermen, and we appreciate the outdoors. But what we need is more farmers producing more grains to feed the wildlife that we love to hunt, and we need more farmers protecting the fields and streams that we love to fish in. How do we do that? Do we do that by providing farm programs that pay people not to grow products, or do we do that by paying farmers who are having a tough time with commodity prices being what they are and encourage them to do a better job of being more efficient and growing more and better quality products so that we can enjoy the outdoors?

Mr. Chairman, I think the answer is pretty simple. I encourage a no vote on this amendment.

Mr. POMEROY. Mr. Chairman, I move to strike the requisite number of words.

The farm bill before us, Mr. Chairman, restores a critical piece to the safety net that will keep family farmers on the land. That piece is protection when prices collapse, because it does not matter how good a farmer you are, if you are paid less the elevator for your crop than it costs you to grow it, you are going to grow out of business.

Now, my problem with the Kind amendment is that it takes money away from that safety net for family farmers and puts it over into the conservation programs. I think that conservation is an imperative national goal; I also think it is an inherent part of how our family farmers operate. They cannot foul up the land. That is where they live. That is what produces their income. They are the greatest land stewards we will ever find.

I am very intrigued and interested by the notion that we ought to structure ways of paying farmers for the conservation practices they implement on their land for all of us. But not this way, not with this amendment, not by giving them the appearance of something on the one hand and taking away something very real, very tangible, protection when prices collapse, on the other hand.

It has been estimated that this amendment would cost the family farmers in my State more than $300 million over 3 years, more than $100 million a year farm income lost if the Kind amendment would pass. That is a hit we cannot take. We have people that are using machinery that is wrecked. They cannot afford new, they just make do.

We have areas of the land that are literally depopulating because the economics, the fundamental ability to make it on a farm has been placed at such risk when we have a farm program without safety net price protection. That is why we need the bill, and that is why we must reject this amendment. Again, do not get me wrong. Conservation: good thing, bad thing? Of course it is a good thing. Should we look at ways to reward farmers for their stewardship practices? I think we should.

□ 1515

But what is before us right now is a farm bill at last putting in price protection for farmers, and we cannot play fast and loose with this imperative of fixing the farm program. First things first. The first thing is price protection for farmers. They desperately need it.

This whole conservation issue, let us continue to evaluate it. Maybe more can be done in the Senate. This was withdrawn before a vote in the Committee on Agriculture. It did not receive a considered discussion. It did not even go to a committee vote. So for us to come over to the House floor and kind of stomp around and start rewriting in wholesale fashion the farm bill is a terrible idea, especially when it takes away the money we need to restore the safety net for price protection.

There is another feature to the bill that I think we want to consider. That is the $3.5 billion we have been able to add for nutrition funding. If this amendment would pass, that effort is also placed at great risk. If this amendment passes, the bill may be down the tubes, taking with it the extra funding critically needed to address some of the shortcomings in the assistance we need to those who cannot afford food.

I commend the sponsor of the amendment. I know his heart is in the right place. He has fundamentally a very interesting idea, but strategically, those of us who care about agriculture, and broader than that, those of us who care about the Nation's food supply, should not do this this afternoon. It tips over the farm bill at a time when we have to fix it so badly.

Mr. PENCE. Mr. Chairman, I move to strike the requisite number of words.

Mr. BLUNT. Mr. Chairman, will the gentleman yield?

Mr. PENCE. I yield to the gentleman from Missouri.

Mr. BLUNT. Mr. Chairman, I rise in opposition to the amendment and in support of the bill as reported.

Mr. Chairman, I rise to speak today in opposition to the Kind-Boehlert-Gilchrest-Dingell amendment and in support of HR 2646 as reported.

The 80% increase to conservation programs proposed by HR 2646 is proof that this congress believes in the protection of the nation's natural resources. With an over 800% increase to the EQIP program and the proposed Grassland Reserve program, those who make their living through best management practices will receive the tools needed to protect and enhance the environment. The conservation title in this Bill meets the needs of the nation's farmer's and ranchers while maintaining an affordable and abundant food supply and a clean and healthy environment. The 1996 Freedom to Farm Act started us in the right direction in making conservation a vital part of farm policy. The popularity of the EQIP program born out of that legislation is proof that farmers and ranchers respond when given the proper tools. In my district over 30% of those who apply to receive cost share under the EQIP program are rejected not because of their worthiness but because of insufficient funding. HR 2646 will make those projects a reality.

Now is not the time to rewrite the conservation title of the farm bill with an amendment that is confusing at best. Chairman COMBEST and the AG committee have spent the past two years holding more than 50 hearings throughout the U.S. to gain input to the bill that we are considering today. They have listened to producers of livestock, organic growers, crop farmers, government agencies and those who are concerned about our natural resources. Now the proposed amendment before us threatens to undo that work, not only

of the committee, but by the 100's of people who took time away from their daily schedules to help craft what is before us today.

I stand here today to urge my colleagues to vote against this amendment and support the Conservation Title of HR 2646 as written. It is the right thing to do for those on the front lines of protecting our environment and conserving our natural resources for future generations.

Mr. PENCE. Mr. Chairman, I rise in respectful opposition to the amendment offered by the gentleman from Wisconsin (Mr. KIND), and I appreciate very much the comments of the gentleman from Texas (Mr. COMBEST) about getting back to the facts.

As the chairman of the Committee on Agriculture reflected earlier today, we have only had 36 hours to review the contents of the Kind amendment, but I have made an effort to do that. In recent weeks there has been a lot of talk about the large backlog of farmers and ranchers who are waiting to participate in the USDA's conservation programs. The proposal today suggests that the answer to that would be to shift nearly $2 billion from commodity support programs to conservation.

Before we accept this rhetoric, Mr. Chairman, I invite Members to break down the dollars and look at the facts of the Kind amendment and see how they purport to deal with this conservation backlog.

First, the Kind amendment allocates funding for several programs at levels substantially beyond what the Natural Resources Conservation Service has indicated is necessary to address the number of outstanding applications.

For example, in the case of the farmland protection program, the NRCS estimates it would take an additional $281 million to meet current demand. Yet, the Kind amendment funds this program at $500 million per year.

Another example: The wildlife habitat incentives program. The NRCS has stated it would take $19 million to meet demand, while the Kind amendment allocates $500 million per year.

When looking at the funding level for conservation programs, we cannot lose sight of the fact that these programs are voluntary in nature. In other words, the money does no good unless there is an equivalent level of demand from producers to use them.

Moreover, we cannot forget that these programs also involve cost share assistance, and if producers do not have an adequate safety net to sustain the bottom line, money available for cost-share arrangements will likewise go unused.

Point number two, as we look at the Kind amendment, several hurdles in the amendment will actually prevent these funds from assisting a large portion of America's farmers and ranchers with critical conservation needs. There are significant amounts of targeted and earmarked funding. The Kind amendment is actually riddled with numerous restrictions that target funding towards specific geographic regions and earmark program money for particular issue areas.

For example, the legislation would spend over $1 billion for a pilot program available to only five impaired watersheds. Similarly, it would require that over 40 percent of the $14 billion in EQUIP monies be spent on just four specific environmental efforts.

Further, the Kind amendment pumps money into programs which have a low producer interest, because this legislation has been written or encouraged by the environmental lobby, rather than by actual farmers.

Lastly, this legislation promotes pork barrel spending. Rather than responding to producer requests gathered throughout all of the hearings over the last 2 years, both on Capitol Hill and around the country, the Kind amendment spends large sums of money on projects which do nothing but feed an already thriving government bureaucracy.

Mr. Chairman, I do not represent the thriving government bureaucracy. I do not represent an environmental lobby that looks at a 78 percent increase in conservation funding and says, that is not enough. I represent farmers in Indiana. For that reason, I very respectfully oppose the Kind amendment, and urge my colleagues to join me in doing likewise.

Ms. WOOLSEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Kind-Boehlert-Gilchrest-Dingell amendment, and I thank them for their leadership on this issue of conservation policy for our Nation's farmland. I, for one, believe the farm bill has room for this amendment, and in fact, I believe the bill is improved with it.

Mr. Chairman, my district, Marin and Sonoma Counties, just across the Golden Gate Bridge from San Francisco, is very fortunate to have productive working farmland like dairies and vineyards. In fact, we provide 50 percent of the Bay area's milk products, and, of course, Members all know about Sonoma County wines.

It is because of the diversity of agriculture that the Sixth District of California has one of the lowest unemployment rates and one of the highest income levels in this Nation, and it is because of the agriculture that I represent one of the most beautiful areas in the world.

The dairies in particular in my district are mainly small, family-owned operations that have been in business for four or five generations, and because many of these dairies are within 30 miles of downtown San Francisco, preserving these productive lands is a top priority of my constituents, and it should be for the Congress.

But my farmers are often frustrated by the lack of funds and technical assistance available to them to protect water supplies, reduce pesticide applications, provide adequate habitat for wildlife, enhance food safety, or, in general, protect their farms and our open space from encroaching development.

Less than 10 percent of Federal farm spending is directed towards conservation. Without the Kind-Boehlert amendment, farm policy will continue to fail to keep up with the growing demand over the next 5 years. That is why the House must pass the Kind-Boehlert amendment and reward farmers and ranchers like my constituents, who want to participate in voluntary incentive-based conservation efforts.

If my colleague's amendment succeeds, commodity crop farmers would still receive twice as much funding as they received under the 1996 farm bill, an 11 percent increase over current funding levels. In addition to helping commodity crop farmers by passing the Kind-Boehlert amendment, we would be wisely investing in farm policy that also recognizes the value of small family farmers.

That, Mr. Chairman, is fair and smart public policy. I urge my colleagues to support this amendment.

Mr. GILCHREST. Mr. Chairman, will the gentleman yield?

Ms. WOOLSEY. I yield to the gentleman from Maryland.

Mr. GILCHREST. Mr. Chairman, I thank the gentlewoman for yielding to me.

Mr. Chairman, one of the earlier speakers made a comment about how this amendment would be bad for the watershed. How I would like to respond to that is that contained in this amendment is a new approach to protecting watersheds so that we do not have to have each individual farmer apply for the conservation programs that will improve water quality, but we can do it with a number of farmers getting together, a number of farmers getting together in one State, or we could do it with a number of farmers getting together in a multi-State region which is protecting, truly, a broad watershed area.

So contained in this amendment is a specific program with specific criteria to use agriculture and the conservation program to protect the water quality in a watershed.

Mr. HAYES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to the Kind Amendment to the Farm Bill. H.R. 2646, as reported by the House Agriculture Committee, provides an unprecedented 80% increase in soil and water conservation programs above current spending levels that firmly meets the needs of America's farm families. This bill builds on the popular and important conservation programs established in previous bills. The conservation section devotes over

$16 billion over 10 years to soil, water and wildlife programs. It increases CRP acreage to 39.2 million acres, WRP to 1.5 million acres, creates a Grasslands Reserve Program up to 2 million acres, funds WHIP to $500 million, and finally, the conservation title will help MANY many family farms in North Carolina by funding the Environmental Quality Incentives Program at $1.285 billion, including a $600 million fund is created in EQIP to address surface and ground water conservation issues, including cost share for more efficient irrigation systems. Obviously, this bill will go far in helping our farmers continue be our Nation's best land stewards.

To my colleagues who support this amendment, I ask why this was not brought up in Committee? At no time during the Committee's consideration of this bill did Mr. KIND offer his amendment. Why? Because he knew he didn't have the votes to pass it, and America's farmers adamantly oppose it. In addition, I would add that the sportsmen in my district oppose this amendment. This amendment undermines all the hard work we've done and it undermines future conservation benefits and I urge my colleagues to vote against this amendment.

Mr. Chairman, I would and pick up on the remarks of the gentleman from Texas about the valid and important issues in this discussion.

Simply put, Mr. Chairman, to my colleagues who support this amendment, I ask them, why was this amendment not brought up in the committee? The gentleman from Wisconsin (Mr. KIND) said that they discussed it. That is fine. But what he did not say was that as this discussion took place, it was obvious that he did not have the votes in committee to pass it.

What does that mean? It means that the people of this House who are most interested in and probably most informed about agriculture did not support his well-intentioned amendment. Sportsmen and farmers in my district in North Carolina also very strongly oppose this amendment, as I do.

An interesting contrast, the gentleman from South Dakota (Mr. THUNE) spoke very eloquently in opposition to this amendment. He also had an amendment which he brought up in committee, and we discussed it over and over and over for hours and hours. The amendment was defeated, and that was the end of that. It is not here on the floor, as this amendment is and should not be.

Because of the nature of this amendment and because of the need for balance in this bill, please join me in opposing this amendment, which undermines all the hard work, the field hearings, all of the information that has been gathered, and it undermines conservation benefits.

I urge my colleagues to vote against the amendment.

Mr. BLUMENAUER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do thank the committee for this important discussion. I find it exceedingly valuable.

I am one of the people who the gentleman from Texas (Mr. STENHOLM) referred to who is not an expert in agriculture. I do not pretend to be. But it is important to me, and I took the time this summer to talk to people in my State who are the experts, people on the board of agriculture, practicing farmers, leaders in the industry.

They made it clear to me that this was an opportunity for this Congress to seize the opportunity to begin reforming agriculture for the next century. The current system, I was told, and I dearly believe, and nothing that I have read in connection with the debate here today leads me to feel otherwise, that is, that our system was great to lead us out of the Depression, and it does indeed continue to help many economic interests, but it does not, for instance, help what happens in my State for the majority of people who are involved with agriculture.

This amendment that we are debating here today is an opportunity for us to step forward that is going to make a difference in our community. I would like to dwell on one particular item, the farmland protection program, which would receive much needed increased funding under this amendment.

There currently is a backlog of over $250 million for the voluntary purchase of conservation easements under this program. The previous farm bill in 1996 and the currently proposed farm bill did not and will not come close to providing the funding necessary to meet the current waiting list of farmers. Right now, three out of four who apply to participate are turned away.

The current bill limits the farmland protection program to $50 million a year. This amendment reauthorizes the farmland protection program through the year 2011, funded at $100 million in fiscal year 2002, increasing to one-half a billion dollars annually by 2006.

It is important to understand that the farmland protection program does not just benefit farmers, it benefits communities everywhere. The farmland protection program, as its name implies, allows the farmers to continue working the land. They receive payment for doing what they intend to do, keeping the land as farmland. This is particularly important in the vast amounts of prime farmland around our metropolitan areas, where increasing land values make it difficult for farmers to keep their land as farmland.

□ 1530

Nationally this prime farmland produces 85 percent of domestic fruit and vegetables. Almost 80 percent of our dairy production takes place in what we are calling urban-influenced counties. They are under relentless pressure. There were 3.2 million acres converted to nonagricultural uses between 1992 and 1997, double the rate of previous years. There are 90 million acres that are threatened by sprawl.

When I was born, the number one agricultural county in the United States, and this is only half a century ago, was Los Angeles. What county is going to be lost next?

We are developing land at twice the rate of the increase in population growth. But it is not just the farmers that benefit. We have talked about how disconnected the general public is from the practice of agriculture. We are protecting this land for agricultural purposes around the metropolitan area to make it easier for the public to understand how valuable it is and that sugar does not just come from candy bars and fruit and vegetables do not come from tin cans.

The Farmland Protection Act helps the surrounding communities by saving taxpayer money. Farmland or open space costs on average about one-third of the amount of money as it produces from taxes. Residential development, to the contrary, costs local governments about 25 percent more. Cities and towns can save billions of dollars in municipal water and treatment costs. Protecting wetlands and streams prevents the cost of water treatment downstream.

Our communities and taxpayers want farmland protection. Survey research demonstrates that the public would like to have their Federal tax dollars by strong majorities used to keep farmland from being developed. Seventy-five percent think that farm support payments should require farmers to practice conservation.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The time of the gentleman from Oregon (Mr. BLUMENAUER) has expired.

(By unanimous consent, Mr. BLUMENAUER was allowed to proceed for 1 additional minute.)

Mr. BLUMENAUER. Mr. Chairman, supporting this amendment is a step away from the Depression era of farm support. It is an opportunity to us to step forward, to help farmers voluntarily protect their land, save tax dollars, meet the needs that are building up now, and help us, in a State like Oregon, help protect farmland for generations to come.

Mr. WELDON of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the base bill before us. The committee has done a good job of balancing various interests before it. I am pleased that the committee has significantly increased the conservation title of the bill but has done so in a manner that does not jeopardize the rest of the agricultural needs of our Nation.

Let us look at what the base bill does, H.R. 2646. It includes an average

of $1.285 billion per year in the Environmental Quality Incentives Program or EQIP, plus an additional fund of $60 million per year to address water issues. It increases total acreage in the conservation program to 39.2 million acres. It allows an additional 1.5 million acres to be added to the Wetlands Reserve Program. It provides $500 million over the life of the farm bill to eradicate the backlog and provide for new enrollment in the Farmland Protection Program. It increases funding for the Wildlife Habitat Incentive Program, or WHIP, from $25 million per year this year to $50 million a year by the year 2011. It increases enrollment in the grasslands reserve program to 2 million acres.

The ranking minority member was quite accurate when he said this is a green bill. There are good provisions that continue to move us forward in this bill in the whole arena of conservation. I joined the gentleman from New York (Mr. BOEHLERT) and other Members the last time we considered the farm bill 5 years ago in restoring cuts that have been made in the conservation title. That was a good thing to do then and that was good policy.

The bill before us continues in that responsible plan. The amendment before us I think raises some serious concerns. It raises some financial concerns. The chairman of the committee, the gentleman from Texas (Mr. COMBEST) raised some serious concerns about the possible serious adverse consequences associated with the Kind amendment on our budget.

We have just approved a $50 billion program to provide defense needs, disaster needs, to address airline concerns. We are now talking about an even larger package to get the economy going again, something in the range of $75 billion. I think we need to proceed very cautiously.

The Kind-Boehlert amendment, although maybe well intended, will mandate additional spending and will leave less room for dealing with potential economic problems that could arise for our farmers.

I join the Florida Farm Bureau in supporting the base bill and opposing the Kind-Boehlert amendment. The base bill has the support of the Florida Association of Conservation Districts and the Florida Fish and Wildlife Commission. The Florida Farm Bureau opposes the Kind-Boehlert amendment, and I urge my Florida colleagues to join me in supporting the work of the Committee on Agriculture and to vote against the Kind-Boehlert amendment.

Mr. Chairman, I include with my remarks a letter from the Florida Farm Bureau.

FLORIDA FARM BUREAU FEDERATION,
Gainesville, FL, September 27, 2001.

Hon. DAVID J. WELDON,
U.S. House of Representatives, Cannon House Office Bldg., Washington, DC.

DEAR REPRESENTATIVE WELDON: Congress will be taking up H.R. 2646, the Farm Bill, next week and we recently sent you a letter relaying our support of the bill. However, the section of the Farm Bill that deals with conservation has received a lot of attention in the media recently and there's an effort underway by Representative Kind to offer substitute language to the bill which is based on his legislation, H.R. 2375. On behalf of our members I would like to relay to you our support of the House Agriculture Committee-passed conservation language and provide you our concerns with H.R. 2375.

First off, let me say that H.R. 2375 does make an effort to increase funding for technical assistance and other important conservation programs. However, the increased funding does not necessarily mean that Florida producers will be able to access the added funding. Several requirements illustrated in the bill prohibit many of our producers from being eligible for conservation funds and the additional funds are carved out of other parts of the bill which is already stretched to meet the needs of production agriculture.

To elaborate on our concerns with H.R. 2375, I offer this:

H.R. 2375 prohibits a producer who is subject to an environmental permit under the federal Clean Water Act from receiving cost-share assistance under the Environmental Quality Incentives Program. This provision is not acceptable given that pending revised clean water rules dealing with CAFO's and AFO's could subject a large majority, if not all, livestock producers in Florida to regulation. This provision would keep a large percentage of our dairy and poultry farmers from being able to access cost-share funding for conservation practices.

H.R. 2375 would push an unmanageable level of funding into the Department of Agriculture for conservation programs and this increased funding does come at a cost for farmers in other regions of the country. Without an adequate framework in place, this money will do little to improve the environmental quality for our working lands resulting in the wasteful and inefficient use of precious taxpayer dollars. H.R. 2646, the Farm Security Act of 2001, increases conservation funding 75 percent above the current baseline. To fund environmental programs proposed in H.R. 2375 we will have to raid funds already allocated in other important areas of the bill. Politically this is not the right avenue to take and we should not cause a situation where sectors of the agriculture industry will be trying to benefit at the detriment of others. The Kind bill makes only modest gains in Florida's level of conservation funding because a large percentage of the funds go to programs such as Conservation Reserve Program (CRP) and these programs are not widely utilized by Florida's producers.

H.R. 2375 would place restrictions on producers that have nothing to do with conservation. For example, this legislation directs the Secretary to consider the extent to which livestock producers medicate their animals in selecting contracts under the Environmental Quality Incentives Program. Such restrictions would render these programs useless for mainstream agriculture.

H.R. 2375 contains extensive provisions for forestry yet none of the central forestry organizations support this legislation. The Society of American Foresters, the National Association of State Foresters, the National Council on Private Forests, the National Association of Professional Forestry Schools and Colleges, and the American Forest and Paper Association oppose this bill. They oppose H.R. 2375 because its forestry provisions cannot be implemented. The legislation is vague, restrictive and not based on sound science.

We realize that H.R. 2646 is not perfect when it comes to the conservation section but we believe that it is a more practicable and realistic approach for Florida's farmers and ranchers. It is our understanding that the proponents of H.R. 2375 have an amended version of their bill that will be offered when H.R. 2646 ''The Farm Bill'' is taken up by the House. We have made inquiries to the sponsor of H.R. 2375 in an effort to see if our concerns have been addressed and no one has been able to provide us that assurance. Therefore, we ask that you consider our concerns and not support this effort to amend the conservation title of H.R. 2646.

If you need to discuss this issue in more detail or have any questions please contact Ray Hodge in our office. He will be in the Capitol next week and will come by your office to discuss this and other issues with your agriculture staff person. Thank you for considering our concerns and your willingness to support the issues important to the livelihood of Florida farmers and ranchers

Sincerely,

CARL B. LOOP, JR.,
President.

Mr. BERRY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to say what a wonderful job the chairman and the ranking member of the Committee on Agriculture have done. I appreciate very much the hard work the gentlemen have put into this.

Mr. Chairman, I also want to say that I think the sponsors of this amendment mean well. The people that support this amendment have the best of intentions.

When I ran for office first in 1996, it was interesting to me that all of my opponents suddenly had become farmers. If they were not farmers themselves, in some way they could contrive, they will know a farmer or their grandfather was a farmer or they would know a lot about a farmer or they had seen a farmer someplace or they had seen a crop someplace. But they all wanted to be related to farmers in some way or another.

I found that interesting today that suddenly we have this great outpouring of knowledge about agriculture in this body.

I would suspect, and I do not know for sure, that none of the sponsors of this amendment, and very likely none of the people that have spoken in favor of it, have ever raised a crop or produced any significant amount of food.

I would submit, Mr. Chairman, that our job is to make sure that this country has a food supply, a reliable, safe, reasonably priced food supply, and in the effort to produce this, we must protect our air and water quality, and that is what this base bill does. It has been said over and over that our food policy in this country and our farm policy in this country is a failure. How can we say that when our producers are the best there has ever been, they are the most efficient and we have the most reliable, the safest and the most reasonably priced food supply of any Nation

in the world? Our farmers are on the edge. They simply are not going to do it any more.

I would submit to the Members a report about USDA's last quarterly stocks estimate. One of the last paragraphs in that report says if there is one thought for the Members to be left with regarding today's stock report, it is that U.S. stocks of every commodity except corn are smaller today than a year ago, and in some cases dramatically smaller. Our stocks of food in this country are shrinking.

The national security interest is served by our farmers being able to stay in business. Certainly they are not getting rich. Most of them are not even making the cost of production, but one thing I can tell my colleagues that they do not need is for someone else to create one more way where the Federal Government can come and tell them what they have to do with their land.

This amendment would destroy the safety net and drive production offshore, and it most certainly would cause consolidation, and if we want to see what corporate farms really look like, we can see what the result of this amendment would be because it would cause dramatic consolidation.

The worst thing we can do to conservation is to continue to have a situation where our farmers cannot stay in business. Poor folks have poor ways and there is nothing they can do about it because that is all they have to work with.

We do not need a social engineering program. We need a balanced bill and that is what this base bill is. I wonder, if this amendment is such a good idea for farmers, why in the world is there not one, not one farm organization supporting this bill? I think that pretty well says it.

Mr. MORAN of Kansas. Mr. Chairman, I move to strike the requisite number of words.

I rise to oppose, strenuously oppose the amendment that is being offered here today. The House Committee on Agriculture has spent months, years now, beginning in Kansas at the Kansas State Fair 2 years ago September, taking input from farmers about what we can do to address the crisis that we face in agriculture. That crisis is real.

We face the circumstances in which the farmers of this country will not be farming. The economic conditions that American farmers and ranchers face are serious and getting worse. My farmers talk about what they do to serve to the next week, to the next month, to the next year. They talk about if things get any worse they have no option but to sell the farm and move to town.

The average age of a farmer in Kansas is 58½ years old. There is no next generation waiting to take over the farm because there is no profitability in agriculture, and the idea that we can remedy this situation by putting more money elsewhere than into farmers' income is terribly, terribly flawed.

There will be no farmers as stewards of the land absent an income in which to continue farming. What do we expect ourselves to do when the farmers are no longer on the land? Do we expect us to hire government employees to go out and manage the land so that they can perform conservation practices that our farmers are practicing today?

I care greatly about the use of land, about water quality, about water quantity. There is no greater conservation environmental issue in the State of Kansas than the quality of water, and if we have a future in the State of Kansas, it is because we have a clean and adequate water supply. I am proud of the efforts of the House Committee on Agriculture to address conservation environmental issues.

We have spent a lot of time and a lot of effort taking a lot of input. Our ability to have the people necessary to be in the fields performing conservation practices is gone, absent the kind of assistance in the commodity title of this farm bill.

The reality is that life on the farm is tough. It is getting tougher, and if we care about conservation, if we care about the environment, we will make certain that those farmers and ranchers are there and we will oppose the amendment offered by the gentleman from New York (Mr. BOEHLERT).

We need the assistance or we are going to have larger and larger farms. The gentleman from Arkansas (Mr. BERRY) is absolutely right, if we want to see greater concentration in agriculture, put our farmers out of business and then only those who are large will be left.

This issue is at the core of whether or not we care about America, and especially whether or not we care about rural America and if we want children in the schools across the State of Kansas and across rural areas of the country and if we want people shopping on Main Street, the critical issue we face is whether or not our farm families can make ends meet, and they are not doing it today, and they will not be helped with the passage of this amendment.

I urge my colleagues to oppose it.

Mr. DEFAZIO. Mr. Chairman, I move to strike the requisite number of words.

I represent the farmers and ranchers and small woodland owners whose voice is not heard here and have been ignored in some of the previous debate by other Members.

□ 1545

These commodity programs flow to a favored few. Now, certainly some of them are producing crops that are vital to feed our Nation. Others are producing surplus cotton and other crops and getting subsidized for that. It is an extraordinarily market-distorting thing. Now, usually that side of the aisle is arguing for markets, but in this case they are arguing for market-distorting subsidies. Many of the same people who are arguing against this amendment were gung ho for the Freedom to Farm bill a number of years ago. I voted against it. I thought it might lead to some of these problems. It has led to a record increase in commodity supports.

And even if this amendment is adopted, there will still be $101 billion going to the commodity support programs. Now, who does it go to, and who would be hurt under this amendment? Well, under this amendment, actually 70 percent of the farmers, those who seem to be ignored in the debate on that side and by a few on this side, that is dairy, ranchers, fruit and vegetables, I have a lot of those, I have some dairy, have a few ranchers, do not have peanut, sugar, tobacco, and then we have trees, those are my small wood-lot owners, people who practice forestry, people who are waiting in line now to get this conservation money because of problems we have in recovering our salmon runs in the Pacific Northwest. They are lined up. They are not getting the money, even with the increase in this bill.

I appreciate the modest increase in the bill, but more is needed. And this money will benefit this 70 percent of the people who are pretty much left out of this bill.

Now, there is another 30 percent. And under this amendment, 27 percent of them, almost all of them, will be held harmless. But my colleagues are right, the top 3 percent, the people who get the largest subsidies in this country, the ones we read about and hear about on TV, some of them are even TV commentators, they will get a cut. That is right, they will get a cut. But they will still get subsidies, very substantial subsidies, and we will spread this needed money elsewhere.

How needed is it? Well, if we refer to this chart, we see, in fact, it is quite needed. Right now we are funding conservation at this level. This is the demand. We are not matching supply and demand. I wish this side of the aisle, which is always for markets, would help us better match supply and demand. Here is the demand. Here is the supply.

Now, true, this bill, the base bill, would actually help a little bit. It still does not meet the demand and the backlog. And even if we get this amendment, we will not quite match supply and demand. There is an extraordinary unmet demand out there, demand that flows to those other 70 percent of the farmers, small farmers, truly small farmers, who I represent, who are left out of this bill. So we are

talking about hundreds of billions of dollars in this bill; but we are leaving out millions of farmers, small farms, dairy, small wood-lot, row crops, fruit and vegetable folks they represent.

So let us put an end to the rhetoric of saying this is not for farmers, this money will not go to farmers, it will put new controls. It is a voluntary program, a program that people are lined up to get into in my State; and the USDA simply says there is not enough money, come back next year, the year after, or the year after. We need that funding now. We need these increases. In fact, we need even more than will be provided under this amendment.

Mr. REHBERG. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the gentleman from Arkansas (Mr. BERRY) was correct when he commented on the fact that the supporters of this amendment do not come from this industry. I did a quick note. Most are attorneys. And I do not fault their desire or their ability or their right to be involved in this issue, but I can tell my colleagues that those who call themselves environmentalists in this Congress are loving their land to death.

I represent Montana. It happens to be one of the largest agricultural-producing States, one of the largest States, and perhaps one of the ones most screwed up because of many of the conservation practices that are occurring because of this Congress. Let me point out to my colleagues what some of this Congress' conservation plans have done to us.

This is what government farming practices look like. This is a forest fire. And I will tell my colleagues that underthinned forests kill forests every bit as much as overlogged forests. Undergrazed grass kills grass every bit as much as overgrazed grass. So we are going to exacerbate our problem? Are we going to put more in? Well, then, we will kill our land with kindness, and I hope we do not do that.

This is what a managed environment looks like, so I am not standing before my colleagues today and trying to bring up dollars, which it seems like the majority of the argument has been on dollars in farmers' pockets. This is my first farm bill, and the way things go around here, it may be my last. One never knows. But I want to thank the gentleman from Texas (Mr. STENHOLM) and the gentleman from Texas (Mr. COMBEST), because if it is my only farm bill that I have an opportunity to speak on and to be involved in, I am proud to put my name on something that understands American agriculture.

I came here not anticipating I was going to win every issue. In fact, I did not. But I voted for this bill. I supported this bill because it truly understands the needs, the desires, the wants of those of us in Montana agriculture and American agriculture.

Now, I was not a supporter of increasing additional conservation act money. I use myself as an example. My place is getting smaller. Just 9 months ago yesterday, I was in the agricultural business. This suit was not bought with agricultural money, because I did not have it. I do now, because of this job. But as I tried to expand my business, do my colleagues know what I could not do? I lost a lot of acreage because of the estate tax. I can live with that. I can live with that. But at a time when I should have been getting bigger, I got smaller. And as I tried to get bigger, my neighbor puts his land in conservation reserve. I cannot rent land and I cannot buy land. I could not expand my ranch to pay for my children's shoes, their college education, and my retirement.

Now, I might seem a little angry because I am a little angry. Because what I see happening in this Congress is that we are attempting to use the farmer for an environmental policy in this country, and I believe that is misguided. We do not want to see more of this. This is a forest, but it is the same in the pasture land. The conservation practices that preserve property in this country without active management in fact are killing our environment.

So it is not about jobs, and it is not about money. It is about our environment. And what is the best way to manage our environment? This bill does, in fact, without this amendment, do that. It maintains maximum planting flexibility, it provides countercyclical protection, it allows farmers to update their base acreages, it increases conservation programs, it addresses trade, research, nutrition, and includes one of my favorite issues, rural development and adding value to agricultural products. That is how we are going to save the American farmer. That is how we are going to create a better environment.

Support the bill. Kill the amendment.

Mr. COMBEST. Mr. Chairman, I ask unanimous consent that on this amendment and all amendments thereto the remaining time be 40 minutes, equally divided between a proponent and an opponent of the amendment.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN pro tempore. The gentleman from New York (Mr. BOEHLERT), the author of the amendment, will be recognized for 20 minutes.

Mr. BOEHLERT. Mr. Chairman, I ask unanimous consent that 10 minutes of my time be allocated to the cosponsor of the amendment, the gentleman from Wisconsin (Mr. KIND).

The CHAIRMAN pro tempore. Without objection, the gentleman from Wisconsin (Mr. KIND) will control 10 minutes in favor of the amendment, and the gentleman from Texas (Mr. COMBEST) will control the time in opposition.

There was no objection.

Mr. COMBEST. Mr. Chairman, I ask unanimous consent that 10 minutes of the time allocated to the opponents be given to the gentleman from Texas (Mr. STENHOLM).

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

There was no objection.

Mr. STENHOLM. Mr. Chairman, I yield 3 minutes to the gentleman from Arkansas (Mr. ROSS).

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

We have heard a lot of debate over this amendment in the last few hours. My colleagues, this is not about rich farmers against poor farmers. It is not about corporate farmers against noncorporate farmers. It is not even about conservationists against those who feed America. Because our farm families, our row croppers were this country's first conservationists. This is about whether we want this country to become dependent on other countries for our food and fiber the way we have for our oil.

We spent 8 months in the House Committee on Agriculture, where I sit, writing this farm bill in a bipartisan effort. It is not the bill I would have written. I am sure the gentleman from Wisconsin (Mr. KIND) would have liked to have seen more in it for conservation. I would have liked to have seen more in it for row crops. But this is a democracy, and in a democracy and in our committee we compromised. And let us never forget that that compromise included increasing baseline spending for conservation by 78 percent.

The 1996 farm bill did not work. If this amendment passes, the 2001 farm bill will not work. Farmers are going broke across the delta, across the southern half of Arkansas, and across much of America. Despite the fact that they are able to produce yields that they never dreamed of just 10 years ago, they cannot control market prices. Market prices are down.

Now, I am not real good in math, I will confess to that, but it does not take a rocket scientist to figure it out that if it costs 70 cents a pound to grow cotton, and the market price is 40 cents a pound, that farmer has to have some help. My farm families do not want to be welfare farmers. They do not want to be insurance farmers. But they need America to be there for them when market prices are down, just as those farm families have been there doing what they know how to do best, and that is feed America for many, many generations.

Many are worried about a recession. If this amendment passes, I believe we

will have a serious recession, not only with our farm families but many of the smaller banks located in the delta. This amendment will directly take, next year alone, $183.7 million out of the pockets of our farm families in Arkansas.

Finally, let me say this. We all want to try and represent our districts. I truly respect the gentleman from Wisconsin (Mr. KIND) for trying to represent the people of his district. I am trying to represent the people of mine so they can continue to feed America.

Mr. LUCAS of Oklahoma. Mr. Chairman, I yield such time as he may consume to the gentleman from Alabama (Mr. EVERETT).

Mr. EVERETT. Mr. Chairman, I rise in strong opposition to this really misguided amendment.

The Boehlert/Kind Amendment takes over $9 billion out of the farm program (and rural economies) in the first three years and only gradually makes available more conservation funds with heavy strings attached. This is not what farmers or rural America needs when it is currently reeling from 4 years of incredibly depressed prices.

This amendment replaces the counter-cyclical components of the farm bill which is designed to avoid costly ad hoc programs, with statutory maximum payments which decline each year to $1.6 billion in the last year. If prices fall again in the future, the farm program could not respond under this amendment leaving Congress with the choice of another farm bailout. The 2 years invested in writing a farm bill that will respond to market conditions would be wrecked.

This amendment cuts program benefits to real farmers. They say their cut comes from the top 10% of recipients in each region of the country, but that top 10% consists of 100% producers.

In closing, this amendment pits farmer against farmer. In the most ludicrous, but very real case, a farmer with 400 acres would have their payment cut by 66%. But the producer with 399 acres would receive every bit of their payment. Remember, this is the farm bill, not the environmental bill.

Mr. BOEHLERT. Mr. Chairman, I yield 2 minutes to the gentlewoman from Connecticut (Mrs. JOHNSON), whose State will be one of the many beneficiaries of all 50 States under the conservation amendment offered by the gentleman from Wisconsin (Mr. KIND), the gentleman from Maryland (Mr. GILCHREST), the gentleman from Michigan (Mr. DINGELL), and me.

Mrs. JOHNSON of Connecticut. If I were not such a civilized soul, I would have objected to this agreement. I have been in and out of this Chamber all afternoon waiting a chance to speak and I have 5 minutes' worth to say. Now I have my 2 minutes to say it in.

I just want all of my colleagues to know that the Committee on Agriculture did not hold a single hearing in New England; that its membership does not include any of us; that my friend, the gentleman from Kansas (Mr. MORAN), could have made exactly the speech he made word for word and had the final sentence say, and that is why I support the amendment.

□ 1600

Mr. Chairman, my colleagues do not understand. Members want a farm subsidy program for their farmers. Members want it to be countercyclical. The compact is countercyclical, and it does control production, and get Members will not even give us a chance to do for our farmers what they so desperately want to do for their farmers.

My colleagues increase the conservation money. I am glad this bill does that, but it will take $60 million of EQIP money to help my farmers, just the ones that have projects lined up, because we are the first State that is going to comply with those AFO/CAFO regulations that were put into place in this House to address nonpoint source pollution. It has to be done but it's very costly.

Though my small farmers have no margin. It will cost a million dollars a farm for the ten biggest farms in Connecticut and sizable dollars for every farm. Where are they going to get it? So increasing the funding for EQIP, I appreciate that, but it is not enough for even Connecticut. Doubling the money for WHIP from $25 million to $50 million helps but currently 12 of our landowners are served. There are 46 applicants unserved right now.

My colleagues have got to pay more attention to New England and parts of the country where we have small farms where people are spending full time farming. These are not hobby operations. These are farmers who want their kids to take over their farms.

And they are creative entrepreneurs. For example, we have the most progressive manure management program in the Nation, and the agricultural research funds will not allow us any money because it is an integrated system, and all of our research monies are in silos. Old-fashioned.

Mr. Chairman, it pains me as a Republican that my party cannot even hear New England farmers. I am going to support this amendment because it is the only way I can help the people who depend on land for their living.

Mr. KIND. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. FARR).

Mr. FARR of California. Mr. Chairman, I rise in strong support of this amendment. It seems what the gentleman from Texas (Mr. COMBEST) and the gentleman from Texas (Mr. STENHOLM) have done is bring our entire House together. Everybody today is in support of agriculture, and I say hallelujah. But do not think for a moment that one bill addresses all of the agriculture in the country. I happen to represent the most productive agricultural county in the United States. This bill does little to help it.

Monterey County grows 85 crops. No other county in the United States grows 85 crops, and it is a $3 billion industry. What is the one thing they need? It is to preserve the land. All of this debate has been on the side of let us preserve the commodity bank account versus preserve the land. We are not going to have any agriculture without land.

Mr. Chairman, let us support this amendment. I used to be an authorizer, and I am an appropriator now. Guess what the appropriators lack? It is authorization to put the money where people want it. This amendment raises that authorization. It allows the appropriators to meet the demand we are talking about to help preserve Ag land.

In California alone, we have farmers who are offering to sell their development rights so that the land will not be urbanized, so it will not be lost to agriculture. That queue is $47 million today. The bill only authorizes $50 million. Just California could use that entire authorization in our one State.

If my colleagues look at it nationally, farmers on the urban fringe face a $280 million backlog. Even the amendment will not bring us up to the level of demand. If Members want to preserve agriculture, preserve the land that agriculture is grown on, support this amendment.

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

Mr. LUCAS of Oklahoma. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota (Mr. KENNEDY).

Mr. KENNEDY of Minnesota. Mr. Chairman, I appreciate my colleague's compliment in calling Members like me a farmer because I have 60 acres and happen to live on the farm. But if Members look at the book that the USDA put out on food and agriculture policy, they note that this farmer group that we have been hearing the proponents of the Kind amendment talk about, represent that 62 percent of the farmers are rural residential farmers that, quote, ''view farming as an investment opportunity and a way to enjoy rural amenities'' they describe that they have little dependence on the farm economy for their income, and that they typically have incomes comparable to those of nonfarm households.

These are the farmers that we are supposedly neglecting in this amendment. We have to focus on the farm bill in the farm bill. I am pleased with the way the gentleman from Texas (Mr. COMBEST) and the gentleman from Texas (Mr. STENHOLM) have come up with a bill that addresses the needs of farmers.

We have a better safety net for our farmers. There is an 80 percent increase in conservation funding. I am an ardent supporter of conservation programs and have worked on behalf of conservation; and absent the constraints that budgets or public policy

would allow, this would be a good amendment. But in this amendment we are pitting farmer against conservationist, and that is not the way to do it.

We already have a significant increase in the programs that will allow the backlog that has been talked about to be taken care of. I, like many in my district, understand the importance of a strong agricultural economy. We need to have a balanced approach. This bill is a balanced approach.

This amendment would gut the farm program. It would make us have to go back to supplemental assistance every year and be damaging to the budget. We need to create a bill that is based on the consensus that has been developed over the last 2 years. Let us remember to keep farmers in the farm bill. Do not vote for this amendment. Vote for farmers and oppose the Kind amendment.

Mr. BOEHLERT. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona (Mr. KOLBE).

Mr. KOLBE. Mr. Chairman, I rise in support of the Boehlert-Kind amendment, but also to express my concern about the underlying bill.

I was here on the floor in 1995 when we adopted the Freedom to Farm Act, and I thought it was a step in the right direction. This bill codifies a direction that we should not be going. The payments in here are for countercyclical commodity farmers, but it is $40 billion over 10 years. It goes a long way to reducing the farmer's market risk, and encourages farmers to grow without regard to market forces.

What I am concerned about and want to express my concern about is what it does fundamentally to put us at risk with our international trade policy.

It is a clear step backwards for U.S. trade when it comes to agriculture. It would increase farmer dependency on Uncle Sam; thus, it sends a signal to U.S. trading partners and developing worlds that we are not serious about our success in another round of global trade negotiations where we are arguing that we should get access to their markets with our commodities.

The new language that would give authority to the Secretary of Agriculture to shift spending if U.S. subsidy commitments are exceeded, that is only an effort to abdicate political responsibility for what ought to be good policy in the first place.

I think the Boehlert-Kind amendment at least moves us from spending more in what is called the ''amber box'' programs, those are programs that are trade distorting, to programs that are considered nontrade distorting, or ''the green box.'' It moves spending from those trade distorting programs into the conservation programs, and they are considered nondistorting; and, therefore, consistent with the trade agreements the Congress and the President have approved.

In the development of farm policy, we have to lead by example. Passing this amendment will help remedy components of a fundamentally flawed bill, but we should recognize that it does not completely reverse the direction in U.S. trade policy that this legislation would have us take.

I find some reassurance in the President's statement of administration policy. The Congress and the President should have the ability to help U.S. farmers, and I support the amendment and have expressed my concerns about the underlying bill.

Mr. STENHOLM. Mr. Chairman, I yield 3 minutes to the gentleman from Idaho (Mr. SIMPSON).

Mr. SIMPSON. Mr. Chairman, they say a picture is worth a thousand words. We have talked a lot about this farm bill and how much it increases conservation programs.

This was the 1996 farm bill. This was seen by many, and stated by many of the environmental groups today supporting this amendment, as the greenest farm bill that had ever been written. That was 1996.

Look what we do with conservation programs in this bill. They are increased substantially. If Members look at the individual programs and how much they go up compared to nonpassage of this bill, it is a substantial increase in environmental programs.

Ducks Unlimited have said they do not support this bill because it does not do enough to preserve wetlands. Look at what has happened in wetlands over previous years. This is how much we were losing from 1954 to 1974. Today it is down to this. Look how much of it is lost because of agriculture, the top part, and how much is lost in urban areas. It is primarily the urban areas.

This amendment has problems that are unintended. When you idle farmland, it not only affects the farmer, it affects every community that depends on that farm. This year, in Idaho we idled 150,000 acres due to a power buyback because of the energy crisis. I can tell my colleagues that businesses in every small community that depend on agriculture have seen their businesses decline. Some of them by as much as 50 percent, and that is exactly what will happen when we take land out and set it aside and do not produce on it.

We need to make sure that those businesses stay in business and that they are doing the job that they can for their communities.

Some people are concerned about the fiscal impact of this legislation. Our hope is that farmers do not have to rely on government for payments, that commodity prices cover the cost of raising their crops. And if commodity prices go up, we will spend less under the underlying bill than we have said it will cost.

But with the Kind amendment when Congress puts that money into the environmental programs, it will be spent regardless of what the commodity prices are. That money will be spent, and it will go on forever because once we start those programs, we are never going to stop them, once we increase that acreage as much as my colleagues want to.

We all are concerned about the environment. We are doing in this bill a great deal to improve the environment. Much has been said today about the statement of administration policy or SAP, as it is appropriately called. I want to say this bluntly. I am sorry I have to say it, but we are right and they are wrong.

Mr. Chairman, I hope that once the administration has an opportunity to study this bill and to study farm policy the way that this Committee on Agriculture has for the last 2.5 years and how we can improve the environment and how we can improve the commodity prices for our producers, they will come on board with our bill and see that it accomplishes the goals that they have set forward. I urge my colleagues to defeat the Kind amendment and pass the underlying bill.

Mr. KIND. Mr. Chairman, I yield 2 minutes to the gentleman from Washington (Mr. INSLEE).

Mr. INSLEE. Mr. Chairman, family farmers are hard working and disciplined; but I want to point out that there are some other groups of people who provide us nourishment, and one is the family fisherman and fisherwoman.

I know a guy named Rudy who used to run a boat called the Shirley Anne when there were abundant salmon stocks in the State of Washington. His family does not fish any more because the salmon are gone, destroyed, caput, because we have silted up the rivers and destroyed a great natural resource.

What this amendment will do and why I am supporting it in part is it will expand the number of farmers and crops who can use this money to help other people who provide food, namely fishermen and fisherwomen. I do not think that is too much to ask.

We are taking only 3 percent of the people who benefit from this, and we are spreading it around to every farmer in the country and saying if they want to help, they are going to have this money simply for conservation.

Let me point out also, this is not a question of taking money away from farmers. It is only a question of what they will do in return for the money. All this amendment suggests is instead of asking them to grow corn, help us grow some fish because it is not corn that is on the Endangered Species Act, it is fish. We are asking farmers who want to help to be allowed to help in that regard.

I want to quote the President of the United States, who has been doing a good job for us lately. His administration policy statement says, ''While

overall farm income is strengthened, there is no question that some of our Nation's producers are in serious financial straits, especially smaller farmers and ranchers. Rather than address these unmet needs, H.R. 2646 would continue to direct the greatest share of resources to those least in need of government assistance. Nearly half of all recent government payments have gone to the largest 8 percent of farms, usually very large producers, while more than half of all U.S. farmers share in only 13 percent of the payments.''

Mr. Chairman, H.R. 2646 would only increase this disparity.

Mr. LUCAS of Oklahoma. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri (Mr. GRAVES).

□ 1615

Mr. GRAVES. Mr. Chairman, I rise today in strong opposition to this amendment. This amendment is not in the best interests of farmers and ranchers in the State of Missouri nor anywhere else in the Nation.

This amendment diverts money out of the hands of working farmers. Throughout this debate, I have heard my colleagues discuss the current farm crisis, the low commodity prices, the struggling family farm operations. I know all too well just how hard it is to stay in production agriculture today. I am a farmer.

I want to remind my colleagues that the legislation we are debating today will guide the agriculture industry for the next 10 years. I believe that farmers in my district would agree that the base bill is a very good bill. It provides the stability that producers need to stay in business while dramatically increasing funding for conservation incentive programs. This amendment that we are talking about disrupts the balance that that base bill tries to strike.

This amendment diverts $15 billion from the farm safety net, hitting those farmers who are hurting the worst the hardest. Furthermore, this diversion of funds from the financial safeguard would be used to expand Federal control and ownership of private lands. Mr. Chairman, this amendment takes lands permanently out of production by devoting billions of dollars to land retirement. This amendment retires productive farmland. Taking land out of production does not ensure the continuation of a safe, affordable, domestic source of food and fiber for our country. In this time of international uncertainty, we do not want to tie the hands of the world's most productive farmers.

I urge my colleagues to defeat this amendment.

Mr. BOEHLERT. Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from Delaware (Mr. CASTLE).

Mr. CASTLE. Mr. Chairman, I rise also in strong support of this amendment. The underlying bill fails to provide adequate help to small farmers and once again disproportionately benefits the larger commodity producing farms.

The fact of the matter is that this bill does not truly reform the current failures of our Nation's farm policy. I agree with the Bush administration's statement of administration policy on the bill which states, ''The Nation's farm sector has changed significantly due to new technologies, globalization, and environmental concerns, and this bill does not reflect those changes.''

The Kind-Gilchrest-Boehlert amendment will help balance this bill's lopsided payment structure by making more conservation funds available to small family farmers. Due to the dramatic increase in commodity payments, only 5 percent of the USDA's funding has gone towards conservation programs. Rural housing programs have also been squeezed.

Numerous Delaware farmers and growers who do not grow commodity crops have applied for conservation funding to improve our State's water quality, contain nutrient pollution, combat sprawl and assist in wildlife protection. Unfortunately, applicants are being turned away left and right because of a lack of funding for vital conservation programs. Delaware has an almost $10 million backlog in conservation assistance applications. Federal conservation programs have greatly assisted Delaware in its longtime efforts to conserve farmland, protect the environment and improve water quality.

I believe that the bill also will not solve the long-term problem. Due to large agriculture subsidies abroad, particularly Europe, some level of American subsidies for farmers is required. Indeed, even if this amendment passes today, Mr. Chairman, the Nation's commodity farmers who benefit the most from our government subsidies will still receive an 11 percent increase in their annual payments.

I want to highlight a quote from the administration's statement of policy which states, ''H.R. 2646 would depart from this pro-trade direction by significantly increasing domestic subsidies to levels that would undermine our negotiating position in the next round of World Trade Organization negotiations. This bill would likely induce other countries to raise barriers to our products.''

I will not support a bill that harms our ability to open foreign markets to U.S. products. I encourage everyone here to support the amendment.

Mr. STENHOLM. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. POMBO).

Mr. POMBO. I thank the gentleman for yielding time.

Mr. Chairman, I think we have to be honest with ourselves. The reason that we have a Federal agriculture policy at all is to provide a dependable, abundant supply of cheap food for the American people. That is why we do this.

I think that if you look at this amendment and what the impact of the underlying policy goal of Federal ag policy, what the impact would be on that, you have to go to the very source. They take millions of acres of land out of production. Now, some people may like that. Some people may not. But the truth is, is that it puts us in the position of providing less food and fiber for the consumption of the American people, because you are taking millions of acres of land out of production.

I heard earlier in the debate somebody said that we want to give more money to our family farmers, that we want more money for them. And somehow, in the twisted logic, they think that putting them out of business gets more money to them. It does not work that way. We also heard on the debate on dairy earlier about how much people cared about their small dairy farmers. What do you think your small dairy farmers are going to think when their grain prices double or triple or more, because the guys who were producing their grain now put their land in CRP or put their land in wetlands reserve or put their land in one of these biological corridor things that you guys are cooking up in this?

The impact on the dairy farmers is going to be immense. Now, you want to take care of that. You put rotational grazing in there. Just on the back of an envelope trying to figure this out, I figure it is going to take 200 to 300 million acres of land in this country to do rotational grazing with the current dairy stock that we have; 200 to 300 million acres. But we are not going to have that because we are taking it out of production.

Mr. KIND. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey (Mr. Payne).

Mr. PAYNE. Mr. Chairman, I am in full support of the Boehlert-Kind-Gilchrest-Dingell amendment. This amendment will increase funding for conservation programs and give farmers and ranchers the ability to solve water quality problems, to improve the health of the land and to protect wildlife. Conservation programs preserve land by encouraging farmers not to farm on highly erodible lands, provide assistance in controlling polluted water runoff and encourages preservation of wetlands.

This amendment successfully addresses the concerns of 70 percent of all farmers who produce at least 80 percent of all agricultural products by increasing conservation programs accessible to all kinds of farming.

This amendment does not take money away from the agriculture community. It will simply shift $1.9 billion a year away from commodity programs

to conservation programs, which will subsequently reach more regions of the country.

This amendment also extends the wetlands reserve program. This program continues to be popular in my area of the country in New Jersey, and I am equally pleased to acknowledge the benefits that this amendment will provide to States along the Mississippi River as well as the West and in Florida. I would even like to see us go further, but I will ask that we fully support this amendment and urge my colleagues to vote for it.

Mr. BOEHLERT. Mr. Chairman, I yield 30 seconds to the gentleman from New Hampshire (Mr. BASS).

Mr. BASS. Mr. Chairman, I rise in support of the amendment. A lot has been made about the fact that this amendment would take land out of production. Unfortunately, it is a reality in my State of New Hampshire that farms are really not economic. I would only draw to your attention a farm like Sunny Crest Farm in Concord, New Hampshire, which has benefited from the farmland protection program and can now produce apples for the foreseeable future instead of houses. These programs are critical to the maintenance of a very sad farming situation in the Northeast. I hope that the Congress will adopt this important amendment.

Mr. LUCAS of Oklahoma. Mr. Chairman, I yield 2 minutes to the gentleman from Washington (Mr. NETHERCUTT).

Mr. NETHERCUTT. Mr. Chairman, I rise in opposition to the Kind amendment and want to comment about the comments that have been made regarding trade distortion that would come out of this farm bill, the underlying farm bill, that I think has been crafted so well by the gentleman from Texas (Mr. COMBEST) and the gentleman from Texas (Mr. STENHOLM) and the Committee on Agriculture.

One of the problems with the freedom to farm implementation has not been the freedom to farm concept, but the implementation of it. The Congress has failed until just last year to open markets to our farmers so they could have markets around the world that they could compete in. And so it is improper to say that this is somehow trade distorting, when in fact, farmers have been begging over the years to have access to markets that have been closed to them and that food has been used as a weapon in foreign policy.

What we need certainly is trade promotion authority for this President to go negotiate our agreements with other countries to lower their tariff barriers so that we can have access to their markets, our farmers can.

This amendment, with all due respect to the sponsors and the supporters, would take land out of production. And when it takes land out of production, we jeopardize the food safety and security of our country. If you do not have farmers farming, you are not going to have food produced domestically which we may need in years ahead just as we need it today.

It also has a negative impact. As you put money and land into conservation programs, like CRP and wetlands reserve, you take it out of production. The production agriculture does not then help rural communities, such as the implement store or the seed guy or the food store in rural communities. We are seeing our rural communities in jeopardy around this country. So production agriculture is promoted and assisted in the underlying bill. That is why we must support this bill and reject the amendment.

Mr. KIND. Mr. Chairman, I yield 1 minute to the gentleman from Washington (Mr. LARSEN), another distinguished member of the Committee on Agriculture.

Mr. LARSEN of Washington. Mr. Chairman, I rise today in support of this amendment. There are three issues that are really driving my support for this amendment. One is the ag economy in my district is in as much desperation as any other district in this country. Second, one of the issues affecting my farmers is suburban encroachment. They need help to continue farming. The third is the listing on the Endangered Species Act of the Puget Sound Chinook salmon, which is wreaking havoc for my family farms.

Having a strong conservation title is important. When I went around my district in April, my farmers asked for three things in a farm bill, a strong trade title, strong research and a strong conservation title. I have learned a lot from the farmers in my district. I have also learned a lot from two people on the committee, the chairman and the ranking member. I want to thank them for the hard work that they have put in to getting the farm bill as far as it has gone. But for my farmers in my district, having a strong conservation title is critically important, which is why I stand today in support of the Kind amendment.

Mr. LUCAS of Oklahoma. Mr. Chairman, I yield 2 minutes to the gentleman from Florida (Mr. PUTNAM).

Mr. PUTNAM. I thank the gentleman for yielding me this time.

Mr. Chairman, I represent an area that should be the target population for this amendment, a State that does not benefit from the traditional commodities programs, a State that has a tremendous agricultural base, a lot of family farms. But contrary to what the propaganda has been that has been put out there, this bill gives the perception that the money is going to States like Florida, like fruit and vegetable producing States that do not have the grains, but it takes it away with these size limitations.

Forty percent of the dairy farms in Florida would not qualify for any of the benefits placed under the Kind amendment. Ninety percent of the poultry farms would not qualify as put out by our Commissioner of Agriculture in a letter to the delegation this morning.

It is time for some of those environmental groups and sportsmen's groups to pull off the interstate, step out of the Range Rover, get your feet dirty and see what farmers need. Farmers need the ability to continue to produce food and fiber for this Nation. Farmers need the ability to stay in business, with working lands, with productive lands, with assistance to do what they want to do, to raise crops, to grow livestock, not to raise government payments, not to harvest checks from the mailbox, not to be a part of an environmental movement.

If the farm organizations were going to benefit from this program, then how come none of them support this amendment? Do not scratch our ear and walk us to the kill floor. This amendment is bad for farmers. It is bad for agriculture. It is time that we step back and support the original bill that bumps up conservation support, encourages good stewardship of the land and reinforces private property rights and entrepreneurial spirit in the United States and in the agricultural economy.

Mr. BOEHLERT. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Maryland (Mrs. MORELLA).

Mrs. MORELLA. Mr. Chairman, I rise in strong support of the Boehlert-Kind-Gilchrest-Dingell amendment that will strengthen our existing conservation programs. The amendment embodies many of the important provisions that encourage all agricultural developers to participate in Federal conservation programs. It will help farmers and ranchers improve water quality, protect farmland from urban sprawl, preserve critical wildlife habitat, as well as provide farmers with technical assistance to implement such conservation measures.

□ 1630

The amendment also provides additional funding for small farmers and ranchers to participate in conservation programs. They have in the past been deterred from participating in those programs because of funding shortages.

The amendment provides $1.9 billion above the current amount included in H.R. 2646 for conservation programs. This additional funding for maintaining and expanding the programs does not increase the cost of the farm bill. The amendment simply shifts funds from commodity programs to conservation programs that reach more farmers in more areas of the country. In addition, the amendment does not reduce the amount of funding commodity programs receive. These programs would

still receive funding above the average level of the last 10 years.

Maryland conservation efforts will benefit from this increased conservation funding, as will those from other States. The funding for the Conservation Reserve Program, especially for grass and tree buffers near water bodies, would help reduce agricultural pollutants in many Maryland watersheds. In addition, suburban sprawl is swallowing many parts of Maryland. Without some farmland and protection money to pay farmers for the development rights, even more farmland would be lost.

Mr. Chairman, I certainly urge all Members to vote in favor of this amendment.

The CHAIRMAN pro tempore (Mr. HANSEN). The Chair would announce that the gentleman from Wisconsin (Mr. KIND) has 3½ minutes remaining and will be first to close; the gentleman from Texas (Mr. STENHOLM) has 2 minutes remaining and will be second to close; the gentleman from New York (Mr. BOEHLERT) has 2 minutes remaining and will be third to close; and the gentleman from Texas (Mr. COMBEST) or the gentleman from Oklahoma (Mr. LUCAS), as the case may be, has 2 minutes remaining and will close.

Mr. KIND. Mr. Chairman, I yield 2 minutes to my good friend, the gentleman from Michigan (Mr. BONIOR), the distinguished minority whip.

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

Mr. Chairman, I was on a hike one day in the northern part of my district, crossing it with my wife, and we ran across this farmer who was working in his fields. He came out to greet us. He had an orange that he took out of his knapsack and started to peel it and stopped, and he held it in his hand and he said to me, ''Look at this.'' I looked. And he said, ''See my thumbnail around this orange?'' I said ''Yes.'' He said, ''That is what we have left of prime agricultural land on the planet Earth.''

We are losing 68 square miles of prime agricultural land in the State of Michigan every year. That is comparable to the size of two townships.

Our current backlog request for conservation measures is $45 million. Approximately 88,000 square miles of Great Lakes Basin are devoted to agriculture; yet we lose 63 million tons of top soil from farmland basins each year in our State.

We have got a huge problem with unchecked combined animal feeding operations in the southwest part of our State, raising serious environmental problems. If you do not believe that, ask the people in Milwaukee, Wisconsin, where 104 people died of cryptosporidium that was thought to be caused by animal waste.

Above all, we need to remember that our farmers play a crucial role in preserving our environment, and we should never forget that they are truly the stewards of our land. This amendment does that. It takes care of our land.

The amendment will provide a 63 percent increase in conservation dollars for Michigan farmers. It will increase funding for farmland protection programs so that family farmers can stay in business, despite threats of sprawl and over development.

Finally, and perhaps most importantly, it makes a long-term investment in the rural heritage of our country.

I urge my colleagues to support the Kind amendment.

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

Mr. Chairman, first of all I want to thank the chairman and ranking member and my other colleagues on the Committee on Agriculture for the obvious hard work all of us have put in in trying to craft the next farm bill. This is not easy stuff.

I want to commend my colleagues for the spirited debate we had on the floor today. This is what democracy is all about. It is being able to raise varying issues, have a discussion about them, and then ultimately a vote. But, again, let me just emphasize a couple of key points in this.

The current commodity subsidy recipients now are going to be getting double the amount of subsidy payments, even under our own amendment under this new farm bill, so it is not like they are going to be experiencing a net loss or we are taking something away. We are only saying that perhaps a little bit of the huge increase that they are going to be getting could be shifted into these voluntary conservation programs so all farmers in all regions will be able to benefit.

There are some who have claimed that we need to send the money to those who are producing the food in the country. I agree. But let us also remember, 70 percent of the farmers in this country are not receiving any commodity subsidies at all; yet those 70 percent of farmers are producing 80 percent of the food market value in this country. I think the time has come to include them into the farm bill and the benefits of the farm bill in a fair and more equitable fashion with the societal benefits that our amendment would also bring.

Mr. Chairman, I urge my colleagues to support our amendment.

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

Mr. Chairman, it is not by accident that this Nation has the most abundant food supply, the best quality of food, the safest food supply, at the lowest cost to our people of any country in the world. It is because our agricultural policy has been balanced.

This bill today is more than just commodities and conservation. It is also forestry, trade, research, nutrition, rural development, and credit.

The Committee on Agriculture had a difficult time. We had to fit it within a $73.5 billion budget. Therefore, we had to make tough choices, and that is what we did.

To those who support the amendment today, who I most ardently oppose, let me point out to our colleagues, we are spending on the same programs; it is just the amount of money that you are wanting to spend.

The backlog that everybody has talked about, 561,000 acres in the wetlands reserve, we provide in our $1.5 billion, three times the backlog. In the environmental quality program that the gentlewoman from Connecticut (Mrs. JOHNSON) spoke about a moment ago, we put $800 million more into it than the amendment. In the wildlife habitat, 3,017 applicants for $19 million, we put $385 million. Farmland protection, the backlog, $281 million, we put $500 million.

We meet the needs of the environmental community. This is the greenest farm bill that has ever passed this Congress, and I support it enthusiastically. I oppose the amendment. The amendment will do drastic harm to all of the causes that those who support the amendment profess to believe that they will help.

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

Mr. Chairman, the bipartisan and geographically dispersed sponsors of my amendment and the administration looked at the base bill and drew the same conclusions.

Let me read from the statement of administration policy: ''The administration believes it is possible to craft a policy that is better for rural America, better for the environment and better for expanding markets for our producers than H.R. 2646.'' We agree. That is why we have sponsored this amendment.

The administration says: ''H.R. 2646 misses the opportunity to modernize the Nation's farm programs through market-oriented tools, innovative environmental programs, including extending benefits to working lands and aid programs that are consistent with our trade agenda.'' We agree. That is why we sponsored this amendment.

The administration notes that the base bill fails to help farmers most in need, those in serious financial straits, especially smaller farmers and ranchers. We agree. That is why we support this amendment.

The administration observes that nearly half of all recent government payments have gone to the largest 8 percent of farms, usually very large producers, while more than half of all U.S. farmers share in only 13 percent of the payments. H.R. 2646 would only increase this disparity. We agree. That is why we support this amendment.

The farmers who do not receive commodity payments, 70 percent of all farmers produce 80 percent of the value of all agricultural products. If you want to help farmers, if you want clean water, if you want open space, vote for our amendment.

Let me observe, we have heard all day that the bill already increases conservation funding, and it does. But it puts that increase almost exclusively in one program, then it changes the rules to target the program to the largest farmers in the fewest number of States.

I say vote for the Boehlert-Gilchrest-Kind-Dingell amendment. Support America's farmers. Take care of the little guy. I urge passage of the amendment.

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

First of all, I would like to take note that the administration does not endorse this amendment. Nowhere do I see the administration endorsing the Kind amendment. Furthermore, when the question comes to the big picture of agriculture, perhaps some of the bureaucrats within the administration do not fully appreciate everything that we see going on. So they may be wrong in their general statement about it.

But let us remember this: we have passed comprehensive farm bills since 1933, and the goal of every farm bill is ultimately to provide a safe supply of food and fiber to dress and feed this great Nation. And we have succeeded so well; we have never known a famine in this country in the history of Federal farm policy. That is nothing short of incredible.

Now, the question about backlogs and the needs out there for conservation, we had hearings at full committee, we had hearings at subcommittee. We listened to 23 groups. We listened to everybody who had an interest in this issue, and we addressed every one of their needs.

In the first year of funding in this bill, whether it is EQIP or farmland or every other provision of conservation, we address the needs. We wipe out the backlog, and we go farther. We go farther; $37 billion to be spent on conservation over the next 10 years. It is amazing.

If you had said 10 years ago we could do that, people would have thought you were crazed. If you said 30 years ago we could do that, they would have even been even more amazed.

We have risen to the occasion on the committee, we have addressed all of the needs out there, and we have done it within the resource allocation given to us by the Committee on the Budget.

Yes, we still take care of production agriculture. You will still be able to eat; you will still be able to dress in this country, thanks to the American farmer and rancher. We owe them this.

And, oh, yes, do not forget those conservation programs are cost-share, so when that farmer and rancher is doing things to preserve the soil and water, the wildlife, he is putting down a big chunk of his or her own money. There is nothing free about this.

American farmers and ranchers are the ultimate stewards of the soil, of water, of the wildlife, of the environment, the ultimate stewards; and in this bill we help them become even better stewards, using their resources and some Federal resources together.

Mr. Chairman, let us defeat this amendment, let us pass this bill, let us get on with the agenda of the future of production of agriculture and the environment in this country, and start our hearings on the next bill.

Mrs. KELLY. Mr. Chairman, I rise in strong support of the amendment offered by my colleague from New York, Mr. BOEHLERT.

I rise in support of the amendment offered by my colleague from New York, Mr. BOEHLERT.

This proposal significantly increases the investment in an array of important programs which are critical to conservation efforts in my state of New York and in other states across the country: the EQIP program, the Farmland Protection Program, the Wetlands Reserve Program, the Conservation Reserve Program, and the Wildlife Habitat Incentives Program.

This amendment will help us reach more farmers in more parts of the country. And will assist these farmers in their efforts to protect and restore the health of their land and the livability of their communities.

So I thank my colleagues—Mr. BOEHLERT, Mr. KIND, Mr. GILCHREST, and Mr. DINGELL—for their work on this proposal, and offer my strong support for this amendment.

Ms. KAPTUR. Mr. Chairman, I rise in support to the Boehlert-Kind-Gilchrest-Dingell amendment. It puts added emphasis on conservation programs, and offers more resources based on conservation to all farmers, rather than a limited group.

There is nothing more precious than our land. Without it, we cannot sustain life. Without appropriate measures of assistance, too many producers of row crops, as well as fruits, vegetables and livestock—all find themselves without the ability to undertake the full degree of conservation practices necessary.

At the same time, one of the most significant issues facing our communities is urban sprawl. Across the Nation more than 90 million acres of farmland are threatened by sprawl, and we lose more than 2 million acres every year to development. Unplanned and inefficient development is consuming land at twice the rate of population growth. The Boehlert-Kind-Gilchrest-Dingell amendment provides funding for conservation programs that can help alleviate the consumption of valuable, productive agricultural lands. While putting greater emphasis on conservation.

Why should funding be increased for conservation programs that protect farmland from development?

Sprawl cost taxpayers more dollars for new infrastructure. Farmland or open space generates only 38 cents in costs for each dollar in taxes paid, whereas residential development requires $1.24 in public expenditures for every dollar it generates in tax revenues.

Farms located near urban centers serve as the primary source of fresh, locally grown food. Seventy-nine percent of our fruit, sixty-nine percent of our vegetables, and fifty-two percent of our dairy goods are produced on high quality farmland that is threatened by urban growth. One-third of America's agricultural production occurs on farms near cities. America cannot afford to squander this resource.

Cities and towns can save billions of dollars in municipal water treatment costs. Protecting wetlands and streams prevents costs of water treatment systems downstream.

We know that there is great concern on the part of the Agriculture Committee about the offsets provided by this amendment. The sponsors of the amendment have attempted to target these reductions in a fashion to minimize the impact on over 90 percent of all producers receiving payments.

But keep certain facts in mind. First, even though the last Farm Bill was for seven years, it did not go untouched during its life. If anyone of us here today truly believes that this is the last time we will visit the farm bill until 2011, you have far greater faith than I. There always remains room for improvement.

Second, the emergency programs that we have seen in recent years did not treat producers fairly. Many growers in my district told me how unfair they thought they were, and this included some of the growers receiving the benefits. Even though the bill before us today suggest that it will avoid the problems of emergency bills, it still fails to correct many of the imbalances that exist in the current program, and it fails to provide a broad range safety net for other producers. Where is the Freedom to Farm in protection for some commodities but not for others?

We are at a stage where we need a broad recasting of our farm policy. We need programs that promote conservation. We need to provide support for alternative products like biofuels. We need new thinking, higher value added not old hat solutions.

I urge a "yes" vote on the Boehlert-Kind-Gilchrest-Dingell amendment.

Ms. LEE. Mr. Chairman, I rise in strong support of the Boehlert-Kind-Gilchrest-Dingell amendment.

This amendment to the farm bill will help farmers help the environment by providing funding for vitally important conservation efforts. These include: the Conservation Reserve Programs; restoration of 250,000 acres of wetlands; increased funding for Wildlife Habitat Incentives Program; and the creation of a 3-million-acre grassland reserve.

According to the Kansas City Star and in a recent poll, 75 percent of Americans want conservation to be included in any farm package established by the U.S. Government.

The farm bill, in its current form, excludes equitable relief for 60 percent of farmers. These farmers currently do not receive any benefits from the traditional commodity support programs. This amendment redistributes money more widely and equitable to producers and also improves the environment.

This bill would also save billions of dollars in municipal water treatment costs and would reduce erosion and sediment in the water by

providing natural buffers along rivers and streams.

In the past, the U.S. Department of Agriculture opposed small farmers', ranchers', and forest landowners' requests for assistance in order to restore lost habitat. Also, according to the Bush administration, payments have gone to the largest 8 percent of farms, while more than half of all U.S. farmers share only 13 percent of the payments.

As we establish a legislative framework to assist with land cultivation, we must also invest in sound environmental policies and practices.

The Boehlert-Kind-Gilchrest-Dingell amendment is supported by numerous organizations including: the League of Conservation Voters, the Water Environment Federation, the National Association of Water Companies, the U.S. Conference of Mayors, Ducks Unlimited, Trout Unlimited, the Izaak Walton League, and Defenders of the Wildlife.

I urge my colleagues to join me in voting "yes" for the Boehlert-Kind-Gilchrest-Dingell amendment.

Mr. MCINTYRE. Mr. Chairman, I would like to take this opportunity to thank the gentlemen from Texas, Chairman COMBEST and CHARLIE STENHOLM, not only their hard work in crafting this farm bill, but also for the way in which they worked with members from all areas of the country to make sure we had the best bill that could have been drafted under the tough circumstances we faced.

This bill will go a long way to help many of the producers that I represent in southeastern North Carolina, and believe me: the timing could not have come sooner. The agriculture sector is struggling in America, and farmers need our help. This bill provides an additional $73.5 billion for agriculture and our rural communities during a time they need it most.

However, I would like to mention one area that could have used additional funding. For the past 6 years, peanut producers have been operating under a price support system that guaranteed $610 per ton of peanuts. During this time, the farmers' input costs, such as fuel and fertilizer, have also steadily increased, squeezing already thin profit margins. This bill changes the current program, and I fear North Carolina peanut producers will earn even less, only exacerbating farm sales in my area. Therefore, as this bill moves forward, I hope additional funds will be found for peanut producers.

Nonetheless, Mr. Chairman, this is a good bill overall; I urge my colleagues to support it.

Mr. UDALL of Colorado. Mr. Chairman, I support this bipartisan amendment because it will help farmers and ranchers to be even better stewards of their lands.

Farmers provide the backbone of America by putting food on our tables. But agriculture is a hard business.

Food prices fluctuate for a number of reasons, which in turn can affect the demand and price for certain crops. Poor crop prices hit farmers were it hurts the most—the pocketbook. When a farmer is having trouble taking care of his or her own family, taking care of the land can become a less important priority.

But we can change that with this amendment, which will put a new and greater emphasis on successful conservation programs.

The Wetland Reserve Program, the Wildlife Habitat Incentives Program, Farmland and Ranchland Protection Program, and the Conservation Reserve Program are just a few of the programs that are the focus of the amendment.

These programs give incentives to farmers to restore wetlands, improve natural habitats for endangered species and hold the line against urban sprawl by preserving open space.

Farmers and ranchers want to participate in these programs. Unfortunately, many cannot. These programs have not had the resources to allow everyone who qualifies to take part. This amendment will go far to remedy that situation.

This farm bill will leave a lasting mark and provide the direction for American farm policy for the next 10 years. So, it is important that we make it as good as we can. Passing this amendment will be a big, important step in that direction.

I urge adoption of the amendment. If we do we will strengthen our family farms while making conservation an even bigger part of the foundation of our farm policy.

For the benefit of my colleagues, I would like attach an editorial that was printed in the Denver Post that helps illustrate why we need to pass this important amendment.

AID FARMERS AND ENVIRONMENT

Ever since Franklin D. Roosevelt's New Deal tried to stabilize farm prices during the Great Depression, laws passed by Congress have waged a losing fight against the laws of economics.

This year, four U.S. representatives—Sherwood Boehlert, R-N.Y.; Ron Kind, D-Wis.; Wayne Gilchrest, R-Md.; and John Dingell, D-Mich.—are trying to introduce a note of realism into U.S. farm policy by amending key parts of their Working Lands Stewardship Act, HR 2375, into the latest farm bill.

To understand why the new approach is promising requires a quick look at why the old one failed. Low farm prices are caused by an oversupply of farm commodities. Seven decades of subsidies haven't cured that problem because—by definition—subsidies encourage more production of the very commodities that are already in oversupply.

To be sure, for more than 60 years, the U.S. imposed half-hearted restrictions on production of subsidized crops. But a farmer who planted 100 acres of wheat and later received a 90-acre allotment invariably tore up his or her least productive land. Then, that supposedly ''idled'' land would be sown with millet, barley or some other unsubsidized crop—as allowed by the subsidy law—and thus go on contributing to the overall surplus of feed grains.

The 1996 Freedom to Farm Act separated subsidies from production and supposedly intended to phase out subsidies entirely in seven years. But the Asian currency collapse ruined U.S. export markets, farm prices plunged and Congress hurriedly renewed the counterproductive policy of subsidizing overproduction.

The Boehlert amendment is designed to help farmers and the environment alike by diverting $5.4 billion per year from subsidies to conservation. Instead of merely diverting acreage from one crop to another as the discredited allotment system did, the Boehlert amendment pays farmers to put more land into conservation programs, including:

The Environmental Quality Incentives program, which helps farmers and ranchers preserve watersheds.

The Wildlife Habitat Incentives Program, which helps landowners enhance wildlife habitat.

The Wetlands Reserve Program, which protects, preserves and restores wetlands on marginal soils.

The Grassland Reserve Program, which authorizes preservation of 3 million acres of fragile grasslands that should not be plowed.

The Conservation Reserve Program, a long-term cropland retirement program that enables producers to convert highly erodible or environmentally sensitive cropland to cover crops.

The environmental benefits of such programs are obvious. The benefit for the farmers who receive such payments is equally clear. But even farmers who don't participate in such programs also benefit indirectly—because taking environmentally fragile farmland out of production also reduces the surpluses that keep farm commodity prices at ruinous levels.

For nearly seven decades, Congress fought the law of supply and demand—and the law of supply and demand won. It's high time to stop subsidizing the very overproduction that causes the need for subsidies in the first place.

We urge all members of Colorado's congressional delegation to support the Boehlert amendment.

Ms. ESHOO. Mr. Chairman, as a cosponsor of the Working Lands Stewardship Act, I rise in strong support of the Boehlert-Kind-Gilchrest-Dingell amendment to H.R. 2646.

Like the Working Lands Stewardship Act, this amendment will substantially increase resources for farm conservation. American farmers are the most productive in the world and are responsible for the largest export sector in our economy. Yet our farmers are also sensitive to the environment on which they depend for their livelihoods. The competition for federal farm conservation programs proves this fact. Three of every four applications for conservation programs are turned down because of a lack of funding.

Clearly, American farmers want to be good stewards of the environment and want greater funding for conservation programs. This amendment provides these resources.

The amendment will also provide more equity to farmers who do not grow traditional commodity products, such as corn, soybeans, and wheat. In my district, farmers grow specialty crops, such as brussels sprouts, which are eligible for commodity assistance. Through this amendment, more of these farmers will be eligible for federal assistance under conservation programs.

This investment will not only benefit our farmers, it will benefit our environment, protect wildlife habitats and wetlands, and promote organic and environmentally friendly farming techniques.

I urge my colleagues to vote for the Boehlert-Kind-Gilchrest-Dingell amendment.

Mr. RAMSTAD. Mr. Chairman, I rise in strong support of the Boehlert-Kind-Gilchrest conservation amendment to H.R. 2646, the farm bill of 2001.

Based on the Working Lands Stewardship Act, this important amendment would go a long way to protect and preserve the environment through existing, voluntary, incentive-based conservation programs.

Mr. Chairman, our farm policy should reward farmers and ranchers when they meet

our Nation's environmental challenges. As we all know, two of three farmers currently seeking USDA conservation assistance are denied due to lack of funding. Unless we increase conservation funding, one-third of our rivers and lakes will remain polluted, millions of acres of open space will be lost and scores of species will become extinct.

This critical conservation amendment will improve water quality, protect against flooding and provide a safe haven for wildlife. That's why it's so important to not only rural America, but suburban and urban America as well. After all, preserving and protecting the environment is an obligation all Americans share.

The committee's bill is totally inadequate as a conservation measure because it fails to tie government farm payments to conservation practices, and the funding for conservation programs is clearly insufficient.

The amendment before us is absolutely essential to increase access to the Conservation Reserve Program (CRP), the Wetlands Reserve Program (WRP), the Grasslands Reserve Program (GRP), and the Wildlife Habitat Incentives Program (WHIP).

Let's pass the Boehlert-Kind amendment. Let's do the right thing for America's future and increase conservation of our precious natural resources.

Make no mistake about it. This vote is one of the most important environmental protection votes of the decade. I urge a ''yes'' vote for this critical conservation amendment.

Mr. KUCINICH. Mr. Chairman, as a representative of an urban district, I am proud to express my strong support for the Boehlert-Kind-Gilchrest-Dingell amendment.

My citizens in Parma, OH, a suburb of Cleveland, have been struggling for over a year to save wetlands in their city from development. A century of sprawl has left only 153 acres of wetlands there. These wetlands are part of a watershed of the Cuyahoga River, an American Heritage river that feeds into Lake Erie, and these wetlands are critical to ecological health. The citizens in my district, in their effort to set wetlands aside and restore them, need a federal solution.

The programs in the Boehlert-Kind-Gilchrest-Dingell amendment are needed now more than ever to help. These programs are critical in order to preserve urban greenspace and dedicate resources to wetland preservation before development takes over all greenspace and wetlands.

The Boehlert-Kind-Gilchrest-Dingell amendment would help protect the more than 90 million of acres of farmland that are currently threatened by sprawl by increasing funding to $100 million for FY2002 and increasing this amount through 2011. It would protect urban greenspace by boosting mandatory funding to $50 annually through 2011.

These programs are crucial to cities across America. My citizens are struggling with the problems of sprawl and lack of wetlands protection now. Small, individual communities and farmers don't have the planning strategy and resources to effectively prevent these problems. There is a need for the programs and funding in this amendment, and this need existed years ago. This amendment is overdue.

We should approve this amendment so other communities don't have to put up the same fight to save greenspace in their cities, and I urge my colleagues to vote for the Boehlert-Kind-Gilchrest-Dingell amendment

Ms. SLAUGHTER. Mr. Chairman, I rise today in support of the Boehlert-Kind-Gilchrest-Dingell amendment to H.R. 2646, the Farm Security Act of 2001. This amendment would expand Federal conservation efforts and more equitably distribute federal funds from USDA income support programs.

The Boehlert-Kind-Gilchrest-Dingell amendment would expand several conservation programs that are incredibly beneficial to farmers in my home State of New York, as well as farmers across the country. According to USDA, New York State received only 0.53 percent of the total conservation funding. We can do much better.

In fact, 34 States fare better under this amendment than under H.R. 2646. By shifting just 15 percent of the $12 billion spent annually on commodities from these programs to conservation, more farmers in more States will get assistance. Programs such as the Environmental Quality Incentives Program, Farmland Protection Program, Wetlands Reserve Program, Conservation Reserve Program, and Wildlife Habitat Incentives Program are all improved to address the needs of smaller and disadvantaged farmers more adequately.

In addition, New York farmers receive only about 0.65 percent of the total Federal crop funding. This amendment would ensure that noncommodity crop producers are eligible for a larger share of Federal farm spending, which is currently concentrated in select States.

In fact, farmers in New York, as well as those in California, Florida, North Carolina, and Pennsylvania receive only 3 cents in Federal funds for every dollar they earn, compared with the 20 cents per dollar received by farmers in the Great Plains States.

However, this measure does not destroy the safety net for commodity producers. Under the Boehlert-Kind-Gilchrest-Dingell amendment, producers—even the top 10 percent of producers—still get higher payments than the average of the past 10 years, and many times more than they were slated to receive under the last farm bill.

In fact, the Bush administration agrees that H.R. 2646 directs Federal payments to those with the least need, saying yesterday that ''there is no question that some of our Nation's producers are in serious financial straits, especially smaller farmers and ranchers. Rather than address these unmet needs, H.R. 2646 would continue to direct the greatest share of resources to those least in need of government assistance.''

Many prominent State agencies, agricultural and conservation groups have endorsed the Boehlert-Kind-Gilchrest-Dingell amendment to H.R. 2646, including the New York State Department of Agriculture, the Audubon Society, and the Wildlife Management Institute. This amendment is a step forward in our efforts to ensure the future of American agriculture and preserve our environment simultaneously. I urge my colleagues to support this important amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New York (Mr. BOEHLERT).

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

RECORDED VOTE

Mr. BOEHLERT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 200, noes 226, not voting 5, as follows:

[Roll No. 366]

AYES—200

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldacci
Baldwin
Barrett
Bass
Becerra
Berman
Biggert
Bilirakis
Blumenauer
Boehlert
Bonior
Borski
Boucher
Brady (PA)
Brown (FL)
Brown (OH)
Capito
Capps
Capuano
Cardin
Carson (IN)
Castle
Clay
Conyers
Coyne
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Doyle
Ehlers
Ehrlich
Engel
Eshoo
Farr
Fattah
Ferguson
Filner
Fossella
Frank
Frelinghuysen
Gephardt
Gilchrest
Gilman
Goss
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Harman
Hart
Hinchey
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kirk
Kleczka
Kolbe
Kucinich
LaFalce
Langevin
Lantos
Larsen (WA)
Larson (CT)
LaTourette
Lee
Lewis (GA)
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McHugh
McNulty
Meehan
Meeks (NY)
Menendez
Millender-McDonald
Miller (FL)
Miller, George
Mollohan
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Ney
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Petri
Price (NC)
Pryce (OH)
Quinn
Rahall
Ramstad
Rangel
Reynolds
Rivers
Roemer
Rohrabacher
Rothman
Roukema
Roybal-Allard
Ryan (WI)
Sanchez
Sanders
Sawyer
Saxton
Schakowsky
Schiff
Sensenbrenner
Serrano
Shaw
Shays
Sherman
Sherwood
Shuster
Simmons
Slaughter
Smith (NJ)
Smith (WA)
Solis
Stark
Strickland
Stupak
Sununu
Sweeney
Tauscher
Thompson (CA)
Tierney
Toomey
Towns
Udall (CO)
Udall (NM)
Upton
Velázquez
Walsh
Waters
Watson (CA)
Waxman
Weiner
Weldon (PA)
Wexler
Wolf
Woolsey
Wu
Wynn

NOES—226

Aderholt
Akin
Armey
Baca
Bachus
Baker
Ballenger
Barcia
Barr
Bartlett
Barton
Bentsen
Bereuter
Berkley
Berry
Bishop
Blagojevich
Blunt
Boehner
Bonilla
Bono
Boswell
Boyd
Brady (TX)
Brown (SC)
Bryant
Burr

Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Carson (OK)
Chabot
Chambliss
Clayton
Clement
Clyburn
Coble
Combest
Condit
Cooksey
Costello
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Deal
DeLay
DeMint
Diaz-Balart
Dooley
Doolittle
Dreier
Duncan
Dunn
Edwards
Emerson
English
Etheridge
Evans
Everett
Flake
Fletcher
Foley
Forbes
Ford
Frost
Gallegly
Ganske
Gekas
Gillmor
Gonzalez
Goode
Goodlatte
Gordon
Graham
Granger
Graves
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinojosa
Hobson
Horn
Hostettler
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
John
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kennedy (MN)
Kerns
Kingston
Knollenberg
LaHood
Lampson
Largent
Latham
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Lucas (KY)
Lucas (OK)
Manzullo
Matheson
McCrery
McInnis
McIntyre
McKeon
McKinney
Meek (FL)
Mica
Miller, Gary
Mink
Moore
Moran (KS)
Myrick
Nethercutt
Northup
Norwood
Nussle
Ortiz
Osborne
Ose
Otter
Oxley
Paul
Pence
Peterson (MN)
Peterson (PA)
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Putnam
Radanovich
Regula
Rehberg
Reyes
Riley
Rodriguez
Rogers (KY)
Rogers (MI)
Ros-Lehtinen
Ross
Royce
Rush
Ryun (KS)
Sabo
Sandlin
Schaffer
Schrock
Scott
Sessions
Shadegg
Shimkus
Shows
Simpson
Skeen
Skelton
Smith (MI)
Smith (TX)
Snyder
Souder
Spratt
Stearns
Stenholm
Stump
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Traficant
Turner
Vitter
Walden
Wamp
Watkins (OK)
Watt (NC)
Watts (OK)
Weldon (FL)
Weller
Whitfield
Wicker
Wilson
Young (AK)
Young (FL)

NOT VOTING—5

Burton
Collins
Gibbons
Houghton
Visclosky

□ 1706

Messrs. ROGERS of Michigan, RILEY, THOMAS, HUNTER, and RUSH, and Mrs. MEEK of Florida changed their vote from ''aye'' to ''no.''

Ms. MILLENDER-McDONALD changed her vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 8 OFFERED BY MR. BLUMENAUER

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Oregon (Mr. BLUMENAUER) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

VACATING REQUEST FOR RECORDED VOTE ON AMENDMENT NO. 8 OFFERED BY MR. BLUMENAUER

Mr. BLUMENAUER. Mr. Chairman, since my request for a recorded vote on my amendment that would have banned interstate transfer of game birds for cockfighting purposes, I have had conversations with the Chair and ranking member of the Committee.

I would like to express my appreciation for their commitment to work to keep these provisions in the bill, I would like to acknowledge it, and accordingly, I ask unanimous consent to withdraw my request for a recorded vote and ask that that be vacated, and that the question on agreeing to the amendment be put to the Chamber de novo.

The CHAIRMAN pro tempore. Without objection, the demand for a recorded vote is vacated.

There was no objection.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Oregon (Mr. BLUMENAUER).

The amendment was agreed to.

AMENDMENT NO. 16 OFFERED BY MR. CONYERS

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

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

The text of the amendment is as follows:

Amendment No. 16 offered by Mr. CONYERS:

In title V, strike section 517 and redesignate succeeding sections (and amend the table of contents) accordingly.

At the end of title IX, insert the following;

SEC. 9_____. TRANSPARENCY AND ACCOUNTABILITY FOR MINORITY AND DISADVANTAGED FARMERS.

(a) PURPOSE.—The purpose of this section is to ensure compilation and public disclosure of data critical to assessing and holding the Department of Agriculture accountable for the equitable participation of minority, limited resource, and women farmers and ranchers in programs of the Department.

(b) USE OF TARGET PARTICIPATION RATES IN ALL DEPARTMENT OF AGRICULTURE PROGRAMS FOR FARMERS AND RANCHERS.—

(1) ESTABLISHMENT.—For each county and State in the United States, the Secretary of Agriculture shall establish an annual target participation rate equal to the number of socially disadvantaged residents in the political subdivision in proportion to the total number of residents in the political subdivision. In this section, the term ''socially disadvantaged resident'' means a resident who is a member of a socially disadvantaged group (as defined in section 355(e)(1) of the Consolidated Farm and Rural Development Act).

(2) COMPARISON WITH ACTUAL PARTICIPATION RATES.—The Secretary shall compute annually the actual participation rates of socially disadvantaged and women farmers and ranchers as a percentage of the total participation of all farmers and ranchers, for each program of the Department of Agriculture in which a farmer or rancher may participate. In determining these rates, the Secretary shall consider the number of socially disadvantaged farmers and ranchers of each race or ethnicity, and the number of women participants in each county and State in proportion to the total number of participants in each program.

(c) COMPILATION OF ELECTION PARTICIPATION DATA, AND PUBLIC DISCLOSURE REQUIREMENTS FOR COUNTY COMMITTEE ELECTIONS.—Effective 90 days after the date of the enactment of this section, section 8(a)(5)(B) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 509h(a)(5)(B)) is amended by adding at the end the following:

''(v)(I) The committee shall publicly announce at least 10 days in advance the date, time, and place where ballots will be opened and counted. No ballots may be opened until such time, and anyone may observe the opening and counting of ballots.

''(II) Within 20 days after the elections, the committee shall compile and report to the State and national offices the number of eligible voters in the county and in each open local administrative area or at large district, the number of ballots counted, the number and percentage of ballots disqualified, and the proportion of eligible voters compared to votes cast. The committee shall further compile, in each category above, the results aggregated by race, ethnicity, and gender, as compared to total eligible voters and total votes. The committee shall also report as provided above, the number of nominees for each open seat and the election results, aggregated by race, ethnicity and gender, as well as the new composition of the county or area committee.

''(III) The Secretary shall, within 90 days after the election, compile a report which aggregates all data collected under subclause (II) and presents results at the national, regional, State, and local levels.

''(IV) The Secretary shall analyze the data compiled in subclauses (II) and (III) and within 1 year after the completion of the report referred to in subclause (III), shall prescribe (and open to public comment) uniform guidelines for conducting elections for members and alternates of county committees, including procedures to allow appointment as voting members of groups, or methods to assure fair representation of groups who would be demographically underrepresented in that county.''.

(d) REQUIREMENTS FOR ELECTRONIC, WEB, AND PRINTED DISCLOSURE OF DATA.—The Secretary shall compile the actual number of farmers and ranchers, classified by race or ethnicity and gender, for each county and State with national totals. The Secretary shall, for the current and each of the 4 preceding years, make available to the public on websites that the Department of Agriculture regularly maintains, and in electronic and paper form, the above information, as well as all data required under subsection (b) of this section and section 8(a)(5)(B)(v) of the Soil Conservation and Domestic Allotment Act, at the county, State, and national levels in a manner that allows comparisons among target and actual program and election participation rates, among and between agricultural programs, among and between demographically similar counties, and over time at the county, State and national levels.

(e) REPORT TO CONGRESS.—The Secretary shall maintain and make readily available to the public all data required under subsections (b) and (d) of this section and section 8(a)(5)(B)(v) of the Soil Conservation

and Domestic Allotment Act collected annually since the most recent Census of Agriculture. After each Census of Agriculture, the Secretary shall report to Congress and the public the rate of loss or gain in participation by each group, by race, ethnicity, and gender, since the previous Census of Agriculture.

(f) ACCOUNTABILITY.—The Secretary may also use the above data, including comparisons with demographically similar counties and with national averages, to monitor and evaluate election and program participation rates and agricultural programs, and civil rights compliance, and in county committee employee and Department of Agriculture employee performance reviews, and in developing outreach and other strategies and recommendations to assure agriculture programs and services meet the needs of socially disadvantaged and women producers.

(g) CONFORMING AMENDMENT.—Section 355(c)(1) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2005(c)(1)) is amended to read as follows:

''(1) ESTABLISHMENT.—In paragraph (2), the term 'target participation rate' means, with respect to a State, the target participation rate established for purposes of subtitle B of this title pursuant to section 9___(c)(1) of the Farm Security Act of 2001.''.

MODIFICATION TO AMENDMENT NO. 16 OFFERED BY MR. CONYERS

Mr. CONYERS. Mr. Chairman, I ask unanimous consent to replace the amendment with a conforming amendment.

The CHAIRMAN pro tempore. The Clerk will report the modification.

The Clerk read as follows:

Modification to amendment No. 16 offered by Mr. CONYERS:

In title V, strike section 517(a).

Conform the section heading (and table of contents) accordingly.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Michigan?

Mr. CHAMBLISS. Mr. Chairman, reserving the right to object, I would just like to engage in a colloquy with the gentleman from Michigan.

This particular amendment offered by the gentleman from Michigan deals with a provision that I asked to be inserted in the bill and was inserted during the course of the markup in the Committee on Agriculture, and it did pass and is in the mark.

The particular provision deals with direct operating loans made by the Farm Service Agency to farmers versus guaranteed operating loans that are made by the Farm Service Agency that are guaranteed by banks.

The problem that I seek to address with this particular provision is that the default rate on loans, direct loans made by the Federal Government, is somewhere historically in the 10 to 12 to 14 percent range, whereas the default rate on guaranteed loans has historically been more in the range of 1 to 2 to 3 percent.

Now, that is a lot of money that the Federal Government is losing because of the direct operating loans made by the bank. What we simply sought to do was to basically get the government out of the farm lending business and let the financial institutions make those loans.

The gentleman, I understand, has agreed to modify his amendment, which I am willing to accept, because what we asked for in addition to the sunset was a study to be done by GAO on the guaranteed as well as the nonguaranteed loans. I am perfectly willing to do that, and we agreed to modify the sunset provision.

But I wanted to explain exactly why we did ask for this provision. It is not directed to any particular group of farmers around the country or types of farmers around the country, but if we are losing money on these loans and the banks are not, we need to know what we are doing wrong.

With that, I will refer back to the gentleman, on his amendment.

□ 1715

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. CHAMBLISS. Reserving the right to object, I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I wanted to thank the gentleman for his statement and for his understanding that we have a serious problem here with the minority farmers in America, the black farmers in particular.

We have got a problem here with the participation rates, with the Farm Service Agency, county committee elections and a number of other very genuine concerns. What I thought might be appropriate and part of our agreement, Mr. Chairman, is that we proceed at some expedient time to have hearings in the committee on these aggregate issues that are before us. Is that part of the Chairman's understanding?

Mr. CHAMBLISS. Mr. Chairman, that is a fair request and we are absolutely willing to work with the gentleman on doing that.

Mr. CONYERS. Mr. Chairman, I am very glad to hear that. As the gentleman knows, there are a number of organizations that are working with us on this because we have these elections procedures that also are part of the review that we would like the Committee on Agriculture to make.

So with those understandings I would be happy to yield to the gentlewoman from North Carolina if she wanted to add something, or she can secure time on her own.

Mrs. CLAYTON. Mr. Chairman, will the gentleman yield?

Mr. CHAMBLISS. Mr. Chairman, further reserving the right to object, I yield to the gentlewoman from North Carolina.

Mrs. CLAYTON. Mr. Chairman, I thank the gentleman for yielding. I thank the gentleman from Michigan (Mr. CONYERS) for his leadership in this issue.

There were two issues that this amendment addressed. One was the direct loan being sunset, denying disadvantaged and small farmers and ranchers the opportunity to go directly to the Department of Agriculture and borrow money other than through the guarantee loans. Many of us felt that to deny that opportunity would deny small farmers and ranchers an opportunity that more secure persons had. So we felt very strongly and I thank the gentleman for raising that.

I understand that what the gentleman has done is to say that he is willing to strike that altogether and just have the study.

Mr. CHAMBLISS. Mr. Chairman, that is correct. We have worked with the gentleman from Michigan (Mr. CONYERS) earlier to strike that sunset provision. We will proceed ahead with the studies that we had in there as another part of it. We will have hearings on it after the studies are done and we will see what is the best route to take.

Mrs. CLAYTON. Mr. Chairman, the other part of the Conyers amendment spoke to the civil rights issues both in the equity and distribution of Farm Services that are administered through Farm Services, whether they are loans, technical assistance or environmental programs. The array of programs we give all farmers. We wanted public record of that so that we knew that that would be going to all farmers equitably, without regard to race, without regard to gender or size.

The second part of that was a fair distribution of the election of the committee. My understanding on that was that we would have hearings to vet that and come to see how we could get a more fair representation on the committee and have some public disclosure on how public funds were being spent in various counties. Am I correct in my understanding?

Mr. CONYERS. Mr. Chairman, if the gentleman will yield, the gentlewoman has stated it perfectly.

Mr. STENHOLM. Mr. Chairman, will the gentleman yield?

Mr. CHAMBLISS. I yield to the gentleman from Texas.

Mr. STENHOLM. Mr. Chairman, I just want to share with the gentlewoman from North Carolina (Mrs. CLAYTON) and the gentleman from Michigan (Mr. CONYERS) my total cooperation with the spirit of this unanimous consent request. The study will go forward, but there will be hearings to address all of the questions that are raised with this. I will be more than happy to work with the gentleman from Georgia (Mr. CHAMBLISS) and the gentleman from Texas (Mr. COMBEST).

Mr. CHAMBLISS. I think the requests are fair and I look forward to working with my colleagues.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the modification?

There was no objection.

The CHAIRMAN pro tempore. The modification is agreed to.

Does the gentleman from Michigan (Mr. CONYERS) seek time on his amendment?

Mr. THOMPSON of Mississippi. Mr. Chairman, for more than 60 years, the Federal government has fostered rural development through farm credit and other programs that are vital to small farms. Small, minority, women and beginning farmers have often had no other access to credit than USDA and Farmers Home Administration.

The Conyers amendment preserves this traditional role as the "lender of last resort", maintaining open entry for a new generation of farmers by restoring the direct lending role that would otherwise end in five years.

The programs and services of the Federal government should be freely accessible and open to all who are eligible to receive them. Local participation has been one of the highpoints of USDA programs for years. To make this goal a reality, Mr. Conyers has worked with the Majority to reinstate the direct lending provisions of H.R. 2646.

However, some farmers have been excluded who do not meet some local idea of eligible farmers. Minority farm loss in previous decades has skyrocketed at a rate more than three times that of other farmers. Between 1987 and 1997, an additional 20% of African-American farms were lost.

The lack of clear data on how many minority and women producers are on the land and participating in USDA programs is a critical barrier to any efforts to seek fairness.

To address this problem, it is my understanding that the majority has agreed to hold full committee hearings on the subject of equitable participation in the FSA county committee system. As a member of the Agriculture Committee, I expect that we will be able to recommend that target participation rates be computed for each county and state based on the total number of socially-disadvantaged residents in a county in proportion to the number of residents as a whole. This data would then be posted for each USDA program by county, state, and nationally on all USDA websites.

We want to ensure equitable participation by all farmers in county committee elections and to provide public information and oversight of elections. To accomplish these goals, the responsible course of action is to require the opening of all ballots be open to the public. Election results would be posted to the Internet and the Secretary would have authority to intervene when adequate representation is not achieved.

Mr. Chairman, the success of our smallest farmers depends largely the willingness of the Federal government to ensure a fair process. I submit that the Conyers amendment seeks to level a playing field that has operated to their disadvantage for some time. I urge my colleagues to support the Conyers amendment and vote for its passage.

Mr. CONYERS. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment, as modified, offered by the gentleman from Michigan (Mr. CONYERS).

The amendment, as modified, was agreed to.

AMENDMENT NO. 1 OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. 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. TRAFICANT:

At the end of title IX (page ____, after line ____), insert the following new section:

SEC. ___. COMPLIANCE WITH BUY AMERICAN ACT AND SENSE OF CONGRESS REGARDING PURCHASE OF AMERICAN-MADE EQUIPMENT, PRODUCTS, AND SERVICES USING FUNDS PROVIDED UNDER THIS ACT.

(a) COMPLIANCE WITH BUY AMERICAN ACT.—No funds made available under this Act, whether directly using funds of the Commodity Credit Corporation or pursuant to an authorization of appropriations contained in this Act, may be provided to a producer or other person or entity unless the producer, person, or entity agrees to comply with the Buy American Act (41 U.S.C. 10a–10c) in the expenditure of the funds.

(b) SENSE OF CONGRESS.—In the case of any equipment, products, or services that may be authorized to be purchased using funds provided under this Act, it is the sense of Congress that producers and other recipients of such funds should, in expending the funds, purchase only American-made equipment, products, and services.

(c) NOTICE TO RECIPIENTS OF FUNDS.—In providing payments or other assistance under this Act, the Secretary of Agriculture shall provide to each recipient of the funds a notice describing the requirements of subsection (a) and the statement made in subsection (b) by Congress.

MODIFICATION TO AMENDMENT NO. 1 OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I ask unanimous consent that the amendment be modified with the language at the desk.

The CHAIRMAN pro tempore. The Clerk will report the modification.

The Clerk read as follows:

Modification to Amendment No. 1 offered by Mr. TRAFICANT:

Page 361, add after line 3 the following:

TITLE X—REPORTS

SEC. 1001. ANNUAL REPORT ON IMPORTS OF BEEF AND PORK.

The Secretary shall submit to the Congress an annual report on the amount of beef and pork that is imported into the United States each calendar year.

Mr. TRAFICANT (during the reading). Mr. Chairman, I ask unanimous consent that the modification be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request to the gentleman from Ohio?

There was no objection.

Mr. TRAFICANT. Mr. Chairman, this modification strictly says that shall be a study as to the impact of beef and pork being imported to America and it shall report back to the respective committees on these imports which affect our cattle and pork producers which have suffered some grave problems.

Mr. Chairman, I yield to the gentleman from Texas (Mr. COMBEST).

Mr. COMBEST. Mr. Chairman, I appreciate the gentleman yielding. We have had a discussion on this amendment and it is acceptable to us. I appreciate the gentleman's help.

Mr. TRAFICANT. We have seen news reels of farmers literally shooting their livestock. We have seen live hogs selling for 17 cents a pound. This basically is a study that will inform the leadership of our Congress as to the impact of foreign beef and pork into America, hogs and cattle.

Mr. Chairman, with that I ask that the amendment be accepted. I believe it makes sense that we should do this and have the exact quantification of the numbers and its impact on many small farmers who use land that is not necessarily able to produce good cash crops but can raise, in fact, good nutritious meat and other by-products.

Mr. Chairman, I yield to the distinguished chairman of the committee, the gentleman from Texas (Mr. COMBEST).

Mr. COMBEST. Mr. Chairman, I am not sure about what the earlier statement that I did make that was not clear, but as I indicated, we accept the amendment.

Mr. TRAFICANT. Mr. Chairman, I yield to the distinguished ranking member, the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Chairman, we also accept the amendment.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The question is on the amendment, as modified, offered by gentleman from Ohio (Mr. TRAFICANT).

The amendment, as modified, was agreed to.

AMENDMENT NO. 41 OFFERED BY MR. MILLER OF FLORIDA

Mr. MILLER of Florida. Mr. Chairman, I offer Amendment No. 41.

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

The text of the amendment is as follows:

Amendment No. 41 offered by Mr. MILLER of Florida:

Strike sections 151, 152, and 153 (page 75, line 19, through page 102, line 20) and insert the following new section:

SEC. 151. SUGAR PROGRAM.

(a) EXTENSION OF PROGRAM AT REDUCED LOAN RATES.—Section 156 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7272) is amended—

(1) in subsection (a), by striking "sugar." and inserting "sugar through the 2001 crop of sugercane and 17 cents per pound for raw cane sugar for the 2002 through 2011 crops of sugarcane.";

(2) in subsection (b), by striking "sugar." and inserting "sugar through the 2001 crop of sugar beets and 21.6 cents per pound for refined beet sugar for the 2002 through 2011 crops of sugar beets."; and

(3) in subsection (i), by striking "2002" and inserting "2011".

(b) EXPIRATION OF MARKETING ASSESSMENT.—Effective October 1, 2003, subsection (f) of section 156 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7251) is repealed.

(c) INCREASE IN FORFEITURE PENALTY.—Subsection (g)(2) of section 156 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7251) is amended by striking ''1 cent'' and inserting ''2 cents''.

(d) AVAILABILITY OF SAVINGS FOR CONSERVATION AND ENVIRONMENTAL STEWARDSHIP PROGRAMS.—

(1) IN GENERAL.—The Secretary shall use funds appropriated pursuant to the authorization of appropriations in paragraph (3) to augment conservation and environmental stewardship programs established or amended in title II of this Act or for other conservation and environmental programs administered by the Department of Agriculture.

(2) PRIORITY.—In using the funds appropriated pursuant to the authorization of appropriations in paragraph (3), the Secretary shall give priority to conservation and environmental programs administered by the Department of Agriculture that conserve, restore, or enhance the Florida Everglades ecosystem.

(3) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary $30,000,000 for each of the fiscal years 2002 through 2011. Amounts appropriated pursuant to this authorization of appropriations shall be available until expended and are in addition to, and not in place of, other funds made available under this Act or any other Act for the programs referred to in paragraph (1).

Mr. MILLER of Florida. Mr. Chairman, before I begin, I yield to the gentleman from Florida (Mr. SHAW).

Mr. SHAW. Mr. Chairman, I thank my friend for yielding.

I want to congratulate my colleagues, the gentleman from Florida (Mr. MILLER) and the gentleman from California (Mr. GEORGE MILLER) on a worthwhile amendment.

Mr. Chairman, I rise in support of this amendment because reforming the sugar program will help clean up the Everglades. It will allow our constituents to keep their hard earned tax dollars instead of handing them over to sugar growers.

We are asking taxpayers to spend $8 billion to clean up the Everglades. At the same time—the sugar industry, which continues to pollute this national treasure, is being subsidized by those same taxpayers. Taxpayers should not be asked to support this program.

With my statement, I am submitting an editorial from the Orlando Sentinel illustrating the substantial damage the sugar program has done to the environment. Reforming the sugar program will help clean up the Everglades at a faster pace.

The current sugar program costs consumers over $1.9 billion per year according to the General Accounting Office (GAO). The program, which sugar growers claim operates at no net cost actually cost taxpayers $435 million last year when the growers forfeited roughly one million pounds of sugar. To compound that injury, all our constituents are helping to pay $1.4 million per month to store sugar the government can't get rid of.

If that isn't enough, the Orlando Sentinel article states that, Big Sugar is back asking for more government bailouts. Last summer sugar growers were bailed out again when $54 million worth of sugar was purchased by the Department of Agriculture. They emphasized that this wouldn't happen again, yet this year they had another payment in Kind program (PIK) where they told beet farmers, plow up $20,000 worth of sugar and we will give you $20,000 worth of sugar sitting in our warehouses. What a waste of money. We ask you to stand up to the attempts of the sugar growers to line their own pockets with your constituent's tax dollars.

The Miller-Miller Amendment:

Reforms but does not eliminate the program.

It is consistent with the Administration's principles that we should not rely on production controls and we should get away from government run price supports.

Makes the program more market-oriented by reduced support levels.

Protects the environment through reduced production.

Provides for savings to protect surplus.

Provides for increased funding for protecting the environment, particularly the Everglades.

The Miller-Miller amendment is an attempt to bring some sanity to this sugar program. It is supported by taxpayer, consumer, environmental and business groups from across the spectrum. It deserves your support.

[From the Orlando Sentinel, Oct. 1, 2001]

DERAIL SUGAR AID

Our position: The sugar industry's attempt to protect itself is downright obscene.

The nation's financial needs in the wake of the horrific terrorist attack of Sept. 11 are staggering. The airline industry is on the verge of collapse. The markets are weak and volatile. America is struggling, emotionally and financially.

The sugar industry, though, seemingly couldn't care less.

While the nation mourns, sugar farmers have been scurrying around Washington in a fervent bid to protect their own interests. And they just might prevail. The U.S. House of Representatives is expected to take up a hastily conceived farm-aid bill this week. The package includes a provision that would, with a few minor tweaks, continue to cost American consumers nearly $2 billion a year in added food costs, accordingly to a recent government analysis.

In a time of plenty, those demands could be considered arrogant. But in this time of uncertainty, they are downright obscene.

For more than six decades, government leaders have coddled the sugar industry, a relationship nurtured by the millions of dollars sugar producers pump into federal campaign coffers. The industry has relied on Americans to provide them with government-inflated price guarantees, foreign-import restrictions and low-interest federal loans. Last year, sugar farmers defaulted on about $460 million worth of those loans.

Not surprisingly, though, industry executives blame everyone but themselves for their failures. The can't compete with foreign sugar producers because of foreign price supports. They're not allowed to sell their products overseas. Government forced the industry to default on the loans last year.

Woe are the sugar barons.

If trade agreements prohibit sugar from effective free-market competition, that shouldn't be remedied by a convoluted, decades-old bailout program. It should be addressed at the negotiating table.

Why, too should taxpayers continue to prop up the industry when, at the same time, they're supporting an $8 billion Everglades restoration effort? Sugar-cane production in Florida, concentrated south of Lake Okeechobee, has exploded from 50,000 acres in 1960 to approximately 500,000 acres today, thanks in part to government support of the sugar industry. Does anyone realize that polluted runoff from those farm expansion helped make the restoration necessary in the first place?

There are intriguing alternatives. Rep. Dan Miller, from Bradenton, has proposed an amendment that would wean sugar from the taxpayer teat, pump an additional $300 million into Everglades restoration and save consumers up to $500 million a year.

Ultimately, that may be the best solution.

But as the editorial below explains in further detail, far more pressing issues now demand the attention of government leaders. Sugar's needs don't even make the list.

Mr. MILLER of Florida. Mr. Chairman, this amendment, the Miller-Miller amendment, is a modest and simple reform of the sugar program. It is not the elimination of the program. In 1996, we tried to eliminate the program, missed by 5 votes then, but we kind of are reluctant in this Congress to eliminate anything, especially in the agriculture program.

So this is a modest one-cent change in sugar. That is right. We are only going to lower the price from 18 cents to 17 cents, a 5 percent reduction in the price of sugar, which amounts to a $500 million savings, according to the Congressional Budget Office, $500 million worth of savings over the next 10 years.

This is a very bipartisan bill, as my colleagues will see from the vote on this particular amendment. Even the secretaries of agriculture from three different administrations have come out in favor of this amendment. Secretary Glickman, Secretary of Agriculture under President Clinton, Secretary Clayton Yeutter under President Bush, and Secretary Jack Block under President Reagan, have all come out and said the sugar program is no longer sustainable, we need to change it, and this amendment is a good step in the right direction.

Let me briefly comment about what the sugar program is. Well, the sugar program is a Federal program where we maintain a very high price for sugar in the United States. In fact, sugar prices in the United States are two to three times world prices. That is right, we pay two to three times world prices for sugar, and what it does is it hurts consumers, it hurts jobs, it hurts the taxpayers, bad on the environment, bad on trade.

The way it works is the Federal Government tries to manage how much sugar is imported into the country, a very difficult challenge, but we have to allow some imports, and we do not grow enough in the United States. So it tries to manage trade, and here we are, the great free trading country of the world and we are managing trade

for sugar. Then what it does, it loans sugar farmers money, and it kicks the sugar as a guarantee and, if they cannot get this high price for sugar, the government says we will buy it back, and we were told back in 1996 it was no cost to this program. No cost to the sugar program.

Last year the Federal Government bought $435 million worth of sugar and does not know what to do with the sugar. It is bad for the consumers as I have said. What I mean by bad for consumers is the General Accounting Office, which is the independent agency of Congress, we, division of Congress, branch of Congress, spend $400 million with the General Accounting Office to do studies for us. Their studies show it costs $1.9 billion a year. I know the other side is going to say, oh, that is not right. We spend $400 million for this agency in Congress to do these type of studies, and that is what it says, $1.9 billion.

As far as the taxpayers, they have already got this $435 million worth of sugar from last year, and they do not know what to do with it. The latest idea is they are going to have all these sugar farmers where we just bought their sugar, said if they will plow up $20,000 worth of sugar, we will give them $20,000 worth of sugar.

Explain that one to the people back in Florida that we are going to buy their sugar and then give it back to them. It makes no sense.

When it comes to jobs, we are losing jobs in this country, and I am sure my colleagues from Chicago will talk about how the candy industry is being really hurt in Chicago, whether it is a Bob Candy Company in Albany, Georgia, or the closing down of sugar plants in the city of Chicago. Mayor Daley and the city council of Chicago have come out in support of this amendment.

When it gets to the environment, we are very concerned about our Florida Everglades, and last year Congress passed an $8 billion program for restoration of the Everglades, half paid by the State of Florida and half by the Federal Government. A large part of the problem is sugar farming. In 1960 there were 50,000 acres of sugar cane grown. Now, we have 500,000 acres of sugar cane, and it keeps increasing because our program encourages overproduction of sugar.

What is included in this bill also is out of the $500 million worth of savings is a program where 300 million can be used for environmental purposes, for conservation and hopefully for the Everglades. It will be controlled by the Committee on Appropriations, but it creates a program that some of the savings can go back into conservation, and hopefully for the Everglades.

Then we talk about trade. We are one of the great free traders in the world, except for its sugar. That is the reason the Secretaries of Agriculture have been opposed to this program because they cannot go negotiate and say we want to sell more corn, we want to sell more beef, we want to sell more soybean. We cannot do that because we are always defending the sugar program. So we need to be fair on this whole trade issue.

As I said, this has got widespread support and lots of organizations are supporting it. Whether it is good government organizations or conservation groups, they are very strong in favor of this amendment.

The sugar program is an anti-free trade, anti-free market movement, and I hope my colleagues will support me on this amendment.

Mr. COMBEST. Mr. Chairman, I rise to propose a time agreement on this amendment. I ask unanimous consent that all time on this amendment be limited to 1½ hours, equally divided between a proponent and an opponent of the amendment and all amendments thereto.

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

Mr. MILLER of Florida. Mr. Chairman, would that be divided?

Mr. COMBEST. It would be divided between a proponent and an opponent.

Mr. MILLER of Florida. Mr. Chairman, on our side the gentleman from California (Mr. GEORGE MILLER) and I could divide that 45 minutes that we would have?

Mr. COMBEST. In response to the gentleman from Florida's question, my next request would be a unanimous consent that half of the time for the opponent would be given to the gentleman from Texas (Mr. STENHOLM), and the gentleman from Florida (Mr. MILLER) could propose the same unanimous consent request.

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

There was no objection.

Mr. COMBEST. Mr. Chairman, I ask unanimous consent that half of the time for the opponent be given to the gentleman from Texas (Mr. STENHOLM).

The CHAIRMAN pro tempore. Without objection, the proponent and the opponent under the unanimous consent request each will be recognized for 45 minutes. The time allocated on both sides to the proponents and opponents will be divided equally accordingly.

There was no objection.

Mr. COMBEST. Mr. Chairman, I yield 2½ minutes to the gentleman from Alabama (Mr. EVERETT).

□ 1730

Mr. EVERETT. Mr. Chairman, we are now to what I call the M&M amendment, and I rise in opposition to the M&M amendment and hope my colleagues understand what this amendment will do. It may have been dressed up a little, softened a little, and added a section on giving money to the Everglades; but the intention is the same, to destroy the domestic sugar industry.

I want to touch on two points that the proponents of this amendment will try to claim: first, we have all read about the candy manufacturers threatening to move to Mexico, they say because of the high price of sugar in the U.S.; that that is the reason they want to go. Let us be clear. That is not the reason they want to move to Mexico.

According to USDA agriculture data, wholesale refined sugar prices are actually higher in Mexico than they are here. They have been running about 3 cents per pound higher for most of the last 2 years. The real reason they are moving is that American wages are 25 times higher, at $13.46 an hour in Chicago versus 53 cents an hour in Mexico. American energy costs are five times higher, at $11 per kilowatt in Chicago versus $2.38 in Mexico. American tax burdens are at least seven times higher. American protection for workers, the environment, water and air quality are much higher than Mexico's.

Secondly, do not fall for the comparison of the U.S. price to the world market price. The so-called ''world market'' for sugar is just a dumping ground for surplus sugar from countries that subsidize sugar production and exports. The world market is distorted because of the elaborate sugar programs that exist in virtually every country that produces sugar. U.S. sugar policy has acted as a cushion against imports from the world dump market, where prices have run only about half the world average of cost of producing sugar for most of the last 2 decades.

America's sugar farmers are efficient by world standards and willing to compete on a level field against world sugar farmers, but cannot compete against foreign governments.

In closing, let me be up front. The real purpose of the M&M amendment is to drive sugar down further. They are already down nearly 30 percent since 1996, for the benefit of the grocery chains, candy manufacturers and food manufacturing corporations, who are behind the M&M amendment.

I oppose this and ask my colleagues to oppose it.

Mr. GEORGE MILLER of California. Mr. Chairman, I yield myself 2 minutes.

Mr. GEORGE MILLER of California. Mr. Chairman, I rise in strong support of this amendment to reform the outdated sugar program. This amendment is supported by Republicans, it is supported by Democrats, it is supported by conservatives, liberals, Easterners, Westerners and all those in between.

Three former Secretaries of the Department of Agriculture also support this amendment. In a recent letter, which I will submit for the RECORD,

former Agriculture Secretaries Block, Yeutter, and Glickman say, ''The sugar program no longer serves the intended public policy goals.'' And they continue on by saying, ''The reform of the sugar program is long overdue.''

That is what this amendment does. It provides for long overdue reform. I have joined with my colleagues, the gentleman from Florida (Mr. MILLER) and the gentleman from Illinois (Mr. DAVIS), in support of this amendment. We have joined together to support the reform of the sugar program for several clear and convincing reasons.

The sugar program costs the taxpayers money. In fact, real money. In fact, a lot of money: $465 million last year alone. The sugar program costs consumers money. In fact, real money and a lot of money: $2 billion in higher prices, according to the General Accounting Office. The sugar program takes away good paying jobs from the American workers. Hundreds of jobs have been lost at the C&H sugar refinery in California in my congressional district, and thousands of candy jobs in the district of the gentleman from Illinois (Mr. DAVIS).

The sugar program concentrates its rewards on a small number of wealthy farmers. In fact, the General Accounting Office reported that the largest 1 percent of the growers get 40 percent of the sugar program's benefits. The sugar program hurts the environment. In fact, the overproduction of sugar caused by the program is one of the main factors behind the tragic pollution of the Everglades in Florida.

The Miller-Miller amendment is reasonable, and it provides the kind of reform we need. It does not end the sugar support program, but it does make the program less generous to the sugar growers and thereby makes sugar farming more of a market-based decision rather than a decision on how big the Federal subsidy will be. The effect is to control the overproduction, which has caused so many of these fiscal and environmental problems.

The Miller-Miller amendment would save taxpayers money by reducing the direct purchases of excess sugar, putting those savings into agriculture conservation programs in desperate need of our support.

Mr. EVERETT. Mr. Chairman, I yield 3 minutes to the gentlewoman from Wyoming (Mrs. CUBIN).

Mrs. CUBIN. Mr. Chairman, I rise in opposition to this ill-thought-out amendment.

The cost of sugar included in a $1.72 bag of candy is roughly 8 cents. Candy companies actually spend more money on the wrapper than they do on the sugar that goes into the candy. So how exactly is it that the sugar producers are ripping off consumers? It is simple: they are not.

In fact, while domestic sugar prices have dropped dramatically in recent years, a 25 percent decrease since 1996, the price consumers are paying for sugar in the grocery store has increased 4 percent during that same time period. Producer prices for sugar are at a 22-year low and consumer prices for sugar are at a 20-year high. Now, why is that? Where is that money going? Well, let me tell my colleagues.

The price for raw sugar has been reduced 14.8 percent, it has been reduced 28.8 percent for wholesale sugar, at the same time the prices for sugar for cereal have increased 4.3 percent and candy at 7.7 percent. So when I hear about all of those jobs lost in the candy industry, I am sorry that that has happened; but to try to lay the blame on sugar simply does not cut the mustard.

The price of cookies has increased 8 percent, bakery products 8.5 percent, ice cream 13.7 percent. Even more telling is the fact that cereal has increased by over 4 percent, as I said earlier, and candy, cookies, and so on. So when we hear the argument of the Miller-Miller amendment that this program will equal savings to consumers, think again. It will not equal savings to consumers; it will simply hurt producers because they are the ones who continue to pay for the reductions in sugar. The reduction in current producer prices has historically stopped at the pockets of the manufacturer, with consumer prices increasing while the struggling sugar industry continues to suffer.

I have beet farmers in Wyoming. They are great stewards of the land. There is no pollution due to sugar beet farming, and these sugar beet farmers would be very ill affected. I ask all my colleagues to vote against this amendment.

Mr. Chairman, I submit for the RECORD additional information on our sugar policy:

GROCERS BOOST RETAIL SUGAR PRICE TO 20-YEAR HIGH WHILE PRODUCER PRICES FALL TO 22-YEAR LOW

The price farmers receive for their sugar—the wholesale refined sugar price—has been running at about a 22-year low for most of the past years. Have consumers seen any benefit? None. In fact, consumer prices for sugar just hit a 20-year high. The big grocery chains not only failed to pass any of their savings on lower producer prices for sugar along to consumers. They did the opposite. They chose instead to increase their retail sugar prices, and their profits.

According to USDA data, the grocery-store price of sugar rose to 44.3 cents per pound in July. That's the first time since April of 1981 that the U.S. retail price of sugar has reached 44 cents. And these grocers want this Congress to believe that knocking the producer price for sugar down even further would benefit consumers. How gullible do they think we are?

Lower producer prices for sugar mean more American beet and cane farmers go out of business and more profits for grocery chains. But the numbers irrefutably show that lower producer prices for sugar do not mean lower prices for consumers.

FOOD, CANDY MANUFACTURERS BENEFIT WHEN SUGAR PRODUCER PRICES FALL, CONSUMERS DO NOT

The previous speaker described the windfall profits grocery chains have siphoned from the pockets of American sugar farmers—farmer prices are down 29%, but consumer prices have risen since 1996. More than half the sugar we consume is in the form of products, particularly highly sweetened products such as candy, cookies, cakes, cereal and ice cream. Have the food manufacturers given consumers a break on prices for these products? Of course, not. Since 1996, cereal prices are up 4%, candy prices are up 8%; cookies, cakes, and other baked goods up 8%; ice cream, up 14%. All this while the price they pay for their sugar is down by 29%. The food manufacturers, like the grocery chains, want to keep sugar farmers' prices down, so they can keep their corporate profit margins up.

Mr. STENHOLM. Mr. Chairman, I yield 3 minutes to the gentlewoman from Hawaii (Mrs. MINK).

Mrs. MINK of Hawaii. Mr. Chairman, I thank the gentleman from Texas for yielding me this time.

I rise against the M&M amendment and ask my colleagues to vote against it. I am deeply disturbed by the constant attack on the sugar industry. When they attack the sugar industry, they are really attacking my working people that are out there in the fields planting the cane and harvesting it, going to the mills and reducing it to brown sugar or molasses. There are about 6,000 jobs in my State that are dependent upon this industry, and throughout the country maybe 300,000 or 400,000 individuals.

I consider this really an attack upon an industry of hardworking farmers who have struggled to survive. There was a time, only 10 years ago, when we had 13 sugar plantations in operation. They have struggled to stay alive. There is nobody making tons of money in this industry, but Hawaii has benefited in the past from these plantations that have been permitted to exist, and they have existed because there had been a strong farm program. I thank the Congress and I thank the leadership for continuing to support that concept.

Somehow or other there is a myth out there that there is a huge subsidy for sugar in this bill or anywhere. There is no subsidy. In fact, there is explicit language in the bill that says, and it directs the Secretary of Agriculture to operate the sugar program at no cost to the American taxpayer. So what are we talking about? We are talking about the candy factories and people in the international marketing combine.

And, incidentally, the three former Secretaries of Agriculture that distributed a letter are all lobbyists for mega industries that are selling candy, Nabisco and Nestles and whatever. So we have to look critically at this letter.

This is about farmers. Hardworking people. There is no subsidy. In fact,

there is a provision in this bill that says it should have no cost to the American taxpayer. So where is the conflict? There is none. It seems to me that we are generally for the people who produce an essential commodity for our American market, so we should not be considering this kind of destructive amendment which would kill our industry and destroy the only two that remain now in my State. Two struggling plantations.

If this amendment should pass, we will be wiped out, and 6,000 workers in my State will be out of work. Already my State has been decimated after September 11 because of what happened and the closing down of the tourist industry. We simply cannot tolerate this. So I ask my colleagues to balance the equities today. It does not cost the taxpayers a dime. There is no subsidy. This is a genuine farm product that we are producing.

Kill the M&M amendment.

Mr. Chairman, I rise to speak against the amendment offered by Representative DAN MILLER and Representative GEORGE MILLER and ask that my colleagues vote against it.

I am deeply disturbed by the determination of the amendment's sponsors to destroy our nation's sugar industry. I shudder to think of the impact that this amendment would have on my state's economy. Hawaii has already been hit very hard by the tragedy of September 11th. In the past 2 weeks, some 6,000 workers have been added to our State's unemployment lines because of the dramatic decline in the number of visitors coming to our islands.

I must admit that I take this attack on the American sugar industry very personally. I do not believe that any sugar-growing area of the country has taken the hits that my rural district in Hawaii has. In 1986, 13 sugar factories were operating and sugarcane was grown on all of the four major islands. The beautiful fields of green waving sugarcane were a cherished part of our landscape. Today, only two sugar companies are still operating—one on the island of Maui and one on Kauai. The survival of these remaining companies on which the fragile rural economies of these islands depend would be severely jeopardized if Miller-Miller became law.

Ironically, Hawaii produces more sugar per acre with fewer person hours per ton of sugar produced than anywhere else in the world. But we pay our productive workers a fair wage and good benefits and we adhere to the world's highest environmental standards. Those who seek to kill America's sugar industry—and make no mistake, that is the goal here—would export good American jobs to countries that exploit their workers and employ child labor.

I tire of engaging in this same fight year after year and having to address the misinformation promulgated by opponents of the U.S. sugar program. I deeply respect the integrity of the sponsors of this amendment, but I am puzzled by their relentless vendetta against American sugar farmers.

I have read letters in support of the Miller-Miller amendment which lead me to believe that the sponsors truly do not understand the issue. One of the letters claims that

"Jobs are being lost by the thousands as candy makers, bakeries, sugar cane refiners, cranberry farmers and jobs that depend on these industries are lost because the rest of the world pays 7 cents per pound for sugar while American businesses are forced to pay prices at least 150% higher."

This is simply untrue! Opponents of the U.S. sugar program point to the cost of American-grown sugar compared with the so-called "world price" of sugar. But this "world price" sugar represents a mere 20% of the worldwide sugar traded and sold. This 20% is offered at dump market prices that are barely half the actual cost of production. Nations that sell this dump sugar can only do so because the bulk of their production is being purchased at prices that cover or exceed actual production costs. For example, growers in the European Union receive 31¢ per pound compared with the 18¢-22¢ price floor for American sugarcane and sugar beet growers provided by H.R. 2646.

No one—not even countries that use child labor—can product raw sugar for 7¢ a pound. The "world price" dump market represents the subsidized surpluses that countries dump on the world market for whatever price the surplus sugar will bring.

Two-thirds of the world's sugar is produced at a higher cost than in the United States, even though American producers adhere to the world's highest government standards and costs for labor and environmental protections. U.S. beet sugar producers are the most efficient beet sugar producers in the world, and American sugarcane producers rank 28th lowest cost among 62 countries—almost all of which are developing countries with deplorable labor and environmental practices.

So clearly, the "rest of the world" is not paying 7¢ per pound for sugar—many are paying far more than Americans. In fact, the retail cost of sugar in the United States is 20% below the average paid in other developed countries. U.S. sugar is about the most affordable in the world—third lowest in the world in terms of minutes of work (1.9 minutes) to buy one pound of sugar.

We are told that jobs are being lost because manufacturers of candy and baked goods will move to Mexico for cheaper sugar. I am sorry if any of my colleagues have been sincerely taken in by this claim, but it too is utterly false. In fact, the wholesale price that manufacturers pay for sugar is higher in Mexico than in the Unites States. Businesses are moving south for cheaper labor, cheaper energy, lower taxes, and lower or nonexistent environmental standards—not for cheaper sugar.

Many claim that their opposition to the U.S. sugar program is based on a concern for consumers who would benefit from lower prices. Now, I read all the mail that comes from my constituents and I must admit that I do not remember a single letter from a constituent who was concerned about the impact of sugar prices on their family's budget. Sugar in America is so cheap that it is given away in restaurants—it only costs 43¢ a pound retail! Give me a break!

U.S. producer prices for sugar have been down nearly 30% since 1996, a financial disaster for thousands of American sugar farmers. But grocers and food manufacturers—the principal supporters of the Miller-Miller amendment—have passed none of these lower prices along to consumers. Retail prices for sugar, candy, ice cream, and other sweetened products are up, not down, though producer prices have fallen significantly over the past five years.

The deeply flawed study by the GAO has been thoroughly discredited by the USDA. Economists at the USDA have "serious concerns" about the GAO report, which "suffers in a number of regards relative to both the analytical approach and . . . the resulting conclusions." USDA concluded: "GAO has not attempted to realistically model the U.S. sugar industry. The validity of the results are, therefore, suspect and should not be quoted authoritatively." As with the 1993 version of this report, the GAO assumes that food retailers and manufacturers would pass every cent of savings along to consumers—we have convincing evidence that this has not happened, nor will it ever.

Why is the sugar industry being singled out? According to USDA, last year was the only year in which U.S. sugar policy was not a revenue raiser. And this one-time outlay will be defrayed or possibly eliminated when the government sells its surplus sugar. The remaining two sugar companies in Hawaii provide some of the best jobs on these islands. These longtime "kama'aina" companies are struggling to keep this historic industry alive. Sugar has been grown on many of these lands for more than 100 years.

Do not be concerned about the cost of the sugar program in this bill. H.R. 2646 contains language that directs the Secretary of Agriculture to operate the sugar program at no cost to the American taxpayer.

I was frankly astonished to read the poorly written, inaccurate letter signed by 3 former Secretaries of Agriculture. The Miller-Miller proponents have obviously confused the former Secretaries on a number of issues. They claim that Miller-Miller reduces price supports by a modest amount—in fact, it effectively reduces the support price by 3 cents—from 18 cents to 15 cents. Let's remember that the loan rate has been frozen at 18 cents for the past 16 years! In any other crop we'd be looking at an increase—not a reduction.

The former Secretaries say the sugar program is "costly to taxpayers" but sugar is the only commodity program in the new Farm Bill designed to run at no cost to taxpayers. The Miller-Miller amendment would remove the supply management tools that would enable the Secretary of Agriculture to operate the program at no cost—Miller-Miller would make sugar policy costly to taxpayers.

The U.S. sugar and corn sweetener producing industry accounts, directly and indirectly, for an estimated 420,000 American jobs in 42 states and for more than $26 billion per year in economic activity.

I urge my colleagues to reject the Miller-Miller amendment and to support America's efficient and hard-working sugar farmers.

Mr. MILLER of Florida. Mr. Chairman, I yield myself such time as I may consume to mention that while my colleague from Hawaii brings up the fact

there is no net cost, that is not what we were told back in 1996. Last year, the Federal Government bought $435 million worth of sugar. They have no use for it. They cannot even give it to Afghanistan, let alone give it away in this country. And we are paying millions of dollars to store that 750,000 tons of sugar. So it does cost real dollars.

Mr. Chairman, I yield 4 minutes to the gentleman from Florida (Mr. KELLER).

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

I rise today in support of the Miller-Miller amendment to reform the U.S. sugar program. Over the next 2 months, millions of Americans will go to their neighborhood grocery stores to do some food shopping. Very few, if any, of our citizens will realize that the sugar in the processed foods, cereal, and ice cream they buy is subject to a cost about double the world price, courtesy of the U.S. Congress and the sugar program.

Some of these grocery shoppers may head over to the candy cane aisle, particularly as we get closer to the Christmas season. However, once again, very few will know that Bob's Candies of Albany, Georgia, the Nation's largest candy cane manufacturer, had to ship some of its manufacturing jobs out of the country, to Jamaica, so it could buy sugar that was 50 percent cheaper than in the United States. They do not know that the president of Bob's Candies, Mr. Greg McCormick, stated that reforming the U.S. sugar company would allow his company to keep those same jobs in America and allow the retail price of his candy canes to be lowered by 10 to 15 cents a package.

As our citizens walk up to the cash register at this grocery store to pay their food bill, they will not realize the sugar program is costing American consumers nearly $2 billion a year in added food costs, according to the General Accounting Office. As they pull the dollars out of their wallet, they will not realize that last year our Federal Government had to spend 465 million taxpayer dollars from the U.S. treasury to buy surplus domestic sugar and keep the price artificially high.

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Well, while very few Americans may realize these facts, there are several well-respected watchdog groups who are aware of the problem. For example, Citizens Against Government Waste, Americans for Tax Reform, and the Heritage Foundation all oppose the sugar program.

The sugar program has also caught the attention of well-respected environmental groups such as the National Audubon Society and the Everglades Trust. These groups know that sugar cane in the Everglades agricultural area has exploded from 50,000 acres in 1960 to nearly 500,000 acres today, thanks in part to the U.S. sugar program.

If these facts are true, and they are, why do we have the sugar program? Are these sugar growers bad people? Absolutely not. They are hardworking Americans. They pay taxes. They create thousands of jobs. They are now applying fertilizer to their crops in a very environmentally friendly manner, and they are frustrated that foreign markets are closed to them.

In light of these trade barriers erected by certain foreign countries, our domestic sugar growers feel they need this complicated system of price supports, import restrictions, and loan guarantees to continue in order to thrive.

Well, I agree 100 percent that our country should do everything in its power when negotiating these trade agreements to open up foreign markets for our domestic sugar, citrus, and vegetable growers. These concerns should be addressed head-on at the negotiating table by the Bush administration.

Until that happens, I believe that the Miller-Miller amendment strikes the appropriate balance between consumers and sugar growers because it mends, but does not end, the U.S. sugar program. Under this amendment, the price support is lowered one penny, from 18 cents to 17 cents per pound. This, coupled with other reforms, will save the Federal Government $500 million over the next 10 years, according to the CBO.

Of that amount, the Miller-Miller amendment states that up to $300 million will be used to restore the Florida Everglades. For these reasons I ask my colleagues to vote ''yes'' on the Miller-Miller amendment.

Mr. GEORGE MILLER of California. Mr. Chairman, I yield 4 minutes to the gentleman from Illinois (Mr. DAVIS).

Mr. DAVIS of Illinois. Mr. Chairman, if my colleagues eat, they are involved in agriculture and they have a stake in America's oldest and most basic policy. But our sugar policy is defective, counterproductive, and is suffocating our economy. The media has characterized it correctly as being a scandal.

I am proud of the fact that I come from the State of Illinois, an agricultural powerhouse. I was raised on a small farm in Arkansas, and so I grew up enjoying the values of rural life. And I know what it means for a family to survive on hard work, ingenuity, creativity, and the sweat of their brow.

I support Federal programs which create decent, livable help so that farmers can live a decent life. But when I find a program like the sugar program where 1 percent of the farms, just 17 farms, 1 percent, collect 58 percent of the subsidy, I am outraged. I am outraged because what it means is that the pot has already been sweetened for the wealthy, for the few.

Mr. Chairman, subsidies should be given to the needy, not the greedy. The fallout from this wrong-headed sugar subsidy program ripples across our entire economy. I represent what could be called the candy capital of America. Illinois has 31,000 individuals employed in the confectionery industry, but we have lost 11 percent of our workforce, and there has been no new plant development since the institution of this program. We spent over $250 million for sugar last year. Had this program not been in effect, we would have spent probably only half that much, while the giant corporate agricultural combines who benefit the most from the sugar subsidies are not only taking our money, but in some instances they are causing pollution in certain parts of the country.

Mr. Chairman, it is time for change. It is time for America to stop playing sugar daddy to a handful of monopolistic sugar plantations. The Miller-Miller amendment brings some rationality and fairness to the industry. The Miller-Miller amendment will protect family farms, protect jobs in the sugar and confectionery industry and protect our environment.

We cannot allow ourselves to get sugar-daddied out and sweetened into bad policies. I would urge every Member who believes in fairness, who believes that small farmers should have help and assistance, I would urge them to support the Miller-Miller amendment and do not be a marshmallow and get suckered in.

Mr. EVERETT. Mr. Chairman, I yield 2½ minutes to the gentleman from Nebraska (Mr. OSBORNE).

Mr. OSBORNE. Mr. Chairman, I appreciate the efforts of the gentleman from Florida (Mr. MILLER) and the gentleman from California (Mr. GEORGE MILLER). I appreciate the importance of the Everglades; however, I oppose the amendment.

Sugar policy, contrary to what Members have been hearing, has been one of the most successful farm programs from 1991 to 2002. It has been the most successful. We have heard about $465 million in payment, that was for 1 year. That was the year 2000. Every other year, 11 out of 12 years, the sugar industry has paid the Federal Government more than it has gotten back, but we are labeling this as a boondoggle.

I would like to also point out, as my colleagues have said, sugar prices have fallen 30 percent since 1996. This has been primarily due to dumping of sugar by Mexico since NAFTA was formed.

In my State, the State of Nebraska, we have seen the fallout. Currently there have been 17 sugar factories that have closed in the last 4 or 5 years which represents roughly 40 percent of all of the factories in the country, in the United States. We currently have

750 producers in the State of Nebraska. In order to open their sugar factory, in order to survive, they have had to go together and form a cooperative and pay $185 to $220 per acre in order to keep this thing going. They are trying to save the sugar beet industry in Nebraska, in Montana, in Idaho, in Wyoming.

Mr. Chairman, I ask to have it explained to me why producers in those States need to be taxed 2 cents a pound on sugar additionally, and also have their loan rate reduced below the cost of production, in order to pay for renovation of the Everglades?

We just went through a big debate where 10 or 12 or 15 States were possibly getting a disproportionate amount of commodities; and now we are talking about laying the wood to, to coin a term, to a group of States that have nothing to do with the Everglades to pay for the Everglades. This has already been taken care of. The 1994 Everglades Forever Act provided $685 million, and the 2000 Comprehensive Everglades Restoration Plan also addresses this problem.

Mr. STENHOLM. Mr. Chairman, I yield 2½ minutes to the gentlewoman from Florida (Mrs. THURMAN).

Mrs. THURMAN. Mr. Chairman, I oppose this amendment, and I support the bill.

Government's primary function is to protect the people. A stable domestic food supply is as important to national defense as a military weapon. Because of a national farm policy, and we all know this and all Members have to do is look around the country and the world, American consumers spend less than 11 percent of their income on food.

If Members believe this amendment will reduce the cost of products containing sugar, they need to listen to these facts. Between 1990 and 2000, the price of raw sugar fell 18 percent; wholesale refined sugar fell nearly 31 percent; but during that same period of time the consumer price of cereal, candy, ice cream, and bakery products increased by 25 to 36 percent.

Few of us remember the rationing of basic foodstuffs in World War II. In addition to steel and rubber, sugar was rationed. Why? Because it is essential to a balanced diet, and domestic sources were limited. Even today, domestic sugar product is not enough to meet our domestic demand.

If Congress passes this amendment, the domestic sugar industry will be devastated and American consumers will have to depend on uncertain foreign sources, which by the way, subsidizes their sugar program. But as we are also talking about the economy and stimulus packages around here and with unemployment going up, let me make this point. There are over 40,000 workers that are involved in this industry. These are machinists. These are people making $35,000 to $40,000 with health care insurance.

If Members wonder why I am supporting this amendment, those are three or four good reasons. I support a strong domestic food production industry because it helps our economy and it protects our people.

Mr. Chairman, if Members truly believe in buying American and made in America, Members need to reject this amendment.

Mr. MILLER of Florida. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois (Mr. KIRK).

Mr. KIRK. Mr. Chairman, after the September 11 attack, our economy was weakened and our military expenses have gone up. This is not the time to levy a $1.8 billion indirect tax on American consumers to charge a Stalinist high sugar price set by bureaucrats in Washington.

This program also costs over $400 million in taxpayer funds to overproduce sugar. These funds should go directly to our men and women in uniform, for the reconstruction of New York, and for securing Social Security, not politically connected sugar growers lobbying the government for a government handout in time of war. To these sugar growers we should say we cannot afford to give a government handout, there is a war on.

Mayor Daley of Chicago wrote to me with concerns for the jobs of 31,000 workers in Illinois threatened by the sugar program. These jobs are in many disadvantaged communities like North Chicago, Illinois, my State's second poorest community; and the legendary Brach's Candy Company, a Chicago institution, recently shut its doors for good, moving 1,100 jobs overseas due to high production costs caused by this sugar program.

The simple fact is: as a result of this program, foreign candy sales have gone up over 70 percent in the last 5 years and could reach 40 percent of total sales within the next 5 years. Companies such as Jelly Belly of North Chicago and Craft of Glenview will suffer the same fate as Brach's if we do not reform this program.

We cannot sit idly by while thousands of people lose their jobs so that sugar growers can reach into the taxpayer's pocket for yet another handout. These subsidies cannibalize our economy and segregate us into economic winners and losers.

The Miller-Miller sugar reform amendment is different from past reform amendments which would have ended the sugar subsidy program. This amendment will reform, not eliminate the program; and it will make it more market oriented, bringing it in line with the administration's principle that we should move away from price supports towards our core belief in free and open markets.

The sugar subsidy program cost the taxpayers $465 million last year, and now costs the government $1 million a month just to store excess sugar. We cannot sit by while thousands of our constituents lose their jobs because politically connected growers raid the treasury and millions of tons of sugar rots away in storage.

Mr. Chairman, please join me in voting against this outdated, unfair subsidy that pits American's economic interests against each other and against the principles of free enterprise.

Mr. DAVIS of Illinois. Mr. Chairman, I yield 3 minutes to the gentleman from Missouri (Mr. CLAY).

Mr. CLAY. Mr. Chairman, today I rise in support of the Miller-Miller sugar amendment. The U.S. sugar program is in critical need of reform. Unlike most farm programs, the U.S. sugar program has avoided any market-oriented reform for many years. Artificially high price supports have distorted the markets leading to expanded domestic production and oversupply of the U.S. market.

Approximately 50 percent of government payments go to the largest 8 percent of farms, usually corporate owned. A little more than half of all U.S. farmers share in only 13 percent of the government payments. The artificially stimulated domestic price of sugar is often twice the world price. This hurts the American consumers who are forced to pay substantially more for sugar and sugar-containing products.

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Although we do not have a sugar cane crop of any size in Missouri, we do have corn growers who produce a substantial amount of sweeteners. The Missouri corn growers do not create the environmental concerns as do the cane growers and they also make outstanding contributions to our alternative fuels industries and associated research. We will have to find common ground on effecting remedies for the problem.

The Miller-Miller amendment does not gut or eliminate the sugar program. The amendment reduces the sugar price support rate and current incentives for overproduction. The amendment increases the penalties that big sugar processing plants must pay if they fail to repay government loans. It would make some modest reforms to make the program more market-oriented, and at the same time, promote conservation. I am in favor of most conservation aspects of the bill.

Mr. Chairman, I must admit that I am troubled that the bill shows no concern for fiscal constraint. Most of us promised voters that we would protect the Social Security trust fund and Medicare funds.

Let us vote for the Miller-Miller amendment. Let us refrain from passing several of the budget-busting programs without consideration of the overall budget. We need a farm bill

that is responsible, and we need a bill in a form that we can vote for. I cannot vote for this bill in this form.

Mr. EVERETT. Mr. Chairman, I yield 1½ minutes to the gentleman from Montana (Mr. REHBERG).

Mr. REHBERG. Mr. Chairman, I rise in opposition to the Miller-Miller amendment. I cannot debate the issue with my colleagues from the urban areas on subsidization because they obviously do not understand the sugar program. It is not subsidized. Read my lips. It is not subsidized.

What we have in this country is a problem. We have an oversupply of foreign sugar being brought into the country. That is the problem we have got. Prices are down but demand is up. So what creates the prices being down? The subsidization of foreign sugar. When you talk about these rich corporations, they are so rich they are filing bankruptcy. Does that not tell you a lot?

When was the last time a rich corporation making all this money in a farm program would file bankruptcy? Now we have a situation in Montana where finally some of the producers are trying to pull themselves up by their bootstraps, buy those factories, reopen them under a value-added idea, and we are going to kick them. We are going to say, ''No, we're sorry, that's just not good enough. We not only don't want you to be in business, we're going to now consider additional trade promotion authority so we can bring more subsidized product in to put the rest of you out of business.''

I am a supporter of free trade, but I am here to tell you right now, after reading the documents that have been floating around from the administration, Mr. President and your administration, if you are listening, you are rapidly losing me, because I do not get it. We do not have an oversupply of sugar in this country. What we now have is an oversupply of foreign competition that do not respect our labor laws, do not respect our environment and do not respect American agriculture.

Mr. STENHOLM. Mr. Chairman, I yield 2½ minutes to the gentleman from Massachusetts (Mr. DELAHUNT).

Mr. DELAHUNT. I thank the gentleman for yielding me this time.

Mr. Chairman, I want to compliment the gentleman from Montana on his eloquence. I also want to let him know, however, that this is one Member from an urban area that understands that there is no subsidy in this program. And let me be clear about that and if there are Members from the urban cities and suburbs that think there is, there is not a cash subsidy here. That is a misrepresentation.

But I suggest, Mr. Chairman, that this amendment offers us a really easy choice. Do we really want sugar grown by American farmers? Do we really? Because if we do not, then vote for this amendment, because its import will effectively put out of business farmers dealing in sugar in this country. Understand that and be clear about it.

Now, some argue that this amendment would produce savings for consumers. Well, let me suggest, do not hold your breath. Okay? Do you really believe a Milky Way bar or a can of Pepsi is going to go down in price? Give me a break. The hard empirical evidence establishes clearly that none of the savings on cheap, subsidized, foreign sugar will be passed along to consumers. And neither will increased wages for the workers in my friend from Illinois' district. Be assured of that. Be assured of that.

So if you support American farmers, if you are concerned about environmental standards and want to protect American jobs, then vote against this amendment and support the committee's sugar provision in the farm bill. It is an easy choice.

Mr. Chairman, make my sugar American. Oppose the Miller-Miller amendment.

Mr. MILLER of Florida. Mr. Chairman, I yield 1 minute to the gentleman from Arizona (Mr. FLAKE).

Mr. FLAKE. Mr. Chairman, I rise in strong support of the Miller-Miller amendment. I must say that I oppose this entire bill. I think it is subsidy run amuck. I did not come here to Congress to reward this industry or another or pit one industry against another, and I think that that is what we are doing in this farm bill. It is a chicken-in-every-pot syndrome. We criticize every other country in the world for doing this and then we embrace it ourselves.

This is one element of sanity in a very bad bill. I would encourage my colleagues to support it.

Mr. DAVIS of Illinois. Mr. Chairman, I yield 4 minutes to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Chairman, I rise in strong support of this amendment. I am only sorry that it is not cosponsored in addition by our friend, the gentleman from California (Mr. GARY MILLER) so it could be the Miller sugar cube.

This program is one example where we are led to believe that it is not a problem of subsidization that ends up distorting our markets, disadvantaging consumers and posing great risks to the environment. This year, the bizarre system that artificially raises the price of sugar in the United States, puts import restrictions on the commodity while at the same time paying farmers to plow over their crop and allowing the sugar producers to pay back their loans with sugar is not subsidization, not dealing with the market, I beg to differ.

I would suggest that any econ student 101 armed with the basic information from the GAO reports could argue persuasively to the contrary. And all of this for a crop that wreaks havoc on the environment, especially in the Florida Everglades.

We have heard that there is a disproportionately few number of people who benefit from this program, and of those the majority are large scale farmers and producers. We have heard that 40 percent of the benefits go to 1 percent of the growers, precious little getting to the small family farm, and they continue to go out of business every year. We must reassess the myth that somehow this subsidy to corporate sugar producers is paid for by magic and that there is no risk to the consumer or the taxpayer.

As my friend the gentleman from Florida (Mr. MILLER) pointed out, we heard that before in 1996. The sugar subsidy we are talking about here costs American consumers almost $2 billion a year. And that has no effect on the economy? I beg to differ. I would think that some of my free market friends would be laughed out of the room if they suggested it in other areas.

In addition to costing the taxpayer, inflating the cost to two or sometimes three times the world price, we are, as we have heard, losing American jobs now, not theoretically, but because it is cheaper to move the production overseas while the American public is paying a million dollars a month just to store the excess sugar right now.

As we move into a more globalized economy, we should not be supporting a backward program that makes it difficult for us to meet the demands of our agreements with the World Trade Organization and NAFTA. We have heard people here on this floor call for fairness, and then we turn around and do something that is goofy.

But I oppose this not just because of the cycle of subsidization, the limitation on free trade and the stockpiling, my particular interest has to do with the environment. We have been involved in Congress here trying to repair decades of damage to the Everglades. The sugar program has expanded sugar cane production in Florida. What was it in 1960? 50,000 acres. What is it today? Almost 500,000 acres, severely harming the natural environment of southern Florida, while we in this Chamber invested $8 billion as a down payment to restore the damage, and we are still subsidizing an industry that is polluting it with the phosphorous-laden agricultural runoff.

I would strongly suggest that we break this vicious cycle. The amendment before us would reduce the damage the sugar program does to the environment, to our international trade agreements and to the consumer pocketbook. It would reduce price supports, government quotas, and bring a greater market orientation to the program, not abolishing it. It would authorize up

to $300 million in savings from the amendment to go towards conservation and environmental stewardship, which are a priority to all of us because the Everglades problem is a national problem.

This is where our priorities need to be, supporting our natural ecosystems, saving the public money, not monkeying around with the market. I urge its adoption.

Mr. EVERETT. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Texas (Mr. COMBEST), the chairman of the full committee.

Mr. COMBEST. I thank the gentleman for yielding time.

Mr. Chairman, I rise in opposition to the Miller-Miller amendment. It kicks the sugar farmers when they are down. It is interesting that since 1996, prices of sugar are down nearly 30 percent. It is also, if you look at it among the comparative in the world, it is among the most affordable in the world, 20 percent below the developed country average and essentially unchanged since 1990.

Who benefits when prices are down? It is certainly not the consumer. And who suffers? It is certainly the farmer. In reality, history shows inarguably that users of sugar do not pass their savings on for sugar and other ingredients to the consumer. Lower commodity prices are just an opportunity for higher profits at the expense of the farmer. As evidence, retail prices for sugar, candy, ice cream and other sweetened products are up, not down, though the prices that are received by the farmer are substantially down over the last 5 years.

This is an amendment that would have tremendous implications to the farmer. It does nothing to help the consumer in terms of lower prices for commodities. I would urge my colleagues to oppose the amendment.

Mr. STENHOLM. Mr. Chairman, I yield 1½ minutes to the gentleman from Michigan (Mr. BARCIA).

Mr. BARCIA. Mr. Chairman, I rise today to voice my strong opposition to the Miller-Miller amendment. This amendment is bad public policy for two simple reasons. First, it would have a devastating effect on sugar producers, not only in my district, but in districts across 42 other States as well. These producers generate 370,000 jobs and have an annual impact of $26 billion per year on the national economy.

Second, it hurts consumers, because without our current sugar policy, prices for this important commodity would skyrocket. Sugar is an essential, even strategic ingredient in our Nation's food system, yet we are the fourth largest importer of sugar in the world. Our family farmers who grow sugar are globally competitive but cannot compete against foreign treasuries and predatory trade practices. Maintaining a reliable supply of sugar at competitive prices for consumers, responding to unfair foreign trade practices and letting farmers receive their income from the market and not the government is at the heart of U.S. sugar policy.

Sugar prices have plummeted over the past 2 years and family farmers are facing a monumental challenge: Buy the factories that process your beets or go out of business. Almost half of the remaining sugar beet factories in the United States are currently for sale to the farmers who grow sugar beets. In fact, producers in my district are pooling their resources to buy the Michigan Sugar Company. The producers in my district need all the help and advantages we can give them.

Today, we have an opportunity to ensure our farmers global competitiveness. Given the depressed sugar market and the overall agricultural economy, it is almost impossible for America's family farmers and rural bankers to take the next step and form farmer-owned cooperatives.

□ 1815

Mr. MILLER of Florida. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. ROYCE), a classmate from the 103rd Congress.

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

Mr. Chairman, I guess the bottom line is that last year the U.S. Treasury spent a total of $465 million buying sugar and then spent another $1.4 million a month, a month, to store the 1 million tons of surplus sugar produced. In other words, the Government basically encourages growers to overproduce excess sugar, and then purchases this back at the expense partly of the American taxpayer.

The General Accounting Office estimates that consumers and users pay an extra $1.9 billion annually in what can be called a hidden tax because of the sugar program. So every time an American buys a candy bar or a carton of ice cream or anything that is not sugar-free, basically they are affected by this policy.

Now, if we go back to the 1996 Freedom to Farm Act, as I understood the act, what it was supposed to do was to be just that, the freedom to farm. It was meant to gradually decline payments so farmers could wean themselves from the Government's micromanagement and send them on a path toward free markets. But the Federal Government continues basically through this arrangement to subsidize sugar producers by maintaining higher prices than the prices would be.

The sugar program keeps U.S. sugar prices more than twice as high as the world market, and the Government's involvement, arguably, has helped force the three-quarters of U.S. sugar refineries that have gone out of business to close down. So we have had three-quarters of the refineries close down the last few years. Basically, those refineries have been moved offshore, so thousands of jobs have been lost in that sector.

The Miller-Miller amendment, this amendment, rejects government quotas on marketing; it reduces price supports and brings greater market orientation to U.S. sugar policy. That is why I support the amendment. I think it moves us away from corporate welfare.

Mr. Chairman, I urge my colleagues to support the amendment.

Mr. DAVIS of Illinois. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois (Mr. RUSH).

Mr. RUSH. Mr. Chairman, today I rise in support of the Miller-Miller, or M&M, amendment, to scale back the sugar price support provisions of the Farm Security Act. In a year in which we have seen major reductions in taxes to spur our ailing economy, it is only fitting that we scale back the sugar program.

Clearly the sugar program is a tax. It artificially raises the price of sugar on consumers, small businesses, and the confectionery industry. The GAO estimates that the sugar tax costs consumers $1.8 billion annually. Whether you live in the suburbs, the countryside or in a major metropolitan area, you pay a higher price for this basic commodity. Unfortunately, because this tax is regressive, the burden of the sugar program disproportionately impacts the poor.

The sugar tax also hurts small businesses, such as mom and pop grocery stores and small bakeries. Unfortunately, many of these corner stores, which serve small urban towns and inner-city neighborhoods, must pass the cost of high sugar prices on to consumers.

Finally, large U.S. businesses have been hurt by the sugar tax. The confectionery industry has been placed at a competitive disadvantage because foreign competitors have access to cheaper sugar. Many of these industries are being forced to consider relocating abroad to remain competitive. In Chicago alone, employment in the confectionery sector is down by 11 percent.

However, the sugar tax is a national problem. As many as 293,000 workers in 20 States depend on the confectionery industry for their livelihood. The sugar tax must be scaled back to help U.S. consumers, small businesses and industry.

We are not asking for a repeal of the sugar program, but merely a fair and equitable reduction in some of its most onerous provisions. The M&M amendment continues to protect sugar growers without unduly burdening U.S. consumers and businesses.

To the opponents of this amendment, I say to you that your words are strong, but your conclusion is wrong. Scale back the sugar price cost provision.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The Chair would advise Members that the gentleman from Florida (Mr. MILLER) has 12½ minutes remaining; the gentleman from Alabama (Mr. EVERETT) has 12 minutes remaining; the gentleman from Texas (Mr. STENHOLM) has 13 minutes remaining; and the gentleman from Illinois (Mr. DAVIS) has 7 minutes remaining.

Mr. EVERETT. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota (Mr. KENNEDY).

Mr. KENNEDY of Minnesota. Mr. Chairman, I am a free-trader, a fair-trader, an original cosponsor of the bill to grant the President Trade Promotion Authority, and I am a strong supporter of markets, if efficient markets exist. But our hard-working sugar producers are amongst the most cost efficient in the world. In fact, our sugar beet growers, including over 600 growers in my district in Southwest Minnesota, are among the lowest-cost producers of sugar in the world. They are willing to compete on a level playing field, but cannot compete against foreign governments that encourage excess production and dump that excess production on the world market. The world dump market price is well below the world cost to produce sugar and is not sustainable.

We do need to continue to push for fair trade in sugar. With a level playing field, I am confident that our sugar producers cannot only compete, but they can prosper. But if we sacrifice our sugar farmers now and become ourselves dependent on a dump market price, we will become dependent on foreign producers. If they stop subsidizing those foreign producers, we are going to be paying higher prices for sugar than we are today.

Let us not abandon an efficient, cost-effective industry that is providing jobs and incomes for our rural areas. I encourage Members to oppose the Miller-Miller amendment.

Mr. STENHOLM. Mr. Chairman, I yield 2½ minutes to the gentleman from Florida (Mr. HASTINGS).

Mr. HASTINGS of Florida. Mr. Chairman, I thank the ranking member for yielding me time.

Mr. Chairman, I would like to ask this body, are there any Members here who know more about this farm bill than the gentleman from Texas (Mr. COMBEST) and the gentleman from Texas (Mr. STENHOLM)? The answer is no. And both of them oppose this particular measure.

The sugar industry supports 420,000 jobs in America. I do not know of any candy manufacturer or big food chain that has gone out of business because of the price of sugar.

I wish I could answer all of my colleagues' statements, but I cannot. Assuredly, they are dead wrong about the Everglades. I do not just fly there; I live there. The sugar industry has reduced its circumstances with reference to the Everglades by 55 percent and is ahead of the Everglades restoration schedule all the way around the board. What you need to know is, among other things, the sugar industry has contributed $279 million towards paying off the national debt since 1991. No other commodity has done that.

I personally am just tired of the misinformation that I continue to hear. I understand Members' parochial concerns. That is what I have. The gentleman from Florida (Mr. FOLEY) and I represent 75 percent of the sugar cane growing that is done in the United States of America. But I can tell you this, I have checked a little bit around the world. Our nearest neighbor, our biggest, nearest neighbor, Mexico, Mexico's sugar costs 3 cents more today than in America.

I do not understand whether or not these people have traveled anywhere in this world or not, but there is a basic economic principle: find a void and fill it. That is what other sugar producing countries are waiting for. Kill the sugar industry, if you will, and you expect that they are just going to sit on the sidelines? Name me the product that when it went out of business in America, all of a sudden became cheaper? How about steel as an example? We are driving our industry offshore.

Now, understand this: as I said, I do not just fly there; I live there. When I drive down Highway 27 to Pahokee, I see a town choking. When I go there to Okeechobee, I have tears in my eyes at the pain that is caused because of the loss of jobs. The same holds true for Belle Glade and Clewiston. I was in Clewiston on a day when 44 people were told they did not have their jobs anymore.

Now, I want candy to exist, I want the food chain to exist, and I want the sugar program to exist; and I want all of us to do right by each other, rather than kicking each other when we are down.

Mr. MILLER of Florida. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me respond to a couple of questions that have come up in this debate. First of all, they talk about the cost of it, and they say, well, the sugar is lower here, there, it does not cost anything.

I want to refer once again to the General Accounting Office report, the GAO. We pay this agency, which is a part of Congress, $400 million a year to do studies for us. It is not a partisan organization; it is not a biased organization. It has the experts, or brings in the consultants, to come up with the best knowledge they can.

In this case it was asked, what is the cost of the sugar program? It was a very detailed report. They are the ones that came up with the $1.9 billion cost. So the program really does cost money. You say it does not cost anything.

My colleague from Florida was talking about jobs. We are concerned about jobs. But what about the candy companies that are losing jobs? Here is an article from the Nashville Business Journal about a company, Bradley Candy Corporation, on June 29 closed their doors and went out of business.

My colleague from Chicago talks about the companies in Chicago going out of business. Bob's Candy from Albany, Georgia, makes candy canes. Hard candy is the one that uses a lot of sugar. They are being driven offshore for production because the cost of sugar in something like candy canes just makes it prohibitive to compete.

Let me also make a comment about the trade issue. Many of my colleagues say they are free-traders. I am a little baffled by my colleagues that support free trade, especially if you support it in the grains and soybeans and such. We are big exporters of agricultural products. That is great.

But the problem we have with our trade negotiators is they go sit at the table to negotiate trade and say, we want to sell more corn or wheat to your country, but do not sell us any sugar. We are hurting ourselves opening up markets for the grains and other products that we do manufacture so efficiently and produce in this country so efficiently, because we have to defend sugar. That is the reason those former Agriculture Secretaries say get rid of the program; we cannot negotiate more markets for our agricultural products when the one product we have to defend is sugar.

Mr. DAVIS of Illinois. Mr. Chairman, this amendment has been characterized as the M&M amendment. M&M is a good candy. Mantle and Maris were a good team from the New York Yankees.

Mr. Chairman, it is my pleasure to yield 2 minutes to another Yankee who hits a lot of home runs, the gentleman from New York (Mr. WEINER).

Mr. WEINER. Mr. Chairman, it is my pleasure to be associated with the second best team in New York. It is also my pleasure to join with two-thirds of the People-Named-Miller caucus here in Congress, actually over two-thirds, because the gentleman from California (Mr. GEORGE MILLER) is a pretty big fellow.

I have to say to my colleagues, I support agriculture programs. I voted for every agriculture bill, and I believe it is very important for coalitions to be formed in this body between urban Members, who probably are only consuming agriculture product, and their rural counterparts, because it is an important part of the stream. But just as my colleagues on all sides of the aisle have demanded accountability from urban programs, I think it is fair that we demand the same accountability here.

This amendment does not seek to end the program, simply to amend the program. I have to tell Members that I do not mind the fact that is a $465 million program.

□ 1830

That, to me, is not offensive. What is offensive is the additional cost to the taxpayers that are hidden.

The gentleman from Florida just talked about the $1.9 billion annually that consumers pay for this program. That is putting aside the $1.4 million a month to store the sugar that is purchased and then held in essentially escrow to be paid back against the debts as part of this program.

But I have to say that one of the things that leads me to be so strongly in favor of the Miller and Miller amendment is the experience of the Madeline Chocolate Novelties Company in Rockaway, New York in my district. It is not a mammoth company by any stretch of the imagination. They employ about 500 people. But the reason they do not employ more people, they say, is their inability to export more of their products. They do not manufacture chocolate, they create novelty chocolate products like the kind we customarily would get at Easter and in my district at Passover. But they estimate there is about a 10 percent difference in the price of the chocolate that they buy because of this program and this program alone. They travel around to international trade shows, they contact me for help with international export programs.

The fact of the matter is this program and this program alone has meant jobs in my district.

Mr. EVERETT. Mr. Chairman, let me yield myself 10 seconds to comment on the GAO report. If we look at page 55 where they conclude the validity of the report, it says, ''The results are, therefore, suspect and should not be quoted authoritatively.''

Mr. Chairman, I yield 1 minute to the gentleman from Michigan (Mr. CAMP).

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

Sugar is an essential and even strategic ingredient in our Nation's food supply, yet we are the fourth largest importer of sugar in the world. The United States sugar industry is in trouble. I know firsthand because I represent thousands of family farmers and factory workers who grow and process sugar beets in Michigan. Sugar prices have plummeted over the past 2 years, and family farmers are facing a monumental challenge.

Almost half of the remaining sugar beet factories in the United States are currently for sale, for sale to the farmers who grow sugar beets. Given the depressed sugar market and the overall agricultural economy, our family farmers cannot form farmer-owned cooperatives. This is an industry that is the very backbone of the rural economy. We must not and cannot let it collapse.

The Miller amendment will end any opportunity for these farmers and factory workers to be reliable and competitive suppliers to America's consumers. The Miller amendment will cut the supply lines of an essential ingredient and deliver another economic blow to America's struggling rural economy.

Vote against the Miller amendment.

Mr. STENHOLM. Mr. Chairman, I yield 1½ minutes to the gentleman from Minnesota (Mr. PETERSON).

Mr. PETERSON of Minnesota. Mr. Chairman, I thank the gentleman for yielding me time. I rise in strong opposition to this amendment. It is kind of hard for me to understand why we keep having this debate every year, because there is really no reason for it.

I represent an area where, along with the gentleman from North Dakota (Mr. POMEROY), we produce the most sugar in our region of anyplace in the country. Small farmers, 200, 300 acres in sugar beets. It has been the one crop that is making us a little bit of money, although that is getting thinner and thinner every year.

One of the reasons, frankly, is because of all of the free traders that created this problem, because of these trade agreements. If my colleagues think that this world market or this so-called price is a real price, you got another thing to consider. It is a dump price. You need to get out in some other parts of the world and find out what is going on.

I had a chance to go to Romania and they are next, of course, to Western Europe. The Europeans have a 50 percent higher price support on beets or on sugar than we do. So what happened? The World Bank went in there, Romania needed money, and they said, we will give you the money if you get rid of your agriculture subsidies. They did. Romania had 12,000 sugar beet farmers. Today they have zero. They had 36 plants; today they have 11. The Europeans own those plants and the Europeans ship every bit of sugar into Romania to be processed in those plants, and nothing is being produced in Romania.

That is what is going to happen in the United States if we pass this amendment and we get rid of the sugar program. Do not kid yourselves. This is not a level playing field, this is not a fair deal, and we will turn this industry over to other countries and put our people out of business. It makes zero sense. Defeat this amendment.

Mr. MILLER of Florida. Mr. Chairman, before I yield to the gentleman from Ohio, let me make a couple of comments, and I yield myself such time as I may consume.

The sugar program is not being eliminated. Under the Miller-Miller amendment, the sugar program will be here 10 years from today just like it is now. All we are talking about doing is lowering the price from 18 cents to 17 cents; one penny, 6 percent change. The world price, as of October 2, if we look in the Wall Street Journal or any of the financial pages, is 6½ cents. Now, I agree; that probably is a dump price, and I would not want that price in the United States. But we are only talking about 18 cents down to 17 cents.

We do have requirements and other laws on the books, and I fully support them, to keep subsidized products from coming into the United States. France subsidizes their sugar production. And we should not allow France to sell sugar to the United States, and they do not. So if there is a company that subsidizes it, we keep them out.

One of the largest sugar producers in the world is Australia. They have a free market on sugar. They sell it around the world for 6.5 cents. Of course, when they sell it to the United States, we pay them 18 cents. That is even the dumber part of the program.

So the fact is there is a dump price that I agree is like 6.5 cents, but all we are talking about is going to 17 cents.

Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio (Mr. CHABOT).

Mr. CHABOT. Mr. Chairman, I rise in support of the amendment. American consumers essentially are being ripped off and the time has come for Congress to finally do something about it.

The sugar program guarantees domestic cane sugar and beet sugar producers a minimum price for sugar which, at times, during the past year was about three times the world market price. The sugar program supports domestic sugar prices by offering loans to sugar producers at a rate established by law, 18 cents per pound for raw cane sugar, 22.9 cents per pound for refined beet sugar, with sugar serving as collateral for these loans. The sugar program keeps the price of sugar artificially inflated and above the world market price.

In 1998, the General Accounting Office found that the Federal sugar program cost American consumers more than $1.9 billion, almost $2 billion, up from $500 million from the $1.4 billion inflated cost cited in a similar 1993 GAO study.

It is time for Congress to eliminate this particularly egregious form of corporate welfare for the sugar-producing industry. American consumers essentially get hit twice. Their hard-earned tax dollars are being used to fund a wasteful program, which, in turn, results in artificially higher prices of sugar and sugar products on the grocery self. Any way we look at it, it is bad business. Their tax dollars are being wasted, and then they are paying higher prices at the grocers, so they get hit twice.

Mr. Chairman, I urge support of the amendment.

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

Mr. STENHOLM. Mr. Chairman, I yield 1 minute to the gentleman from North Dakota (Mr. POMEROY).

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

Instead of the Buy America Act, you could call this the Buy Anything But America Act subjecting us to dumped sugar. Instead of Correct the Trade Balance Act, you could say Compound the Trade Balance Act. That is what Miller-Miller is all about. It takes the one commodity where we actually consume more than we grow and wants to throw it open to world-dumped sugar shorting our markets.

Instead of a stimulus package, you could call this amendment the recession package, because it would surely bring recession to those areas producing sugar. That is 420,000 U.S. jobs, contributing $26.2 billion in the economy.

They call it a consumer bill; actually, it is a candy bar manufacturing bill. We have seen a 30 percent drop in the price for refined beet sugar. Have you seen cheaper candy bars? Absolutely not. This is about candy bar manufacturer profit line, not about a deal for consumers.

We have a program that works. We have a program that has available sugar at below the price available in the developed countries. We have price stability for this essential component for groceries. We need to keep the sugar program and defeat the Miller-Miller amendment.

Mr. EVERETT. Mr. Chairman, I yield 1½ minutes to the gentleman from Florida (Mr. FOLEY).

Mr. FOLEY. Mr. Chairman, I would say, a penny for your thoughts. It seems like this program, this one commodity is always singled out on this House floor as some egregious program.

Now, if we tied the Miller-Miller amendment to the price of candy and forced them to reduce their prices for every penny we reduce the sugar product, then maybe I would understand there is a rationale behind this argument.

Now, I associate myself with the words of the gentleman from Florida (Mr. HASTINGS), my good friend, who talks about families in his district. Now, some use this program and attack certain families that may be successful and they hold them up as examples of corporate waste. Well, folks, we can use that in almost anything we do on this House floor: single out one individual and say that is the bad actor or the bad apple. We ignore the fact that there are thousands of people in my district.

Now, I know when you hear MARK FOLEY'S name, you think of Palm Beach and Worth Avenue. But let me take you to Belle Glade, Clewiston, Pahokee, Canal Point, where people get up every morning and go to the farms and work hard 5, 6 in the morning to harvest a crop that is difficult and is burdensome, but they bring it to market. Then all of a sudden they turn on their TV set to the government that they pay taxes for and to and hear people demeaning their way of life, their product that they produce, and act like somehow, we have some communistic cartel operating under the auspices of the Federal Government.

Now, I take exception. I invite you to come to my communities; and I invite you to meet the farmers, those individual farmers who farm 100 acres, 50 acres, 20 acres, to try to make a living for themselves and their families.

Please defeat this amendment and let us get this over with. We have done this for 7 years, and 7 years we have beaten them back. Help us do it again.

Mr. STENHOLM. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. FARR).

Mr. FARR of California. Mr. Chairman, I thank the gentleman for yielding me time.

Look, this is our annual fight. We are all used to it. It is a fight between special interests, on one side the candy manufacturers, and on the other side the farmers of America and the countries that we support in other parts of the world. I think when one has a choice, go with the farmers. They are the ones that are farming the land and harvesting the product. In fact, when we buy the sugar at our price, we are also helping, our neighboring countries; we are helping the people of El Salvador who suffered from Hurricane Mitch. We are helping the other Central American countries, and our friends in the Caribbean, because we pay a much better price than the world market, and we allow these countries then to get a better sugar price and pass that on to their workers. We also help some African nations by importing their sugar.

If you vote against this amendment, you are not only helping the farmers of America, you are helping the foreign farmers that our foreign aid programs are also trying to help in a much better way than just doling out money.

This is an amendment that we argue against every year, and it should be continually defeated.

Mr. EVERETT. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota (Mr. GUTKNECHT).

Mr. GUTKNECHT. Mr. Chairman, I thank the gentleman for yielding. Mark Twain said there are lies, there are damn lines, and then there are statistics. It has been interesting to listen to the debate. We have heard a lot of statistics, and I am going to share some of my own. I am one of the few Members that serves on both the Committee on Agriculture as well as the Committee on the Budget. We have heard this term ''subsidy'' thrown around so freely here tonight as we talk the sugar program.

I would like to just read from the Economic Research Service put out by the USDA, their latest report, the Agriculture Outlook, September 2001. This is what the sugar program costs in 1993. We had a net profit to the Federal taxpayers of $35 million. In 1994, we had a net profit of $24 million. In 1995, the taxpayers made $3 million. In 1996, it was $63 million; and the next year, it was $34 million. The next year, we made a profit of $30 million. In 1999, we made $51 million. It is true in fiscal year 2000 it cost the Federal taxpayers $465 million.

Now, that was not the fault of the sugar beet growers or the sugar cane growers, it was not the fault of the farmers in the United States, it was the fault of failed trade policies.

□ 1845

It was the fault of the Federal Government of not doing its job of policing the system.

Do not blame the farmers for our failures by the bureaucrats here in Washington. That is what this amendment is all about. This has been a very successful program. We are a net importer of sugar. We need the sugar industry. We need predictable prices.

Defeat the Miller-Miller amendment. Let us vote for the underlying bill.

Mr. STENHOLM. Mr. Chairman, I yield 2½ minutes to the gentleman from Hawaii (Mr. ABERCROMBIE).

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

Mr. Chairman, I have been taking a couple of notes here today. We talk about the sugar program; but Mr. Chairman, we are really talking about people, because sugar is people. Yes, there are differences that we have with one another, but I hardly think it is worth anything to characterize each other or our positions in such apocalyptic terms. I think it makes more sense to try and think: What is it that we want to accomplish?

The proponents say that there are trade barriers, but what we are really talking about here is whether or not we want to benefit from the importation of slave-driven wages in the rest of the world that provides this so-called cheap sugar. Why should we apologize, whether it is in Florida or whether it is in Hawaii, because our workers are the best-paid agricultural workers who produce the most?

The way I learned this economics that I am always being preached to about is that if one works hard and is the best producer and is the most efficient, one is supposed to be rewarded, not castigated. Yet, that is what this would do.

Let us remember what this particular amendment is all about. It is

not about the program as such, it is to lower the price 1 cent. I can tell the Members, if they lower the price 1 cent, they will drive the producers out of business because their margin of profit, which the proponents said was only 5 percent, this is just lowering it 5 percent. So if we lower it 5 percent, we are going to drive these folks out of business because their margin of profit is not anything like the candy manufacturers.

If the workers in Illinois or anyplace were going to get the benefit of this, I could see, okay, let us work on this. But they are not. It is just going to be for the profit that is being taken.

So I want to indicate to the Members that we do not just have to look to the free sugar in the restaurants that is out there, but I ask Members to do this. In my right hand is a Diet Coke. In my left hand is a Coca-Cola Classic. Now, I got this from the cloakroom on the Democratic side of the aisle; and I guarantee Members, if I go to the cloakroom on the Republican side of the aisle, both of these cans of Coca-Cola cost the same amount of money. One has the sugar in it and one does not have the sugar in it, and they are taking the money, the same price for both cans of Coca-Cola, and they are taking the American public the same way.

Mr. Chairman, I return the rest of my time and rest my case.

Mr. MILLER of Florida. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to bring to the attention of the gentleman, no sugar is in soft drinks in the United States. The price of sugar is so expensive that we use corn syrup. Sugar is not used in the products in the United States; it was driven away from the market.

The more we put up the price of sugar, the less uses we will find. We will find an alternative. That is the reason corn syrup has been used as a substitute for soft drinks, so we will not find that in soft drinks, sadly, in the United States. It is used in the other countries in the world where they have a free market in sugar.

We keep referring to candy. That is just one of the uses for sugar, and they use a lot of it. It is in so many different products we use. I have a colleague who has a company that produces medicine. They have cough drops. Cough drops have a lot of sugar in them. This company manufactures them in England because they cannot bring them to the United States for production because of the cost of sugar, they say.

My colleagues started to discredit the General Accounting Office: ''Why are we paying them $400 million to do all these studies?'' In the case of this one, that is the $1.9 billion. That is the most authoritative source we have. They contracted out a lot of this work with a professor from the Department of Agriculture, one from Iowa State University, a professor from the University of Maryland, a former assistant professor of economics at USDA, a number of other professors from the University of Florida, from the University of California, Davis, from North Carolina State University. They all participated in this study that came up with the $1.9 billion number.

The Department of Agriculture would not participate in this, did not want to get involved in it, and they want to discredit it, which is really sad. But of course, we have to remember, the Department of Agriculture has hundreds of people over there trying to manage this program, and it is a jobs program there. So what we are doing is the cost, which is no net cost, even though we have to buy and store all this sugar, we have hundreds of employees that have to kind of maintain this program and manage the imports allowed in this program.

So yes, it is a $1.9 billion cost to all the consumers of America, and consumers are taxpayers.

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

Mr. DAVIS of Illinois. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I know we do not pay much attention to Secretaries, former Secretaries, newspapers, and all of those things; but I just happened to be looking. I saw where Jack Block, 1981 to 1986, Secretary of Agriculture; Clayton Yetter, 1989 to 1991, Secretary of Agriculture; Dan Glickman, 1995 to 2001; the Boston Herald; The Baltimore Sun; USA Today; Crain's Chicago Business Newsroom; the Sun Sentinel; The Miami Herald; and the current Secretary of Agriculture have all expressed concern about the subsidies.

One of the papers suggested that of all of the subsidies, the sugar subsidy is the worst. As a matter of fact, it says, ''Who benefits?'' That is in USA Today. ''A handful of sugar growers and processors—and the politicians whose campaigns they fund to the tune of $1.5 million a year.''

It says, ''The sugar crowd is small but generous.''

Then The Baltimore Sun says that Domino has lost money for 9 months because they paid just about the same for raw sugar that they end up selling the processed sugar for. Therefore, they are not making a profit.

The Boston Herald said ''It would be better to kill this outrageous giveaway program. But the Miller-Miller amendment may be the only reform effort on the table. It deserves the support of all New England representatives.'' But I would go further than that, and I would say that it deserves the support of all Representatives, because once again, when it was in vogue, when it was needed, we needed it then.

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

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

Mr. Chairman, I do not think we are going to discredit any Government employees. I yield myself 10 seconds to quote the career USDA analyst used in describing the GAO report: ''. . . naive, inconsistent, inadequate, a puzzlement, inflammatory, unprofessional, not well documented, incomplete, and unrealistic.''

Mr. Chairman, I yield 1½ minutes to the gentleman from Idaho (Mr. SIMPSON).

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

Mr. Chairman, I was just going to quote the same language the USDA used in describing the GAO report.

I agree with what my friend said earlier, the gentleman from Nebraska (Mr. OSBORNE), when he said ''I do not understand why the sugar beet growers in Idaho and Nebraska and other States ought to be paying for the restoration of the Florida Everglades,'' as much as I like the Florida Everglades.

But let me talk for just a minute if I can about Bob's Candies, because Bob's has been mentioned several time here. Bob's came and testified before our committee. They said they had to build a plant in Mexico because they could get sugar cheaper there than they could get it in the United States. They could not compete here in the United States.

I found that ironic because the retail price of sugar in Mexico is more expensive than it is in the United States. So I thought, there must be some other reason that they are going to Mexico, labor costs or something else.

But then he explained it to me. He said that in Mexico, the Mexican government will allow them to buy the world dump price of sugar, make the candy, and then export it to the United States; but they cannot sell that candy that is made with dump price sugar in Mexico. Do Members not find that rather ironic?

Mr. Chairman, there is not a free market out there in sugar. I am unwilling to sacrifice our farmers, our sugar producers, on the alter of free enterprise when there is no free market in sugar. Maybe if we had a free market, we could look at competition that really works.

Mr. STENHOLM. Mr. Chairman, I yield 1½ minutes to the gentleman from Arkansas (Mr. BERRY).

Mr. BERRY. Mr. Chairman, I want to thank the ranking member and the chairman one more time for the great job they have done on this bill.

Mr. Chairman, we have been hearing about farmers all day on this floor. I have heard enough bad information to make me want to dip a snuff.

All day we have been hearing about how bad large farmers are. Now we are hearing that not only large farmers are

bad, but small farmers are bad if they produce sugar, and if they produce sugar in South Florida, they are absolutely terrible.

The fact is, American sugar farmers are just like every other farmers in America. They do a great job. They know what they are doing. They are the most efficient that there is.

We cannot support replacing efficient American farmers with subsidized foreign sugar. The gentleman from Idaho that preceded me is absolutely right, there is no such thing as a free market in sugar. That is an idea that will never occur in my lifetime, and very likely not in the next 200 years. It is the most political commodity that there is on the planet.

The American people get a good deal for their sugar program. They pay 20 percent less for sugar than consumers in most other developed countries. In terms of minutes of work to buy one pound of sugar, our sugar is about the most affordable in the entire world. The retail price of sugar has risen less than two pennies per pound over the past 10 years. It would be foolish for us to force the production of sugar from this country offshore in an effort to just do more damage to American agriculture.

Mr. EVERETT. Mr. Chairman, I yield 1½ minutes to the gentleman from Florida (Mr. PUTNAM).

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

Mr. Chairman, this has been farm day on the floor of the United States Congress, a topic that we do not discuss enough.

But in particular, it has been ironic that we have had people from different regions of this country try to pit one commodity against another; that we have had people who may have supported the previous amendment in the name of small farms come down here to try to put small farms and small farmers out of business.

There are a lot of small farmers who grow sugar in Florida and around the country. I know them. I have met them. I have walked on their land. I have heard their problems.

For us to trade away their jobs to a Third World country that uses labor practices that have been banned here for a century, chemicals that have been banned here for decades, to put on our food to ship to our children and our public at the expense of our industry and our jobs is obscene.

There has been a lot made of the environmental impacts. I know an awful lot about that. I helped write the Everglades restudy bill in the Florida legislature. The Florida sugar industry has reduced their pollutants by 73 percent, three times what the law asked them to do, and ahead of schedule. Nobody else has done that, not the national parks, not the tribes, not the water management districts, and certainly not the City of Miami, the City of Fort Lauderdale, Dade County, Broward County, and all of the other folks who are a part of that larger problem.

The sugar industry is doing their part to be a good citizen, to be good stewards of the land. I urge the defeat of this amendment.

Mr. STENHOLM. Mr. Chairman, I yield 30 seconds to the gentleman from Oregon (Mr. WU).

□ 1900

Mr. WU. Mr. Chairman, the rarest of all beasts came to this floor completely undecided on this bill. I submitted a bill in the last Congress to completely eliminate price supports for sugar, but after careful consideration about this, well, I think of two kids, my son who goes into the store and always asks for candy. A Mars bar costs 75 cents in the District of Columbia. It costs 50 cents in Oregon. A 5-pound bag of sugar costs $2.19 here in the District and $2.25 back home in Oregon. I just do not think that those savings will be passed on to my son.

I guess I just think of these little kids I have seen in Fiji working in those cane fields and they are never going to have a chance to have a better life unless we have a viable sugar industry here in America.

Mr. DAVIS of Illinois. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK. Mr. Chairman, I support the amendment, but I am struck by this extraordinary doctrine we have of the exceptionalism of agriculture, because Members who are ardent supporters of free enterprise and keeping our markets free and keeping the government out of the markets, and not subsidizing and not regulating apparently, have read all of those economics books better than I, and they have found the secret footnote that says none of this applies to agriculture.

Now we have a new element in the doctrine of agricultural exceptionalism. Member after Member has gotten up and said we must protect American workers from the unfair and degrading conditions overseas. Let us see how they vote on Fast Track, Mr. Chairman.

We are about to get legislation that will be the grandparent of enabling competition of precisely the sort that Members have been here denouncing. I will be noticing how many Members who have invoked the unfairness of international competition unregulated to justify the sugar program. I will be looking to see how many of them will find that that was really just an exception and they will vote to, in fact, to subject the whole rest of the American economy to precisely what they have been deploring.

Mr. EVERETT. Mr. Chairman, I yield 1 minute to the gentleman from Louisiana (Mr. TAUZIN).

Mr. TAUZIN. Mr. Chairman, if we want to look at something, look at how often we bemoan the fact that we are so dependent upon an oil cartel to supply 60 percent of the oil that is critical to this Nation's energy supplies. Then I want us to think about the fact that the international sugar cartel is a lot smaller than the international oil cartel, much smaller. This amendment plays right into their hands.

This amendment drives further farmers out of business in Louisiana and across this country and makes room for the foreign cartel to dump its cheap sugar into America.

When do they do it? They do it after they have sold all the sugar they can sell and they dump what is left, the surplus, at below cost rates into this country to kill off our farmers. What happens as a result? Our farmers are gone in Louisiana. My dad drove a cane truck. I know them very intimately. I know these small farmers and how hard they work. They are out of business and all of a sudden we are dependent now, not just for oil, but we are dependent for sugar, too, on a cartel out there. Would that not be great?

This amendment by the gentleman from Florida (Mr. MILLER) is particularly pernicious this year. It not only taxes the sugar farmers out of existence, but then it makes sure they will have to forfeit their sugar by taking away the program that saves us from government forfeitures. What a nasty amendment. This thing needs to be defeated.

Mr. DAVIS of Illinois. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, first of all I want to commend and congratulate the gentleman from Florida (Mr. MILLER) and the gentleman from California (Mr. MILLER) for crafting this amendment. I also want to commend the chairman and ranking member of the Committee on Agriculture for putting together a comprehensive package that speaks in many ways to the agricultural needs of our country.

But the sugar subsidy, in contrast to all of the other farm subsidies, the sugar program imposes most of its costs on consumers, not taxpayers. The sugar program in reality is a food tax, because all of the food items that we purchase that use sugar, because of the inflated cost, it means that we are paying more. The Miller-Miller amendment does not wipe out the subsidy. It simply seeks to reduce it, to put it down to a level that does not hurt the consumer, does not hurt the workers and does not hurt American manufacturers.

So, Mr. Chairman, I would urge all of us to look carefully and look hard and know that when we vote for Miller-Miller, we are doing the right thing.

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

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

Just quickly a few comments. Earlier we had comments about the 17 sugar growers. I would refer every one of my colleagues to the current edition of the Forbes Magazine to see the 400 richest people in the world and look at how many have done very well in the sugar industry in the United States. Take a look at the CEO salaries of Coalition for Sugar Reform. I cannot believe some Members have the gall to come here and to complain about the sugar industry in the United States.

We have 400,000 jobs on the line. There are 400,000 producers. If this amendment passes, they will go out of business in the United States because we cannot lower the prices anymore to producers in the United States and stay in business. That is the given fact of this amendment.

We talk about the consumer, American consumers have got the best bargain in the world with the exception of Canada and Australia. Canada and Australia consumers get a better deal at the sugar counter than we do. But take a look at the advantage that Australia and Canada have in the value of the dollar. When we talk about the free market and the free enterprise system, if we are having to compete, whether it is in sugar or airplanes or whatever we are in, if we have to compete, in this case with sugar, and Canada being the largest importer of sugar into the United States, they have roughly a 50 percent advantage. That means where our growers are getting rounded off 20 cents, they are not, it is less than that, the Canadian sugar grower gets 30 cents just because the value of the dollar.

We cannot compete with that. Take a look at the facts. Wholesale prices of sugar have dropped by 30 percent since 1990 to 2000. Since 1996, a 28 percent drop. But has any product that uses sugar dropped? The answer is no. The price of everything that uses sugar goes up. We have been through this argument every year, every year. We seem to have a dedicated agenda on the part of some who use agricultural products, that the only way to benefit the consumer is to drive our producers out of business. I respectfully disagree with that.

Take a look at the bill we have. We recognize we have a surplus of sugar. We recognize the current program has not worked and we change it. But we do not change it in a manner in which we destroy the producers in the United States. We manage to continue to be able to have, well, not a level playing field, but at least give them a chance. If the Miller-Miller amendment passes, producers in America will have no chance. Vote against the amendment.

The CHAIRMAN. The gentleman from Florida (Mr. MILLER) has 5½ minutes.

Mr. MILLER of Florida. Mr. Chairman, I yield myself such time as I may consume.

The Miller-Miller amendment is just a modest change in the sugar program. We are not trying to eliminate it like we debated back in 1996, and that is really what I wish we would eliminate, but we are only talking about a one-penny change, dropping the price by about 5 percent.

Now, I have my colleagues talk about, oh, the consumers do not ever gain from this, and I keep referring to this GAO report. Let us also look at all the organizations that support the Miller-Miller amendment.

What consumer agreement supports the sugar program? None. The Consumer Federation of America supports the amendment. The Consumers for World Trade support the Miller-Miller amendment, and Consumers Union supports the Miller-Miller amendment. They support it because the consumers are the one that get the bad deal off the sugar program.

Let me also talk about some of the other organizations, and many of them are going to be rating this vote, that is, scoring it and saying how important the vote is to them. For business groups, we have a lot of the users of it and good government groups. We have Citizens Against Government Waste, National Taxpayers Union, Americans for Tax Reform, Citizens for a Sound Economy, Taxpayers for Common Sense.

Environmental, people say, oh, it really does not hurt the environment. Why do National Audubon Society, Sierra Club, The League of Conservation Voters, Everglades Trust, Friends of the Earth, World Wildlife Fund all support this amendment?

As I said earlier, three former Secretaries of Agriculture, one Democrat, a former colleague of ours, Dan Glickman under President Clinton, again, Secretary Clayton Yuetter under President Bush, and Secretary Jack Block under President Ronald Reagan, all signed a letter concluding, and let me read a couple of quotes of it. Whatever its merits in the past, the sugar program in its present form no longer serves its intended public policy goal. It should be reformed.

They go on, there appears to be no reasonable way to sustain the present sugar program. Defending this import restrictive program is increasing the untenable for our trade negotiators. This conflict harms the interest of other farmers, ranchers and processes. Reform of the sugar program is long overdue, and they encourage the support for the changes outlined in this amendment.

This is a simple, common sense, reasonable and modest amendment. We have not had a full debate on this issue since 1996. We were promised things in 1996 like, oh, it will not cost us anything, and then last year we bought the $465 million worth of sugar. Are we supposed to believe it is not going to cost us again when in the year 2000, we bought $465 million worth of sugar and we are a million and a half dollars a month just to store sugar we do not even know what to do with? So come on, it is going to cost us because it cost us last year.

We are overproducing sugar, and we need to bring some reasonable common sense to this. So I encourage my colleagues to support the Miller-Miller amendment.

Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The gentleman from Alabama (Mr. EVERETT) has 45 seconds remaining.

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

The proponents of the M and M amendment, when they talk about sending jobs to Mexico, have the right string but they have the wrong yo-yo. It is not the sugar program that is causing the job loss to Mexico. This is what is causing those losses.

American wages are 25 times higher here than they are in Mexico. American energy costs are five times higher than they are in Mexico. American tax burden is at least seven times higher. American protection for workers and the environment, water and air quality is much higher than it is in Mexico. Those are the reasons that we are losing jobs to Mexico, not the sugar program.

Defeat the M and M amendment.

Mr. Chairman, I yield back the remainder of my time.

Mr. SHAYS. Mr. Chairman, I am one of a few Republicans in Congress who represent an urban area, yet when it came time to end the broken system of social welfare, I voted for it and I'm proud to say that welfare reform has been a tremendous success in my district and across the nation.

We did the heavy lifting in 1996. Now it's time we got the rich farmers off welfare. There aren't a whole lot of farmers who are much better off than the sugar producers who've made a living—no, a killing!—off of government subsidies and production controls.

I think Karl Marx, even on a sugar high, couldn't have come up with anything as market-distorting and anti-competitive as the sugar program in this Farm bill. This legislation rolls back the modest reforms of 1996 by reimposing federal limits on how much sugar can be grown and sold in the United States. I can't think of a single other crops where we do this.

To truly appreciate this government handout, consider that last year the federal government spent nearly half a billion dollars to buy one million tons of surplus sugar. The government continues to spend $1.4 million a month to store it and the Department of Agriculture estimates the program will cost taxpayers at least $1.6 billion over the 10-year life of the Farm Bill.

This sugar program is one of the sweetest deals in America—but only if you're one of the

lucky few. You don't hear much about the family farm during debate on this amendment, because the largest 1 percent of sugar growers claim 40 percent of the program's benefits.

But if my colleagues don't care about taxpayers' dollars or family farms, perhaps they'll care about our environment. The government's subsidies of the sugar industry are extremely harmful to the Florida Everglades. I hope everyone recognizes the irony here. Even as we spend billions of dollars on repairing the Everglades, we're spending billions more to subsidize a sugar industry that is responsible for so much of the damage to this area.

Mr. Chairman, if we can't repeal it, let's at least restore some sanity to one of the government's worst programs. This is a very modest amendment and I urge my colleagues to support it.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise in opposition to the Miller/Miller Amendment.

The Miller/Miller Amendment is an attempt to destroy what remains of sugar production in the state of Texas and throughout the nation. In order to understand the damage that the Miller/Miller Amendment may cause, it is important to understand the purpose of the U.S. Sugar policy.

First, Mr. Speaker, our U.S. Sugar policy ensures that foreign predatory trade practices—such as export subsidies, marketing monopolies and cartels, high internal supports, and high import barriers—do not drive efficient American sugar farmers out of business and threaten the reliability and stability to American consumers.

Also, U.S. sugar policy ensures that jobs in rural America are not sent over seas, and that American consumers are not held captive by unreliable foreign suppliers of subsidized sugar.

Governments of all foreign sugar-producing countries intervene in their production, consumption and or trade of sugar, which makes sugar one of the most heavily subsidized and distorted markets in the world.

The Miller/Miller Amendment is an attempt to give our foreign competitors an advantage that they have not deserved. We should leave our current sugar policy intact until other countries make substantial changes in the subsidies that they provide to their sugar producers. The U.S. sugar policy saves jobs and keeps Americans working—in this economy we should do no less.

I urge my colleagues to oppose the amendment.

Mr. FRELINGHUYSEN. Mr. Chairman, I rise in strong support today of the Miller-Miller amendment to reform the sugar subsidy program. I want to commend both gentlemen for their tireless efforts to reform this program, which has been a raw deal for the American taxpayer.

Mr. Speaker, this amendment does not eliminate the sugar subsidy program, which I admit I would wholeheartedly support. It does, however, take the modest step of providing some reforms to the existing program in an attempt to eliminate the waste and abuse associated with it. Further, this amendment would prevent any new sugar bailout programs from being created.

Last year, the government spent $465 million to buy a million tons of sugar, and then spent an additional $1.4 million a month to store it. That is money that could well have been spent on our nation's critical needs, such as providing education to children with disabilities or medical care to our veterans, or to develop next-generation weapons needed by our men and women in uniform.

Instead, as a result of the current sugar subsidy program, we provided a sweet deal for a small number of sugar growers. The existing program pays out 40 percent of Federal subsidies to a select 1 percent of the nation's sugar growers.

Miami Herald columnist Carl Hiaasen ably and concisely summarized the current sugar subsidy program in his August 29, 2001 column. "Sure, it's corporate welfare," he said. "Sure, it's freeloading. Sure it jacks up consumer prices." And, surely, I'd add, it's time to stop taxpayers from getting a raw deal, and fix this broken program.

I strongly support the Miller-Miller amendment, and encourage my colleagues to do the same. The farm bill is a sweet deal for most of our farmers; let's at least put an end to this expensive, unnecessary bailout program.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. MILLER).

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

RECORDED VOTE

Mr. MILLER of Florida. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 177, noes 239, not voting 14, as follows:

[Roll No. 367]

AYES—177

Allen
Andrews
Armey
Baldwin
Barr
Barrett
Bartlett
Bass
Berkley
Berman
Biggert
Bilirakis
Blagojevich
Blumenauer
Boehlert
Bono
Borski
Boucher
Brown (OH)
Brown (SC)
Cantor
Capito
Capps
Castle
Chabot
Clay
Clement
Collins
Conyers
Cox
Coyne
Crane
Culberson
Davis (CA)
Davis (IL)
Davis, Jo Ann
Davis, Tom
DeGette
DeLauro
DeLay
DeMint
Deutsch
Doggett
Dooley
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
English
Eshoo
Ferguson
Flake
Fossella
Frank
Frelinghuysen
Gallegly
Gekas
Goodlatte
Gordon
Goss
Green (WI)
Greenwood
Gutierrez
Hall (OH)
Hart
Hayworth
Hefley
Hilleary
Hinchey
Hobson
Hoeffel
Hoekstra
Holt
Horn
Hostettler
Hyde
Isakson
Issa
Jackson (IL)
Johnson (CT)
Jones (OH)
Kanjorski
Keller
Kelly
Kerns
Kind (WI)
King (NY)
Kingston
Kirk
Kolbe
Langevin
Lantos
Largent
Larson (CT)
LaTourette
Linder
Lipinski
LoBiondo
Lowey
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Matheson
McCarthy (MO)
McCarthy (NY)
McHugh
McInnis
McKinney
McNulty
Meehan
Meeks (NY)
Miller (FL)
Miller, George
Moore
Moran (VA)
Morella
Myrick
Nadler
Ney
Northup
Owens
Pallone
Pascrell
Paul
Pence
Peterson (PA)
Petri
Pitts
Platts
Portman
Pryce (OH)
Quinn
Ramstad
Regula
Reynolds
Rohrabacher
Roukema
Royce
Rush
Ryan (WI)
Sawyer
Saxton
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Shadegg
Shaw
Shays
Sherman
Sherwood
Shuster
Simmons
Slaughter
Smith (NJ)
Snyder
Souder
Sununu
Tancredo
Tauscher
Thomas
Tiberi
Tierney
Toomey
Upton
Velázquez
Wamp
Waxman
Weiner
Weldon (PA)
Wolf
Young (FL)

NOES—239

Abercrombie
Ackerman
Aderholt
Akin
Baca
Bachus
Baird
Baker
Baldacci
Ballenger
Barcia
Barton
Becerra
Bentsen
Bereuter
Berry
Bishop
Blunt
Boehner
Bonilla
Bonior
Boswell
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Bryant
Burr
Buyer
Calvert
Camp
Cannon
Capuano
Cardin
Carson (IN)
Carson (OK)
Chambliss
Clayton
Clyburn
Coble
Combest
Condit
Cooksey
Costello
Cramer
Crenshaw
Crowley
Cubin
Cummings
Cunningham
Davis (FL)
Deal
DeFazio
Delahunt
Diaz-Balart
Dingell
Doolittle
Emerson
Engel
Etheridge
Evans
Everett
Farr
Fattah
Filner
Fletcher
Foley
Forbes
Ford
Frost
Ganske
Gephardt
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Graham
Granger
Graves
Green (TX)
Grucci
Gutknecht
Hall (TX)
Harman
Hastings (FL)
Hastings (WA)
Hayes
Herger
Hill
Hilliard
Hinojosa
Holden
Honda
Hooley
Hoyer
Hulshof
Hunter
Inslee
Israel
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Kaptur
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick
Kleczka
Knollenberg
Kucinich
LaHood
Lampson
Larsen (WA)
Latham
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lofgren
Lucas (KY)
Lucas (OK)
Luther
Mascara
Matsui
McCollum
McCrery
McDermott
McGovern
McIntyre
McKeon
Meek (FL)
Menendez
Mica
Miller, Gary
Mink
Moran (KS)
Napolitano
Neal
Nethercutt
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Oxley
Pastor
Payne
Pelosi
Peterson (MN)
Phelps
Pickering
Pombo
Pomeroy
Price (NC)
Putnam
Radanovich
Rahall
Rangel
Rehberg
Reyes
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Schaffer
Sessions
Shimkus
Shows
Simpson
Skeen
Skelton
Smith (MI)
Smith (TX)
Smith (WA)
Solis
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sweeney
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Towns

Traficant	Waters	Whitfield
Turner	Watkins (OK)	Wicker
Udall (CO)	Watson (CA)	Wilson
Udall (NM)	Watt (NC)	Woolsey
Vitter	Watts (OK)	Wu
Walden	Weldon (FL)	Wynn
Walsh	Weller	Young (AK)

NOT VOTING—14

Burton	Houghton	Mollohan
Callahan	Istook	Murtha
Dicks	LaFalce	Serrano
Gibbons	Millender-McDonald	Visclosky
Hansen		Wexler

□ 1935

Messrs. HUNTER, MCDERMOTT, HAYES, FATTAH, and KUCINICH changed their vote from ''aye'' to ''no.''

Ms. HART, Ms. SCHAKOWSKY, Mr. HEFLEY, and Mr. MOORE changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated against:

Mr. HANSEN. Mr. Chairman, on rollcall No. 367, I was inadvertently detained. Had I been present, I would have voted "no."

Ms. MILLENDER-MCDONALD. Mr. Chairman, on rollcall No. 367, I was detained in a traffic accident. Had I been present, I would have voted "no."

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The Committee will rise informally.

The Speaker pro tempore (Mr. GUTKNECHT) assumed the chair.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate has passed without amendment a joint resolution of the House of the following title:

H.J. Res. 42. Joint Resolution memorializing fallen firefighters by lowering the American flag to half-staff in honor of the National Fallen Firefighters Memorial Service in Emmitsburg, Maryland.

The SPEAKER pro tempore. The Committee will resume its sitting.

FARM SECURITY ACT OF 2001

The Committee resumed its sitting.

Mr. COMBEST. Mr. Chairman, I move to strike the last word.

Mr. Chairman, in consultation between the two sides, I would like to tell Members what we are attempting to do in resolution of the bill that is before the House at this time.

There is a unanimous consent that is being drafted, and at some point when it is completely drafted and cleared on both sides, we would propose the unanimous consent in the full House. Basically this is what we would like to do this evening, if we can.

The next series of votes will occur around 10 p.m., and those will be the final votes of the evening. It is our intent to continue to try to complete the bill tonight, and any votes that would be remaining would be voted on in the morning when the House reconvenes.

Under the agreement, there are a number of amendments that we think we will have realistic time agreements on, and we can deal with those amendments in fairly short order. The gentleman from Vermont (Mr. SANDERS) has an amendment, and he has graciously agreed to cut back the time and put a 45-minute limit on it and vote that amendment tonight.

In addition, the gentleman from Wisconsin (Mr. OBEY) has an amendment to the Sanders amendment, and he has requested 10 minutes on the Obey amendment to the Sanders amendment. That would be included in the unanimous consent agreement. The anticipation is that the vote on the Sanders amendment would lead us to 10 p.m. We would have a series of votes at that time, including that amendment. And from that time, Members would be free from voting this evening; and we would continue with debate.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. COMBEST. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, there is also a Vitter amendment, but we can include that in our time.

Mr. COMBEST. Mr. Chairman, we have consulted on both sides. We will continue beyond 10:00 with the intention of completing the bill tonight and having the final votes in the morning.

Mr. Chairman, we will proceed with debate as we refine the unanimous consent agreement.

AMENDMENT OFFERED BY MR. WALSH

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

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 63 offered by Mr. WALSH:

At the end of chapter 1 of subtitle C of title I (page 75, after line 17), insert the following new section:

SEC. 147. STUDY OF NATIONAL DAIRY POLICY.

(a) STUDY REQUIRED.—Not later than April 30, 2002, the Secretary of Agriculture shall submit to Congress a comprehensive economic evaluation of the potential direct and indirect effects of the various elements of the national dairy policy, including an examination of the effect of the national dairy policy on—

(1) farm price stability, farm profitability and viability, and local rural economies in the United States;

(2) child, senior, and low-income nutrition programs, including impacts on schools and institutions participating in the programs, on program recipients, and other factors; and

(3) the wholesale and retail cost of fluid milk, dairy farms, and milk utilization.

(b) NATIONAL DAIRY POLICY DEFINED.—In this section, the term ''national dairy policy'' means the dairy policy of the United States as evidenced by the following policies and programs:

(1) Federal Milk Marketing Orders.

(2) Interstate dairy compacts (including proposed compacts described in H.R. 1827 and S. 1157, as introduced in the 107th Congress).

(3) Over-order premiums and State pricing programs.

(4) Direct payments to milk producers.

(5) Federal milk price support program.

(6) Export programs regarding milk and dairy products, such as the Dairy Export Incentive Program.

Mr. OBEY. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN pro tempore. The gentleman from Wisconsin (Mr. OBEY) reserves a point of order.

Mr. WALSH. Mr. Chairman, my amendment is very simple. It requires the Secretary of Agriculture to study the direct and indirect impacts of the various elements of our Nation's dairy policy, including an examination of its effects on farm price stability, farm profitability and viability, and local rural economics.

Earlier the gentleman from Pennsylvania (Mr. SHERWOOD) offered an amendment that would have allowed States to join together in regional-based State cooperations to develop a promising solution to the continuing dairy crisis, all at no cost to the government.

Considering the level of interest and support for developing policy that protects both farmers and consumers, I believe it is useful to study the many existing and proposed dairy policies. The result of my amendment would be a comprehensive economic evaluation of programs such as the Federal milk market orders, Federal milk price supports, export programs and over-order premiums and pricing programs. The study would also require an examination of the dairy compacts, similar to those included in the amendment offered today by the gentleman from Pennsylvania (Mr. SHERWOOD).

I strongly believe that the action of 25 States, and a sound, proven record, is enough for this Congress to base and set policy on, but there are still Members who need more evidence. Therefore, I am confident that a study will help this body recognize the value of regionally based solutions to the continuing national dairy crisis.

Mr. Chairman, I urge support of the amendment.

Mr. COMBEST. Mr. Chairman, will the gentleman yield?

Mr. WALSH. I yield to the gentleman from Texas.

Mr. COMBEST. Mr. Chairman, as we have seen in recent weeks, there certainly is an effort to develop a national policy, and it has been somewhat elusive. I understand the gentleman's concerns. We appreciate the gentleman offering this amendment, and I would be happy to accept the gentleman's amendment.

Mr. OBEY. Mr. Chairman, I withdraw my point of order.

The CHAIRMAN pro tempore. The gentleman from Wisconsin withdraws his point of order.

The question is on the amendment offered by the gentleman from New York (Mr. WALSH).

The amendment was agreed to.

□ 1945

AMENDMENT NO. 30 OFFERED BY MS. HOOLEY OF OREGON

Ms. HOOLEY of Oregon. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 30 offered by Ms. HOOLEY of Oregon:

In section 925 (page _____, beginning line _____), insert ''(other than organically grown caneberries)'' after ''caneberries'' each place it appears.

Ms. HOOLEY of Oregon. Mr. Chairman, under existing regulations, the Federal Government recognizes organic agricultural products as different from those grown conventionally. This distinction should be respected when considering the institution of a marketing order for caneberries.

Produce that is organically grown is strictly segregated from produce that is conventionally grown and is labeled as a distinctly separate product in the marketplace. Often there are entirely different venues where organic goods are made available to the consumer. Oversupply problems do not plague organic growers. Growers have cultivated niche markets that are different from markets for conventional grown caneberries.

A Federal market order system that does not allow an exemption for organic caneberries would place and unnecessary and unwelcome impediment on a small but healthy sector of American commerce.

It is my understanding after talking with the chairman that my amendment would be setting a precedent, and an exemption could be achieved through the rules process within the AMS. I respect the chairman's concerns and, therefore, I withdraw my amendment.

However, I ask for his and the committee's commitment in addressing organic growers concerns in relation to the new Federal marketing order.

Mr. COMBEST. Mr. Chairman, will the gentlewoman yield?

Ms. HOOLEY of Oregon. I yield to the gentleman from Texas.

Mr. COMBEST. Mr. Chairman, I thank the gentlewoman for bringing this important matter to our attention. I am certainly willing and prepared to work with her and the Agriculture Marketing Service to make sure the concerns of organic caneberry growers are addressed in regards to any new Federal marketing order for caneberry growers. I appreciate the gentlewoman not offering her amendment. I would be happy to work with her.

Ms. HOOLEY of Oregon. I thank the chairman for his leadership and his commitment to our farmers and rural communities.

The CHAIRMAN pro tempore. Without objection, the amendment is withdrawn.

There was no objection.

AMENDMENT NO. 51 OFFERED BY MR. SMITH OF MICHIGAN

Mr. SMITH of Michigan. Mr. Chairman, I offer an amendment.

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

The text of the amendment is as follows:

Amendment No. 51 offered by Mr. SMITH of Michigan:

In section 181, strike subsection (e) (page 128, line 23, through page 129, line 9), and insert the following new subsection:

(e) ADJUSTMENT AUTHORITY RELATED TO URUGUAY ROUND COMPLIANCE.—If the Secretary determines that expenditures under subtitles A, B, and C that are subject to the total allowable domestic support levels under the Uruguay Round Agreements (as defined in section 2(7) of the Uruguay Round Agreements Act (19 U.S.C. 3501(7))), as in effect on the date of the enactment of this Act, will exceed such allowable levels for any applicable reporting period, the Secretary may make adjustments in the amount of such expenditures during that period to ensure that such expenditures do not exceed, but in no case are less than, such allowable levels. To the maximum extent practicable, the Secretary shall achieve the required adjustments by reducing the amount of marketing loan gains and loan deficiency payments obtained by persons whose marketing loan gains, loan deficiency payments and any certificates would otherwise exceed a total of $150,000 for a crop year.

Mr. SMITH of Michigan. Mr. Chairman, this relates to the amendment that I had yesterday in terms of giving a greater advantage to the average, the medium-sized farmer, giving a lesser advantage to the very large farms in the country. This amendment relates to a WTO decision that might come, saying that the United States is going to have to reduce its subsidies for agricultural production. In the event that WTO makes that decision, the existing language in the bill has provisions where there would be an across-the-board reduction. My amendment says that the first reductions would come from those farmers receiving more than $150,000 in price support benefit payments.

The provisions of the amendment yesterday was scored to save the government $1.31 billion if we had a real limitation of $150,000 on the particular payments that go out to farmers for price supports.

I think as we proceed with this bill, as we move ahead to where we are going with agricultural policy in the future, somehow we need a policy that is going to help the farmers that need the help the most. I think it is unconscionable that we continue to give million-dollar awards. There are 152 farmers in the United States that received over $1 million in benefits. I think we need to continue to look at policies that are, number one, going to be market-oriented, number two, not to encourage increased production, and, number three, be fair to most all the farmers in the United States.

Mr. COMBEST. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the reason that I am opposed to this amendment is, I do not know how it would work. Let me quickly explain, if I might, what I perceive as the unworkability of the amendment.

As the gentleman from Michigan mentioned, we have in the bill a circuit breaker in which if, in fact, we do bump the limit under the amber box, under negotiated agreements of the amount that can be expended that fall into that box, there is a trigger mechanism by which it would allow the Secretary to make adjustments across the board in order to comply with that. None of us want to exceed the limit. We have talked about that all throughout the 2 years of discussion on this farm bill. The problem with this amendment, however, is that that decision and that determination of when we hit the limit, it will be after the fact. It will be after the people have received their money. It will be after the crop happened to be already in the loan, and you take the action from that point forward. You cannot take it back to the people that have already received the money. And so the action of any trigger mechanism would be to respond to the overage from that point on.

Again, the problem is that that money will have already been expended, it will already be in the hands. It may be 1, 2, 3 years after the money has been expended before there is a recognition of the fact that we have bumped the limit under the amber box. In terms of would you, could you take it out of those people's amounts of money in the future, they may not be eligible to receive any money in the future. And so, therefore, it would all be prospective.

I just do not think this would be a workable amendment and, as I indicated, Mr. Chairman, I rise in opposition.

Mr. SMITH of Michigan. Mr. Chairman, will the gentleman yield?

Mr. COMBEST. I yield to the gentleman from Michigan.

Mr. SMITH of Michigan. I thank the gentleman for yielding. Hopefully we are not going to bump up against this limit, because it is going to be very complicated however we do it, if we bump against a WTO provision that says we have got to pay back and somehow reduce the subsidies that have already gone out. So hopefully that is not going to occur in the way we finally draft the bill.

Mr. COMBEST. One would hope not as well, but the gentleman made the point himself in trying to retrace the money that has already been paid out.

Mr. SMITH of Michigan. You are going to have to do that, anyway.

Mr. COMBEST. No, you would not have to do that, anyway. I did not yield to the gentleman, but I did hear him say that you would have to do that, anyway. You would make the adjustments into the future if, in fact, you bumped the limit. That is what the trigger mechanism is.

I again oppose the amendment. I think it is totally unworkable.

Mr. STENHOLM. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in opposition to the amendment, also. My analysis of this is if this provision were imposed, it would result in the forfeiture to CCC of commodities placed under loan when a person reaches the $150,000 limit. CCC would subsequently sell these commodities to minimize carrying costs and to move them to the market as quickly as possible. CCC is expected to incur expenditures equal to the LDP and MLG cost. Consequently, no savings are expected.

Therefore, I join with the chairman in his opposition and his explanation as well as this point that I believe is relevant.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Michigan (Mr. SMITH).

The amendment was rejected.

AMENDMENT NO. 31 OFFERED BY MR. INSLEE

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

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

The text of the amendment is as follows:

Amendment No. 31 offered by Mr. INSLEE:

At the end of the bill, add the following new title:

TITLE X—ADDITIONAL MISCELLANEOUS PROVISIONS

SEC. 1001. RENEWABLE ENERGY RESOURCES.

(a) ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.—Section 1240 of the Food Security Act of 1985 (16 U.S.C. 3839aa), as amended by section 231 of this Act, is amended—

(1) by striking ''and'' at the end of paragraph (3);

(2) by striking the period at the end of paragraph (4); and

(3) by adding at the end the following:

''(5) assistance to farmers and ranchers for the assessment and development of their on-farm renewable resources, including biomass for the production of power and fuels, wind, and solar.''.

(b) COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE.—The Secretary of Agriculture, through the Cooperative State Research, Education, and Extension Service and, to the extent practicable, in collaboration with the Natural Resources Conservation Service, regional biomass programs under the Department of Energy, and other appropriate entities, may provide education and technical assistance to farmers and ranchers for the development and marketing of renewable energy resources, including biomass for the production of power and fuels, wind, solar, and geothermal.

Mr. INSLEE. Mr. Chairman, this relatively simple amendment will allow farmers to receive assessment and technical assistance from the Department of Agriculture in assessing and developing renewable energy resources on their farms. We have learned that farmers have tremendous potential in developing their wind resources. In our State, we have seen some tremendous development of wind turbine energy on agricultural lands. Biomass is a great potential as well as solar. We think that this is an appropriate use of flexible dollars for farmers to ask for assistance to develop these new technological resources in a very environmentally friendly way. We appreciate the committee's cooperation in assessing this potential.

Mr. COMBEST. Mr. Chairman, will the gentleman yield?

Mr. INSLEE. I yield to the gentleman from Texas.

Mr. COMBEST. Mr. Chairman, we have looked at this. We do, as the gentleman knows through the discussion, have some concerns. It may take some adjustment throughout. The committee would be happy to work with the gentleman on trying to achieve that.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Washington (Mr. INSLEE).

The amendment was agreed to.

AMENDMENT NO. 19 OFFERED BY MR. DOOLEY OF CALIFORNIA

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

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

The text of the amendment is as follows:

Amendment No. 19 offered by Mr. DOOLEY of California:

At the end of title VII (page 321, after line 23), insert the following new subtitle:

Subtitle F—Funding Sources

SEC. 793. USE OF PORTION OF FUNDS FOR FIXED, DECOUPLED PAYMENTS TO INSTEAD FUND ADDITIONAL COMPETITIVE RESEARCH EFFORTS.

(a) AVAILABILITY OF FUNDS.—Notwithstanding section 104, for each of fiscal years 2002 through 2011, the Secretary of Agriculture shall use $100,000,000 of the funds that would otherwise be provided to producers in the form of fixed, decoupled payments for that fiscal year to make an additional deposit into the Initiative for Future Agriculture and Food Systems account.

(b) GRANTS.—

(1) IN GENERAL.—For each of fiscal years 2002 through 2011, the Secretary of Agriculture shall make grants under section 2(b) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i(b)) to the faculty of institutions eligible to receive grants under the Act of August 30, 1890 (7 U.S.C. 321 et seq.), including Tuskegee University, West Virginia State College, 1994 Institutions (as defined in section 532 of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note)), and Hispanic-serving institutions (as defined in section 1404(9) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103(9)).

(2) AMOUNT OF GRANTS.—The total amount of grants awarded under paragraph (1) for each fiscal year shall be not less than ten percent of the total amount deposited into the Initiative for Future Agriculture and Food Systems account during that fiscal year.

Mr. DOOLEY of California. Mr. Chairman, the amendment I am offering today is one which is designed to really reflect the priorities of American farmers. I am proud to be a fourth-generation farmer in the San Joaquin Valley of California. But really, when I look at the farm policy we are advocating today, this bill would provide almost $100 billion in direct payments to farmers over the next 10 years. This money, a lot of it, is much needed to ensure the financial viability of a lot of our farmers. But I also know that those farmers that are in the fields also understand that we have to have a balance, that it is important for us to also recognize that some of these Federal tax dollars could be put to good use by investing in research.

And so what my bill does, it takes one cent of every dollar that we are spending on direct payments to farmers and puts it into a competitive research program. That $100 billion, almost $100 billion in direct payments that we are going to be providing over the next 10 years, it takes $1 billion of that and sets it into the competitive research program through USDA. These research dollars that will become available will ensure that we are investing in technology and improved agricultural practices that will benefit all commodities.

It is unfortunate that that $100 billion that we are providing in direct payments to farmers in this farm bill is going almost exclusively to the producers of the major field crops, whether it be wheat, whether it be corn, whether it be rice, whether it be cotton. The specialty crop growers, whether they be grapes and the apple growers and the vegetable growers, get very, very little.

What this amendment would do would be to ensure that those commodities, along with the major commodities, would get some money in order to invest in research programs at our leading research and academic institutions throughout this country that could be invested in a manner to ensure that it would enhance the productivity of our farmers, that it would enhance their profitability, that it would enhance their viability.

I think if you asked the farmers throughout the country whether or not they were willing to set aside one cent out of every dollar they were going to receive in subsidies over the next 10 years, they would say yes. That is what this amendment does. It would provide $100 million a year annually for competitive research programs for agriculture, which unfortunately, has been flat over the last 20 years.

I ask my colleagues to support this amendment.

Mr. Chairman, it is my understanding that we had an agreement of 10 minutes and 10 minutes on this, 10 minutes in support and 10 minutes in opposition.

The CHAIRMAN pro tempore. That has yet to be entered as a unanimous consent request.

Mr. DOOLEY of California. Mr. Chairman, I ask unanimous consent that exclusive of my time, that we would have 10 minutes in support as well as 10 minutes in opposition.

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

There was no objection.

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

Mr. COMBEST. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN pro tempore. The gentleman from Texas is recognized for 10 minutes.

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

I want to say, primarily to the gentleman from California (Mr. DOOLEY), that there is not a more intelligent, thoughtful, studious, interested, committed, caring member of the Committee on Agriculture about American agriculture than the gentleman from California. I say that with tremendous sincerity and honesty. I have deep respect for him.

I oppose this amendment, not on the substance of the amendment nearly as much as I do on the effect of the amendment. When I was fortunate enough to chair the Research Subcommittee of the House Committee on Agriculture, and I have made statements then and since that time, that I think probably research money is some of the best money we could spend. We increased in committee, in the bill that is before the House that this amendment would affect, an increase of $1.16 billion in funding for the initiative. Is it as much as any of us would want? I would say no. Is there as much in any part of this bill as anyone would want? I would say probably not. If there is, I have not found them yet.

But my main objection to this, Mr. Chairman, is what I have said, and we are going to hear a lot, and that is the balance. It was the same reason I objected to the amendment of the gentleman from Iowa (Mr. BOSWELL), is that this takes money from part of this very delicate balance that we have and it does shift it into another area.

□ 2000

I wanted to make certain that everyone understands that I am not objecting to agriculture research or increasing funding for agriculture research; but when we had all of these competing interests in committee with a finite amount of money, I think we did a significantly generous increase, and for that reason, I would oppose the amendment.

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

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

I, too, must say I have to reluctantly oppose the gentleman's amendment for the same reasons that the chairman has talked about, because I, too, would like to have increased the funding for research, just as I sincerely would have liked to increase the funding for conservation, just like we will have a later debate about increasing the funding for rural development. But as we live within the budget of $73.5 billion, these decisions were made; and I feel compelled to stay with the commitment at this point in time and encourage our colleagues to oppose the gentleman's amendment.

Mr. DOOLEY of California. Mr. Chairman, I yield 3 minutes to the gentlewoman from North Carolina (Mrs. CLAYTON).

Mrs. CLAYTON. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I rise in support of the amendment offered by my colleague and good friend, the gentleman from California (Mr. DOOLEY), who has drawn attention to an important role in agricultural research, ensuring that American farmers are indeed prepared for the 21st century and on the cutting edge of technological advances and innovation.

Surely one of the most important things Congress can do to support the future competitiveness of American farmers is indeed supporting agricultural research. Through agricultural research we have been able to increase yields, improve environment sensitivity, add to significant value, both ecological as well as economic, and advance agriculture outputs for the world's population.

With the increased pressure from emerging nations overseas bearing down on American agricultural markets, continued technological innovation must continue, because we cannot compete with those countries from the standpoint of human capital. We must build upon our research capacity to retain the competitiveness of American agriculture.

I would like to bring to the attention of the committee one particular component of this amendment that is very important to the minority institutions, those of the 1890s, those of Hispanic-serving, as well as the Indian-serving, the Native American institutions. All of these institutions play a very important role on small disadvantaged sustainable agriculture, particularly in the minority community.

By voting for this amendment, we ensure the output and the research and the involvement of these institutions with the other major land grant universities. This is an opportunity where we can bring together all of the land grant institutions working together, both for sustainable development, as well as for the big ideas as well.

Again, I want to commend my colleague from California and to say this is the right way. I know both the chairman and the ranking member regret that they cannot be enthusiastically supporting this, but I would hope, indeed, that Members would understand the value of research is so important that we really are not taking away from farmers, we are adding to it.

Mr. DOOLEY of California. Mr. Chairman, I yield 1 minute to the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON).

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, I rise in support of this amendment. I recognize the tightness of the budget; but nothing is more important than research, and most especially research that will yield food. There are so many families and so many children that go to sleep hungry and wake up hungry every day. The one way that we can help to solve this problem is to do the research so we can find better ways to have better yields so that the least that we can do is to feed the children.

I know that the Historically Black Colleges and Universities and the Hispanic-serving institutions would also have an opportunity to join in, who know probably this issue and this problem almost better than anyone else. So I rise in support of the amendment.

Mr. DOOLEY of California. Mr. Chairman, I yield 2 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentleman from California for yielding me time. Let me applaud the gentleman for his leadership on this very important issue.

Mr. Chairman, I rise to support the farm bill because I believe this is an important investment in America's future. Farm security, investment in the food chain and recognizing that as we look to a new day in securing America, we are going to have to look to the investment in our farmers, small and large.

At the same time, I believe the Dooley amendment provides the opportunity to take just a small measure of dollars, $100 million, to provide cutting-edge research and technological development as the keys to our Nation's competitiveness in an increasingly global trade market for agricultural products. If we do not invest in the cutting-edge technology, we cannot be in front of the curve to be able to be competitive, to be able to reach the

pinnacle, if you will, of the kind of agricultural development that will make us internationally competitive.

Let me also thank the gentleman from California (Mr. DOOLEY) for recognizing that the land grant colleges, historically black colleges and the Hispanic-serving colleges can be very much a vital part of this research. May I remind everyone of Booker T. Washington and as well George Washington Carver, Booker T. Washington with the Tuskegee Institute and as well George Washington Carver invested in the understanding of farming. These institutions are able to provide the cultural insight and the rural insight into research, and it helps them to develop individuals who will be leaders in research as it relates to competitiveness in agriculture.

I would simply say this is a mere drop in the bucket. I do not want to diminish the amendment, but it certainly is a worthwhile amendment. I ask all my colleagues in a bipartisan way to support the Dooley amendment.

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

Mr. Chairman, I rise asking my colleagues to support this amendment. I will tell you how it even impacts me personally. Over 10 years ago, when I came into Congress, I was a full-time farmer. At that time we were producing about on our cotton fields in the San Juaquin Valley about 1,000 pounds per acre of cotton. Today we are producing almost 1,800 pounds of cotton. The financial viability of my farm was not the result of program payments that are coming to us from the Federal Government. The profitability of my farm is much more a function of the investment in research that has resulted in improved varieties that have enhanced yields.

That is the crux of this amendment. It is taking one cent out of every dollar that we would be providing in direct payments and investing it in research so we can continue to see improvements in yields, so we can see improvements in productivity. That has far more to do with the financial viability of farmers than the $100 million we are providing in direct payments to farmers. That is not an investment in the future.

I just ask my colleagues to step back and take an honest and objective evaluation of what this amendment is all about. It is taking one penny of every dollar in taxpayer subsidies and saying let us invest it in research, let us invest it in the future, et cetera, et cetera. The farmers will see an enhanced level of productivity which will be more to their bottom line than these direct taxpayer payments.

I ask my colleagues to support this amendment.

Mr. COMBEST. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The question is on the amendment offered by the gentleman from California (Mr. DOOLEY).

The amendment was rejected.

Mr. COMBEST. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mrs. EMERSON) having assumed the chair, Mr. HASTINGS of Washington, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2646) to provide for the continuation of agricultural programs through fiscal year 2011, had come to no resolution thereon.

LIMITATION ON AMENDMENTS DURING FURTHER CONSIDERATION OF H.R. 2646, FARM SECURITY ACT OF 2001

Mr. COMBEST. Madam Speaker, I ask unanimous consent that during further consideration of H.R. 2646 in the Committee of the Whole pursuant to House Resolution 248, that debate on amendment No. 47 and all amendments thereto shall not exceed 55 minutes, with 45 minutes equally divided and controlled by the proponent and an opponent, and 10 minutes controlled by the gentleman from Wisconsin (Mr. OBEY); and that no further amendment may be offered after the legislative day of Thursday, October 4, 2001, except one pro forma amendment each offered by the chairman or ranking minority member of the Committee on Agriculture or their designees for the purpose of debate.

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

There was no objection.

Mr. COMBEST. Madam Speaker, I ask unanimous consent that on amendment No. 11 to be offered by the gentlewoman from California (Mrs. BONO), that time be limited to 20 minutes on the amendment and all amendments thereto, equally divided by the proponent and an opponent.

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

Mr. SANDERS. Madam Speaker, I wanted to make sure there will be another amendment from the gentleman from Louisiana (Mr. VITTER) included within my time. I would hope there would be no objection to that.

Mr. COMBEST. Madam Speaker, the gentleman would not be prevented from offering other amendments, which would be included in the time of the gentleman from Vermont (Mr. SANDERS).

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

There was no objection.

FARM SECURITY ACT OF 2001

The SPEAKER pro tempore. Pursuant to House Resolution 248 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2646.

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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 further consideration of the bill (H.R. 2646) to provide for the continuation of agricultural programs through fiscal year 2011, with Mr. HASTINGS of Washington (Chairman pro tempore) in the Chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose earlier today, amendment No. 19 printed in the CONGRESSIONAL RECORD offered by the gentleman from California (Mr. DOOLEY) had been disposed of.

Pursuant to the order of the House of today, debate on amendment No. 47 and all amendments thereto shall not exceed 55 minutes, with 45 minutes equally divided and controlled by the proponent and an opponent, and 10 minutes controlled by the gentleman from Wisconsin (Mr. OBEY); and no further amendment may be offered after the legislative day of today, except one pro forma amendment each offered by the chairman and ranking minority member of the Committee on Agriculture or their designees for the purpose of debate, and any debate on the Bono amendment No. 11, which will be limited to 20 minutes, equally divided.

Are there any amendments to the bill?

AMENDMENT NO. 23 OFFERED BY MR. GILCHREST

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

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

The text of the amendment is as follows:

Amendment No. 23 offered by Mr. GILCHREST:

At the end of title II, insert the following:

Subtitle H—Conservation Corridor Program

SEC. 271. CONSERVATION CORRIDOR PROGRAM.

(a) PURPOSE.—The purpose of this subtitle is to provide for the establishment of a program that recognizes the leveraged benefit of an ecosystem-based application of the Department of Agriculture conservation programs, addresses the increasing and extraordinary threats to agriculture in many areas of the United States, and recognizes the importance of local and regional involvement in the protection of economically and ecologically important farmlands.

(b) ESTABLISHMENT.—The Secretary of Agriculture (in this subtitle referred to as the ''Secretary'') shall establish a Conservation Corridor Program through which States, local governments, tribes, and combinations

of States may submit, and the Secretary may approve, plans to integrate agriculture and forestry conservation programs of the United States Department of Agriculture with State, local, tribal, and private efforts to address farm preservation, water quality, wildlife, and other conservation needs in critical areas, watersheds, and corridors in a manner that enhances the conservation benefits of the individual programs, tailors programs to State and local needs, and promotes and supports ecosystem and watershed-based conservation.

(c) MEMORANDUM OF AGREEMENT.—On approval of a proposed plan, the Secretary may enter into a memorandum of agreement with a State, a combination of States, local governments, or tribes, that—

(1) guarantees specific program resources for implementation of the plan;

(2) establishes different or automatic enrollment criteria than otherwise established by regulation or policy, for specific levels of enrollments of specific conservation programs within the region, if doing so will achieve greater conservation benefits;

(3) establishes different compensation rates to the extent the parties to the agreement consider justified;

(4) establishes different conservation practice criteria if doing so will achieve greater conservation benefits;

(5) provides more streamlined and integrated paperwork requirements; and

(6) otherwise alters any other requirement established by United States Department of Agriculture policy and regulation to the extent not inconsistent with the statutory requirements and purposes of an individual conservation program.

SEC. 272. CONSERVATION ENHANCEMENT PLAN.

(a) PREPARATION.—To be eligible to participate in the program under this subtitle, a State, combination of States, political subdivision or agency of a State, tribe, or local government shall submit to the Secretary a plan that proposes specific criteria and commitment of resources in the geographic region designated, and describes how the linkage of Federal, State, and local resources will—

(1) improve the economic viability of agriculture by protecting contiguous tracts of land;

(2) improve the ecological integrity of the ecosystems or watersheds within the region by linking land with high ecological and natural resource value; and

(3) in the case of a multi-State plan, provide a draft memorandum of agreement among entities in each State.

(b) SUBMISSION AND REVIEW.—Within 90 days after receipt of the conservation plan, the Secretary shall review the plan and approve it for implementation and funding under this subtitle if the Secretary determines that the plan and memorandum of agreement meet the criteria specified in subsection (c).

(c) CRITERIA FOR PARTICIPATION.—The Secretary may approve a plan only if, as determined by the Secretary, the plan provides for each of the following:

(1) Actions taken under the conservation plan are voluntary and require the consent of willing landowners.

(2) Criteria specified in the plan and memorandum of agreement assure that enrollments in each conservation program incorporated through the plan are of exceptionally high conservation value.

(3) The program provides benefits greater than the benefits that would likely be achieved through individual application of the federal conservation programs because of such factors as—

(A) ecosystem- or watershed-based enrollment criteria;

(B) lengthier or permanent conservation commitments;

(C) integrated treatment of special natural resource problems, including preservation and enhancement of natural resource corridors; and

(D) improved economic viability for agriculture.

(4) Staffing and marketing, considering both Federal and non-Federal resources, are sufficient to assure program success.

(d) APPROVAL AND IMPLEMENTATION.—Within 90 days after approval of a conservation plan, the Secretary shall begin to provide funds for the implementation of the plan.

(e) PRIORITY.—In carrying out this section, the Secretary shall give priority to multi-State or multi-tribal plans.

SEC. 273. FUNDING REQUIREMENTS.

(a) COST-SHARING.—As a further condition on the approval of a conservation plan submitted by a non-Federal interest to contribute at least 20 percent of the total cost of the Conservation Corridor Program.

(b) EXCEPTION.—The Secretary may reduce the cost-share requirement in the case of a specific activity under the Conservation Corridor Program on good cause and demonstration that the project or activity is likely to achieve extraordinary natural resource benefits.

(c) COORDINATION.—The Secretary shall require that non-Federal interests contributing financial resources for the Conservation Corridor Program shall implement streamlined paperwork requirements and other procedures to allow for integration with the Federal programs for participants in the program.

(d) RESERVATION OF FUNDS.—The Secretary shall direct funds on a priority basis to the Conservation Corridor Program and to projects in areas identified by the plan.

(e) ADMINISTRATION.—A State may submit multiple plans, but the Secretary shall assure opportunity for submission by each State. Acreage committed as part of approved Conservation Reserve Enhancement Programs shall be considered acreage of the Conservation Reserve Program committed to a Conservation Enhancement Program.

Amend the table of contents accordingly.

Mr. GILCHREST. Mr. Chairman, we have an amendment that deals with a concept known as the ''conservation corridor.'' A conservation corridor would use existing agricultural and forest conservation practices to ensure a steady contiguous land mass for the purpose of protecting, enhancing and making agriculture profitable. In accordance with the conservation programs in the Department of Agriculture, we want to make a conservation corridor.

I have discussed this with the committee and a number of members on the committee; and at this point, to discuss further this issue, I would like to yield to the gentleman from California (Mr. POMBO).

Mr. POMBO. Mr. Chairman, I have discussed in great detail the gentleman's amendment. I do not oppose in concept what the gentleman is trying to do, but I do have some concerns with some of the language that is in the bill and some of the impacts nationwide of his amendment.

I would like to ask the gentleman if he would be willing to make this a pilot program to work on the language and withdraw his amendment. If he is willing to do that, I would do everything in my power to rewrite the amendment and to work with the gentleman and to try to get this included in the final bill in conference.

□ 2015

Mr. GILCHREST. Mr. Chairman, we have discussed this. We do accept the fact that we will make it a pilot project in an area, a geographic area in my district known as the Delmarva Peninsula. It is a peninsula that includes part of Maryland, all of Delaware, and part of Virginia; and we will create a conservation corridor which will be conducive for agriculture to be profitable.

Mr. Chairman, I ask unanimous consent that my amendment be withdrawn.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). Is there objection to the request of the gentleman from Maryland?

There was no objection.

AMENDMENT NO. 15 OFFERED BY MRS. CLAYTON

Mrs. CLAYTON. Mr. Chairman, I offer an amendment.

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

The text of the amendment is as follows:

Amendment No. 15 offered by Mrs. CLAYTON:

At the end of the bill add the following:

TITLE X—USE OF AMOUNTS PROVIDED FOR FIXED, DECOUPLED PAYMENTS TO PROVIDE NECESSARY FUNDS FOR RURAL DEVELOPMENT PROGRAMS.

SEC. 1001. USE OF AMOUNTS PROVIDED FOR FIXED, DECOUPLED PAYMENTS TO PROVIDE NECESSARY FUNDS FOR RURAL DEVELOPMENT PROGRAMS.

(a) IN GENERAL.—Notwithstanding section 104 of this Act, in each of fiscal years 2002 through 2011, the Secretary of Agriculture shall—

(1) reduce the total amount payable under section 104 of this Act, on a pro rata basis, so that the total amount of such reductions equals $100,000,000; and

(2) expend—

(A) $45,000,000 for grants under 306A of the Consolidated Farm and Rural Development Act (relating to the community water assistance grant program);

(B) $45,000,000 for grants under 613 of this Act (relating to the pilot program for development and implementation of startegic regional development plans); and

(C) $10,000,000 for grants under section 231(a)(1) of the Agricultural Risk Protection Act of 2000 (relating to value-added agricultural product market development grants).

(b) RELATED AMENDMENTS.—Section 613 of this Act is amended—

(1) in subsection (a)(1), by striking ''select 10 States'' and inserting '', on a competitive basis, select States'';

(2) in subsection (a)(3)(A), by inserting '', plus 2/13 of the amounts made available by section 1001(a) of the Farm Security Act of

2001 for grants under this section,'' after ''Corporation''; and

(3) in subsection (b)(2)(A), insert '', plus 11/13 of the amounts made available by section 1001(a) of the Farm Security Act of 2001 for grants under this section,'' after ''Corporation''.

Mrs. CLAYTON. Mr. Chairman, my understanding is that there is 20 minutes. So the gentleman from Pennsylvania (Mr. PETERSON) would have 10 minutes, and I would have 10 minutes and then 20 minutes in opposition. Is that correct?

Mr. COMBEST. Mr. Chairman, the chair would be agreeable to that if the gentlewoman is proposing that unanimous consent on her amendment.

The CHAIRMAN pro tempore. Is the gentlewoman asking for unanimous consent for 40 minutes of debate on this amendment, 20 minutes on each side, with the option on the gentlewoman's side of having that further divided to 10 minutes each, and all amendments thereto?

Mrs. CLAYTON. That is correct.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from North Carolina?

There was no objection.

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

I come before this body again to seek additional resources for our struggling and rural communities, along with a safety net for our farmers. Both I think can happen.

Clearly, agriculture has long played and continues to play an important role in the well-being of rural America. That is why I support the Farm Security Act of 2001. It provides a strong, generous safety net for the American agriculture producers in trying times for the farm economy.

A farm safety net will provide refuge for our farmers during times of economic hardship. This is as it should be. But we must ask ourselves, will this farm safety net create non-farm jobs. Will this safety net help our rural communities deal with a multi-billion dollar backlog of unfunded infrastructure projects? Will the safety net increase the economic well-being of workers who have to drive 60 miles round trip to work at a Wal-Mart at $6.25 an hour? Will it provide running water for the 1 million rural Americans who still, still today, do not have running water in their homes? Will it prevent a great hollowing out of rural America that is currently taking place by young people and our most productive citizens moving away for a better opportunity?

I say with deep regret and disappointment that the answer to these questions is no. No. This Congress must begin thinking of rural America, not just as the farmers who struggle with low commodity prices, though I have many farmers in that category; though we should help them and we must help them, but we must start thinking about rural America as a woman driving 60 miles round trip just to get $6.25 an hour and cannot support her family. We must do more for rural America, and I believe we can start with this farm bill.

That is why I am offering an amendment with my colleague to increase rural development funding in this farm bill by an additional $1 billion over 10 years. I am aware and very appreciative of what this committee has done. The chairman and the ranking member have provided leadership in this area. They have invested $1 billion. I am simply saying that an additional $1 billion out of a total budget of more than $171 billion is a very small investment to pay. In fact, this amendment is both for the farmers, it is for their neighbors, as well as their communities.

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

Mr. COMBEST. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, if the time was not divided by the gentlewoman's unanimous consent agreement, then I ask unanimous consent that the gentleman from Texas (Mr. STENHOLM) have half the time in opposition.

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

There was no objection.

Mr. COMBEST. Mr. Chairman, I rise in opposition to the amendment, and I yield myself such time as I may consume.

Again, I want to thank the gentlewoman from North Carolina for all of the many things she has contributed to agriculture and that we have worked with throughout this entire process.

All of us support rural development. It is critical to all of us who come from rural America. Rural development is something that we see every day when we go to our small towns, and we have seen the progress of it. But again, my objection to this would be the same as it was to the Dooley amendment and the same as it was to Boswell amendment, and that is that we have this balance and we, fortunately, have so far been able to protect it. It does not say anything about a negative feeling toward rural development. I am totally supportive of rural development.

Mr. Chairman, we have added rural development funds into the bill. We just have not had enough to go around. I appreciate the gentlewoman's tenacity and how hard she works on this subject, and I think she knows how much I respect her and appreciate her. However, I do rise in opposition.

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

Mr. PETERSON of Pennsylvania. Mr. Chairman, I rise to join the gentlewoman from North Carolina to offer this amendment and to support it, and I yield myself such time as I may consume.

This farm bill spends many billions supporting our farmers, but it does too little to assist rural communities where farm families live and raise their families. We are asking for a crumb from the table, Mr. Chairman, $100 million out of a $50 billion pot of money; less than 2 percent. A crumb for rural America. Not a whole cookie, not a slice of the pie, just a crumb.

Who lives in rural America today? A lot of ex-farmers. The majority of people living in rural farm towns are not farmers. A lot of ex-farmers, a lot of ex-oil workers. A lot of ex-miners as our mines have been closed. A lot of ex-loggers as our forests are locked up from logging. A lot of ex-manufacturers, as small manufacturing plants have left, too often, small rural communities.

A lot of ex-utility employees. My gas companies come now, I am from Pennsylvania, from New York, and all of the staff and all of the support offices from out of New York State. Very few of them come from my area. My electric company now is out of New Jersey and will soon be out of Ohio, and all of the staff and all of the support people that help run our communities are no longer there. My telephone company comes from New York also. Those were people who made up the rural communities and helped lead them.

Our ex-bank employees, as bank mergers have devastated rural communities. Three regional banks in my area are all now governed out of an Ohio bank. All of those support offices, all of those people who made up our communities are now living in large cities and neighboring States.

Rural is much more than agriculture, and the future and success of our Nation's family farms are critically linked to the economies of rural communities. Only 6.3 percent of rural Americans live on farms and 50 percent of those farm families have significant off-farm income. That is why we need communities to support them. Farming accounts for only 7.6 percent of rural employment, and 90 percent of rural workers have non-farm jobs to help make it work.

Rural employment is still dominated by low-wage industries. In 1996, 23 percent of rural workers were employed in the service sector. Rural workers are nearly twice as likely to earn the minimum wage: 12 percent in rural, 7 percent in urban. Rural workers remain more likely to be underemployed and are less likely to improve their employment circumstances over time, and 40 percent less likely to move out of low-wage jobs than central city residents.

Of the 250 poorest counties in America, 244 of them are rural, only 6 urban. In general, poverty rates are higher in rural than in urban areas: 15.9 percent rural, 12.6 percent urban. Rural families are more likely to be employed and

still poor. In 1995, 60 percent of rural poor families worked some time during the year; 24 percent worked full time. Rural America has been exporting our brightest young people for years. We must reverse that trend. Rural communities need our help to plan and build a stronger economy for the future.

I am here today to support this because the President said in his letter about this farm bill: ''The Farm Security Act 2001,'' the administration said, ''as drafted, misses the opportunity to modernize the Nation's farm programs through market-oriented tools, innovative environmental programs, including extending benefits to workers, lands and aid programs that are consistent with our trade agenda.'' Our amendment redirects money to market-oriented tools, innovative and environmental programs by redirecting money to the value-added market programs to have clean drinking water.

Yes, ours is about clean drinking water grants, ours is about rural strategies and planting grants, ours is about helping farmers to value add to their products, helping farmers further process their products and get a decent price out of them; helping farmers be successful getting what their products are worth.

I am pleased to join the gentlewoman in supporting this amendment, and I ask my colleagues to do likewise.

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

Mrs. CLAYTON. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey (Mr. MENENDEZ).

Mr. MENENDEZ. Mr. Chairman, clean water should be a national priority; and, in part, that is why I support this amendment. Clean water is vital to the urban community that I represent, but it is just as vital to the rural communities that would directly benefit from this amendment. It is essential to the quality of life of every resident in every community, every family, and every business. There are simply no exceptions.

Many rural communities have a critical need for improved infrastructure such as water filtration and waste water systems, but without the infrastructure to provide for clean water, public health and the environment suffers greatly, and these communities are unable to attract new and viable businesses.

The USDA acknowledged this problem in a State-by-State analysis. It was found that 2.5 million Americans had a critical need for safe drinking water. This number includes almost 1 million Americans who had no water piped into their homes primarily because they could not afford it. Estimates on updating water systems go well into the billions, and rural communities just do not have the money. They lack the local tax base to tackle this problem alone, and that is why it is up to Congress to commit the funding that will bring clean water to these communities, or this need will never be adequately addressed.

Mr. Chairman, rural Americans should not have to leave their homes for urban centers to ensure that they will have access to clean water.

Another fundamental need in rural communities is the need for professional staff to conduct strategic planning. This amendment would expand the strategic planning initiative in funding and scope and would empower rural communities to solve this problem at the local level.

Rural communities often find themselves without a means to improve their local economies, and I believe this adversely affects the national economy. By passing this amendment today, Congress will help ensure that these communities participate in the national economy, in realizing the hopes and dreams of their citizens, in making sure that many citizens of minority communities who live in rural America will have their opportunity of fulfilling the American dream.

Mr. Chairman, I am very happy to support the gentlewoman in her amendment, and I would hope that many of my colleagues who do not come from rural America will come here and support this amendment as well.

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Mr. LUCAS of Oklahoma. Mr. Chairman, I yield 6 minutes to the gentlewoman from Missouri (Mrs. EMERSON).

Mrs. EMERSON. Mr. Chairman, I want to take a few minutes here to commend my fellow co-chair of the Rural Caucus for her incredible work on this amendment, as well as my colleague and other fellow member of the Rural Caucus, the gentleman from Pennsylvania (Mr. PETERSON).

This is very, very important; and it is particularly important because I do not think that the current farm bill or the newly written Farm Security Act, while substantially increasing the funds for rural development, quite frankly, they do not go far enough.

As one who represents the largest district geographically in the State of Missouri, the poorest district, and one which is heavily reliant not only on agriculture but also on tourism, mining, and the forest products industry, we are seeing very tough times in rural America.

Not only do we need access to the Internet; we have a desperate need for critical health care services, for a transportation system that is safe and reliable; fundamental needs, as the gentleman from New Jersey was stating, like safe drinking water. These are basic things that folks in suburban areas are very accustomed to, but we do not have them in the rural parts of this country.

In saying that, I know that the Clayton-Peterson amendment commits substantial amounts of money to infrastructure. I would like to ask the gentlewoman from North Carolina to elaborate a little bit on that.

Mrs. CLAYTON. Mr. Chairman, will the gentlewoman yield?

Mrs. EMERSON. I yield to the gentlewoman from North Carolina.

Mrs. CLAYTON. Mr. Chairman, the infrastructure provisions in this amendment provide $45 million annually for 10 years and would allow communities that the gentlewoman and I know are 5,000, 3,000, small communities, and even nonprofit organizations in the unincorporated areas, to have grant assistance along with the loans that they must incur while increasing their tax indebtedness in order to have water systems. So that is for clean water as well as for wastewater facilities.

The other part is the strategic planning, which those in the urban areas take for granted. They get a larger percentage of Federal resources because they have people who can do that.

Those of us who live in rural areas, if we look at the Federal resources, it is mostly transfer of payments: Medicare, Social Security, assistance to families with children. We do not get the community development planning, we do not get big sums of economic development, we do not get big sums of housing, and we do not compete well in those competitive grants. So this would allow us an additional $45 million to have strategic planning and coordination and implementation of that. Very similar to what the gentlewoman was so creative in moving in the Delta, to have them get grant assistance. We are just marrying this up.

Finally, the value-added. That is simply giving our farmers the ability to add long-term profitability by adding new value and services to their raw commodities.

So I thank the gentlewoman for allowing me to expand on that.

Mrs. EMERSON. I thank the gentlewoman, and it is kind of like a quiver through my heart when I say to her, what about all of my farmers who have large, or not large, but medium-sized farms by, I guess, Western standards?

The part that worries me about that, I think the amendment is tremendous, but it is costly. I worry about my rice farmers, my cotton farmers, people who are hanging on by a little thread, and the extra money we would have to take away with that.

I want desperately to be able to support this, Mr. Chairman.

Mrs. CLAYTON. Mr. Chairman, if the gentlewoman will yield further, I understand that. I represent a large farm area. I represent the largest number of farmers in North Carolina. The area desperately needs the commodities, they depend on those.

But I know my farmers understand what shared sacrifice means, and they would understand that they would want to have clean water in their communities. They would want to support their neighbors, their communities.

So yes, it will take monies that are needed by commodities, but we have been, I think, in some ways very generous, though not too generous. So it would be, indeed, a shared sacrifice.

I am going to vote for the bill, you understand, but I cannot deny, we are asking them to share. We are asking them to share 2 percent, 2 percent. For what? For making rural America a far more viable community. The gentlewoman and I know that only 6 percent of all the people who live in rural America are on the farm. Less than 3 percent of them actually get all their income from farms, so this will go to 93 percent of everybody who lives in rural America.

My farmers are more generous than that, they do not mind sharing. I know the gentlewoman's farmers will understand that if she explains it to them.

Mrs. EMERSON. I am feeling guilty.

Mr. Chairman, I totally agree that we have to make a much larger monetary investment in rural America, but beyond the traditional commodity programs that have been a staple of our farm bills in the past, because it is critical that we develop a lasting infrastructure.

Mrs. CLAYTON. And I ask the gentlewoman to take that lead. That is all I am saying.

Mrs. EMERSON. Mr. Chairman, I feel very strongly about everything the gentlewoman is proposing. Perhaps in conference or in the Senate, perhaps someone can help us find the extra money.

At this time I am afraid that I would not be doing right by my farmers, but I appreciate it.

Mrs. CLAYTON. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. WAXMAN).

Mr. WAXMAN. Mr. Chairman, I will not even take the 2 full minutes, but I do want to rise in support of this amendment.

This amendment would add resources to help rural communities improve their drinking water and wastewater infrastructure. Water quality is a critical component of public health, and an important determinant of the standard of living.

It also contributes to the economic viability of rural communities. According to the EPA, small community water systems will need a large infusion of funding to meet the needs of their residents and economies over the coming years.

This amendment would provide an additional $45 million a year. It is a modest amendment. It would take less than 2 percent of the fixed payments designated for commodities and redirect the resources to these other underfunded programs that benefit rural communities.

I urge all my colleagues, whether they are from an urban area or a rural area, to support this much needed amendment.

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

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

Mr. Chairman, we have heard today that this would harm the commodity programs. I believe that 2 percent would not ruin any program. It is important that the communities that our farmers live and raise their families in are good, solid communities and have the leadership they need.

Our rural communities are struggling. They are the most struggling part of America. This Congress has reached out historically and helped urban communities. We have all supported that. Now it is time to help rural America.

We have lost farming, in many ways. We have lost mining. We have lost resource drilling, oil and gas drilling. We have lost our local banks. We have lost our local utilities. Rural America is a different place today than it was 10 years ago. It has not enjoyed the boom that was in this country for the last 10 years.

The highest unemployment in this country is in rural America. The most underemployment in this country is in rural America. The most dilapidated housing in this country is in rural America. These are the communities our farms live in.

USDA, in their ''Food and Agriculture Policy: Taking Stock for the New Century,'' say seven out of eight rural counties are dominated by a mixture of manufacturing services and other non-farming activities. The next part is what is important. ''Traditional commodity support and farming-oriented development programs play an increasingly limited role in improving the prosperity of rural America.''

I am not here arguing against the commodity supports, but when Members support the farmer who is less than 10 percent of the community and he does not have a community to support him, we have left out an important ingredient of rural America. The community we live in, no matter what we do, is the most important part. We are putting the money back too often into rich farmers' hands; and we are forgetting the community that the small, poor farmer lives in and is struggling for his meager existence.

The farmers in my district are poor. They work the longest hours of anybody. They are struggling. We need communities to support them. This 2 percent of this $5 billion a year is $100 million. Let us put 2 percent into the rural infrastructure where our farm families live and raise their families.

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

Mrs. CLAYTON. Mr. Chairman, I yield 2 minutes to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Chairman, I thank the gentlewoman for yielding time to me. I appreciate the gentlewoman's courtesy in allowing me to speak on her amendment.

Mr. Chairman, I came to Congress committed to having the Federal Government be a better partner with our State and local governments, with private citizens, to help make our families safe, healthy, and more economically secure. It is hard to think of an approach that would do more for our families in rural America than is outlined in this proposal.

As a member of the Subcommittee on Water Resources and Environment, I know how critical those water needs are. They have been documented here on the floor already today. We know that we need to be doing more in terms of value-added agriculture that is going to be critical for farms, particularly small farms where people are most at risk. This is important investment.

But the area that I find most intriguing deals with giving planning resources to rural America. It has been a transformational effect in my State for communities large and small to be able to have the resources to be able to plan their future, to engage their citizens to be part of the solution, to go hunting for money, public and private. Sadly, the situation today is that rural communities do not have access to these critical planning resources.

I commend the committee, the ranking member, and the Chair for having stepped forward with the strategic planning initiative. I think it is going to pay huge dividends. But I fear the committee has sold itself short. It should not be limited to a few States. The most compelling part of this amendment to me is that it will give these rural communities throughout America opportunity to have access to them.

Mr. Chairman, I implore this body to give the tools to be able to manage their own destiny. I think it will pay dividends for years to come. I think as we look at the interesting coalition that has been assembled on behalf of this, it is reflective of new allies to help in the redevelopment of rural America.

I urge members to support this.

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

Mr. Chairman, this is the third good amendment that we have had tonight, each of which said if we just take a little bit from the base bill, we can do many more good things.

All of them have been good: $20 billion for conservation, $1 billion for research, and now $1 billion for rural development.

I feel compelled again, though, to observe to the body, especially when I hear it referred to as the administration position, there is still no administration position on anything regarding this bill, other than asking us to defer action; no specific recommendations, nothing that we can do, other than suggest that we agree with them. But no one has ever, including the Secretary of State today, said specifically what they are for or against. I wish it was not that way, because we perhaps could have had a much, much better bill, but we do not.

To those who talk about the lack of money today, the gentlewoman from Missouri (Mrs. EMERSON) and the gentlewoman from North Carolina (Mrs. CLAYTON) have every right to stand up and say ''additional money'' because they voted for the Blue Dog budget. They provided in the vote for the budget the amount of money they are asking for tonight.

But the gentleman from Pennsylvania (Mr. PETERSON) did not vote for it, and therefore I do not see how he can ask for additional money in the same way. I understand how the gentleman can, because I would like to support the gentleman. I happen to agree on water. I do not agree on the strategic planning. That was my idea. I think we ought to be slow on new programs.

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We put $15 million into this as a pilot project because this is a new program. I think we ought to be a little conservative and cautious before we head out on a new program and we ought to try it and that is what we do.

We put $15 million. They suggest an additional $45 million. On the water we put 30. They suggest an additional 45. On the value added, this was the chairman's proposal, he put 50. They add an additional 10. All of which are good and valid requests. But the problem we have again is as we have said over and over, we struck a very delicate balance between all competing interests, between our commodities, between conservation, between research, between rural development, between trade, between all of those competing interests in putting together the bill that comes from the committee.

So again, I must add my reluctant opposition to what no one can say is not worthwhile. But we had to live under a budget that was imposed on us by this body, $73.5 billion, and that means we have to make some very tough allocation decisions. I feel compelled to stay with that decision we made and ask the body to reluctantly but firmly join in rejecting this amendment.

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

Mrs. CLAYTON. Mr. Chairman, could I have the remaining time please?

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The gentlewoman from North Carolina (Mrs. CLAYTON) has 2 minutes remaining. The gentleman from Texas (Mr. STENHOLM) has 7 minutes remaining. The gentleman from Pennsylvania (Mr. PETERSON) has 2½ minutes remaining. The gentleman from Oklahoma (Mr. LUCAS) has 3 minutes remaining.

Mrs. CLAYTON. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentlewoman for her leadership as well as the proponents of this legislation and this amendment.

As a Member of the Committee on Science, we spend a lot of time talking about clean drinking water. I respect the leaders of this legislation. They are respected Members of this House who know full well the needs of the agricultural community around the Nation. But I believe the importance of community water assistance grants are so very important that over the life of this farm bill, the $1 billion that includes the community water assistance grants, but as well, strategic planning, coming from an area where we have begun to develop what we call superneighborhoods, the interest of communities in planning is very vital. But in particular, this whole idea of keeping the water safe and developing clean water in rural areas I think is crucial.

I know that in rural areas it has been long overdue. In the area that I know the gentlewoman from North Carolina (Mrs. CLAYTON) represents, I know we spent some time in her district, particularly when we were dealing with the enormous flood problems. While we were there, in addition to trying to rebuild communities literally from the ground up, one of things that we noticed was most needed is a restructuring of the water system and wastewater system.

Mr. Chairman, I rise to support the idea of improvement in rural areas because as the rural areas are improved, so goes the larger communities.

Mrs. CLAYTON. Mr. Chairman, who has the right to close?

The CHAIRMAN pro tempore. If all Members are down to their final remarks, the order is the gentleman from Pennsylvania (Mr. PETERSON), then the gentleman from Texas (Mr. STENHOLM), then the gentlewoman from North Carolina (Mrs. CLAYTON) and then the gentleman from Oklahoma (Mr. LUCAS) has the right to close.

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

Mr. Chairman, I rise again to repeat one more time that rural America needs our help. I do not really think Congress as a whole or the country as a whole realizes what has not happened in rural America.

As we have seen urban and suburban areas grow and prosper and fight growth, in rural America we have had an exodus. We have had elements in this Congress that have stopped timbering and put loggers out of work. We have had elements in this Congress that have stopped mining and put miners out of work. We have had elements in this Congress that have made it pretty difficult to farm in some areas and put farmers out of work. We have had regulatory agencies that have been very difficult.

There has been an attack on how we make a living on rural America. I said it many times, in my district we mine. I am from where the first oil well was drilled. We have the finest hardwood forest in America, and we farm and we manufacture. There are organizations against all of those.

Rural Americans work for their money. They are the hardest working people in this country. They are the salt of the Earth in my book, and I am proud to represent them. I think we make a mistake when we put so many of our resources in helping a few. This 1 percent we are asking for helps the whole rural community. Most farmers depend on a second job for one of their family members or themselves. They depend on a second job for their children. They depend on support services in the community. When we do not support that community, we are making the biggest mistake because it will all fall apart in the end. This 1 percent is an investment this House ought to make.

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

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

Mr. Chairman, I again reluctantly rise in opposition. The speech of the gentleman from Pennsylvania (Mr. PETERSON), I happen to totally agree with everything that he said, with the one exception. We did not provide for the resources.

We keep talking about the commodities and that element of the bill. I would like to remind our colleagues again, the guaranteed price level that we are talking about for the commodities for the farmers proposed in those commodities is 1990 levels. I will submit tonight, yes, we are not doing nearly what we should for drinking water, but we are doing considerably more than what we are doing under baseline.

Value added and strategic planning, I am excited about that one, but I still believe that we ought to start slow because we are limited under the budget implications for this bill, in spite of what some would like to say about it. So I again ask for a no vote on this amendment.

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

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The time of the gentleman from Texas (Mr. STENHOLM) has expired.

The gentlewoman from North Carolina (Mrs. CLAYTON) has 30 seconds remaining.

Mrs. CLAYTON. Mr. Chairman, I yield myself the remainder of my time.

If the Committee on Agriculture does not act for all rural America, if this Congress does not use this farm bill as an opportunity to expand our investment in rural America, I would like to ask who will do it? If not us, who? If not now, when?

Indeed, the Committee on Agriculture has the congressional mandate for rural community development, and the farm bill is the obvious place where this should occur.

I ask my colleagues to support this amendment.

The CHAIRMAN pro tempore. The time of the gentlewoman from North Carolina has expired.

Mr. LUCAS of Oklahoma. Mr. Chairman, I yield myself what time I have remaining.

I, too, must reluctantly rise and join in opposition with the ranking member of the committee, the gentleman from Texas (Mr. STENHOLM) to the Clayton amendment that would pull valuable dollars away from the safety net in order to increase funding in rural development programs, but I believe we have made a great, great step in the right direction in funding in this base bill.

Consider for a moment that farm programs and rural development programs are interdependent on each other and if we take $1 billion over the next 10 years away from the farm safety net, that that will ultimately hurt those producers who live and work in the rural areas. One of the programs that this amendment would direct money to is the community water assistance grant program. While that is a very meritorious goal, I would like to point out that H.R. 2646 provides $30 million in mandatory funding per year for this program.

Under existing law this is a discretionary program. It has never been fully funded in recent times, and recognizing that, the Committee on Agriculture increased and expanded the program to help address those needs of rural communities that have difficulty in providing safe and adequate quantities of drinking water. Additionally, there are authorized, ongoing water and waste disposal loans and grants that the House has funded in the fiscal year 2002 ag appropriations bill with more than $55 million in loans and almost $600 million in grants. H.R. 2646 eliminates the authorized aggregate funding cap so that all necessary funds can be appropriated to meet this need.

The Clayton amendment also directs funds to the Strategic Planning Initiative, and H.R. 2646 creates this initiative to increase community capacity building efforts at the local and regional levels. H.R. 2646 already provides $2 million per year that will allow entities to develop and to collaborate on these strategic plans to sustain rural economic growth in communities.

To further enhance rural development efforts, H.R. 2646 authorizes the National Rural Development Partnership, which will promote interagency coordination among Federal departments and agencies to administer the policies and programs affecting rural areas. This partnership will serve as a resource for communities in working with rural development programs and will help streamline the available programs.

Remember, the underlying bill makes permanent the Resource Conservation and Development councils which will not only increase the conservation and natural resources but also support economic development and enhance the environment and the quality of rural living.

These provisions are clearly a statement in the underlying bill that we want to do everything that we can to encourage rural development, but unfortunately, we must work within the resources that are available to us. We must address the needs of the overall farm safety net, and I reluctantly oppose the amendment and ask for the passage of the underlying bill.

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

The CHAIRMAN pro tempore. All time has expired.

The question is on the amendment offered by the gentlewoman from North Carolina (Mrs. CLAYTON).

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

Mr. PETERSON of Pennsylvania. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule I, further proceedings on the amendment offered by the gentlewoman from North Carolina (Mrs. CLAYTON) will be postponed.

AMENDMENT NO. 11 OFFERED BY MRS. BONO

Mrs. BONO. Mr. Chairman, I offer Amendment No. 11.

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

The text of the amendment is as follows:

Amendment No. 11 offered by Mrs. BONO:

At the end of title IX (page 354, after line 16), insert the following new section:

SEC. ___. COUNTRY OF ORIGIN LABELING OF PERISHABLE AGRICULTURAL COMMODITIES.

(a) ESTABLISHMENT OF LABELING REQUIREMENT.—The Perishable Agricultural Commodities Act, 1930, is amended by inserting after section 17 (7 U.S.C. 499q) the following new section:

"SEC. 18. COUNTRY OF ORIGIN LABELING OF PERISHABLE AGRICULTURAL COMMODITIES.

''(a) NOTICE OF COUNTRY OF ORIGIN REQUIRED.—Except as provided in subsection (b), a retailer of a perishable agricultural commodity shall inform consumers, at the final point of sale of the perishable agricultural commodity to consumers, of the country of origin of the perishable agricultural commodity. This requirement shall apply to imported and domestically produced perishable agricultural commodities.

''(b) EXEMPTION FOR FOOD SERVICE ESTABLISHMENTS.—

''(1) EXEMPTION.—Subsection (a) shall not apply to a perishable agricultural commodity to the extent that the perishable agricultural commodity is—

''(A) prepared or served in a food service establishment; and

''(B) offered for sale or sold at the food service establishment in normal retail quantities or served to consumers at the food service establishment.

''(2) DEFINITION.—In this subsection, the term 'food service establishment' means a restaurant, cafeteria, lunch room, food stand, saloon, tavern, bar, lounge, or other similar facility, which is operated as an enterprise engaged in the business of selling foods to the public.

''(c) METHOD OF NOTIFICATION.—

''(1) IN GENERAL.—The information required by subsection (a) may be provided to consumers by means of a label, stamp, mark, placard, or other clear and visible sign on the perishable agricultural commodity or on the package, display, holding unit, or bin containing the commodity at the final point of sale to consumers.

''(2) LABELED COMMODITIES.—If a perishable agricultural commodity is already individually labeled regarding country of origin by a packer, importer, or another person, the retailer shall not be required to provide any additional information to comply with this section.

''(d) VIOLATIONS.—If a retailer fails to indicate the country of origin of a perishable agricultural commodity as required by subsection (a), the Secretary of Agriculture may assess a civil penalty on the retailer in an amount not to exceed—

''(1) $1,000 for the first day on which the violation occurs; and

''(2) $250 for each day on which the same violation continues.

''(e) DEPOSIT OF FUNDS.—Amounts collected under subsection (d) shall be deposited in the Treasury of the United States as miscellaneous receipts.''.

(b) APPLICATION OF AMENDMENT.—Section 18 of the Perishable Agricultural Commodities Act, 1930, as added by subsection (a), shall apply with respect to a perishable agricultural commodity offered for retail sale after the end of the six-month period beginning on the date of the enactment of this Act.

The CHAIRMAN pro tempore. Pursuant to the order of the House of earlier today, the gentlewoman from California (Mrs. BONO) and a Member opposed each will control 10 minutes.

The Chair recognizes the gentlewoman from California (Mrs. BONO).

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

The reality today is that food is a global product. Whether it is Mexican cantaloupe or Coachella Valley table grapes, the need for country of origin

labeling is a consumer information and safety issue that affects millions of Americans.

With this in mind, I, along with the gentlewoman from Oregon (Ms. HOOLEY) am offering legislation, H.R. 1605, The Produce Consumers Right to Know Act, as an amendment to the pending legislation before this House.

For the past 69 years, goods imported into the United States have been required to be labeled with their products country of origin so that the consumer will ultimately know where the product was produced. Your shirt, your coffee mug, your chair and your pen probably all have country of origin labels, yet there is no law that mandates that fresh fruit and produce be labeled with its country of origin.

When the last comprehensive labeling Act was passed by Congress nearly 70 years ago, there were there very few fruit and vegetable imports into the United States so the requirement was unnecessary. However, in the 21st century, with free trade agreements, produce is now widely imported to every city and every State of this country.

It is important to note that U.S. law already encourages the labeling of fresh fruits and vegetables. Currently most of the boxes that contain produce are shipped over to the United States labeled with their country of origin. However, those boxes are usually left in the back room along with their labels.

As a result, the consumer sees the produce but not the shipping box or label. Therefore, while valuable country of origin labeling is usually attached to the produce when it enters the store, this label never ends up making it to the mom or dad who are shopping for the family so that they can make an informed decision.

While the United States does not have a country of origin law for fruits and vegetables, the State of Florida passed the Produce Labeling Act of 1979. At the retail level, Florida's country of origin labeling program is successful and inexpensive. Florida's Produce Labeling Act requires simply two staff hours per store per week.

In an era of free trade with our many trading partners around the world, it is imperative that fair trade is an element in any of our trading agreements. The GAO says that 13 of our Nation's 28 biggest trading partners require country of origin labeling for fresh produce. Mexico is a source for more than half of our Nation's produce imports, and ironically, it requires origin labeling on imported produce sold there. Other countries such as the U.K., France, Japan and Canada have labeling laws as well.

□ 2100

The truth is that everyone wants to know where their food comes from. In the 21st century, with our local supermarkets carrying everything from Brazilian bananas to Chilean table grapes, virtually everything bears its place of origin except for produce. I believe consumers want this to change.

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

Mr. POMBO. Mr. Chairman, I claim the time in opposition.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The gentleman from California (Mr. POMBO) is recognized for 10 minutes.

Mr. POMBO. Mr. Chairman, I ask unanimous consent to have the time be equally divided between myself and the gentleman from Texas (Mr. STENHOLM).

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

There was no objection.

Mr. POMBO. Mr. Chairman, I yield myself such time as I may consume, and I reluctantly rise in opposition because I do support the idea of doing country-of-origin labeling. Unfortunately, I do not believe that at this time this topic should move forward on the farm bill.

This is an issue that we have had numerous hearings on in my subcommittee and in the Committee on Agriculture in the last several years because it is something that people care so deeply about. But, unfortunately, we have been unable to reach consensus in the industry as to the proper way to proceed with doing this.

There are big differences within the industry, whether we are talking about producers or processors, or the retailers themselves; but there are also big differences between the producers themselves. Some are very much in favor of moving forward, some are opposed to doing that, and there are a number of different ideas as to how and what the best way to proceed with doing country-of-origin labeling is.

Some of the issues that we have had to deal with in the past couple of years have made it very difficult to reach that consensus. I can tell my colleagues that we have had testimony in the committee that about 70 percent of the cost of proceeding with a program such as this will go back to the producers themselves in the form of lower prices. They end up absorbing the cost of this program. In the limited programs such as this that have been used in the statewide example and others, they have seen very little, if any, net return back to the producers themselves.

I can also say that GAO estimates that FDA's compliance cost for fruit and vegetables would be about $56 million per year. So this is not a no-cost program. It is an expensive program.

At this time I oppose the gentlewoman's amendment.

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

Mrs. BONO. Mr. Chairman, I yield 5 minutes to the gentlewoman from Oregon (Ms. HOOLEY).

Ms. HOOLEY of Oregon. Mr. Chairman, I echo the sentiments of my colleague from California and thank her for her leadership on this issue.

I will tell my colleagues that when I walk into a grocery store to buy produce for my family, I want to know where it is grown and that it is safe. This should be my right as a consumer. After all, we have laws on the books that say we have to have country-of-origin labeling whether it is our shoes, socks or auto parts. But for reasons beyond my comprehension, we do not know where the produce is grown. Food that is put in our body, we do not know where it is grown.

There is not a single person in this Chamber who would disagree that in the United States we have some of the world's most stringent regulations for farming. Our growers have to comply with strict, exhaustive local, State and Federal regulations governing the use of land, water, labor and pesticides, rules that many of our trading partners do not have to comply with. As a result, our food is some of the safest in the world.

I believe that Americans have the right to know that what they are eating is safe and where it is grown. Opponents of this amendment contend that the cost for industry, including retailers, to comply with country-of-origin labeling requirements are too great and the price of produce will rise as a result. This is simply untrue.

We already have a great test case currently in place. Florida, which is the fourth most populace State in the country, has had the country-of-origin labeling requirement for over 20 years. The estimated cost of the mandatory-produce labeling law is less than a penny on a consumer's weekly grocery bill. Less than a penny. I want my colleagues to know that people will gladly pay that penny a week to know where their food is grown.

Compliance can be achieved by simply placing signs near the produce bins or with price information. If it says apples, a dollar a pound, all that has to be done is to add, grown in Mexico, or wherever it is grown. Thirteen of our biggest trading partners, including Canada, Mexico, Japan, France, and the United Kingdom require country-of-origin labeling on produce imported into their countries. With 50 percent of our produce imports in this country coming from Mexico, I find it ironic that they have a labeling requirement and we do not.

This amendment should be an easy ''yes'' vote. This is good for the consumers, good for our economy, good for our farmers, and this is something that the citizens of this great country want. It is time for Congress to close this loophole from 70 years ago and pass

this amendment. I urge all my colleagues on both sides of the aisle to join us in passing the Bono-Hooley amendment.

Mr. STENHOLM. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. DOOLEY).

Mr. DOOLEY of California. Mr. Chairman, I rise in opposition. I understand the objectives of the authors of this amendment, but I think it is important that this country maintains the principle of ensuring that the labels we are putting on products are providing real information to people, information that has a scientific basis in terms of providing nutritional or safety information which is important to consumers.

If we adopt this precedent of country-of-origin labeling, we are saying that we are going to then adopt a principle that we can label a product which has no scientific basis, no scientific justification. There is no indication that these products are less safe or less nutritious. I think it is important for us to maintain that consistency.

If we go down this path, we are really starting a precedent that we can then succumb to calls for labeling products that consumers might want the right to know what type of pesticides might be used on them, what type of fertilizers, even though we now have laws in place and regulations which ensure that unless the health and safety of a product is going to be impacted we do not require that labeling.

The other thing that I think is interesting, there is not a consumer anywhere, any of us in this Chamber today, that can go into a supermarket today and hardly pick up an apple, a plum, an orange that does not have a sticker on that individual piece of fruit. If there was value in that product being labeled from a particular country of origin or from the United States, there is nothing today to preclude a producer, a processor, a packager of putting that little sticker on that plum, peach, nectarine, or apple.

Why do we believe that it is so important to establish another mandate by the Government on producers, on farmers, on retailers when there is the opportunity to do it voluntarily today?

In light of the fact that we are not providing consumers with any information that actually goes to the health, the nutrition, the safety of a product, this proposal lacks merit. We need to ensure that we are making these decisions based on the long-held principle that the FDA and other agencies within the Government that it has to be based on science.

Mrs. BONO. Mr. Chairman, I yield 2½ minutes to the gentlewoman from Florida (Ms. ROS-LEHTINEN).

Ms. ROS-LEHTINEN. Mr. Chairman, I thank the gentlewoman from California (Mrs. BONO) for yielding me this time, and I rise in strong support of the amendment offered by her, which is essentially her bill, the Produce Consumer's Right-to-Know Act.

This amendment will bring consumers information on produce that our government has required on all imported manufactured goods since the 1930s. My home State of Florida, as has been pointed out several times in tonight's debate, has required country-of-origin labeling on produce for over 20 years, and Floridians overwhelmingly support this type of labeling. It works, it is effective, and it is cost effective. The same should be required in all States.

Perishable foods should have a clear visible sign to indicate their country of origin. Thirty-four other countries require a country-of-origin labeling, including our own neighbors, Canada and Mexico. All Americans should have the right to know where their food is produced so that they can make informed decisions about what they are feeding their families.

American growers already comply with strict regulations at local, State, and Federal levels. These regulations govern the use of land, water, labor, and agricultural chemicals. These rules ensure workers' safety, sanitation and environmental protection. Due to these regulations, Americans can be assured of the quality of our own domestic perishable foods. And with country-of-origin labeling, we can all make informed decisions about foods from other countries as well.

I congratulate my good friend, the gentlewoman from California (Mrs. BONO), for fighting for this important cause for many years. But even in my south Florida community, where country-of-origin labeling is required, our growers, especially our tomato growers, are virtually wiped out. Why? Because of trade agreements like NAFTA, Mexican producers have flooded our local markets.

People need to know where their produce is coming from. It is the fair thing to do. Let our consumers know what they are buying.

The CHAIRMAN pro tempore. The Chair would remind Members that the gentleman from California (Mr. POMBO) has 3 minutes remaining, the gentleman from Texas (Mr. STENHOLM) has 3 minutes remaining, and the gentlewoman from California (Mrs. BONO) has 1½ minutes remaining.

Mr. POMBO. Mr. Chairman, I yield 2 minutes to the gentleman from Idaho (Mr. SIMPSON).

Mr. SIMPSON. Mr. Chairman, I appreciate what the sponsors of this legislation are attempting to do. It is something that the Committee on Agriculture has looked at and has debated and looked at the pros and cons and how we might be able to implement something like this.

The gentlewoman from Oregon mentioned that in Florida they had a program that required labeling, and it only added one cent a week, I think it was, to the grocery bill. The reality is that even though they have that law in Florida, it is not enforced; and there is no requirement that it be enforced.

Idaho actually has a meat labeling law. The Idaho legislature passed it years and years ago. It is not enforced. Cannot be enforced. That is the problem. That is why we have some numbers that say it is only one cent a week, but we do not know what the true cost of mandatory labeling would be.

One of the other problems in this that we have tried to deal with in the committee is, it is the retailer that is responsible. He is the one that will be fined. How is he going to know for sure where those fruits and vegetables are coming from? Somebody says they came from his farm in California, and the retailer finds out that they came from someplace else, from Mexico or someplace else, and he has them mislabeled in his store. He is the one that will be fined $1,000, $250 every day after that.

I will tell my colleagues that voluntary labeling works. I look at Idaho Potatoes. That is a brand name. And the Idaho Potato Commission has the right to go after those individuals who misuse and mislabel potatoes that are not grown in Idaho; and they do that and substantially they win in court, and those people are required to pay fines to the Idaho Potato Commission. Voluntary labeling does work.

What will make this program successful, to label whether it is meats or fruits and vegetables or other things, is when the consumer goes in the grocery store and says to the grocer, where did these apples come from? Where did this beef come from? Where did this turkey come from, or whatever? When the consumer asks that question, the grocer will find it advantageous to start labeling, and we will get voluntary labeling of all these products.

Mr. STENHOLM. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota (Mr. PETERSON).

Mr. PETERSON of Minnesota. I thank the gentleman from Texas for yielding me this time; and I rise, too, in opposition to this amendment.

I have mixed emotions that there is probably some reasons why we ought to be trying to get this accomplished; but I, along with the chairman, and as ranking member of the Subcommittee on Livestock and Horticulture, have sat through more meetings and testimony than I want to think about trying to work through this issue. It is a complicated issue. As the gentleman from Idaho just said, there is no prohibition against voluntary labeling, and there is some indication that that works pretty well in certain areas.

We are trying to do a lot of things on the floor of the House here that sound

good and probably are good ideas, but it is not like we have not tried to work these things through in committee. I know that the chairman agrees with me that we will continue to work on this and look at the issue, but this is not the place to be legislating complicated issues like this on the floor of the House.

Mrs. BONO. Mr. Chairman, I yield 1½ minutes to the gentleman from Oregon (Mr. WU).

Mr. WU. Mr. Chairman, I thank the gentlewoman from California for yielding me this time.

I just want to point out that it is not rocket science to put ''made in the USA'' on fruits and vegetables. It is no harder to do that than it was to put this tie's country of origin. In fact, it says where the fabric was made as well as where the tie is made. This pin, ''Made in the USA.'' This tie, ''Made in the USA.'' It does not take rocket science to figure out where a product was made and that it adds value.

□ 2115

Growers in Oregon, like growers across the United States, comply with strict laws governing agricultural chemicals. Compliance with these laws ensures food safety. American production standards add value. Labeling produce as to origin is a low-cost and effective way to help American consumers make an informed choice at the market, and it benefits American growers at the same time. It is good for consumers, and it is good for growers.

Mr. Chairman, ultimately what this debate is all about is about choice. Americans deserve the information so they can make an informed choice about what they eat. It is truly ironic that I know where my tie is made. I know where this pin is made, but if I run to the grocery store after I leave here and try to buy some broccoli or some other fruits or vegetables, I do not know where that product was grown. I think it is about time that American consumers and American producers can get a label on their product that proudly says Made in the U.S.A.

Mr. STENHOLM. Mr. Chairman, I yield 30 seconds to the gentleman from California (Mr. FARR) to speak in opposition to my position.

Mr. FARR of California. Mr. Chairman, I appreciate the gentleman yielding me this time.

Mr. Chairman, I carried that issue in the California legislature. The issue is not just perishable fruit. I would admonish the Committee on Agriculture, we have to solve this. Every time we vote for buy American for the gentleman from Ohio (Mr. TRAFICANT) and the gentleman from Michigan (Mr. DINGELL) got a bill passed where every part of an automobile has to be labeled, we do not even know where packaged goods come from.

Mr. Chairman, we need to address this issue not only for perishable, but packaged goods. Americans have a right to know where their food is coming from. We need to get origin labeling adopted.

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

Mr. Chairman, I rise in opposition to this amendment. Members always need to remember to be careful what we ask for lest we might get it. In 1973, we had a problem with imported Mexican wheat coming into the United States, and we came up with an idea that Mexican wheat had karnal bunt; and, therefore, we put a zero tolerance on karnal bunt. It was a terrible mistake because there is nothing wrong with wheat that contains an small amount of karnal bunt, but we now have a major trade problem.

Country of origin labeling voluntarily imposed is excellent business. Most countries are already doing it. But when a label is put on and there is a suggestion that there is something about that label that suggests a safer food supply, be careful when we ask for that, particularly since in America we are now exporting $53 billion worth of agricultural products. We are importing $39 billion.

Just a few months ago, a delegation from Mexico was here; and they were quickly moving toward mandatory country of origin labeling regarding biotechnology. The argument I make tonight, they took it; and, fortunately, we are not having to fight that battle of not being able to sell our commodities, which we are selling more to Mexico than we are buying from them in total today.

I oppose this amendment. The cost as we have heard, it sounds good. It looks good, but in practicality it does not accomplish anything other than muddy the water considerably in our ability to continue to sell more into the world market. The consumers are no safer.

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

Mr. Chairman, as I said in my opening, I opposed this amendment with mixed emotions because I basically support the idea; but it is much more complicated than we can solve in an amendment to the farm bill this evening.

I would like to answer a couple of objections or questions that have been raised. This is not a food safety issue. If Members are afraid of imports in terms of food safety, then that is a completely different part of Federal law that Members have to look at. When Members are voting on trade bills, we can talk about food safety coming in. That has nothing to do with country of origin. It is handled by a completely different part of Federal law.

The other issue is what the cost is. This has been brought up, what the cost is. The retailer is limited as to what they can charge. Somebody brought up that they had stuff coming in from Mexico or other foreign countries into their districts. That sets the price. That sets the market. If we put another cost on top of that, our producers are going to pay that cost, not the retailer.

Mr. Chairman, we have to weigh this thing in its entirety, we cannot just come up with an amendment like this.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The question is on the amendment offered by the gentlewoman from California (Mrs. BONO).

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

Mrs. BONO. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from California (Mrs. BONO) will be postponed.

AMENDMENT NO. 21 OFFERED BY MR. ETHERIDGE

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

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

The text of the amendment is as follows:

Amendment No. 21 offered by Mr. ETHERIDGE:

At the end of section 164 (page 113, after line 5), add the following new subsection:

(g) INCREASE IN TARGET PRICE.—

(1) INCREASE.—Notwithstanding subsection (c), the target price for peanuts shall be equal to $500 per ton rather than $480 per ton.

(2) CORRESPONDING REDUCTION.—To offset the increase in the target price for peanuts under paragraph (1), the maximum number of acres that may be enrolled in the conservation reserve program is hereby reduced to 38,000,000 acres.

Mr. ETHERIDGE. Mr. Chairman, let me thank the gentleman from Texas (Chairman COMBEST) and the gentleman from Texas (Mr. STENHOLM), the ranking member, and the gentleman from Alabama (Mr. EVERETT) who is chairman of the Subcommittee on Specialty Crops and Foreign Agriculture Programs, and others who have worked so hard to bring this bill to the floor with a peanut program that gets us into the 21st century. I commend the gentlemen for their efforts on that.

They have constructed a program which will help peanut farmers, particularly peanut farmers who own peanut quotas, make their transition from AMPTA payments, marketing loans, and a countercyclical program. Unfortunately, this transition looks to be difficult on those peanut farmers who rent their quotas and their land.

Currently, peanut farmers enjoy support levels of about $610 per ton. Under H.R. 2646, if a peanut farmer has quota, he will still receive close to that support level when he combines the marketing loans, peanut AMPTA payments, countercyclical payments and

buyout provisions that this bill authorizes. However, those peanut farmers who rent quota and land do not receive a quota buyout payment so they are totally dependent on the other payments, particularly the new $480 per ton countercyclical peanut program in the bill, a $130 per ton difference from the current level.

In North Carolina, we have many peanut growers; and they are going to have a very difficult time staying in business with the provisions in this bill. That is why I am offering this amendment. It would raise the countercyclical payment for peanuts from $480 to $500 per ton. It would offset this increase by increasing the CRP acreage from 39.2 million to 38 million acres.

According to the Congressional Budget Office, my amendment also saves $116 million over 10 years. This money could be put back into the CRP or used for other purposes which the House may decide.

Mr. Chairman, it is my intention to ultimately withdraw this amendment after a couple of my colleagues speak on this issue, but I offer it in order to raise the issue of how peanut growers who must rent quota and land fare under the underlying bill.

I know the chairman and the ranking member included in the manager's amendment a provision to allow peanut growers who rent the opportunity to assign base acreage on their own land or to others. This will give those growers a stronger position in negotiating rent process with landlords. It is a very helpful provision, and I thank both the ranking member and the chairman for this.

What I would like for them to do is when they get in conference with the Senate, I hope Members will consider the possibility of phasing in the countercyclical program so these farmers do not have to face the shock of going from the support level of $610 a ton to $480 a ton in 1 year. Phase-in is a smart approach that will allow these peanut farmers a smooth transition. Frankly, it has been a total new approach for them.

As a representative from a tobacco-producing State, I have followed the committee's development on this peanut program very carefully. Many tobacco quota holders in my State are hoping for a buyout, and I see this peanut program as a test case to see if we can proceed in a similar direction.

Mr. Chairman, I thank both the chairman and the ranking member for looking at this important issue for our farmers.

Mr. SCOTT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from North Carolina (Mr. ETHERIDGE) to increase the target price for peanuts. While I appreciate the committee's work on the bill and particularly on this issue, I remain deeply concerned that the changes made to the peanut program will not provide enough funding to keep farmers in business.

The farmers in my district have told me that unless changes are made to the peanut section of the bill, they do not expect there to be any peanut farmers in certain parts of Virginia. According to the Virginia Tech extension office, it costs the Virginia producers $539 per ton to raise peanuts, excluding the land costs and return to management. These producers are the farmers, whether they own the land or rent it.

Assuming that the producer would receive all of the base of $460.50 per ton that is provided in the bill, it is quite apparent that the provisions of the bill are inadequate to cover the cost of production of peanuts. In addition, most of the quota in my area of Virginia is rented. As it currently stands, the bill does not take into account the producers' rent payments.

Mr. Chairman, we should keep in mind that the farmers' costs have steadily increased as a result of higher fuel costs and higher fuel-based products such as fertilizer. Already we are losing producers under the peanut program, and it is my fear that we will drive them completely out of business without some significant changes in the peanut provision of the bill. The farmers in my district simply cannot afford this, and we certainly cannot afford to lose any more farmers.

Mr. Chairman, I urge the adoption of the amendment.

Mr. ETHERIDGE. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

AMENDMENT NO. 33 OFFERED BY MS. EDDIE BERNICE JOHNSON OF TEXAS

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, I offer an amendment.

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

The text of the amendment is as follows:

Amendment No. 33 offered by Ms. EDDIE BERNICE JOHNSON of Texas:

In section 441, add at the end (page 217, line 7) the following: ''Of the amount made available to carry out section 211(c) of the Agricultural Trade Act of 1978 (7 U.S.C. 5641(c)) for each of the fiscal years 2002 through 2011, the Secretary of Agriculture shall make available $25,000,000 for the provision of commodities to child nutrition programs providing food service under section 1114(a) of the Agriculture and Food Act of 1981 (7 U.S.C. 1431e).

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, my amendment is to increase the funding for the child nutrition programs by $25 million. These programs are actually in need of $55 million. This often is the only meal that poor children have. Seventy-five percent of these meals go to the poorest of children.

Mr. Chairman, this funding will offset part of the proposed $90 million increase that doubles funding for the market access program, known as the MAP program, and it helps producers and exporters finance promotional opportunities abroad, putting farmlands first and our preschool and school-aged children last.

Mr. Chairman, I simply want to ask that this amendment be considered.

Mr. Chairman, I rise today to offer an amendment to provide $25 million for child nutrition programs. These programs provide funding for our nation's schools to purchase commodities for their National School Lunch and School Breakfast Programs.

The National School Lunch Program serves more than 27 million children every day, slightly over half to children who live at or near the poverty level in this country. More than 85 percent of the 7 million breakfasts served in schools each day go to poor children. For these children, our federal school meal programs are their most secure link to good nutrition. These commodity food programs also allow school districts to offset the costs of lunches for children who do not participate in the program. In essence, these programs benefit the child receiving the free or reduced cost meal as well as the child who pays full price.

Research has confirmed a link between nutrition and children's cognitive development, cognitive performance, and ability to concentrate. Preschool and school age children need to receive proper and adequate nutrition. Studies also show that these nutritional programs have contributed positively to scores on test of basic skills, reduced tardiness and absenteeism.

Also clear is the link between our federal nutrition programs and our agricultural communities. The United States began providing agricultural commodities to our schools more than a decade before we started grants in aid to schools to provide meals, and three decades before we recognized the special needs of our poorest children through the free and reduced price meal subsidies. In 1994, Congress amended the National School Lunch Act to require that at least 12 percent of all federal support for school meals must be in the form of commodities. However, in 1998 the Congress again amended the National School Lunch Act to count bonus commodities, food products purchased under separate authorizations and for a very different purpose, to meet the 12 percent statutory requirement. While some thought this was merely an accounting change, the effect was a real cut in support for our school lunch program. The commodities, which will not be purchased under the entitlement authorization, are the ones best suited to meet the menu and nutritional requirements of our school meal programs. The impact of the change was not felt last year or this because Congress yet again passed another statute that corrected the error, but only for FY 2000 and 2001. But our schools will lose more than $55 million dollars in entitlement commodities in 2002 unless we act to correct the problem. Over the next eight years, this cut will exceed

$440 million. That is a very real and significant cut to our school programs. Make no mistake, this is a school lunch budget cut-this is more than $55 million per year that schools will not receive. It is also a $440 million cut in the amount of agricultural commodities purchased by USDA.

I have spoken with several of my colleagues and they share my interest in this matter. After all, this money is used by USDA to purchase agricultural commodities, and these purchases have a significant impact on producer incomes. The magnitude of this cut is even more dramatic when you consider the amount of food that it represents. This cut means that USDA will reduce its overall purchases by 660 million pounds.

One of the best ways we can move forward as a society is to meet our obligations to our children. The Federal Government must follow through on its commitment to work in partnership with states, schools, and the agricultural community to administer a major program designed to improve children's diets and, in turn their overall health and well being. We can be proud that these school meal programs promote the well being of some of our Nation's most vulnerable children by providing them with the nourishment they need to develop healthy bodies and sound minds. Nutritious meals help students reach their full potential by keeping them alert and attentive in the classroom. As both common sense and extensive scientific research confirm, a hungry child cannot focus on schoolwork as well as one who has been fed a nutritious meal.

Mr. Chairman, recognizing the many needs being addressed in this bill, I will withdraw the amendment, but would like to draw attention to how we, the representatives of our preschool and school age children across America, have neglected them. And in the spirit of National School Lunch Week, which begins the second week of October every year, I would also like to express my interest in working together with members of both the Committee on Agriculture and the Committee on Education and the Workforce to explore this issue and seek ways to support our nation's pre-school and school age children by providing additional agricultural commodities. Finally, Mr. Chairman, I look forward to working with all of my colleagues who share my concern to amend this problem and provide for our pre-school and school age children at home first.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, because of my discussion with the chairman and the ranking member, I ask unanimous consent to withdraw this amendment and hope that it will be considered at a later time.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from Texas?

There was no objection.

AMENDMENT NO. 47 OFFERED BY MR. SANDERS

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

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

The text of the amendment is as follows:

Amendment No. 47 offered by Mr. SANDERS:

At the end of chapter 1 of subtitle C of title I (page 75, after line 17), insert the following new section:

SEC. ___. NATIONAL COUNTER-CYCLICAL INCOME SUPPORT PROGRAM FOR DAIRY PRODUCERS.

(a) DEFINITIONS.—In this section:

(1) BOARD.—The term ''Board'' means a Regional Supply Management Board established under subsection (b)(4).

(2) CLASS I, II, III, AND IV MILK.—The terms 'Class I milk', 'Class II milk', 'Class III milk', and 'Class IV milk' mean milk classified as Class I, II, III, or IV milk, respectively, under an order.

(3) DISTRICT.—The term ''District'' means a Regional Supply Management District established under subsection (b)(3).

(4) ELIGIBLE PRODUCER.—The term ''eligible producer'' means an individual or entity that directly or indirectly has an interest in the production of milk.

(5) ELIGIBLE PRODUCTION.—The term ''eligible production'' means the lesser of—

(A) the quantity of milk produced by an eligible producer during a month; or

(B) 230,000 pounds per month.

(6) MARKETING AREA.—The term ''marketing area'' means a marketing area subject to an order.

(7) ORDER.—The term 'order' means—

(A) an order issued under section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937; or

(B) a comparable State order, as determined by the Secretary.

(8) PARTICIPATING STATE.—The term ''participating State'' means a State that is participating in the program authorized by this section in accordance with subsection (b)(2).

(9) STATE.—The term 'State' means each of the 48 contiguous States of the United States.

(10) TRUST FUND.—The term 'Trust Fund' means the National Dairy Producers Trust Fund established under subsection (b)(5).

(b) INCOME SUPPORT FOR ELIGIBLE PRODUCERS FOR MILK SOLD TO PROCESSORS IN PARTICIPATING STATES.—

(1) IN GENERAL.—During each of calendar years 2002 through 2011, the Secretary shall carry out a program under this subsection to support the income of eligible producers for milk sold to processors in participating States.

(2) PARTICIPATING STATES.—

(A) SPECIFIED STATES.—The following States are participating States for purposes of the program authorized by this section: Alabama, Arkansas, Connecticut, Delaware, Georgia, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Mississippi, Missouri, New Hampshire, New Jersey, New York, North Carolina, Oklahoma, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, and West Virginia.

(B) OTHER STATES.—The Governor of a State not described in subparagraph (A) may provide for the participation of the State in the program authorized by this section by providing notice to the Secretary in a manner determined by the Secretary.

(C) WITHDRAWAL.—

(i) IN GENERAL.—For a State to withdraw from participation in the program authorized by this section, the Governor of the State (with the concurrence of the legislature of the State) shall notify the Secretary of the withdrawal of the State from participation in the program in a manner determined by the Secretary.

(ii) EFFECTIVE DATE.—The withdrawal of a State from participation in the program takes effect—

(I) in the case of written notice provided during the 180-day period beginning on the date of enactment of this Act, on the date on which the notice is provided to the Secretary; and

(II) in the case of written notice provided after the 180-day period, on the date that is 1 year after the date on which the notice is provided to the Secretary.

(3) REGIONAL SUPPLY MANAGEMENT DISTRICTS.—To carry out this subsection, the Secretary shall establish 5 Regional Supply Management Districts that are composed of the following participating States:

(A) NORTHEAST DISTRICT.—A Northeast District consisting of the States of Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, and Vermont.

(B) SOUTHERN DISTRICT.—A Southern District consisting of the States of Alabama, Arkansas, Florida, Georgia, Kansas, Kentucky, Louisiana, Mississippi, Missouri, Nebraska, New Mexico, North Carolina, Oklahoma, South Carolina, Texas, Tennessee, Virginia, and West Virginia.

(C) UPPER MIDWEST DISTRICT.—An Upper Midwest District consisting of the States of Illinois, Indiana, Iowa, Michigan, Minnesota, North Dakota, South Dakota, and Wisconsin.

(D) INTERMOUNTAIN DISTRICT.—An Intermountain District consisting of the States of Arizona, Colorado, Idaho, Montana, Nevada, Utah, and Wyoming.

(E) PACIFIC DISTRICT.—A Pacific District consisting of the States of California, Oregon, and Washington.

(4) REGIONAL SUPPLY MANAGEMENT BOARDS.—

(A) IN GENERAL.—Each District shall be administered by a Regional Supply Management Board.

(B) COMPOSITION.—

(i) IN GENERAL.—The Board of a District shall be composed of not less than 2, and not more than 3, members from each participating State in the District, appointed by the Secretary from nominations submitted by the Governor of the State.

(ii) NOMINATIONS.—The Governor of a participating State shall nominate at least 5 residents of the State to serve on the Board, of which—

(I) at least 1 nominee shall be an eligible producer at the time of nomination; and

(II) at least 1 nominee shall be a consumer representative.

(5) NATIONAL DAIRY PRODUCERS TRUST FUND.—

(A) ESTABLISHMENT AND FUNDING.—There is established in the Treasury of the United States a trust fund to be known as the National Dairy Producers Trust Fund, which shall consist of—

(i) the payments received by the Secretary and deposited in the Trust Fund under paragraph (6); and

(ii) the payments made by the Secretary to the Trust Fund under paragraph (7).

(B) EXPENDITURES.—Amounts in the Trust Fund shall be available to the Secretary, to the extent provided for in advance in an appropriations Act, to carry out paragraphs (8) through (10).

(6) PAYMENTS FROM PROCESSORS TO TRUST FUND.—

(A) IN GENERAL.—During any month for which the Secretary estimates that the average price paid by processors for Class I milk in a District will not exceed $17.50 per hundredweight, each processor in a participating

State in the District that purchases Class I milk from an eligible producer during the month shall pay to the Secretary for deposit in the Trust Fund an amount obtained by multiplying—

(i) the payment rate determined under subparagraph (B); by

(ii) the quantity of Class I milk purchased from the eligible producer during the month.

(B) PAYMENT RATE.—The payment rate for a payment made by a processor that purchases Class I milk in a participating State in a District under subparagraph (A)(i) shall equal the difference between—

(i) $17.50 per hundredweight; and

(ii)(I) in the case of an area covered by an order, the minimum price required to be paid to eligible producers for Class I milk in the marketing area under an order; or

(II) in the case of an area not covered by an order, the minimum price determined by the Secretary, taking into account the minimum price referred to in subclause (I) in adjacent marketing areas.

(7) COUNTER-CYCLICAL PAYMENTS FROM SECRETARY TO TRUST FUND.—

(A) IN GENERAL.—To the extent provided for in advance in an appropriations Act, the Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to make a payment each month to the Trust Fund in an amount determined by multiplying—

(i) the payment rate determined under subparagraph (B); by

(ii) the quantity of eligible production of Class II, Class III, and Class IV milk sold in the various Districts during the month, as determined by the Secretary.

(B) PAYMENT RATE.—The payment rate for a payment made to the Trust Fund for a month under subparagraph (A)(i) shall equal 25 percent of the difference between—

(i) $13.00 per hundredweight; and

(ii) the weighted average of the price received by producers in each District for Class III milk during the month, as determined by the Secretary.

(8) COMPENSATION FROM TRUST FUND FOR ADMINISTRATIVE AND INCREASED FOOD ASSISTANCE COSTS.—The Secretary shall use amounts in the Trust Fund to provide compensation to the Secretary for—

(A) administrative costs incurred by the Secretary and Boards in carrying out this subsection; and

(B) the increased cost of any milk and milk products provided under any food assistance program administered by the Secretary that results from carrying out this subsection.

(9) PAYMENTS FROM TRUST FUND TO BOARDS.—

(A) IN GENERAL.—The Secretary shall use any amounts in the Trust Fund that remain after providing the compensation required under paragraph (8) to make monthly payments to Boards.

(B) AMOUNT.—The amount of a payment made to a Board of a District for a month under subparagraph (A) shall bear the same ratio to payments made to all Boards for the month as the eligible production sold in the District during the month bears to eligible production sold in all Districts.

(10) PAYMENTS BY BOARDS TO PRODUCERS.—

(A) IN GENERAL.—With the approval of the Secretary, a Board of a District shall use payments received under paragraph (9) to make payments to eligible producers for eligible production of milk that is commercially sold in a participating State in the District.

(B) SUPPLY MANAGEMENT.—In carrying out subparagraph (A), a Board of a District may—

(i) use a portion of the payments described in subparagraph (A) to provide bonuses or other incentives to eligible producers for eligible production to manage the supply of milk produced in the District; and

(ii) request the Secretary to review a proposed action under clause (i).

(C) REIMBURSEMENT OF COMMODITY CREDIT CORPORATION.—

(i) IN GENERAL.—If the Secretary determines that the Commodity Credit Corporation has incurred additional costs to carry out section 141 as a result of overproduction of milk due to the operation of this section in a District, the Secretary shall require the Board of the District to reimburse the Commodity Credit Corporation for the additional costs.

(ii) BOARD ASSESSMENT.—The Board of the District may impose an assessment on the sale of milk within participating States in the District to compensate the Commodity Credit Corporation for the additional costs.

(c) COUNTER-CYCLICAL PAYMENTS FOR ELIGIBLE PRODUCERS FOR MILK SOLD TO PROCESSORS IN NONPARTICIPATING STATES.—

(1) IN GENERAL.—To the extent provided for in advance in an appropriations Act, during each of calendar years 2002 through 2011, the Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to make payments to an eligible producer in a District for milk sold to processors in a State that is not a participating State in an amount determined by multiplying—

(A) the payment rate determined under paragraph (2); by

(B) the payment quantity determined under paragraph (3).

(2) PAYMENT RATE.—The payment rate for a payment made to an eligible producer in a District for a month under paragraph (1)(A) shall equal 25 percent of the difference between—

(A) $13.00 per hundredweight; and

(B) the average price received by producers in the District for Class III milk during the month, as determined by the Secretary.

(3) PAYMENT QUANTITY.—The payment quantity for a payment made to an eligible producer in a District for a month under paragraph (1)(B) shall be equal to—

(A) the quantity of eligible production of Class II, Class III, and Class IV milk for the eligible producer during the month, as determined by the Secretary; less

(B) the quantity of any milk that is sold by the eligible producer to a processor in a participating State during the month.

(d) LIMITATION.—In determining the amount of payments made for eligible production under this section, no individual or entity directly or indirectly may be paid on production in excess of 230,000 pounds of milk per month.

The CHAIRMAN pro tempore. Pursuant to the order of the House today, the gentleman from Vermont (Mr. SANDERS) and a Member opposed each will control 22½ minutes. The gentleman from Wisconsin (Mr. OBEY) will control 10 minutes.

The Chair recognizes the gentleman from Vermont (Mr. SANDERS).

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

Mr. Chairman, as we begin this discussion, I think tonight about the family farmers in the State of Vermont and throughout this country, people who are farming land which has often been in their family's possession for generations, people who work 7 days a week and want nothing more than to leave the land that they own to their kids, some of the very best people in this country.

□ 2130

This amendment is being brought forth to help those people not only in the Northeast, but all over this country.

Mr. Chairman, let me begin by thanking my colleagues from the Northeast, from the Midwest, from the South and other regions of this country for their help in shaping this bill. Let me be frank about saying that this bill is not perfect. It still needs work. But given the crisis facing family-based dairy farmers all over America, given the huge loss of farms that we have all experienced, it is a major step forward and it deserves the support of this body. It is my belief that the Senate is prepared to consider similar type legislation, and that some of the concerns that Members may now have about this bill can be worked out between this time and conference committee time. I will do everything in my power to work with Members to make that happen.

Mr. Chairman, in every section of our country, family farmers are being driven off the land because the prices that they receive for their products are woefully inadequate. This is bad for rural America, which is losing its agricultural base. This is bad for the environment, as more and more open land becomes parking lots and shopping centers. This is bad for the consumer because, with fewer farms producing food, prices are more and more dependent upon the whims of a few large corporate interests who are increasingly controlling the industry.

Mr. Chairman, we must preserve family-based agriculture in this country by making certain that dairy farmers all over America receive a fair and stable price for their product, and that is what this amendment seeks to do.

Many of my colleagues know that dairy legislation has been very hotly debated in this Chamber and in the Senate for a number of years. There has been a lot of bitterness and contentiousness. In that regard, let me be clear in stating that I am a very strong supporter of the Northeast Dairy Compact which, in fact, originated in the State of Vermont. I believe that the compact has worked well for the six States who are in it and for farmers in neighboring regions who sell their milk into the compact area.

I am proud that 25 States in this country voted for dairy compacts and that 163 Members of this body support the concept of a dairy compact.

But, Mr. Chairman, there are people in this body who disagree with me and with the other 162 Members who support the compact. They have argued

that a compact in the Northeast and mid-Atlantic States and in the South and in other regions would hurt their family farmers in the Midwest and elsewhere. I happen not to agree with them, but that is what they believe. Now is not the time to argue whether my view is right or their view is right. What this amendment does is to say to farmers in the Northeast, in the Midwest, in the South, in the West, family farmers all over this country, that we must come together, stop our fighting and pass a bill that will work for every region of this country.

I am very proud, Mr. Chairman, that this legislation is absolutely nonpartisan, Democrats, Republicans and independents will vote for it, as will Members from the Northeast, from the Midwest, from the South and from every other region of this country. In fact, I believe some of the fiercest opponents of the dairy compact concept will be supporting this effort, and I am delighted to have them on board.

Let me very briefly tell you, Mr. Chairman, what this amendment does. This legislation creates a new national voluntary countercyclical program made up of participating States. It is voluntary. But upon enactment, all States who have already voted to participate in the dairy compacts are automatically approved. Those States are Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, West Virginia, Virginia, North Carolina, South Carolina, Georgia, Kentucky, Tennessee, Alabama, Mississippi, Louisiana, Arkansas, Missouri, Kansas and Oklahoma. Those States, because they have already approved the concept of a compact, are automatically in the program. But any other State that chooses can join and we expect that the vast majority of the States in this country will do so.

This legislation establishes a national dairy trust fund which does not cost the taxpayers of this country one penny. What it does do is establish a mechanism through which dairy processors pay into the fund an equal amount to the differences between the class 1 market price paid to the producer and $17.50. This amendment establishes a cap which limits the amount of support any one farm can receive. The money acquired by the fund will then be distributed nationally to newly created regional boards based on the overall production of all milk, all milk, in the region.

This mechanism addresses the major concerns that our friends in the Midwest have had whose farmers only sell 15 percent of their milk for fluid purposes as opposed to the 40 percent average that exist nationally. In order to make certain that farmers do not overproduce, the newly created regional dairy boards may use a portion of the funds they receive for incentives to manage the supply of milk produced in the region. Importantly, these boards are responsible for reimbursing the Federal Government for any additional surplus purchases that result from the program operating in their region. In other words, we have built in a strong supply management component.

Mr. Chairman, this bill says to farmers in Minnesota, in Wisconsin, in North Carolina, in Florida, in Idaho and Utah who have 100 cows, that they will receive the same help that farmers in Vermont and Maine and Massachusetts receive. It says that every region of this country is in danger of losing its family-based agriculture, and that we need a national approach to protect them.

If you are one of the over 160 Members of the House who are cosponsoring the dairy compact legislation, you should support this bill. If you are from one of the 25 States in the country that have voted to support the dairy compacts, you should support this amendment. If you are from the Midwest and have seen thousands of your family farmers go under because of the unstable, inadequate prices, you should support this bill. If you are interested in conservation and the environment, you should support this bill, because it keeps our farmland open. And if you are from urban areas and you want to make sure that your constituents will continue to receive healthy and fresh dairy products at a reasonable price, you should support this amendment.

Mr. Chairman, I yield to the gentleman from Louisiana (Mr. VITTER) who has an amendment that I am supportive of.

AMENDMENT OFFERED BY MR. VITTER TO AMENDMENT NO. 47 OFFERED BY MR. SANDERS

Mr. VITTER. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. VITTER to amendment No. 47 offered by Mr. SANDERS:

Strike ''230,000 pounds'' both places it appears and insert ''500,000 pounds''.

Mr. VITTER. Mr. Chairman, I offer this second-degree amendment to the Sanders amendment to make an improvement and remove one of the concerns that had originally arisen with his proposal. In the Sanders amendment as written, benefits are limited to 230,000 pounds of milk per month. That number really does not reflect the needs of all regions of the country, including my region in the South. Raising that amount to 500,000 pounds per month, which my second-degree amendment does, that would encompass and involve about a 300-cow farm, and would make dairy producers in many regions of the country, including the South, more comfortable with the gentleman from Vermont's underlying amendment. With this new 500,000 pound limit, most of the dairy farmers in Louisiana and many other regions would be properly included.

In offering this second-degree amendment, I want to thank the gentleman from Vermont for offering his proposals. Admittedly this is a work in progress. It was only really largely developed and brought out to other Members in the last few days, but it clearly has a lot of potential. It is not everything the compact would offer to many dairy producers, including those in the South, but it is a very good work in progress that I would like to constructively support tonight, so that hopefully we can continue to perfect it as it moves along in the process. I want to thank the gentleman from Vermont for his cooperation and his pledge to work with all regions, including the South, to make sure that all dairy farmers' needs and concerns and questions are fully taken account of as hopefully we move forward in the process.

Mr. SANDERS. I thank my friend from Louisiana. I believe this amendment should be adopted because it advances our efforts to reach a consensus among dairy producers in this country. It represents a good compromise between those who would want a super low cap and those who have no cap. If we are ever to make any progress on dairy, all of us will have to give a little. So I appreciate the amendment. I urge its adoption.

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

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The question is on the amendment offered by the gentleman from Louisiana (Mr. VITTER) to the amendment offered by the gentleman from Vermont (Mr. SANDERS).

The amendment to the amendment was agreed to.

Mr. COMBEST. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN pro tempore. The gentleman from Texas is recognized for 22½ minutes.

Mr. COMBEST. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. POMBO), chairman of the dairy subcommittee on the House ag committee.

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

I want to start off by saying I appreciate a great deal the job that the gentleman from Vermont has done in his attempt to try and bridge some of the differences, some of the regional differences that exist. I appreciate that effort that he has put into this. But I do have to oppose his amendment to the bill.

I came to Congress 10 years ago, or almost 10 years ago. The committee that I was put on was the dairy subcommittee. I have had the great joy of spending literally countless hours debating dairy, not only here today, but over the last 10 years, and getting to appreciate those regional differences

and just how difficult it is to try to construct national dairy policy that actually addresses one region of the country where their average dairy may be 40, 45 cows, versus a region of the country like the one that I happen to represent, where our average dairy is almost 600 cows. With the Vitter amendment, which is a step in the right direction, he is still about half the size of the average dairy in my district. That makes it totally unworkable in terms of my district.

The details of this particular plan, I think we could debate through the night, whether they are good or bad, but I can tell the gentleman from Vermont that I have no idea what the impact is going to be on California, on Vermont, on Wisconsin, Minnesota or anyone else. I saw this for the first time yesterday. I have not seen any of the economic analysis on this. I have no idea how it is going to impact the average family farmer, whether that be in his district or mine.

Until we have the opportunity to sit down and actually figure out what the impacts are, what the impact is going to be on overall production, if you are going to go up to a $17 price, does that increase the amount of production in this country? What happens to the average dairy size in California? Do we all of a sudden go from 600 to 300 and take twice as much land so that every dairy qualifies for the program?

There are a lot of questions that are unanswered. Unless we have the opportunity to go through the regular process, to have the committee hold hearings on this, to look at the economic analysis, unfortunately there is no way at this point that I could support this legislation.

As I said, I appreciate the job that the gentleman did. I appreciate the effort. I look forward to working with him in the future because I do think that this is a place that we can start and we may be able to move on from here. But at this time there is just no possible way that this amendment should be included in the farm bill.

Mr. COMBEST. Mr. Chairman, I ask unanimous consent that half of the time allotted in opposition, which I think would be 11¼ minutes, be given to the gentleman from Texas (Mr. STENHOLM) or his designee for his control.

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

There was no objection.

Mr. PETERSON of Minnesota. Mr. Chairman, I would like to take the time that has been allotted to us.

The CHAIRMAN pro tempore. The gentleman from Minnesota is recognized for 11¼ minutes.

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

□ 2145

Mr. Chairman, I reluctantly rise as well to oppose this amendment. I serve as the ranking member of the Subcommittee on Livestock and Horticulture, and I have had the joy, as the gentleman from California (Mr. POMBO) put it, to be on that committee I think 2 years longer than he has, which has been an educational process.

But I think that we all should recognize that the gentleman from Vermont (Mr. SANDERS) has been an outstanding advocate for family farmers, and especially dairy farmers. There is nobody that has worked harder. A lot of the ideas he has in his amendment are ideas that I support in concept and have worked on with him and in other venues to try to put something together, but we just have never been able to overcome the regional differences. As the chairman said, this may be a start where we can start trying to work through this.

I just would like to say to Members, I think one of the reasons we are in this problem is our own fault, because we have written dairy legislation not in the committee; we have written it on the floor.

Ever since I have been here, we have been through this fight; and we end up writing these bills on the floor, and I would argue that one of the reasons the program is having so much of a problem is because we have done it this way. We have kind of brought this on ourselves.

I understand the pressures that people have in the Northeast and the Southeast. I have been all over this country. I have talked to dairy farmers in every part of the country. I have sat through thousands of hours of hearings and meetings; and if the chairman and I knew a way to work this out, we would have done it a long time ago.

The concerns that I have with the present amendment go along the lines of what the chairman said; but in addition to that, I have looked at these floors, whether they be on Class III or Class I or whatever, and I have become convinced that if we do any kind of a floor at this level without very strong mandatory supply management, we are going to get so much milk that we are not going to know what to do with it, and we are going to collapse the prices down to price supports. We have been kind of through that. I think some of the reason that has happened is because of the legislation that we put together on this floor the last couple of times.

So the supply management component that is in here, I applaud the gentleman from Vermont (Mr. SANDERS) for recognizing the need for that, but I do not have a lot of confidence that this is going to be enough to be workable.

The Secretary along with me working through this and trying to put together a national coalition on supply management, which I have been doing over the last couple of years, has indicated to me that she is not really in favor of supply management; and I have some real questions about whether the Department would implement a program that would actually be workable.

The last thing we need to do is pass legislation that is going to make the situation worse, rather than better. I think that that may be the outcome of this legislation if we did not have a very strong supply management component to make sure that we do not overproduce and end up with big surpluses.

So I think sitting here today and spending all this time listening to the compact debate, and now we are in another debate here this evening, I think it is time we admit where we are at with this. We cannot get these regions of the country to agree with each other, and I am not sure we ever can.

Apparently the different regions of the country are bound and determined to have their own system, so I have talked to the chairman today about the possibility of he and I putting together legislation that would end the dairy program at the Federal level of the United States. The only thing the industry agrees on, the only one thing, is a $9.99 price support. The reason is, after they get done with all of the things they are doing and they want us to bail them out at the end, well, if these States want to do this and if they want to go off and do their own thing, I think that is fine. Then we should get stepped back out of this, get rid of the price support system, get the Federal Government out of this system, and let the States set up their own process as they see fit.

I would be more than willing to support legislation to allow them to form the compacts in any way that they want, and then they could set up their own purchase system if they produced too much or supply management or whatever it is. But I have become convinced this is the answer to this problem, because all we are doing with what we are continuing on with here is making things worse every time we pass a new dairy bill.

So I am going to ask the chairman that we put a bill together in this fashion, and I would ask him that we have hearings on it and we seriously look at it.

Mr. POMBO. Mr. Chairman, will the gentleman yield?

Mr. PETERSON of Minnesota. I yield to the gentleman from California.

Mr. POMBO. Mr. Chairman, as the gentleman and I discussed earlier off the floor, I do think that it is time that we start looking at whether or not we need a Federal order system, whether the Federal Government should be involved at all, because if we are going

to adopt a number of compacts, if we are going to have these state-run systems, quite frankly, the Federal taxpayer should not be the one who has to absorb the mistakes of all of these systems.

If that is the direction we are going to go, if Congress in its infinite wisdom decides we are going to allow compacts and we are going to allow States to adopt their own system, then the Federal taxpayer should not be expected to bail them out when they make a mistake.

So I will work with the gentleman. We will work toward putting a bill together that tries to accomplish that. We will hold hearings on it, and we will open the debate and allow the Congress to work its will.

Mr. PETERSON of Minnesota. Mr. Chairman, reclaiming my time, I thank the chairman. In my judgment it is unfortunate we are getting to this situation. But people need to understand that if we put the price of milk at a high level, dairy farmers are very good at producing and they are going to make milk; and they are going to make more milk than we can consume, and we are going to have a problem figuring out what to do with it. That has been the problem over the last number of years. That is why I say that this amendment may be workable if we had a very strong supply management component, but I am skeptical we are going to get one, given the current administration and given the division in the industry.

Mr. Chairman, I appreciate the chance to get that off my chest.

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

AMENDMENT OFFERED BY MR. OBEY TO THE AMENDMENT OFFERED BY MR. SANDERS

Mr. OBEY. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. OBEY to the amendment offered by Mr. SANDERS:

Strike paragraph (6) of subsection (b) of the section being added by the amendment and insert the following:

(6) PAYMENTS FROM PROCESSORS TO TRUST FUND.—

(A) IN GENERAL.—During any month for which the Secretary estimates that the average price paid by processors for Class I milk in a District will not exceed a target price applicable to that District, each processor in a participating State in the District that purchases Class I milk from an eligible producer during the month shall pay to the Secretary for deposit in the Trust Fund an amount obtained by multiplying—

(i) the payment rate determined under subparagraph (B); by

(ii) the quantity of Class I milk purchased from the eligible producer during the month.

(B) PAYMENT RATE.—The payment rate for a payment made by a processor that purchases Class I milk in a participating State in a District under subparagraph (A)(i) shall be equal to—

(i) in the case of a marketing area in the District, the difference between—

(I) the target price for that marketing area; and

(II) the minimum price required to be paid to eligible producers for Class I milk in that marketing area; and

(ii) in the case of an area in the District not covered by an order, the difference between—

(I) the target price for the area determined by the Secretary under subparagraph (C); and

(II) the minimum price determined by the Secretary, taking into account the minimum price referred to in clause (i) in adjacent marketing areas.

(C) TARGET PRICES.—In the paragraph, the term ''target price'' means—

(i) $17.50 per hundredweight, in the case of the Northeast marketing area;

(ii) $17.35 per hundredweight, in the case of the Appalachian marketing area;

(iii) $18.25 per hundredweight, in the case of the Florida marketing area;

(iv) $17.35 per hundredweight, in the case of the Southeast marketing area;

(v) $16.05 per hundredweight, in the case of the Upper Midwest marketing area;

(vi) $16.25 per hundredweight, in the case of the Central marketing area;

(vii) $16.25 per hundredweight, in the case of the Mideast marketing area;

(viii) $16.15 per hundredweight, in the case of the Pacific Northwest marketing area;

(ix) $17.25 per hundredweight, in the case of the Southwest marketing area;

(x) $16.60 per hundredweight, in the case of the Arizona-Las Vegas marketing area;

(xi) $16.15 per hundredweight, in the case of the Western marketing area; and

(xii) in the case of an area not covered by an order, a price per hundredweight determined by the Secretary, taking into account the target prices in adjacent marketing areas.

Mr. OBEY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment to the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The CHAIRMAN pro tempore. Under the previous order of today, the gentleman from Wisconsin (Mr. OBEY) is recognized for 10 minutes.

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

Mr. Chairman, no one in this Chamber has been more opposed to regional dairy compacts than have I. The gentleman from Vermont (Mr. SANDERS) and I have exchanged many a strong word about that subject. But I participated in several meetings in the Speaker's office a while back, meetings which he hosted to try to see if there was not some way you could overcome the regional differences on the issue of dairy. At that time, the Speaker was lamenting the fact that the regions did not seem to be able to get together in any way.

The gentleman from Vermont (Mr. SANDERS) has, I believe, brought to the House an approach which, although I believe it needs refinement, could in fact accomplish that purpose; and I want to congratulate him for it. I intend to vote for the amendment, even though I have been totally opposed to the idea of regional compacts, because I think the gentleman offers us a way to raise dairy farm income without discriminating geographically or regionally across the United States. So I would urge that the gentleman's amendment be adopted.

It just seems to me that we need make no apology for trying to find ways to raise dairy income. The effect of the gentleman's amendment, I believe, would be to marginally increase dairy income in all sections of the country, and it has provisions that guard against oversupply; and it has provisions which equalize the burden of doing that. I think it is the most imaginative effort to overcome regional differences that I have seen in the last 4 or 5 years.

I do think it has one defect, and I have an amendment that would correct that; and I would ask the House, however they intend to vote on the Sanders amendment, to simply adopt my amendment to perfect the Sanders amendment before we proceed to vote on it.

As written, the amendment essentially provides for one Class I price, the price of milk for fluid use all across the country. The problem is that currently there are differences in Class I price in different regions of the country. Those differences are used to facilitate the movement of milk between regions, especially during times of short supply.

By having a single unified price we would interfere with that process, and my amendment would simply adjust the numbers in the bill so that regardless of the size of the differentials in regions, you would take those differentials into account in setting the different regional prices in the gentleman's amendment. I would urge, however you intend to vote on the Sanders amendment, to adopt this amendment before you vote on that.

Having said that, I would like to ask the gentleman a question, if the gentleman would engage in a colloquy.

My understanding is that under the gentleman's proposal, a 50- or 100-cow farmer in Minnesota or Wisconsin where a Class I utilization is relatively low would receive the same payment as a 50- or 100-cow farmer in Florida or Vermont, or anywhere else a Class I utilization is higher. Is that correct?

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, that is correct.

Mr. OBEY. Payments would be made based upon the production, up to a limit of 500,000 pounds of milk per month, and not based on whether the milk would go into manufacturing products such as cheese or butter or fluid use. Is that correct?

Mr. SANDERS. If the gentleman will yield further, that is absolutely correct.

Mr. OBEY. Mr. Chairman, reclaiming my time, I think this issue is extremely important for farmers all over the country, because with this kind of a nationalized arrangement, we would, for the first time, enable the gentleman's farmers in his area of the country to receive a higher price for their product without penalizing farmers in my region or any other region of the country.

If the gentleman's amendment is adopted, I would certainly want his assurances that that national pooling provision would not be eliminated at any time during the process, if he had anything to do with it.

Mr. SANDERS. Mr. Chairman, if the gentleman will yield further, he has my absolute assurances.

Mr. POMBO. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from California.

Mr. POMBO. Mr. Chairman, it is my understanding we are dealing with Class I.

Mr. OBEY. That is right.

Mr. POMBO. I think I heard the gentleman say Class III.

Mr. OBEY. No.

Mr. POMBO. So what we are talking about is the Class I milk would be the same price, whether you are in Wisconsin or Vermont?

Mr. SANDERS. Mr. Chairman, if the gentleman will yield, yes.

Mr. POMBO. What about California?

Mr. SANDERS. Yes. If California voluntarily chooses to come into the program, the answer is yes.

Mr. OBEY. Mr. Chairman, reclaiming my time, could I ask the gentleman a favor? Because I have only 10 minutes on this amendment, I would like to limit the discussion to my amendment to the Sanders amendment, and then I think the gentleman can deal with other potential problems with the Sanders amendment on the gentleman's time.

Mr. POMBO. Mr. Chairman, if the gentleman would yield further, I am trying to figure out what the gentleman's amendment will do.

Mr. OBEY. Mr. Chairman, the problem that the gentleman has now is that each region has a different differential payment. If you have one uniform price that is paid all across the country, then in effect farmers are not getting the same benefit if they live in a region that has a lower differential as opposed to a higher differential, and you in fact place an undue burden on processors in certain parts of the country who would be making up the difference between, in fact, the floor price and the market price. That was an inadvertent mistake in the gentleman's amendment, and I am simply trying to correct it in the event that it would pass.

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

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

Mr. Chairman, I want to thank the gentleman from Wisconsin, and I look forward to working with him so that we can protect the farmers in Vermont and Wisconsin and every other region in this Nation.

Mr. Chairman, I yield 3 minutes to the gentlewoman from Connecticut (Mrs. JOHNSON).

Mrs. JOHNSON of Connecticut. Mr. Chairman, I thank the gentleman for yielding me time.

I would hope that the gentleman from California and the gentleman from Minnesota (Mr. PETERSON) would really reconsider their opposition to this amendment. It is absolutely true that more analysis needs to be done, no question about it, and questions have to be answered. But this amendment has some at least real potential for resolving an issue that has deeply divided this House and deeply divides America on farm policy by region.

Now, I would like the amendment to allow much more opportunity for consumer-based boards to have a say in this process at the regional level. That has been one of the strengths of the compact approach. I think when a State decides to enter this program, they should also set up a board that has consumers on it to begin to watch the price and see how much this helps their farmers.

Mr. Chairman, I regret the fact that the chairman of the committee and others on it who have a great deal of influence on policy cannot be bothered to listen.

□ 2200

Because I heard passionate speeches all day about how much your farmers need the subsidies in this bill. Do my colleagues not understand that our dairy farmers are in exactly the same position in New England and they get nothing. And they are going to go under if we cannot either extend the dairy compact or find a different way for our region?

Mr. POMBO. Mr. Chairman, will the gentlewoman yield?

Mrs. JOHNSON of Connecticut. I yield to the gentleman from California.

Mr. POMBO. Mr. Chairman, does the gentlewoman not understand that I represent more dairy farmers than she does? Does she not understand that I have more cows than she does?

Ms. JOHNSON of Connecticut. Mr. Chairman, I must reclaim my time. The Constitution was finely written when they found a way for small States to be able to have a voice equal to big States. So I understand the gentleman represents more farmers than I do, but it does not make the survival of any individual farm in Connecticut of any lesser value than the survival of a farm anywhere else in the country. That is all I am saying.

What I want my colleagues to think about is that this approach, integrating this issue and solving it through the existing marketing order through a system that is voluntary, that I think could be made more flexible and responsive to consumer interests as we work on it and analyze it, offers the best hope that we have had so far to really recognize the needs of dairy farmers across America.

The marketing order system is a one-size-fits-all. The reason we fight about dairy policy is because one size does not fit all anymore, and this amendment does offer us the opportunity, within a national umbrella, to begin to find a way for regions to manage in a way that supports farmers. That is our interest, to support farmers.

So I am pleased that we do have a supply management provision in here. The compact has been successful at that. Most dairy policies nationally have not been successful at managing supply, and it has not cost the national taxpayers a dime. I urge my colleagues to give it a chance. Let us talk this out. Perhaps we can deal with it in the conference.

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

Mr. RYAN of Wisconsin. Mr. Chairman, I thank the gentleman for yielding me this time.

I would like to thank the gentleman from Vermont (Mr. SANDERS) for his effort in putting this amendment together. We have had this fight for years. We have had this fight for hours today about removing these regional disparities with respect to dairy, and that has been a fight that we have had for a long, long time. I unfortunately believe it is a fight we are going to continue to have.

But this amendment is so broad and so sweeping and so comprehensive in so many ways that it leaves a lot of unanswered questions on the table. One of the concerns I have, which is a question or a concern is that, A, we have not seen a large scale analysis as to its real effect across the country. I really do not know what this is going to do to the dairy farmers in Wisconsin. One of the concerns I have is that this could incentivize an oversupply of class 1 price, which could turn over and depress the price of class 3 milk, which is what we produce where I come from. So I am concerned that this may actually depress our class 3 price in the upper Midwest.

But I do applaud this effort. I think it is high time we think outside the box and try and get rid of the regionalism that has too long plagued this debate, but it is just not ready for prime time, in my opinion.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. RYAN of Wisconsin. I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, I appreciate the gentleman's sentiments,

and I am the first to admit that more work needs to be done. But I think the gentleman will agree with me. The gentleman has seen some of the best people in his State lose their farms and go out of business. I have seen the same thing. I think we have to work together. I think this is a good start. We do not have a lot of time. I would appreciate the gentleman's support for the amendment and work with us so that we can make this a good amendment for Wisconsin and the Northeast and the whole country.

Mr. RYAN of Wisconsin. Mr. Chairman, the gentleman has my pledge to work with him on fixing this process. By this time tomorrow night, we are going to lose four dairy farms in the State of Wisconsin at the pace we are at right now. We have lost more dairy farms in the State of Wisconsin in the last 10 years than any other State in the country has ever had, save Minnesota. I want to expand on those points, but I do think that there are a lot of unanswered questions with this amendment. I applaud the effort. I hope we can work together after this to finish this.

Mr. SANDERS. Mr. Chairman, I yield 2 minutes to the gentlewoman from Connecticut (Ms. DELAURO) who has been a real fighter for family farms.

Ms. DELAURO. Mr. Chairman, I rise in support of the Sanders amendment, and I wanted to congratulate the gentleman from Vermont for really making a breakthrough here on an issue that has been divisive and to say also to the gentleman from Wisconsin, on this issue, if the folks from Vermont and Wisconsin can get together on this effort, we really do have what we have been trying to talk about and create an effort here that does the best for the people in this country and in this instance to the dairy farmers of this country.

The gentlewoman from Connecticut (Mrs. JOHNSON) spoke a minute ago; and we do have dairy farms, albeit not as many as other people in this body have, but I think she was absolutely correct in saying that their livelihood, their ability to succeed equals that ability to succeed of dairy farmers all over this great country of ours. That is what this amendment is all about.

This is meant to enhance the income of all dairy farmers, no matter where they come from. It is a voluntary program. There are no mandates here. It costs the taxpayer nothing. It would be administered through regional boards; it would distribute the funds to the dairy farmers that are in need of them. It deals in many ways with the complexity of trying to look at the price differentials, and that is critical.

Is it all ironed out? No. But it is such a very good start to something that has been such a divisive issue in this body. It brings benefits, yes, to the Northeast and to my dairy farmers, and it brings that kind of success that we had with that Northeast dairy compact to the rest of the dairy farmers around the country. It preserves small dairy farmers all over the country; it allows them to do what they want to do and that is to pass their farms on to the next generation. It is a good amendment, and I urge my colleagues to support it.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The Chair would advise Members that the gentleman from Texas (Mr. COMBEST) has 6¼ minutes remaining; the gentleman from Texas (Mr. STENHOLM) has 4¼ minutes remaining; the gentleman from Vermont (Mr. SANDERS) has 7½ minutes remaining; and the gentleman from Wisconsin (Mr. OBEY) has 4 minutes remaining.

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

Mr. GREEN of Wisconsin. Mr. Chairman, I thank the gentleman for yielding me time.

Like so many others tonight, let me begin by saying that I sincerely appreciate the effort that the gentleman from Vermont has shown. It is innovative because it takes a small step away from regionalism and towards national policy, and that is obviously something that many of us have been arguing for for a long time.

Regrettably, I cannot support this amendment right now. I hope to be able to support the concept as it is refined later on. One reason I cannot support it is that in its current form, it does not add to clarity or simplicity in dairy policy, something that I think is very important. We need predictability and clarity for our dairy farmers, for our producers, so they have a system they can rely upon, a system they can believe in.

Secondly, I am troubled by the fact that class 3 prices, payments are dependent upon annual appropriations. I am not sure we want our dairy farmers to be subject to the whims and fancies of this institution and its appropriations process.

Tonight I think we have taken an important step forward, though, because in the debate we have had tonight, we have recognized that dairy farmers all across this Nation are suffering.

To the gentlewoman from Connecticut who spoke earlier who said quite passionately that the loss of her farms is no less important than the loss of farms elsewhere, I would agree; but I would remind her that regionalism which has helped her dairy farms cause our losses to be because of her dairy policy.

The other side has talked passionately about losses of hundreds of dairy farms. Tonight, in our State of Wisconsin, I heard the gentleman from the first district of Wisconsin speak, we talk about thousands. By tomorrow night this time, my State will have lost four more dairy farms.

So we need to move towards a national policy. I commend the gentleman for his small step in that direction, and I pledge to work with him. Hopefully we can fix this and get to a national policy.

Mr. SANDERS. Mr. Chairman, I yield myself 1 minute and say to my friend from Wisconsin, the gentleman has described that he is losing four farms a day; he has described that perhaps no other State in this country has lost more family farms than his great State; he has described the pain and the sadness that the people of his State are feeling in this transition. Yet, we keep talking about that, we keep talking about the loss of farms in the Northeast and then we say, well, this is not perfect.

Well, I have a problem with that, oh, gee, this one does not work in every part of the country. I understand that. But the gentleman is going to lose four more farms tomorrow, and I will lose a farm. We are giving our colleagues a blueprint, an outline. If we reject this, nothing will happen this year, in my view, to protect family farmers; and we are going to continue to lose the farms.

Mr. Chairman, I urge my colleagues to work with us to develop a national policy that works for Wisconsin, that works for Vermont. This is a step forward. It is not the end-all. There are folks in the Senate who are sympathetic to this concept. We have time to refine it. So I would urge the support of my colleagues for this amendment tonight.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Wisconsin (Mr. OBEY) to the amendment offered by the gentleman from Vermont (Mr. SANDERS).

The amendment to the amendment was agreed to.

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

Mr. Chairman, let me simply say as a matter of good faith, I have, as I said earlier, opposed the idea of compacts for years. I think they have been divisive; I think this ought to be one country. I do not think we ought to have a Balkanized milk marketing arrangement.

What the gentleman from Vermont (Mr. SANDERS) is trying to do here is to find a way to enable us to raise income, however marginally, for dairy farmers, because of his desperate concern about their viability long term.

Now, I do not think this is a perfect arrangement by any means. I have substantial questions about it. But I do have confidence in the ability of this committee if this were adopted to rationalize it in conference so that it would be workable for the country. I think if ever there was a time when we need to try to find unifying efforts in

this country, in all fields, it is now. This may not be perfect, but it is the only, it is the only proposition I have seen in 5 years time that tries to bridge regional differences in the dairy area.

Mr. Chairman, I think it does it in a fairly effective way. I have not had much time to look at it either, and I recognize what the gentleman from California (Mr. POMBO) says, and I recognize what the chairman of the committee says, and I am sure the gentleman from Texas (Mr. STENHOLM) feels the same way, that this is not fully worked out. But I think in the end it is better than saying to the country, we are going to do nothing significant to raise dairy prices over the long term.

Right now my farmers are getting more money for milk than they have gotten in a long time. That is not going to last very long. If we do not do something tonight to at least look for ways to raise that income, for the next 5 years, we are going to be going home and saying to our constituents, sorry, there is not anything we can do it.

Mr. Chairman, this is the only device that I see on the board that gives us the opportunity to do something about it, and I personally would urge its adoption, and I thank both sides for their courtesy.

□ 2215

Mr. SANDERS. Mr. Chairman, may I inquire how many more speakers the gentleman from Texas (Mr. COMBEST) has?

Mr. COMBEST. Mr. Chairman, none at the current time.

Mr. SANDERS. Mr. Chairman, who has the right to close?

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The gentleman from Texas (Mr. COMBEST) has the right to close.

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

Let me make my concluding remarks. Let me pick up on the point that the gentleman from Wisconsin (Mr. OBEY) made.

Those of us who come from rural America and those of us who know family farms are touched emotionally by this issue. So for those people who are not from farm areas, they may not understand the passion involved in this discussion. We know that our farmers are some of the very best people in our States. They love the land. They protect the environment. They work, in some cases, seven days a week. In my State we have many farmers who make 15, 20, $25,000 a year working 60 or 70 hours a week. What their dream is is to leave the land that they inherited from their parents to their kids.

When I drive around the State of Vermont, I never cease to get a very positive feeling and a wonderful feeling when I go through the rural areas of my State, which are so beautiful, and I am sure that that feeling is matched by those in other States who also appreciate what their farmers are doing.

Mr. Chairman, we are up against the wall. For years we have been talking about how we protect the family farm, not only in dairy, but in every other commodity and we are losing. The best people in our country are being forced off the land because they cannot live on the paltry amounts of money that they are getting for their commodities, be it milk or any other commodity.

What is happening in dairy is happening in industry after industry. The little people are being driven off of the land and industry is being consolidated and the big get bigger and they control the industry. We are seeing in the New England area some processes who now control 80 percent of the purchase of milk and that is true in other regions of country.

Our friends from Wisconsin say they are losing four farms a day. How much time do we have to continue the debate? I agree with what the gentleman from Wisconsin (Mr. OBEY) said. This is not a perfect amendment. It needs more work. But let us come together let us make it a better bill so that it works better for South or the West or the Midwest or the Northeast. We can do this.

Mr. Chairman, I believe there is support in the Senate for this concept. Let us not say, no, no, no, it is not perfect. It is not perfect that our farmers are being driven off the land. Let us draw the line and try to do something. This is a good-faith effort to bring people together to save some of the best people in our country. I would hope that this body could support this amendment.

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

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

Mr. Chairman, if we look at the facts as the gentleman from Wisconsin (Mr. OBEY) mentioned, his dairymen, my dairymen are doing quite well today. In fact, the September Federal price in the compact area is $18.81. The compact price is $16.94.

Some regions of the country, my district, for example, my State, a few months ago were in favor of the compact but began to see some of the problems associated with it and began to look at what they can do to help themselves. Lo and behold, they are finding that they can do a lot to avoid a collapse of milk prices by working together with the manufacturers, with the retail stores.

It would seem to me the Northeast has a wonderful opportunity now to do just that. To do it with this legislation of which I too, I join in saying I know what the gentleman is trying to do. But we cannot put together dairy policy for the Nation in a matter of a few hours to overcome a problem regarding legislation on compacts. No matter how much we say we would like to do it, it cannot be done.

The main thing for dairymen right now is to understand if they want to keep getting price, they have to manage their inventory and they are the only ones that can do that. If they set the price too high, they will get more production. It is just going to happen.

There are ways we can do it. I will join with the gentleman from Vermont (Mr. SANDERS) and the gentleman from Wisconsin (Mr. OBEY) and all to continue to look at how we do it.

The gentleman from Minnesota (Mr. PETERSON) a moment ago said it best when he said, and I will paraphrase him, any State that wishes to go their own way can go their own way.

If that is what we really want to do is start going individual State compacts, then let us do it. Let us eliminate the Federal market order system and let us go it our own. I happen to believe that maybe dairymen would be better off with that; but the dairy industry is not ready to go there yet because just as the chairman, the ranking member said in all the hearings that they sat through again and all the years in which I was chairman of the Dairy Committee, we never were able quite to get there.

Let us conclude by saying this, if there is one thing that has been effusive throughout the debate today is the recognition of the necessity of getting a higher price to our producers for what they produce, whether it is milk, whether it is sugar, whether it is cotton, whether it is wheat, whether it is soybeans, whether it is corn, whatever it is we are growing, we cannot grow it cheaper than what we have been doing.

The question is how do we get the price? I submit that we need to use this opportunity today in all areas of the country to do what is happening in some, recognizing that through true cooperative effort among dairymen within regions, within States is the best way to do it.

Therefore, I again, as I have done all night, reluctantly, in this case not so reluctantly, because in all honesty, we cannot legislate dairy policy in a manner in which has been described tonight and do justice.

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

The CHAIRMAN pro tempore. The Chair would remind the Members that the gentleman from Vermont (Mr. SANDERS) has 3½ minutes remaining and the gentleman from Wisconsin (Mr. OBEY) has 2 minutes remaining.

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

Mr. OBEY. Mr. Chairman, I yield back the balance of my time.

Mr. SANDERS. Mr. Chairman, I yield back the balance of my time.

Mr. COMBEST. Mr. Chairman, I yield whatever time remains to the gentleman from Minnesota (Mr. GUTKNECHT).

Mr. GUTKNECHT. Mr. Chairman, I thank the gentleman for yielding me time and I want to thank the gentleman from Vermont (Mr. SANDERS) and the gentleman from Wisconsin (Mr. OBEY) for this very constructive debate. This is the first time I think since I have been here, we have had actually a constructive discussion about dairy policy. I appreciate the frustration, particularly of the gentleman from Vermont (Mr. SANDERS) on issues that are important to him. We are in the Committee of the Whole, and this is the opportunity we have to offer these kind of amendments.

I am afraid that I and my staff were trying to figure out exactly what this amendment, and with the amendment from the gentleman from Wisconsin (Mr. OBEY), would mean. We had a very difficult time sorting all of this out, and I suspect that was even true for some of the experts that worked for the committee and perhaps even down at the USDA.

What I am concerned about, it has been mentioned already, is the law of unintended consequences. This is a place, of course, where we write law, but it is also an area where we can make bad law, and I am afraid what will happen with this amendment if we raise the price of Class I milk, and this is what a couple of our colleagues said earlier. Class I milk that goes into fluid milk, if we raise that price too high, whether it is in Vermont or anywhere else in the United States, what ultimately will happen is we will increase production because we do write law in this Chamber, we amend laws in this Chamber.

There is one law we can neither amend nor change, and that is the law of supply and demand. That really is what is at the core of the problem we have with dairy policy, because if we artificially set prices too high we increase the supply and we may forestall some of those farmers going out of business, but ultimately, we are only going to forestall the day when that will happen.

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. GUTKNECHT. I yield briefly to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, I do not know if my colleague saw it, but we have very strong supply management components in the legislation.

Mr. GUTKNECHT. Mr. Chairman, reclaiming my time, that is good, but again, we cannot exactly analyze how that will work, but ultimately, again, if we try to artificially raise the prices too high, particularly for fluid milk, it backs up into what we call Class III milk, which is 85 percent of the milk produced in my district, ultimately winding up going into cheese, and that is where the problem begins to really get difficult for us.

So while I recognize the frustration of trying to make an amendment here on the floor of the House in the Committee of the Whole, which is the appropriate place, I really do hope that my colleague will take the offer that has been made, that we can work on this as we go forward.

It does not have to be part of this farm bill. I think there are a growing number of people here that really believe the time has come to at least scrap everything we have and start with a blank sheet of paper. Our friend, the gentleman from Wisconsin (Mr. RYAN) did not do it this year, but a couple of years ago he read on the floor of the House the formula that is used today in the milk marketing order system. It is unbelievably complicated. There are only I think three people in Washington who completely understand it, and I understand that there is a rule at USDA that no two of them could be on the same airplane at the same time.

We really do need to have a new dairy policy. It needs to be more simple, it needs to be more understandable, and we must make certain that it does not have unintended consequences.

With the deepest respect, I will oppose the amendment, and I hope my colleagues will join me.

The CHAIRMAN pro tempore. All time has expired.

The question is on the amendment offered by the gentleman from Vermont (Mr. SANDERS), as amended.

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

RECORDED VOTE

Mr. SANDERS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule I, the Chair announces that he will reduce to a minimum 5 minutes the period of time within which a vote by electronic device will be taken on each amendment on which the Chair has postponed further proceedings.

The vote was taken by electronic device, and there were—ayes 194, noes 224, not voting 12, as follows:

[Roll No. 368]

AYES—194

Abercrombie
Ackerman
Allen
Andrews
Baker
Baldacci
Baldwin
Barrett
Bartlett
Bass
Bereuter
Blagojevich
Boehlert
Bonior
Borski
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Bryant
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Clayton
Clement
Clyburn
Coble
Condit
Conyers
Cooksey
Coyne
Crowley
Cummings
Davis (FL)
Davis (IL)
Davis, Jo Ann
DeGette
DeLauro
Deutsch
Doyle
Duncan
Ehlers
Emerson
Engel
English
Eshoo
Etheridge
Farr
Fattah
Ferguson
Filner
Fossella
Frelinghuysen
Gekas
Gephardt
Gilchrest
Gilman
Goode
Green (TX)
Greenwood
Grucci
Gutierrez
Harman
Hart
Hastings (FL)
Hinchey
Hobson
Hoeffel
Holden
Holt
Hooley
Horn
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jenkins
Johnson (CT)
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kleczka
Kucinich
LaFalce
Langevin
Lantos
Larson (CT)
LaTourette
Lee
Levin
Lewis (GA)
Lewis (KY)
LoBiondo
Lowey
Luther
Maloney (CT)
Maloney (NY)
Mascara
Matsui
McCarthy (NY)
McCrery
McDermott
McGovern
McHugh
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Morella
Nadler
Napolitano
Neal
Ney
Norwood
Oberstar
Obey
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (PA)
Pickering
Pitts
Platts
Price (NC)
Pryce (OH)
Quinn
Rahall
Rangel
Regula
Reynolds
Rivers
Roemer
Rogers (KY)
Rothman
Roukema
Roybal-Allard
Rush
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schakowsky
Scott
Sherman
Sherwood
Shows
Shuster
Simmons
Slaughter
Snyder
Spratt
Stark
Strickland
Stupak
Sweeney
Tauscher
Taylor (MS)
Taylor (NC)
Thurman
Towns
Upton
Velázquez
Vitter
Waters
Watson (CA)
Watt (NC)
Weiner
Weldon (PA)
Whitfield
Wolf
Woolsey
Wynn

NOES—224

Aderholt
Akin
Armey
Baca
Bachus
Baird
Ballenger
Barcia
Barr
Barton
Becerra
Bentsen
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blumenauer
Blunt
Boehner
Bonilla
Bono
Boswell
Brady (TX)
Brown (SC)
Burr
Buyer
Calvert
Camp
Cannon
Cantor
Chabot
Chambliss
Clay
Collins
Combest
Costello
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis (CA)
Davis, Tom
Deal
DeFazio
Delahunt
DeLay
DeMint
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Dreier
Dunn
Edwards
Ehrlich
Evans
Everett
Flake
Fletcher
Foley
Forbes
Ford
Frank
Frost
Gallegly
Ganske
Gillmor
Gonzalez
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (WI)
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinojosa
Hoekstra
Honda
Hostettler
Hulshof
Hunter
Hyde
Isakson
Istook
Jefferson
John
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Keller
Kennedy (MN)
Kerns
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Lampson
Largent
Larsen (WA)
Latham
Leach
Lewis (CA)
Linder
Lipinski
Lofgren
Lucas (KY)
Lucas (OK)
Manzullo
Markey
Matheson
McCarthy (MO)
McCollum
McInnis
McIntyre
McKeon
Mica
Miller (FL)
Miller, Gary
Moore
Moran (KS)
Moran (VA)

Myrick
Nethercutt
Northup
Nussle
Ortiz
Osborne
Ose
Otter
Oxley
Paul
Pence
Peterson (MN)
Petri
Phelps
Pombo
Pomeroy
Portman
Putnam
Radanovich
Ramstad
Rehberg
Reyes
Riley
Rodriguez
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Royce
Ryan (WI)
Ryun (KS)
Sabo
Schaffer
Schiff
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solis
Souder
Stearns
Stenholm
Stump
Sununu
Tancredo
Tanner
Tauzin
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Tiahrt
Tiberi
Tierney
Toomey
Traficant
Turner
Udall (CO)
Udall (NM)
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Waxman
Weldon (FL)
Weller
Wicker
Wilson
Wu
Young (FL)

NOT VOTING—12

Burton
Callahan
Gibbons
Houghton
Issa
Mollohan
Murtha
Olver
Serrano
Visclosky
Wexler
Young (AK)

□ 2249

Messrs. OTTER, LIPINSKI, DICKS, THOMPSON of Mississippi, KIRK, WAMP, SCHIFF, KINGSTON, DINGELL, FORD, and Ms. EDDIE BERNICE JOHNSON of Texas changed their vote from ''aye'' to ''no.''

Messrs. NEY, BAKER, SAXTON, TAYLOR of North Carolina, WHITFIELD, RUSH, BOYD, Mrs. CLAYTON, Ms. PRYCE of Ohio, Mrs. EMERSON, and Ms. KILPATRICK changed their vote from ''no'' to ''aye.''

So the amendment, as amended, was rejected.

The result of the vote was announced as above recorded.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). Pursuant to clause 6 on rule XVIII, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: amendment No. 15 by Mrs. CLAYTON of North Carolina; amendment No. 11 by Mrs. BONO of California.

AMENDMENT NO. 15 OFFERED BY MRS. CLAYTON

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentlewoman from North Carolina (Mrs. CLAYTON) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 235, noes 183, not voting 12, as follows:

[Roll No. 369]

AYES—235

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Bartlett
Bass
Becerra
Berkley
Berman
Bilirakis
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Brady (PA)
Brown (FL)
Brown (OH)
Brown (SC)
Capito
Capps
Capuano
Cardin
Carson (IN)
Castle
Clay
Clayton
Clyburn
Coble
Condit
Conyers
Coyne
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Duncan
Ehlers
Ehrlich
Engel
Eshoo
Etheridge
Farr
Fattah
Ferguson
Filner
Foley
Ford
Fossella
Frank
Frelinghuysen
Frost
Gekas
Gephardt
Gilchrest
Gilman
Goode
Gordon
Greenwood
Grucci
Gutierrez
Hall (OH)
Harman
Hart
Hastings (FL)
Hayworth
Herger
Hinchey
Hobson
Hoeffel
Holden
Holt
Honda
Hooley
Horn
Hoyer
Inslee
Israel
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Johnson (CT)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kleczka
Kucinich
LaFalce
Langevin
Lantos
Larson (CT)
LaTourette
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (NY)
McCollum
McDermott
McGovern
McHugh
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Moore
Moran (VA)
Morella
Nadler
Napolitano
Neal
Northup
Oberstar
Obey
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (PA)
Pitts
Platts
Pomeroy
Price (NC)
Quinn
Rahall
Rangel
Regula
Reyes
Reynolds
Rivers
Roemer
Rogers (KY)
Rohrabacher
Rothman
Roukema
Roybal-Allard
Royce
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schakowsky
Schiff
Scott
Shays
Sherman
Sherwood
Shuster
Simmons
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Sununu
Sweeney
Tauscher
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Walsh
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Weldon (PA)
Wilson
Woolsey
Wu
Wynn

NOES—183

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Barton
Bentsen
Bereuter
Berry
Biggert
Bishop
Blunt
Boehner
Bonilla
Bono
Boyd
Brady (TX)
Bryant
Burr
Buyer
Calvert
Camp
Cannon
Cantor
Carson (OK)
Chabot
Chambliss
Clement
Collins
Combest
Cooksey
Costello
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Dunn
Edwards
Emerson
English
Evans
Everett
Flake
Fletcher
Forbes
Gallegly
Ganske
Gillmor
Gonzalez
Goodlatte
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Gutknecht
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hefley
Hill
Hilleary
Hilliard
Hinojosa
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Isakson
John
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kennedy (MN)
Kerns
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Lampson
Largent
Larsen (WA)
Latham
Leach
Lewis (CA)
Lewis (KY)
Linder
Lucas (KY)
Lucas (OK)
Manzullo
McCarthy (MO)
McCrery
McInnis
McKeon
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Myrick
Nethercutt
Ney
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Pence
Peterson (MN)
Petri
Phelps
Pickering
Pombo
Portman
Pryce (OH)
Putnam
Radanovich
Ramstad
Rehberg
Riley
Rodriguez
Rogers (MI)
Ros-Lehtinen
Ross
Ryan (WI)
Ryun (KS)
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shimkus
Shows
Simpson
Skeen
Skelton
Smith (MI)
Smith (TX)
Souder
Stearns
Stenholm
Stump
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Vitter
Walden
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weller
Whitfield
Wicker
Wolf
Young (FL)

NOT VOTING—12

Burton
Callahan
Gibbons
Houghton
Issa
Mollohan
Murtha
Olver
Serrano
Visclosky
Wexler
Young (AK)

□ 2259

Mr. CALVERT changed his vote from ''aye'' to ''no.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

□ 2300

AMENDMENT NO. 11 OFFERED BY MRS. BONO

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The pending business is the demand for a recorded vote on the amendment offered by the gentlewoman from California (Mrs. BONO) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 296, noes 121, not voting 13, as follows:

[Roll No. 370]

AYES—296

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Baca
Bachus
Baird
Baldacci
Baldwin
Barcia
Barr
Barrett
Bartlett
Barton
Becerra
Berkley
Berman
Berry
Bilirakis
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Bono
Borski
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Buyer
Calvert
Camp
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Chabot
Chambliss
Clay
Clayton
Clyburn
Coble
Collins
Condit
Conyers
Cooksey
Costello
Cox
Crenshaw
Crowley
Cubin
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Doyle
Duncan
Ehlers
Emerson
Engel
English
Eshoo
Evans
Everett
Farr
Fattah
Ferguson
Filner
Foley
Forbes
Ford
Fossella
Frelinghuysen
Frost
Gallegly
Gekas
Gephardt
Gilman
Goode
Gordon
Goss
Graham
Green (TX)
Grucci
Gutierrez
Hall (OH)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hoyer
Hunter
Hyde
Isakson
Israel
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy (RI)
Kildee
Kilpatrick
King (NY)
Kirk
Kleczka
Kucinich
LaFalce
LaHood
Langevin
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (CA)
Lewis (GA)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (NY)
McCollum
McDermott
McHugh
McInnis
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Mink
Moore
Moran (VA)
Morella
Nadler
Napolitano
Neal
Norwood
Oberstar
Obey
Owens
Pallone
Pascrell
Payne
Pelosi
Phelps
Pickering
Pitts
Platts
Pomeroy
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Rangel
Regula
Rehberg
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Rush
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schakowsky
Schiff
Scott
Sensenbrenner
Shadegg
Shaw
Shays
Sherman
Shimkus
Shows
Simmons
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Snyder
Solis
Spratt
Stark
Stearns
Strickland
Stupak
Sweeney
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson (CA)
Thompson (MS)
Thune
Thurman
Tiberi
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Walden
Wamp
Waters
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Whitfield
Wicker
Wolf
Woolsey
Wu
Wynn
Young (FL)

NOES—121

Akin
Armey
Baker
Ballenger
Bass
Bentsen
Bereuter
Biggert
Blunt
Boehner
Bonilla
Boswell
Brady (TX)
Burr
Cannon
Cantor
Castle
Clement
Combest
Coyne
Cramer
Crane
Culberson
Davis, Tom
DeMint
Dooley
Doolittle
Dreier
Dunn
Edwards
Ehrlich
Etheridge
Flake
Fletcher
Frank
Ganske
Gilchrest
Gillmor
Gonzalez
Goodlatte
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Hall (TX)
Hayes
Hinojosa
Hostettler
Hulshof
Inslee
Johnson (IL)
Johnson, Sam
Keller
Kennedy (MN)
Kerns
Kind (WI)
Kingston
Knollenberg
Kolbe
Lampson
Lantos
Largent
Latham
LaTourette
Leach
Lewis (KY)
Lucas (KY)
Lucas (OK)
Manzullo
McCarthy (MO)
McCrery
McGovern
McIntyre
McKeon
Moran (KS)
Myrick
Nethercutt
Ney
Northup
Nussle
Ortiz
Osborne
Ose
Otter
Oxley
Pastor
Paul
Pence
Peterson (MN)
Peterson (PA)
Petri
Pombo
Price (NC)
Ramstad
Reyes
Reynolds
Ryan (WI)
Ryun (KS)
Sabo
Schaffer
Schrock
Sessions
Sherwood
Shuster
Simpson
Smith (MI)
Smith (WA)
Souder
Stenholm
Stump
Sununu
Tancredo
Tanner
Terry
Thornberry
Tiahrt
Vitter
Walsh
Weller
Wilson

NOT VOTING—13

Burton
Callahan
Gibbons
Houghton
Issa
Mollohan
Murtha
Olver
Roukema
Serrano
Visclosky
Wexler
Young (AK)

□ 2308

Mrs. NAPOLITANO, Mrs. TAUSCHER, and Mrs. KELLY changed their vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT NO. 2 OFFERED BY MR. ACKERMAN

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

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

The text of the amendment is as follows:

Amendment No. 2 offered by Mr. ACKERMAN:

At the end of title IX (page 354, after line 16), insert the following new section:

SEC. ____. UNLAWFUL STOCKYARD PRACTICES INVOLVING NONAMBULATORY LIVESTOCK.

Title III of the Packers and Stockyards Act, 1921, (7 U.S.C. 201 et seq.) is amended by adding at the end the following:

''SEC. 318. UNLAWFUL STOCKYARD PRACTICES INVOLVING NONAMBULATORY LIVESTOCK.

''(a) DEFINITIONS.—In this section:

''(1) HUMANELY EUTHANIZE.—The term 'humanely euthanize' means to kill an animal by mechanical, chemical, or other means that immediately render the animal unconscious, with this state remaining until the animal's death.

''(2) NONAMBULATORY LIVESTOCK.—The term 'nonambulatory livestock' means any livestock that is unable to stand and walk unassisted.

''(b) UNLAWFUL PRACTICES.—

''(1) IN GENERAL.—Except as provided in paragraph (2), it shall be unlawful for any stockyard owner, market agency, or dealer to buy, sell, give, receive, transfer, market, hold, or drag any nonambulatory livestock unless the nonambulatory livestock has been humanely euthanized.

''(2) EXCEPTIONS.—

''(A) NON-GIPSA FARMS.—Paragraph (1) shall not apply to any farm the animal care practices of which are not subject to the authority of the Grain Inspection, Packers, and Stockyards Administration.

''(B) VETERINARY CARE.—Paragraph (1) shall not apply in a case in which nonambulatory livestock receive veterinary care intended to render the livestock ambulatory.

''(c) APPLICATION OF PROHIBITION.—Subsection (b) shall apply beginning one year after the date of the enactment of the Farm Security Act of 2001. By the end of such period, the Secretary shall promulgate regulations to carry out this section.''.

Mr. ACKERMAN. Mr. Chairman, I rise today to offer my amendment to prevent the marketing of downed animals.

As I stand here before you, the most horrific problem of animal abuse in the meat industry continues unchecked. A sick cow, unable to stand, is pulled off a truck by a tractor with a chain, then falls 4 feet to the ground at a stockyard. A frail day-old calf is dragged through an auction ring by a rope tied to its back leg while another calf, nearly comatose, is left in a corner dying. These are downed animals. The transport and marketing of these incapacitated animals creates tremendous human health concerns as well as humane concerns.

These animals, known as downers, suffer beyond belief as they are kicked, dragged, and prodded with electric shocks in an effort to move them at auctions and intermediate markets en route to slaughter. They make up nearly one-tenth of 1 percent of the market. And not to euthanize them just because they are of no value when they are dead at marketplace is indeed a sin.

It is practically impossible to move these animals humanely, so they are commonly dragged with chains and pushed around with tractors and fork lifts. In addition to brutal handling, downed animals routinely suffer for days without food, water, or veterinary attention. Livestock markets are not equipped nor can they be expected to provide these incapacitated animals with the intensive care they require, nor do we wish to saddle them with these costs. The only humane option for nonambulatory livestock at intermediate markets is euthanasia.

My amendment to protect both the public health and the downed animals

prohibits marketing of all non-ambulatory livestock at intermediate markets, and it requires that incapacitated animals be humanely euthanized at these facilities. This amendment does not apply to activities on farms, and it does not preclude veterinary care. It provides an appropriate remedy to an unnecessary and inexcusable practice.

The problem of downed animals has been addressed by many conscientious livestock organizations who have voluntarily adopted a no-downer policy in an effort to end this inhumane and cruel practice which can also pose a serious threat to our public health. Meat from downed animals has an increased risk for bacterial contamination and other diseases, including neurological afflictions such as mad cow disease. The veterinary services department at the USDA itself, Mr. Chairman, has said that downed animals are the number two risk for mad cow disease. This is not a fringe idea.

Last year, the USDA itself instituted a policy precluding the purchase of beef from downed animals for the national school lunch program because of these safety concerns.

□ 2315

How on God's Earth can they justify marketing this to the rest of the country, when they say it is unsafe to put in our school lunch program?

In addition to this, the fast food chains are doing the appropriate thing. Chains such as McDonald's and Burger King and Wendy's have all banned the use of meat from downed animals in their products. And who else? California, the largest cattle producer in the country, Colorado and Illinois, have already prohibited the entry of downed animals into the food supply. Why just them? All Americans must be protected from this risk.

And who else is in support? This measure is endorsed by the Central Livestock Association, which is composed of 25,000 producers in five Midwestern States alone. It is endorsed by Empire Livestock Marketing, the Georgia Cattlemen's Association, and the National Pork Producers Council; and the National Cattlemen's Beef Producer Association have put in their code of ethics that they will not use downers.

And yet, and yet, there are some who kowtow to the few irresponsible folks within the industry in order to protect only one-tenth of 1 percent of the market.

Earlier this year a Zogby America Poll of 1,000 people in our country found that four out of every five opposed the use of downed animals for human food. Yet despite a strong consensus within the livestock industry, the animal welfare movement and 80 percent of consumers that downed animals should not be sent to the stockyards, this practice continues, causing unnecessary animal suffering and an erosion of the public confidence in their food. We need to remedy this atrocity.

I urge all who are concerned about public health, all who are concerned about the humane treatment of animals to support the amendment.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The time of the gentleman from New York (Mr. ACKERMAN) has expired.

(By unanimous consent, Mr. ACKERMAN was allowed to proceed for 30 additional seconds.)

Mr. ACKERMAN. Mr. Chairman, I ask all Members to join in supporting the Ackerman amendment to help bring an end to the horrific abuse of our Nation's food animals and to protect our Nation's food supply. I ask that all of us vote in favor of the amendment.

Mrs. MORELLA. Mr. Chairman, I rise in support of the amendment. The hour is late, Mr. Chairman, but I think this is an important amendment; and I rise in strong support of the Ackerman-Houghton downed animal amendment. I want to thank them for bringing this issue to the floor.

This amendment would prohibit the marketing of non-ambulatory livestock, or so-called downed animals, at intermediate markets and would require these sick animals to be humanely euthanized. This amendment is important for two simple reasons: humans should not be exposed to food at risk for contamination, and there absolutely is no excuse for animal cruelty.

Animal cruelty can and should be minimized in our country's slaughterhouses. Downed animals, unable to walk on their own, are almost impossible to humanely move due to sheer size and weight. Instead, they are chained, pulled, dragged, and prodded with electric shocks.

Current policies do nothing to force handlers to treat sick animals humanely, and instead some of them are even pushed by bulldozers into dead piles, where they eventually succumb to their injuries in unimaginable pain.

Equally important, meat from downed animals is at risk for bacterial contamination. According to a recent Zogby poll, four out of five Americans oppose the use of downed animals for food. Also the USDA has instituted a policy precluding the purchase of beef from downed animals for national school lunch programs because they believe this meat is unsafe for consumption. That should tell us something.

Our Nation must humanely produce meat that is safe for everyone to eat. Due to the obvious animal suffering and the threat to human health that downed animals pose, humane euthanasia is the only reasonable solution. It is civilized to oppose needless animal cruelty and inexcusable to allow it to continue.

Mr. Chairman, I certainly urge my colleagues to join me in supporting the Ackerman-Houghton amendment.

Mr. STENHOLM. Mr. Chairman, I move to strike the last word.

I would like to make a few observations for our colleagues. The Animal Welfare Act already contains provisions that forbid needless intentional abuse of livestock anywhere. Also I want to make my colleagues aware of the concern of the American Veterinary Medical Association regarding the prohibition on holding downer animals could prevent diagnose and treatment of downer animals. Just because an animal is down does not mean necessarily that it cannot get up, provided you give it medication.

Also our veterinarians tell us and USDA tells us that examination of downer livestock at markets and slaughter plants is an important part of our system to monitor for animal diseases such as BSE and tuberculosis. In other words, if we do not give our veterinarians time at livestock markets to examine what is truly wrong with that animal, if you immediately euthanize them, we perhaps may be setting back that which the authors of this amendment intend to happen.

Now, I will not oppose the amendment tonight because, again, we all agree that animals should not be abused. That is already against the law. But I would hope as we pursue this through the conference and we work with the gentleman from New York to make sure that this accomplishes everything that he and those who support the amendment intend, but I would point these possible unintended consequences of this amendment that might need further work as we pursue it through the conference.

Mrs. KELLY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today to support the amendment by my colleagues from New York to prevent the marketing of downed livestock. On a daily basis, animals so sick that they can barely stand are dragged into the market to be sold to slaughterhouses. That is abusive and torturous, it is bad treatment of these sick and injured animals, it is cruel and it places our food supply at risk.

In response to the fact that meat from downed animals is more likely to be contaminated, the USDA now prohibits the purchase of beef from downed animals into the National School Lunch Program. Major fast food restaurants forbid the use of downed animals in their products. While we can compliment these small measures, we must give the USDA the authority to deal with the downed animal problem.

In order to protect both our animals and our food supply, we need to prevent the marketing of downed livestock. I urge my colleagues to join me in the support of this amendment.

Mr. FARR of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this amendment. Our agricultural policy in the United States has been very strong about humane treatment for animals that are to be used for profit. What this amendment does is address animals that will be slaughtered. These are animals that are in stockyards, that are going to either be auctioned or have been auctioned, and are downed, which means they are animals that have been injured. They tend to be either old dairy cows or male calves born into dairy herds and sold for veal.

I think this amendment continues a policy which this House adopted a few years ago which said when you transport animals to slaughter that they have to be transported in a humane fashion. We have humane slaughter practices. We have humane transportation plants, not only for slaughter, but for every agricultural livestock animal there is, from chickens to rabbits. The whole gambit of transportation is controlled by Federal law and State law as well.

The Zogby poll of U.S. adults found that 79 percent oppose the use of downed animals in human food supply. You have just heard of the prohibitions that we already have in law about using downed animals in certain school lunch programs and so on.

What I want to remind the House is that in all cases these are animals that are being used for a profit, for corporate investment, to make a profit on the product of these animals, and what is being asked here is to adopt the same sound humane practices that we require for every other link in that chain.

I think it is an appropriate amendment for us to address, and I hope the committee will adopt it.

Mr. COMBEST. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I just want to say to the gentleman from New York that I think the committee would be certainly willing to accept the amendment.

I do want to point out, as the gentleman from Texas (Mr. STENHOLM) did, some of the same concerns there are. No one is going to try to justify the inhumane treatment of an animal, but there are a couple of issues that I do think we need to try to make for sure that we address as we are looking through this.

This has been an issue that for some time has obviously been discussed. It may have been the gentleman's bill back in 1996, H.R. 2143, on which Secretary Glickman wrote a letter to the committee in this regard, and, again, just a couple of points. One of the things that I think highlights this is that it says, ''This bill may cause some producers of livestock to dispose of sick and diseased animals outside of normal marketing channels. This would increase the risk of these animals being slaughtered for human consumption without appropriate inspection.'' Obviously, I think, none of us would want that to occur.

''As well, downed animals are one of the bases of BSE or mad cow disease test regime.'' We certainly know the implications that this has in other countries, as it has had around the world, and how fortunate we are to be able to keep that out. I would not want us to do something that would in fact increase the chances of not being able to catch those diseases early.

Mr. Chairman, I am sure the gentleman has no interest in any of these unintended consequences, but these are things that have been expressed and looked at over a period of time that we certainly would like to try to make sure we might be able to, as we work through this, even perfect more, without undermining the intent of the gentleman.

Mr. ACKERMAN. Mr. Chairman, will the gentleman yield?

Mr. COMBEST. I yield to the gentleman from New York.

Mr. ACKERMAN. Mr. Chairman, I thank the chairman for his accepting of our amendment. We really appreciate it. I am absolutely delighted to work with the gentleman on those concerns that he has just raised, which are very, very legitimate and are of concern to us to make sure these are ameliorated as it moves forward.

Mr. COMBEST. Mr. Chairman, reclaiming my time, I thank the gentleman and urge passage of the amendment.

Mrs. MALONEY of New York. Mr. Chairman, the practice of marketing downed animals—animals unable to walk because of sickness or illness—is an inhumane and disease-ridden practice. It's cruel to animals. It's bad for people. It's good for nothing.

Many livestock yards pass on the costs and disposal of downed animals to slaughterhouses. Often, the result is torture. Downed animals which cannot move must be prodded and dragged to be transported from a livestock yard to a slaughterhouse. Bacterial infection runs high in downed animals.

The Humane Society reports an elevated risk among downed animals for "Mad Cow Disease" which has been fatal to humans. Since the majority of downed animals are milk cows contamination could be widespread. Unfortunately, the industry's self-imposed regulations against marketing downed animals are not being met.

So we need to legislate uniform industry standards by passing the Ackerman amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New York (Mr. ACKERMAN).

The amendment was agreed to.

AMENDMENT NO. 35 OFFERED BY MS. KAPTUR

Ms. KAPTUR. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 35 offered by Ms. KAPTUR: At the end of the bill, insert the following:

TITLE X—BIOFUELS ENERGY INDEPENDENCE ACT OF 2001

SEC. 1001. SHORT TITLE.

This title may be cited as the ''Biofuels Energy Independence Act of 2001''.

SEC. 1002. FINDINGS.

The Congress finds as follows:

(1) Currently the United States annually consumes about 164,000,000,000 gallons of vehicle fuels and 5,600,00,000 gallons of heating oil. In 2000, 52.9 percent of these fuels were imported, yielding a $109,000,000,000 trade deficit with the rest of the world.

(2) This Act would shift America's dependence away from foreign petroleum as an energy source toward alternative, renewable, domestic agricultural sources.

(3) Strategic Petroleum Reserve policy should encourage domestic production to the greatest extent possible.

(4) 92.2 percent of the Strategic Petroleum Reserve has been purchased from foreign sources: 41.9 percent from Mexico, 24 percent from the United Kingdom, and over 20 percent from OPEC nations.

(5) Strategic Petroleum Reserve policy also should encourage the development of alternatives to the Nation's reliance on petroleum such as biomass fuels.

(6) The benefits of biofuels are as follows:

(A) ENERGY SECURITY.—

(i) With agricultural commodity prices reaching record lows and petroleum prices reaching record highs, it is clear that more can and should be done to utilize domestic surpluses of biobased oils to enhance the Nation's energy security.

(ii) Biofuels can be manufactured using existing industrial capacity.

(ii) Biofuels can be used with existing petroleum infrastructure and conventional equipment.

(iv) Biofuels can start to address our dependence on foreign energy sources immediately.

(B) ECONOMIC SECURITY.—

(i) With continued dependence upon imported sources of oil, our Nation is strategically vulnerable to disruptions in our oil supply.

(ii) Renewable biofuels domestically produced have the potential for ending this vulnerable dependence on imported oil.

(iii) Increased use of renewable biofuels would result in significant economic benefits to rural and urban areas and would help reduce the trade deficit.

(iv) According to the Department of Agriculture, a sustained annual market of 100,000,000 gallons of biodiesel would result in $170,000,000 in increased income to farmers.

(v) Farmer-owned biofuels production has already resulted in improved income for farmers, as evidenced by the experience with a State-supported program in Minnesota that has helped to increase prices to corn producers by $1.00 per bushel.

(C) ENVIRONMENTAL SECURITY.—

(i) The use of grain-based ethanol reduces greenhouse gas emissions from 35 to 46 percent compared with conventional gasoline. Biomass ethanol provides an even greater reduction.

(ii) The American Lung Association of Metropolitan Chicago credits ethanol-blended reformulated gasoline with reducing smog-forming emissions by 25 percent since 1990.

(iii) Ethanol reduces tailpipe carbon monoxide emissions by as much as 30 percent.

(iv) Ethanol reduces exhaust volatile organic compounds emissions by 12 percent.

(v) Ethanol reduces toxic emissions by 30 percent.

(vi) Ethanol reduces particulate emissions, especially fine-particulates that pose a health threat to children, senior citizens, and those with respiratory ailments.

(vii) Biodiesel contains no sulfur of aromatics associated with air pollution.

(viii) The use of biodiesel provides a 78.5 percent reduction in CO_2 emissions compared to petroleum diesel and when burned in a conventional engine provides a substantial reduction of unburned hydrocarbons, carbon monoxide, and particulate matter.

Subtitle A—Biofuels Feedstocks Energy Reserve Program

SEC. 1011. ESTABLISHMENT.

The Secretary of Agriculture (in this subtitle referred to as the ''Secretary'') may establish and administer a reserve of agricultural commodities (known as the ''Biofuels Feedstocks Energy Reserve'') for the purpose of—

(1) providing feedstocks to support and further the production of energy from biofuels; and

(2) supporting the biofuels energy industry when production is at risk of declining due to reduced feedstocks or significant commodity price increases.

SEC. 1012. PURCHASES.

(a) IN GENERAL.—The Secretary may purchase agricultural commodities at commercial rates, subject to subsection (b), in order to establish, maintain, or enhance the Biofuels Feedstocks Energy Reserve when—

(1)(A) the commodities are in abundant supply; and

(B) there is need for adequate carryover stocks to ensure a reliable supply of the commodities to meet the purposes of the reserve; or

(2) it is otherwise necessary to fulfill the needs and purposes of the biofuels energy reserve program.

(b) LIMITATION.—The agricultural commodities purchased for the Biofuels Feedstocks Energy Reserve shall be—

(1) of the type and quantity necessary to provide not less than 1-year's utilization for renewable energy purposes; and

(2) in such additional quantities to provide incentives for research and development of new renewable fuels and bio-energy initiatives.

SEC. 1013. RELEASE OF STOCKS.

Whenever the market price of a commodity held in the Biofuels Feedstocks Energy Reserve exceeds 100 percent of the economic cost of producing the commodity (as determined by the Economic Research Service using the best available information, and based on a 3-year moving average), the Secretary shall release stocks of the commodity from the reserve at cost of acquisition, in amounts determined appropriate by the Secretary.

SEC. 1014. STORAGE PAYMENTS.

(a) IN GENERAL.—The Secretary shall provide for the storage of agricultural commodities purchased for the Biofuels Feedstocks Energy Reserve by making payments to producers for the storage of the commodities. The payments shall—

(1) be in such amounts, under such conditions, and at such times as the Secretary determines appropriate to encourage producers to participate in the program; and

(2) reflect local, commercial storage rates, subject to appropriate conditions concerning quality management and other factors.

(b) ANNOUNCEMENT OF PROGRAM.—

(1) TIME OF ANNOUNCEMENT.—The Secretary shall announce the terms and conditions of the storage payments for a crop of a commodity by—

(A) in the case of wheat, December 15 of the year in which the crop of wheat was harvested;

(B) in the case of feed grains, March 15 of the year following the year in which the crop of corn was harvested; and

(C) in the case of other commodities, such dates as may be determined by the Secretary.

(2) CONTENT OF ANNOUNCEMENT.—In the announcement, the Secretary shall specify the maximum quantity of a commodity to be stored in the Biofuels Feedstocks Energy Reserve that the Secretary determines appropriate to promote the orderly marketing of the commodity, and to ensure an adequate supply for the production of biofuels.

(c) RECONCENTRATION.—The Secretary may, with the concurrence of the owner of a commodity stored under this program, reconcentrate the commodity stored in commercial warehouses at such points as the Secretary considers to be in the public interest, taking into account such factors as transportation and normal marketing patterns. The Secretary shall permit rotation of stocks and facilitate maintenance of quality under regulations that assure that the holding producer or warehouseman shall, at all times, have available for delivery at the designated place of storage both the quantity and quality of the commodity covered by the producer's or warehouseman's commitment.

(d) MANAGEMENT.—Whenever a commodity is stored under this section, the Secretary may buy and sell at an equivalent price, allowing for the customary location and grade differentials, substantially equivalent quantities of the commodity in different locations or warehouses to the extent needed to properly handle, rotate, distribute, and locate the commodity that the Commodity Credit Corporation owns or controls. The purchases to offset sales shall be made within 2 market days following the sales. The Secretary shall make a daily list available showing the price, location, and quantity of the transactions.

(e) REVIEW.—In announcing the terms and conditions under which storage payments will be made under this section, the Secretary shall review standards concerning the quality of a commodity to be stored in the Biofuels Feedstocks Energy Reserve, and such standards should encourage only quality commodities, as determined by the Secretary. The Secretary shall review inspection, maintenance, and stock rotation requirements and take the necessary steps to maintain the quality of the commodities stored in the reserve.

SEC. 1015. USE OF COMMODITY CREDIT CORPORATION.

The Secretary shall use the Commodity Credit Corporation, to the extent feasible, to carry out this subtitle. To the maximum extent practicable consistent with the effective and efficient administration of this subtitle, the Secretary shall utilize the usual and customary channels, facilities, and arrangements of trade and commerce.

SEC. 1016. REGULATIONS.

Not later than 60 days after November 28, 2001, the Secretary shall issue such regulations as are necessary to carry out this subtitle.

Subtitle B—Biofuels Financial Assistance

SEC. 1021. LOANS AND LOAN GUARANTEES.

(a) IN GENERAL.—The Secretary of Agriculture (in this section referred to as the ''Secretary'') may make and guarantee loans for the production, distribution, development, and storage of biofuels.

(b) ELIGIBILITY.—

(1) IN GENERAL.—Except as provided in paragraph (2), an applicant for a loan or loan guarantee under this section shall be eligible to receive such a loan or loan guarantee if—

(A) the applicant is a farmer, member of an association of farmers, member of a farm cooperative, municipal entity, nonprofit corporation, State, or Territory; and

(B) the applicant is unable to obtain sufficient credit elesewhere to finance the actual needs of the applicant at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in the community in or near which the applicant resides for loans for similar purposes and periods of time.

(2) LOAN GUARANTEE ELIGIBILITY PRECLUDES LOAN ELIGIBILITY.—An applicant who is eligible for a loan guarantee under this section shall not be eligible for a loan under this section.

(c) LOAN TERMS.—

(1) INTEREST RATE.—Interest shall be payable on a loan under this section at the rate at which interest is payable on obligations issued by United States for a similar period of time.

(2) REPAYMENT PERIOD.—A loan under this section shall be repayable in not less than 5 years and not more than 20 years.

(d) REVOLVING FUND.—

(1) ESTABLISHMENT.—The Secretary shall establish a revolving fund for the making of loans under this section.

(2) DEPOSITS.—The Secretary shall deposit into the revolving fund all amounts received on account of loans made under this section.

(3) PAYMENTS.—The Secretary shall make loans under this section, and make payments pursuant to loan guarantees provided under this section, from amounts in the revolving fund.

(e) REGULATIONS.—The Secretary may prescribe such regulations as may be necessary to carry out this section.

(f) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—For the cost (as defined in section 502(5) of the Federal Credit Reform Act of 1990) of loans and loan guarantees under this section, there are authorized to be appropriated to the revolving fund established under subsection (d) such sums as may be necessary for fiscal years 2002 through 2009.

Subtitle C—Funding Source and Allocations

SEC. 1031. FUNDING FOR CONSERVATION FUNDING.

(a) REDUCTION IN FIXED DECOUPLED PAYMENTS AND COUNTER-CYCLICAL PAYMENTS.—Notwithstanding sections 104 and 105, the Secretary of Agriculture (in this subtitle referred to as the Secretary) shall reduce by $2,000,000,000 the total amount otherwise required to be paid under such sections in each of fiscal years 2002 through 2011, in accordance with this section.

(b) MAXIMUM TOTAL PAYMENTS BY TYPE AND FISCAL YEAR.—In making the reductions required by subsection (a), the Secretary shall ensure that—

(1) the total amount paid under section 104 does not exceed—

(A) $3,425,000,000 in fiscal year 2002; or

(B) $4,325,000,000 in any of fiscal years 2003 through 2011; and

(2) the total amount paid under section 105 does not exceed—

(A) $3,332,000,000 in fiscal year 2003;
(B) $4,494,000,000 in fiscal year 2004;
(C) $4,148,000,000 in fiscal year 2005;
(D) $3,974,000,000 in fiscal year 2006;
(E) $3,701,000,000 in fiscal year 2007;
(F) $3,222,000,000 in fiscal year 2008;
(G) $2,596,000,000 in fiscal year 2009;
(H) $2,057,000,000 in fiscal year 2010; or
(I) $1,675,000,000 in fiscal year 2011.

MODIFICATION TO AMENDMENT OFFERED BY MS. KAPTUR

Ms. KAPTUR. Mr. Chairman, I ask unanimous consent that section 1031 that is a part of this amendment be replaced with the new version that was given to the desk and to both sides so that we could consider this in full.

The CHAIRMAN pro tempore. The Clerk will report the modification.

The Clerk read as follows:

Modification to amendment offered by Ms. KAPTUR:

Strike section 1031 of the amendment and insert the following:

SEC. 1031. FUNDING FOR CONSERVATION FUNDING.

(a) REDUCTION IN FIXED DECOUPLED PAYMENTS AND COUNTER-CYCLICAL PAYMENTS.—Notwithstanding sections 104 and 105, the Secretary of Agriculture (in this subtitle referred to as the Secretary) shall reduce by $2,000,000,000 the total amount otherwise required to be paid under such sections in fiscal years 2002 through 2011, in accordance with this section.

(b) MAXIMUM TOTAL PAYMENTS BY TYPE AND FISCAL YEAR.—In making the reductions required by subsection (a), the Secretary shall ensure that—

(1) the total amount paid under section 104 does not exceed—

(A) $5,123,000,000 in fiscal year 2002; or

(B) $5,224,000,000 in any of fiscal years 2003 through 2011; and

(2) the total amount paid under section 105 does not exceed—

(A) $3,794,000,000 in fiscal year 2003;
(B) $5,317,000,000 in fiscal year 2004;
(C) $4,949,000,000 in fiscal year 2005;
(D) $4,785,000,000 in fiscal year 2006;
(E) $4,539,000,000 in fiscal year 2007;
(F) $4,058,000,000 in fiscal year 2008;
(G) $3,447,000,000 in fiscal year 2009;
(H) $2,885,000,000 in fiscal year 2010; or
(I) $2,495,000,000 in fiscal year 2011.

Ms. KAPTUR (during the reading). Mr. Chairman, I ask unanimous consent that the modification be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The CHAIRMAN pro tempore. Is there objection to the original request of the gentlewoman from Ohio?

There was no objection.

The CHAIRMAN pro tempore. The gentlewoman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

Ms. KAPTUR. Mr. Chairman, I rise to bring attention to a vital national issue, our energy security. America's greatest strategic vulnerability remains our dangerous dependence on foreign fuels.

□ 2330

Imagine, we import over one-half of what it takes to fuel this Nation.

The President's energy plan presented earlier this year gave precious little attention to the viability of renewable biofuels as an answer to our predicament, and it did not offer a single charge directly to our U.S. Department of Agriculture to lead us out of the woods. At a minimum, I would say that is gross negligence.

American agriculture has the enormous capability to break our dependence on imported petroleum, but the bill before us today, with all due respect to the hardworking committee, does not lead us toward the maximization of biofuels and higher value-added production for our farmers.

Forty years ago in this Chamber, President Kennedy made his famous speech challenging our Nation to think broadly. He set the goal of putting a man on the moon by the end of that decade. I will just read some of his words where he said, ''It is time for the Nation to take longer strides, time for great new American enterprise to clearly play a leading role in space achievement which, in many ways,'' he said, ''holds the key to our future on Earth.'' But he admitted we as a Nation had never made the national decisions or marshaled the national resources required of such leadership. Indeed, on the energy front, we are in the same predicament.

It is time for us to take longer strides and create a new American enterprise. We have the resources and talent on every farm and field in this country; we have talent at the U.S. Department of Agriculture. We have our land grant universities, but we do not have a specified goal. We do not have a time schedule. Our resources are spread around with questionable coordination and, truly, no urgency.

Consider that in 1985 we imported 31 percent of our fuel imports. Today, that is nearly double, nearly 58.5 percent. Our population is growing, our energy demands are growing, our energy dependency on foreign sources is growing.

So what is our answer? What is our plan? How long can we wait? Do not the events of recent weeks remind us of how vulnerable our dependency has made us? In fact, the current recession was directly due initially to the rising cost of petroleum, imported petroleum that has rippled through this marketplace. Have we not heard from farmer after farmer that they would rather get their income from the marketplace rather than from government payments? Are we afraid of the challenge? Are we unable to commit to a goal?

Mr. Chairman, the amendment before us today seeks to do two primary things. It seeks to establish a farmer-held biofuels feedstock energy reserve held by our farmers. By devoting a portion of our abundance to biofuels production, which is renewable and belongs to us, we provide the assurances that a fledgling industry needs to expand. Second, it gives the Secretary of Agriculture the authority to make or guarantee loans for the development, production, distribution, and storage of biofuels.

If all corn, just taking corn, currently being planted was used for ethanol, based on current technology, we would get one-fifth of our vehicle fuel from ethanol, which is all we import. Obviously, as research improves and other cellulose and oil sources from our fields are added, we will get much more, just as we went from Mercury to Gemini to Apollo. So the farmer gets paid by the marketplace instead of government payments.

We have also seen the positive impact of biofuels programs on the farm balance sheet. Last month, I was able to travel to Minnesota, the leading State in our country for ethanol and biofuels production, to see for myself what a difference the States' program, working hand-in-hand with the private sector and farmers in that State, has made over the last decade. It is truly impressive. Everyone in Minnesota is using ethanol, and farmers have found that they can get a dollar more per bushel because of the increased demand.

Every one of our auto manufacturers produces vehicles that can use these fuels. It is a matter of national security, and I ask for support of the amendment.

The CHAIRMAN pro tempore. The question is on the amendment, as modified, offered by the gentlewoman from Ohio (Ms. KAPTUR).

Ms. KAPTUR. Mr. Chairman, it is my understanding that under the rules, this amendment is not in order and, therefore, I am forced to withdraw the amendment, but in no way do I wish to diminish the importance of the concept that I have been discussing here this evening. I would really beg for the Chair's consideration as time goes on and for the ranking member's consideration of this important issue of renewable biofuels as a critical part of what our Department of Agriculture should be involved in.

Mr. STENHOLM. Mr. Chairman, if the gentlewoman will yield, I would just say to her, as we said to the gentleman from Iowa (Mr. BOSWELL) yesterday on a similar amendment, this is an idea whose time has not yet quite come, but I do not have any doubt that we will be considering this if not in an agriculture bill, in a national energy policy bill. I appreciate the gentlewoman withdrawing it today, because it would have had the same problems of funding that the conservation bill, et cetera, had, so I appreciate her cooperation and I assure her that we will continue to work with her as we have throughout the year in continuing to build on this concept.

The CHAIRMAN pro tempore. Without objection, the amendment is withdrawn.

There was no objection.

Mr. COMBEST. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would just say to the gentlewoman as well that the whole idea of renewable fuels in a wide variety is obviously something that is of great benefit to this country. I think it has also given the emphasis that we are placing today on energy and new energy sources that further development in this is critical. As the gentleman from Texas stated, obviously, one of the big concerns is the readjustment of monies which have gone in in a very balanced way.

The concept the gentlewoman has I think is something that certainly needs further development, and I would agree that I think a major opportunity for this lies and exists as overall energy policies and energy programs are being looked at. Those of us who work on the Committee on Agriculture that come from a parochial interest also have this from a standpoint that we think there are some wonderful opportunities here for farmers as well. So we will be happy to work with the gentlewoman.

Ms. KAPTUR. Mr. Chairman, if the gentleman will yield, I thank the chairman very much and the ranking member for participating in this discussion.

AMENDMENT NO. 38 OFFERED BY MR. KUCINICH

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

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

The text of the amendment is as follows:

Amendment No. 38 offered by Mr. KUCINICH:

In subsection (g)(2) in the quoted matter in section 747 of the bill (page 302, line 16), strike ''one percent'' and insert ''10 percent''.

MODIFICATION TO AMENDMENT NO. 38 OFFERED BY MR. KUCINICH

Mr. KUCINICH. Mr. Chairman, I ask unanimous consent to modify the line that says ''insert 10 percent,'' instead of 10, insert ''3 percent.''

The CHAIRMAN pro tempore. The Clerk will report the modification.

The Clerk read as follows:

Modification to Amendment No. 38 offered by Mr. KUCINICH:

Strike 10 percent and insert 3 percent.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN pro tempore. The gentleman from Ohio (Mr. KUCINICH) is recognized for 5 minutes on his amendment, as modified.

Mr. KUCINICH. Mr. Chairman, this amendment will increase the amount of environmental risk assessment research.

USDA has funded significant biotechnology research aimed at creating new agricultural products, while almost no research is conducted on the risks of these products. USDA spends over $100 million a year on biotech commercialization research.

The impacts of biotechnology must be understood so federal regulators can minimize environmental impacts.

H.R. 2646 begins to address this concern by reauthorizing a biotechnology risk assessment program.

However, H.R. 2646 fails to authorize enough funding, which is set at only 1% of the total USDA biotech research budget.

The current USDA biotech risk assessment program gives $1.8 million per year for research grants. However, many excellent projects remain unfunded.

This amendment expands biotechnology risk assessment research funds from 1% to 3% of the total USDA biotech research budget.

Endorsed by: National Farmers Union, National Farmers Organization, National Family Farm Coalition, Sierra Club, and Environmental Defense.

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

Mr. SMITH of Michigan. Mr. Chairman, let me just say that the gentleman from Ohio and I have talked and we both agree that we need to review this kind of biotech research in such a way that it is going to assure food safety, and that we need to have the kind of new research that is going to make sure that not only can we convince the American people, but we are in a better position to convince Europe and Japan and the rest of the world.

In my three hearings that I have held on biotech, we do not want to diminish our review of the normal cross-breeding of the products that we get, but I think it is important that we move ahead with greater assurance. So I support the amendment at 3 percent, and USDA can accommodate some place between 2.5 and 3 percent.

Mr. KUCINICH. Mr. Chairman, reclaiming my time, I want to thank the gentleman and thank the chairman, the gentleman from Texas (Mr. COMBEST), and the ranking member, the gentleman from Texas (Mr. STENHOLM), for their cooperation.

Mr. COMBEST. Mr. Chairman, I move to strike the last word.

I just want to say to the gentleman we appreciate his cooperation in trying to work through this, finding it as something that would be acceptable and that we could try to work with. We have no objections from the committee on this side and we will be happy to accept the amendment. I yield back.

Mr. CHAMBLISS. Mr. Chairman, I move to strike the requisite number of words.

I understand that the chairman is willing to accept this amendment, and that being the case, obviously I go along with my chairman. But as the chairman of the subcommittee that has jurisdiction over biotechnology, I really want to say to the gentleman that we have a program that has been in place since 1990. The program is working very, very well. I do not see any objections particularly to whether it is 1 percent or whether it is anything more or less than that.

The problem I have with this amendment is that all of these grants are very competitive. Our research stations, our research universities need absolutely all the money that they can get to be able to do the research on biotechnology. If we do not do the research on it, the risk assessment is meaningless.

We need the money allocated to research. The risk assessment is a much broader issue. It involves social issues as well as particular research issues. I really have a problem with taking money away from research itself and trying to allocate it to something else that involves a political and a social issue. While we are willing to look at this issue in conference and I understand the gentleman's concern about this, because I have a concern too.

I do not think there is any question but that biotechnology is the future of agriculture. Our folks who are using GMO products today are producing better yields and higher quality products than we have ever seen in the history of agriculture. We need for folks around the world to accept those products, and we are going to continue to work to make sure that happens. But the way we do that I think is putting more money into research and not so much money into the political aspect of it.

Mr. Chairman, as Chairman of the Subcommittee on Research, I have held a number of hearings on the safety of agricultural biotechnology to both human health and the environment. What I heard from the scientific community was that the risks of biotech plants are no different than the risks of similar plants developed using traditional methods, such as cross-breeding. This has been the conclusion of many reports on agricultural biotechnology by prestigious national and international scientific bodies.

Moreover, Federal regulations require biotech companies bringing new plants to market to perform rigorous field testing to ensure that their products do not harm the environment.

It should also be noted that the U.S. Department of Agriculture gets barely enough research proposals to spend the money already available to the risk assessment program under current law. By increasing mandated funding to 10 percent, this amendment would cut into funding needed for research into new biotech plants that have tremendous potential benefits. Mandated funding at three percent might be accommodated.

This Agricultural bill includes funding for research I promoted to sequence the genomes of plant pathogens, research that could lead to better, more environmentally-friendly ways to attack crop pests that cost farmers and taxpayers hundreds of million of dollars each year. Other research will produce plants that can grow in salty soil, clean up hazardous

wastes, produce renewable fuels, and provide enhanced nutrition.

Mr. KUCINICH. Mr. Chairman, if the gentleman will yield, I thank the gentleman from Georgia. I want to assure the gentleman that 97 percent of the research that you support is protected, that this amendment seeks to utilize percent for environmental risk assessment. I want to, since my good friend from Michigan (Mr. SMITH) and I have debated a lot of the issues that the gentleman refers to, from our respective positions, I think there is a point here where we can have some bipartisan agreement. I want to let the gentleman from Georgia know that I am sympathetic to his concerns, and I would appreciate his consideration of this position.

The CHAIRMAN pro tempore. The question is on the amendment, as modified, offered by the gentleman from Ohio (Mr. KUCINICH).

The amendment, as modified, was agreed to.

AMENDMENT NO. 34 OFFERED BY MS. KAPTUR

Ms. KAPTUR. Mr. Chairman, I offer an amendment.

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

The text of the amendment is as follows:

Amendment No. 34 offered by Ms. KAPTUR:

Page ____, line ____, insert the following new section:

SEC. ___. FAMILY FARMER COOPERATIVE MARKETING.

(a) DEFINITIONS.—

(1) PRODUCER.—Subsection (b) of section 3 of the Agricultural Fair Practices Act of 1967 (7 U.S.C. 2302) is amended—

(A) by inserting ''poultryman,'' after ''dairyman,''; and

(B) by adding at the end the following: ''The term includes a person furnishing labor, production management, facilities, or other services for the production of an agricultural product.''.

(2) ASSOCIATION OF PRODUCERS.—Subsection (c) of such section is amended by inserting ''that engages in the marketing of such agricultural products or of agricultural services described in the second sentence of subsection (b), including associations'' before ''engaged in''.

(3) ADDITIONAL DEFINITIONS.—Such section is further amended by striking subsection (e) and inserting the following new subsections:

''(e) The term 'accredited association' means an association of producers accredited by the Secretary of Agriculture in accordance with section 6.

''(f) The term 'designated handler' means a handler that is designated pursuant to section 6.

''(g) The terms 'bargain' and 'bargaining' mean the performance of the mutual obligation of a handler and an accredited association to meet at reasonable times and for reasonable periods of time for the purpose of negotiating in good faith with respect to the price, terms of sale, compensation for products produced or services rendered under contract, or other provisions relating to the products marketed, or the services rendered, by the members of the accredited association or by the accredited association as agent for the members.''.

(b) PROHIBITED PRACTICES.—Section 4 of the Agricultural Fair Practices Act of 1967 (7 U.S.C. 2303) is amended—

(1) in the matter preceding the subsections, by striking ''the following practices;'' and inserting ''any of the following practices:''

(2) in subsection (a), by inserting ''interfere with, restrain, or'' before ''coerce'';

(3) by striking ''or'' at the end of subsections (a), (b), (c), (d), and (e) and inserting a period; and

(4) by adding at the end the following new subsections:

''(g) To refuse to bargain in good faith with an accredited association, if the handler is designated pursuant to section 6.

''(h) To dominate or interfere with the formation or administration of any association of producers or to contribute financial or other support to an association of producers.''.

(c) BARGAINING IN GOOD FAITH.—Section 5 of the Agricultural Fair Practices Act of 1967 (7 U.S.C. 2304) is amended to read as follows:

''SEC. 5. BARGAINING IN GOOD FAITH.

''(a) CLARIFICATION OF OBLIGATION.—The obligation of a designated handler to bargain in good faith shall apply with respect to an accredited association and the products or services for which the accredited association is accredited to bargain. The good-faith bargaining required between a handler and an accredited association does not require either party to agree to a proposal or to make a concession.

''(b) EXTENSION OF SAME TERMS TO ACCREDITED ASSOCIATION.—If a designated handler purchases a product or service from producers under terms more favorable to such producers than the terms negotiated with an accredited association for the same type of product or services, the handler shall offer the same terms to the accredited association. Failure to extend the same terms to the accredited association shall be considered to be a violation of section 4(g). In comparing terms, the Secretary of Agriculture shall take into consideration (in addition to the stipulated purchase price) any bonuses, premiums, hauling or loading allowances, reimbursement of expenses, or payment for special services of any character which may be paid by the handler, and any sums paid or agreed to be paid by the handler for any other designated purpose than payment of the purchase price.

''(c) MEDIATION AND ARBITRATION.—The Secretary of Agriculture may provide mediation services with respect to bargaining between an accredited association and a designated handler at the request of either the accredited association or the handler. If an impasse in bargaining has occurred (as determined by the Secretary), the Secretary shall provide assistance in proposing and implementing arbitration agreements between the accredited association and the handler. The Secretary may establish a procedure for compulsory and binding arbitration if the Secretary finds that an impasse in bargaining exists and such impasse will result in a serious interruption in the flow of an agricultural product to consumers or will cause substantial economic hardship to producers or handlers involved in the bargaining.''.

(d) ACCREDITATION OF ASSOCIATIONS AND DESIGNATION OF HANDLERS.—The Agricultural Fair Practices Act of 1967 is amended—

(1) by redesignating sections 6 and 7 (7 U.S.C. 2305, 2306) as sections 9 and 11, respectively; and

(2) by inserting after section 5 (7 U.S.C. 2304) the following new section:

''SEC. 6. ACCREDITATION OF ASSOCIATIONS AND DESIGNATION OF HANDLERS.

''Not later than ____ after the date of the enactment of this section, the Secretary shall establish procedures—

''(1) to accredit associations seeking to bargain on behalf of producers on an agricultural product or service; and

''(2) for designation of handlers with whom producer associations seek to bargain.''.

(e) INVESTIGATIVE POWERS OF SECRETARY.—The Agricultural Fair Practices Act of 1967 (7 U.S.C. 2301 et seq.) is amended by inserting after section 6 (as added by subsection (d)(2)) the following new section:

''SEC. 7. INVESTIGATIVE POWERS OF SECRETARY.

''(a) INVESTIGATIVE POWERS.—The Secretary of Agriculture shall have the following powers to carry out the objectives of this Act, including the conduct of any investigations or hearings:

''(1) The Secretary may require any person to establish and maintain such records, make such reports, and provide such other information as the Secretary may reasonably require.

''(2) The Secretary and any officer or employee of the Department of Agriculture, upon presentation of credentials and a warrant or such other order of a court as may be required by the Constitution—

''(A) shall have a right of entry to, upon, or through any premises in which records required to be maintained under paragraph (1) are located, and

''(B) may at reasonable times have access to and copy any records, which any person is required to maintain or which relate to any matter under investigation or in question.

''(b) TREATMENT OF RECORDS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), any records, reports, or information obtained under this section shall be available to the public.

''(2) EXCEPTION.—Upon a showing satisfactory to the Secretary of Agriculture that records, reports, or information acquired under this section, if made public, would divulge confidential business information, the Secretary shall consider such record, report, or information or particular portion thereof confidential in accordance with section 1905 of title 18, United States Code, except that the Secretary may disclose such record, report, or information to other officers, employees, or authorized representatives of the United States concerned with carrying out this Act or when relevant in any proceeding under this Act.

''(c) POWERS RELATED TO HEARINGS.—

''(1) ATTENDANCE OF WITNESSES.—In making inspections and investigations under this Act, the Secretary of Agriculture may require the attendance and testimony of witnesses and the production of evidence under oath.

''(2) SUBPOENA POWER.—The Secretary, upon application of any party to a hearing held under section 9, shall forthwith issue to such party subpoenas requiring the attendance and testimony of witnesses or the production of evidence requested in such application. Within five days after the service of a subpoena on any person requiring the production of any evidence in the possession of the person or under the control of the person, the person may petition the Secretary to revoke such subpoena. The Secretary shall revoke such subpoena if in the opinion of the Secretary the evidence whose production is required does not relate to any matter in question, or if such subpoena does not describe with sufficient particularity the evidence whose production is required.

''(3) OATHS AND OTHER MATTERS.—The Secretary, or any officer or employee of the Department of Agriculture designated for such purpose, shall have power to administer oaths, sign and issue subpoenas, examine

witnesses, and receive evidence. Witnesses shall be paid the same fees and mileage allowance as are paid witnesses in the courts of the United States.

''(d) FAILURE TO COMPLY.—In the case of any failure or refusal of any person to obey a subpoena or order of the Secretary of Agriculture under this section, any district court of the United States, within the jurisdiction of which such person is found or resides or transacts business, upon the application by the Secretary shall have jurisdiction to issue to such person an order requiring such person to appear to produce evidence if, as, and when so ordered to give testimony relating to the matter under investigation or in question. Any failure to obey such order of the court may be punished by the court as a contempt of court.''.

(f) ADMINISTRATIVE PROCEEDINGS TO PREVENT PROHIBITED PRACTICES.—The Agricultural Fair Practices Act of 1967 (7 U.S.C. 2301 et seq.) is amended by inserting after section 7 (as added by subsection (e)) the following new section:

''SEC. 8. ADMINISTRATIVE PROCEEDINGS TO PREVENT PROHIBITED PRACTICES.

''(a) PETITION.—Any person complaining of any violation of section 4 or other provision of this Act may apply to the Secretary of Agriculture by petition, which shall briefly state the facts serving as the basis for the complaint. If, in the opinion of the Secretary, the facts contained in the petition warrant further action, the Secretary shall forward a copy of the petition to the accredited association or handler named in the petition, who shall be called upon to satisfy the complaint, or to answer it in writing, within a reasonable time to be prescribed by the Secretary.

''(b) INVESTIGATION AND COMPLAINT.—If there appears to be, in the opinion of the Secretary, reasonable grounds for investigating a complaint made under subsection (a), the Secretary of Agriculture shall investigate such complaint or notification. In the opinion of the Secretary, if the investigation substantiates the existence of a violation of section 4 or other provision of this Act, the Secretary may cause a complaint to be issued. The Secretary shall have the complaint served by registered mail or certified mail or otherwise on the person concerned and afford such person an opportunity for a hearing thereon before a duly authorized examiner of the Secretary in any place in which the subject of the complaint is engaged in business.

''(c) HEARING.—The person complained of shall have the right to file an answer to the original and any amended complaint and to appear in person or otherwise and give testimony. The person who filed the charge shall also have the right to appear in person or otherwise and give testimony. Any such proceeding shall, as far as practicable, be conducted in accordance with the rules of evidence and the rules of civil procedure applicable in the district courts of the United States.

''(d) ORDERS.—If, upon a preponderance of the evidence, the Secretary of Agriculture is of the opinion that the person subject to the complaint has violated section 4 or other provision of this Act, the Secretary shall issue an order containing the Secretary's findings of fact and requiring the person to cease and desist from such violation. The Secretary may order such further affirmative action, including an award of damages to compensate the person filing the petition for the damages sustained, as will effectuate the policies of this Act and make the person filing the petition whole.

''(e) COMPLAINTS INSTITUTED BY SECRETARY.—The Secretary of Agriculture may at any time institute an investigation under subsection (b) if there appears to be, in the opinion of the Secretary, reasonable grounds for the investigation and the matter to be investigated is such that a petition is authorized to be made to the Secretary. The Secretary shall have the same power and authority to proceed with any investigation instituted under this subsection as though a petition had been filed under subsection (a), including the power to make and enforce any order.

''(f) JUDICIAL REVIEW.—

''(1) OBTAINING REVIEW.—Any person aggrieved by a final order of the Secretary of Agriculture issued under subsection (d) may obtain review of such order in the United States Court of Appeals for the District of Columbia by submitting to such court within 30 days from the date of such order a written petition praying that such order be modified or set aside.

''(2) TREATMENT OF FINDINGS.—The findings of the Secretary with respect to questions of fact, if supported by substantial evidence on the record, shall be conclusive.

''(3) EFFECT OF FAILURE TO SEEK TIMELY REVIEW.—If no petition for review, as provided in paragraph (1), is filed within 30 days after service of the Secretary's order, the order shall not be subject to review in any civil or criminal proceeding for enforcement, and the findings of fact and order of the Secretary shall be conclusive in connection with any petition for enforcement which is filed by the Secretary after the expiration of such period. In any such case, the clerk of the court, unless otherwise ordered by the court, shall forthwith enter a decree enforcing the order and shall transmit a copy of such decree to the Secretary and the person named in the complaint.

''(4) EFFECT ON ORDERS OF THE SECRETARY.—The commencement of proceedings under this section shall not operate as a stay of an order of the Secretary under subsection (d), unless specifically ordered by the court.''.

(g) PREEMPTION.—The Agricultural Fair Practices Act of 1967 (7 U.S.C. 2301 et seq.) is amended by inserting after section 9 (as redesignated by subsection (d)(1)) the following new section:

''SEC. 10. PREEMPTION.

''This Act shall not invalidate the provisions of any existing or future State law dealing with the same subjects as this Act, except that such State law may not permit any action that is prohibited by this Act. This Act shall not deprive the proper State courts of jurisdiction under State laws dealing with the same subjects as this Act.''.

Ms. KAPTUR. Mr. Chairman, this amendment is called the Family Farmer Cooperative Marketing Act of 2001.

For too long now, farmers in our country have been losing power in the marketplace, many times not even knowing it. Tens of thousands of family farmers produce commodities and provide services under contract arrangements with processing firms or handlers. Commodities currently produced under contract include fruits and vegetables, turkeys, chickens, hogs, popcorn, milk, and beef; and the list is likely to continue to increase. We need a fair balance of market power between the processors and the producers. That is why some States have already taken their own action and the Agricultural Marketing Service of our Department of Agriculture considers contracting and agriculture one of the most important issues of our day.

Our amendment would strengthen the Agriculture Fair Practices Act of 1967 in the following way: it would require the U.S. Secretary of Agriculture to establish a system of accreditation for voluntary, cooperative associations of agricultural producers. It would provide for good faith bargaining between processors or handlers and cooperative associations of agricultural producers. It would allow for mediation by the U.S. Department of Agriculture to resolve impasses in bargaining, and it would provide investigative and enforcement authority for the Secretary of Agriculture.

This amendment is very similar to H.R. 230 which I introduced earlier this year. The campaign for contract agriculture reform has said this bill enhances the power of producers and their cooperatives to stabilize farm income.

□ 2345

The bill receives specific support from the National Farmers Organization and the National Pork Producers Council. The American Farm Bureau Federation also passed policy resolutions on the importance of contracting in agriculture. I also had submitted for the RECORD another amendment dealing with the need to provide the Department of Agriculture with the same authority over the poultry industry in this Nation that it already has over the beef and pork industries.

There is great concentration in all of these sectors. Former Grain Inspection and Packers and Stockyard Administrator James Baker testified before our Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies, that this equivalent authority is most definitely needed to make sure our poultry producers are afforded the same safeguards as are available for beef and pork.

Mr. Chairman, at this time if the gentleman from Texas (Mr. STENHOLM) would engage, I understand that the committee may be willing to hold hearings on the concerns that many of us have about the needs for producers to have their rights to fairly and openly negotiate contracts with processors. If the gentleman is willing to commit that the Committee on Agriculture will hold a hearing on this issue and GIPSA's authority on poultry in the days to come, then I am prepared to withdraw my amendment with that assurance.

Mr. STENHOLM. Mr. Chairman, if the gentlewoman will yield, let me say that the gentlewoman is correct. I am willing, based on the assurances of my chairman to assure my colleague that

the committee will hold a hearing on these topics as our schedule permits.

Ms. KAPTUR. Mr. Chairman, I thank the gentleman for his assurance, and also the chairman for his interest in this issue.

Mr. COMBEST. Mr. Chairman, will the gentlewoman yield?

Ms. KAPTUR. I yield to the gentleman from Texas.

Mr. COMBEST. Mr. Chairman, I want to further emphasize what the gentleman from Texas (Mr. COMBEST) said. We have some exchange of letters in this regard and we appreciate the gentlewoman's cooperation and we look forward to working with her on this matter.

Ms. KAPTUR. Mr. Chairman, I ask unanimous consent to withdraw the amendment in anticipation of those hearings.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The CHAIRMAN pro tempore. Are there any further amendments?

Mr. CONDIT. Mr. Chairman, I rise in support of this legislation. The Agriculture Committee has met the challenge of drafting a comprehensive farm bill that balances many competing priorities. For the first time, the Committee was confronted with the needs of a sector not historically represented in past farm bills: specialty crops, the mainstay of California agriculture.

Although California produces over 200 different crops, many of these crops such as fruits and vegetables have not been highlighted in previous farm bills because these industries were relatively healthy. Unfortunately, specialty crops are hurting more now than ever because of cheap imports, labor shortages, high input cost such as pesticides, water, electricity, gasoline and bearing the burden of state and federal regulations and trade agreements that have not always panned out for specialty crops.

H.R. 2646 benefits the fruit and vegetable industries while also positively impacting conservation, trade, nutrition assistance, rural development, and research. Most importantly, it maintains a very important prohibition of planting fruits and vegetables on contract acres. This prohibition is key to ensuring the future economic stability within the specialty crop sector.

Increasing Market Access Program funds by $110 million is also a major achievement of this bill, since fruits and vegetables benefit the most from this program. Additionally, USDA Section 32 funds are boosted by $200 million. This increase enables USDA to purchase additional wholesome and nutritional products, such as peaches, tomatoes, apricots, pears and a variety of other specialty crop commodities for school lunch programs and other federal feeding programs. A significant increase in the Environmental Quality Incentives Program funding includes targeted spending for water conservation assistance. The Technical Assistance Specialty Crop Fund in created to help remove or assist with sanitary/phytosanitary trade barriers and increase exports of U.S. specialty crops within the global marketplace. Streamlining APHIS' procedures enables USDA to respond quickly and more effectively to plant and animal and pest and disease emergencies. These are only a few of the many provisions that address specialty crop concerns.

The growing and unique needs of fruit and vegetable industries are well represented in this legislation which is intended to meet the needs of agriculture for the next 10 years. As the legislative process continues, I look forward to continuing my work with my colleagues to develop new ways to assist our farmers who, after all, work so hard to maintain the safest and most reliable food supply in the world. I urge my colleagues to support this bill.

Mr. BUYER. Mr. Chairman, I rise in support of the Farm Security Act. This legislation is the product of over two years of preparation by the House Agriculture Committee in consultation with agriculture and environmental groups, and most importantly, American Farmers.

I had an opportunity to testify at one of the many field hearings the Committee held. During my testimony, I told the Committee that the government's approach to agriculture should focus on the farmer. I spoke of the importance of maintaining a market approach, encouraging productivity, reducing regulatory costs, and managing risk. I also discussed the importance of emphasizing cooperation and incentives instead of punitive measures in dealing with conservation. And I addressed the need to expand markets through fair trade and the development of new uses through research and development initiatives.

But it was the input of farmers that I believe was of most value to the Committee in formulating the farm bill. I believe the Agriculture Committee did a good job of incorporating the input of farmers into the bill. The Committee worked to preserve the market-base philosophy of Freedom to Farm, while strengthening the safety net for farmers by replacing the unpredictable ad hoc system of emergency payments with a system of counter cyclical payments that farmers can rely upon.

The bill also provides a balanced approach between boosting commodity programs and supporting the important goal of conservation. With an increase of 80 percent over baseline spending for conservation programs, this truly is the most environmentally sensitive farm bill ever produced.

Mr. Chairman, the horrible terrorist attacks of September 11th have focused the nation's attention on the need to shore up our national security. While doing so, it is important to remember that America's food supply is a vital national security issue. By passing this bill, this Congress shows that we realize this fact, and we demonstrate that we truly speak with one voice when it comes to acting in the best interests of the American people.

Mr. CONYERS. Mr. Chairman, since the New Deal, the federal government has fostered the equitable development of rural areas with farm credit and other programs that are the foundation of the small farm sector that is struggling to hold on today. Direct farm operating and ownership loans are an integral part of the historic and ongoing mission of the USDA and much needed resource for all producers, not just minority, socially disadvantaged, and beginning farmers. The viability of America's small farms rests heavily on these loans, and the ability of the federal government to assist them in times of crisis.

Our agreement with the majority preserves this traditional role of the USDA as the lender of last resort, keeping open entry to agriculture for a new generation of farmers by restoring the direct lending role that would otherwise be ended in 5 years, while maintaining our support of current farmers and the tough economic situation they are continually faced with.

We have also agreed with the majority to address our concerns with loan participation data collection and our concerns with the transparency and accountability in Farm Service Agency County Committee elections.

Target Participation Rates for USDA loans would help to determine the rates of participation for women and minority farmers in relation to participation of other farmers in the same county. This information would then be made available to the public via the USDA web site.

These Target Participation Rates, which the majority has so generously agreed to hold a Full Agriculture Committee hearing on, are needed as minority farmers have shown that they have repeatedly been discriminated against by the USDA and by Farm Service Agency County Committee members. The Congressional Research Service reports "the largest USDA loans (top 1 percent) went to corporations (65 percent) and white male farmers (25 percent) loans to black males averaged $4,000 (or 25 percent) less than those loans given to white males; 97 percent of disaster payments went to white farmers; less than 1 percent went to black farmers."

The majority has also agreed that in our Full Agriculture Committee hearing we will discuss the election procedures for Farm Service Agency County Committees. These committees have been the source for much of the discrimination that minority farmers have suffered. These committee elections are not by secret ballot, ballots are opened and tabulated as they come in. The lack of a secret ballot has affected minority representation on these committees, which in turn has affected how minority farmers have received loans. To ensure that these County Committees operate equitably everywhere, we need the majority to understand the benefit of fair elections, of opening and tabulating the results of these elections in a public forum, and that the information on election participation data be made available to the farmers and the public. Hopefully in our hearing we will be able to convince them of the pressing need for change in these areas. I want to commend the majority for our bi-partisan approach to this issue and want to thank the chairman for the time.

I also want to thank the over 70 organizations that were pushing for passage of this Farm bill, especially our friends at the Rural Coalition and the National Farmers Union, and want to encourage them to keep up their hard work.

Mr. ABERCROMBIE. Mr. Chairman, I am strongly opposed to the amendment altering the provisions of the Agriculture Committee's bill.

Make no mistake about it. The purpose of this amendment to kill the sugar program,

similar to the unsuccessful attempts in the past.

The amendment will keep the current program, which has devastated domestic sugar. Today, there are only two commercial sugar plantations left in Hawaii, the result of the 1996 Act which has crippled the industry and left thousands of Americans unemployed, many of them in Hawaii. What this nation needs now is more American jobs, not fewer.

In addition it would cut the existing supports by $.03 a pound. A rough calculation indicates such a move would transfer $500.0 million from the domestic sugar producers to the food processors.

While sugar prices have plummeted, food prices have risen. The wholesale price of sugar has dropped 29 percent since the 1996 law while sweetened product prices have risen 4 percent-14 percent. It is not difficult to determine that consumers will not see one dime of that $500.0 million. It will go straight into the pockets of the food manufacturers and processors who have soaked up all the additional revenue resulting from staggeringly low sugar prices since the 1996 Act.

Not only will the food processors unfairly benefit, but more foreign-produced sugar will pour into the country. My colleagues, in numerous cases, that imported sugar will certainly be produced by child labor and with no environmental protections.

How on earth are we helping either our own country or the rest of the world by adopting this amendment?

We've heard reports of candy manufacturers moving to Mexico. That is their prerogative, as much as I disagree with their abandoning America. The distortion that has been perpetuated, however, is that it is because of domestic sugar prices. Nothing could be further from the truth. Domestic sugar prices in Mexico have been consistently higher in Mexico than in the U.S. The reason they and other manufacturers have moved to Mexico is that labor costs are far lower and environmental protections are unenforced and ignored.

The Mexican government, and other foreign producers, then dump production in excess of their domestic consumption, regardless of their domestic price, on the world market for whatever price they can get. That is called the "world price" of sugar. In reality, it is the dump price, and that is the price at which the supporters of the amendment want to purchase sugar.

My colleagues, this amendment is strictly about money. It is about whether money will be paid to American workers for an American product produced with environmental protections and labor standards or whether it goes directly to the food processors and manufacturers to increase their profits regardless of the consequences domestically or internationally.

The House Agriculture Committee has developed a fair, rational and effective way to keep this industry producing an American product by American workers. I urge you in the strongest possible terms to reject this cynical, ill-conceived attack on American sugar producers and on hard-working people.

Mr. HYDE. Mr. Chairman, I rise in support of H.R. 2646, the Farm Security Act of 2001, which authorizes domestic and international agricultural programs that support American farmers and promotes American agricultural products throughout the world. It is important for Congress to support America's family farmers, agricultural industries, commodity packers and shippers, and the millions of Americans who benefit from the multibillion dollar agriculture industry that is the bread basket for the world.

I wish to commend Chairman COMBEST for his leadership in crafting the Farm Security Act and for ensuring that the many complex facets of American agriculture policy are adequately addressed.

I am especially pleased that the bi-partisan Farm Security Act does more than ever to promote international relief efforts through the Food for Progress and Food for Peace programs and also makes necessary reforms for these vitally important feeding programs. Indeed, these programs provide much needed food for the world's poor and starving, and are also coupled with sustainable development programs that teach the poor how to farm and increase food production.

Title III of H.R. 2646, also authorizes the McGovern-Dole International Food for Education Initiative that provides school lunches for needy boys and girls that attend school throughout the developing world. This is a noble endeavor that I enthusiastically endorse.

I am pleased that many farmers, producers, packers and shippers as well not-for-profits, including Catholic Relief Services, support H.R. 2646.

I am, however, mindful of the concerns voiced by the President regarding the cost of some of the domestic agricultural programs authorized by H.R. 2646, and share his view that improvements, including the cost of some programs, require additional review. Therefore, it is my goal to have the President's concerns addressed at a House-Senate Conference that reconciles differences between H.R. 2646 and the companion measure of this bill that will be considered by the Senate. I also believe that a shorter authorization period is in the national interest and hope that it will be agreed to during the House-Senate Conference on the bill.

Mr. Chairman, while I agree with the President that H.R. 2646 is not a perfect bill and will require modifications in order for the President to sign a final measure and have it enacted into law, I believe that H.R. 2646 serves as a good legislative vehicle to negotiate a bipartisan agreement in Congress that will address many of the President's understandable objections. Therefore, with these caveats, I intend to support H.R. 2646.

Mr. WAXMAN. Mr. Chairman, I rise in opposition to section 762(c) of this legislation.

Methyl bromide is a powerful ozone depleting substance. Releasing methyl bromide into the environmental degrades the Earth's protective stratospheric ozone layer, increasing the risks of skin cancer and cataracts. As a result, the United States has joined with the international community to phase-out methyl bromide by 2005 with only limited exceptions.

Unfortunately, section 762(c) of the "Farm Security Act" could be interpreted to grant the Secretary of Agriculture the authority to allow continued use of methyl bromide even if the use is not in conformity with our international commitments under the Montreal Protocol. The provisions may well circumvent or override regulations issued under the Clean Air Act and the Montreal Protocol.

This language could shift EPA's traditional authority to implement the Protocol to the Department of Agriculture, notwithstanding the fact that Congress affirmed EPA's primacy on this issue as recently as 1998.

Additionally, the provision waive compliance with the Administrative Procedures Act, the Department of Agriculture's policy on public participation, and the Paperwork Reduction Act. These provisions could significantly undermine our efforts to protect the stratospheric ozone layer as well as the nation's credibility in international meetings.

These provisions are strongly opposed by the environmental community, including the following groups: American Rivers, Friends of the Earth, Greenpeace, League of Conservation Voters, National Audubon Society, National Environmental Trust, National Parks Conservation Association, Natural Resources Defense Council, Physicians for Social Responsibility, 20/20 Vision.

Mr. Chairman, we should strike these potentially destructive provisions. I urge all members to support removing these provisions as this bill proceeds through the legislative process.

Mr. COMBEST. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. CHAMBLISS) having assumed the chair, Mr. HASTINGS of Washington, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2646) to provide for the continuation of agricultural programs through fiscal year 2011, had come to no resolution thereon.

FOOD INSPECTION SYSTEM

(Mr. SMITH of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include therein extraneous material.)

Mr. SMITH of Michigan. Madam Speaker, we took up the agricultural bill yesterday. We are going to do that again today. I think one area that we might want to reconsider looking at once this gets to conference or maybe even amendments today is an issue that relates to terrorism, and that is, our potential worst problem that we have in this country is the food inspection system.

Tommy Thompson reports that they have 750 agents looking at 130 points of entry, 55,000 places around America. Agriculture has thousands of inspectors compared to their 750. I think it is reasonable that we consider and talk about the possibility that those inspections in agriculture that are just looking for what is allowed into this country or maybe some insects need to team up and have a greater ability to

add to the energy of HEW in terms of the food health inspection.

To assure credibility and integrity, I would ask that the two statements opposing and supporting my amendment yesterday also be entered into the RECORD at this point.

HOUSE OF REPRESENTATIVES,
Washington, DC, October 3, 2001.

''There's a lot of medium-sized farmers that need help, and one of the things that we're going to make sure of as we restructure the farm program next year is that the money goes to the people it's meant to help.''—President George W. Bush, August, 2001

DEAR COLLEAGUE: Few people are aware that many of our farm commodity programs, for all of their good intentions, are set up to disburse payments with little regard to farm size or financial need. Often in our rush to provide support for struggling farmers we overlook just where that support is going:

This amendment only limits price supports, not AMTA, conservation, or any other type of farm payment.

The largest 18 percent of farms receive 74 percent of federal farm program payments.

In 1999, 47 percent of farm payments went to large commercial farms, which had an average household income of $135,000.

The bulk of benefits over $150 thousand paid out on the 2000 harvest went to cotton and rice farmers—in fact, two large rice cooperatives in Arkansas collected nearly $150 million between them.

Unlimited government price supports for program commodities disproportionately skews federal farm aid to the largest of producers while encouraging overproduction and allowing the largest producers to become even larger. Let's do more to be fair to small and moderate size family farm operations by establishing meaningful, effective payment limitations.

CBO Has Scored This Amendment as Saving $1.31 Billion!

Support the Smith-Armey-Blumenauer-McInnis-Shays amendment on federal price support limitations

Sincerely,

NICK SMITH,
Member of Congress.

Representative Smith states that his amendment will only affect the very largest of recipients.

Mr. Smith is wrong.

He claims that it would take 1,950 acres of cotton or 17,000 acres of rice to reach the payment limit he references. In reality, it would take 432 acres of cotton or 700 acres of rice.

What the Smith amendment will do: Compromises the integrity of the agricultural marketing system; punishes medium-size farmers, the very ones he claims to be helping; adversely affects producers who use marketing certificates; and drastically reduces the effectiveness of the marketing loan

Oppose the Nick Smith Amendment

I would like to add that less than 1 percent of imported food is inspected and that there were over 76 thousand reported food poisoning last year.

It is generally agreed that the 21st century brings with it a new era in the biological sciences with advances in molecular biology and biotechnology that promise longer, healthier lives and the effective control, perhaps elimination of a host of acute and chronic diseases. The prospects are bright but there is a dark side—the possibility that infectious agents might be developed and produced as offensive weapons; that new or emergent infections, like HIV/AIDS or old diseases or other pathogens need to be guarded against at our borders.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BURTON of Indiana (at the request of Mr. ARMEY) for today and the balance of the week on account of personal reasons.

Mr. GIBBONS (at the request of Mr. ARMEY) for today after 4:00 p.m. and October 5 on account of personal reasons.

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. STENHOLM) to revise and extend their remarks and include extraneous material:)

Mr. DEFAZIO, for 5 minutes, today.

Ms. MCKINNEY, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. LANGEVIN, for 5 minutes, today.

Mrs. CLAYTON, for 5 minutes, today.

Mr. CUMMINGS, for 5 minutes, today.

Mr. FALEOMAVAEGA, for 5 minutes, today.

(The following Members (at the request of Mr. COMBEST) to revise and extend their remarks and include extraneous material:)

Mr. BRADY of Texas, for 5 minutes, today.

Mr. FOLEY, for 5 minutes, October 5.

BILLS PRESENTED TO THE PRESIDENT

Jeff Trandahl, Clerk of the House reports that on October 3, 2001 he presented to the President of the United States, for his approval, the following bills.

H.R. 1583. To designate the Federal building and United States courthouse located at 121 West Spring Street in New Albany, Indiana, as the ''Lee H. Hamilton Federal Building and United States Courthouse''.

H.R. 1860. To reauthorize the Small Business Technology Transfer Program, and for other purposes.

ADJOURNMENT

Mr. COMBEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 50 minutes p.m.), the House adjourned until tomorrow, Friday, October 5, 2001, at 9 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

4093. A letter from the Acting Executive Director, Commodity Futures Trading Commission, transmitting the Commission's final rule—Method for Determining Market Capitalization and Dollar Value of Average Daily Trading Volume; Application of the Definition of Narrow-Based Security Index; Joint Final Rule [Release No. 34–44724; File No. S7–11–01] (RIN: 3235–AI13) received September 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4094. A letter from the Acting Executive Director, Commodity Futures Trading Commission, transmitting the Commission's final rule—Designated Contract Markets in Security Futures Products: Notice-Designation Requirements, Continuing Obligations, Applications for Exemptive Orders, and Exempt Provisions (RIN: 3038–AB82) received September 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4095. A letter from the Acting Executive Director, Commodity Futures Trading Commission, transmitting the Commission's final rule—A New Regulatory Framework for Clearing Organizations (RIN: 3038–AB66) received September 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4096. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Bispyribac-Sodium; Pesticide Tolerance [OPP–301175; FRL–6803–2] (RIN: 2070–AB78) received September 13, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4097. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Bentazon; Pesticide Tolerance [OPP–301172; FRL–6803–2] (RIN: 2070–AB78) received September 13, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4098. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Mefenoxam; Pesticide Tolerance [OPP–301170; FRL–6801–4] (RIN: 2070–AB78) received September 13, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4099. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Fluoroxypyr 1–Methylheptyl Ester; Pesticide Tolerances for Emergency Exemptions [OPP–301164; FRL–6798–5] (RIN: 2070–AB78) received September 13, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4100. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Zeta-cypermethrin and its Inactive R-isomers; Pesticide Tolerances [OPP–301171; FRL–6801–1] (RIN: 2070–AB78) received September 13, 2001, pursuant to 5

U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4101. A letter from the Environmental Protection Agency, Environmental Protection Agency, transmitting the Agency's final rule—Clethodim; Pesticide Tolerance [OPP–301168; FRL–6800–9] (RIN: 2070–AB78) received September 13, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4102. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Sulfosate; Pesticide Tolerances [OPP–301173; FRL–6801–8] (RIN: 2070–AB78) received September 19, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4103. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Spinosad; Pesticide Tolerances [OPP–301177; FRL–6802–9] (RIN: 2070–AB78) received September 19, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4104. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Azoxystrobin; Pesticide Tolerances [OPP–301174; FRL–6803–1] (RIN: 2070–AB78) received September 19, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4105. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Paraquat; Pesticide Tolerances [OPP–301178; FRL–6799–2] (RIN: 2070–AB78) received September 19, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4106. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Propamocarb Hydrochloride; Pesticide Tolerances for Emergency Exemptions [OPP–301162; FRL–6797–2] (RIN: 2070–AB78) received September 19, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4107. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Zoxamide 3, 5-dichloro-N-(3-chloro-1-ethyl-1-methyl-2-oxopropyl)-4-methylbenzamide; Pesticide Tolerance [OPP–301176; FRL–6803–7] (RIN: 2070–AB78) received September 19, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4108. A letter from the Director, Financial Crimes Enforcement Network, Department of the Treasury, transmitting the Department's final rule—Amendments to the Bank Secrecy Act Regulations—Registration of Money Services Businesses and Requirement that Money Transmitters and Money Order and Traveler's Check Issuers, Sellers, and Redeemers Report Suspicious Transactions; Implementation Dates (RIN: 1506–AA24) received September 17, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

4109. A letter from the Director, Office of Federal Housing Enterprise Oversight, transmitting the Office's final rule—Executive Compensation (RIN: 2550–AA13) received September 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

4110. A letter from the Secretary, Office of Chief Accountant, Securities Exchange Commission, transmitting the Commission's final rule—Bookkeeping Services Provided by Auditors to Audit Clients in Emergency or Other Unusual Situations [Release Nos. 33–8004; 34–44792; IC–25157; FR–57] (RIN: 3235–AI31) received September 17, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

4111. A letter from the Assistant General Cousel for Regulatory Law, Department of Energy, transmitting the Department's final rule—Criteria and Procedures for Determining Eligibiliy for Access to Classified Matter or Special Nuclear Material (RIN 1992–AA22) received September 14, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4112. A letter from the Principal Deputy Associate Administration, Environmental Protection Agency, transmitting the Agency's final rule—Revisions to the Arizona State Implementation Plan, Arizona Department of Environmental Quality [AZ 103–0044; FRL–7051–4] received September 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4113. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—National Priorities List for Uncontrolled Hazardous Waste Sites [FRL–7054–5] received September 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4114. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval of Section 112(I) Authority for Hazardous Air Pollutants; State of Pennsylvania; Department of Environmental Protection [PA001–1000; FRL–7055–9] received September 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4115. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Revisions to the California State Implementation Plan, Bay Area Air Quality Management District and South Coast Air Quality Management District [CA 249–0290a; FRL–7045–9] received September 5, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4116. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Maryland; Rate of Progress Plans, Corrections to the Base Year Inventories, and Contingency Measures for the Maryland Portion of the Philadelphia-Wilmington-Trenton Ozone Nonattainment Area [MD059/71/98/114–3077; FRL–7057–4] received September 13, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4117. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval of Promulgation of Implementation Plans; Indiana [IN138–2; FRL–7056–2] received September 19, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4118. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of State Plans for Designated Facilities and Pollutants: California [CA–035–MSWa; FRL–7058–5] received September 19, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4119. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of State Plans for Designated Facilities and Pollutants: South Carolina [Docket SC–038–200102(a); FRL–7062–1] received September 19, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4120. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans for Colorado and Montana: Transportation Conformity [CO–001–0060a; MT–001–0032a; FRL–7055–4] received September 19, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4121. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; New York Ozone State Implementation Plan Revision [Region 2 Docket No. NY53–230a, FRL–7057–5] received September 19, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4122. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; Texas; Revisions to General Rules and Regulations for Control of Air Pollution by Permits for New Sources and Modifications [TX–104–1–7401b; FRL–7063–2] received September 19, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4123. A letter from the Director, Department of State, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Army's Proposed Letter(s) of Offer and Acceptance (LOA) to Canada for defense articles and services (Transmittal No. 02–03), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

4124. A letter from the Director, Department of State, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Air Force's Proposed Letter(s) of Offer and Acceptance (LOA) to Oman for defense articles and services (Transmittal No. 02–08), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

4125. A letter from the Director, Department of State, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Army's Proposed Letter(s) of Offer and Acceptance (LOA) to the United Kingdom for defense articles and services (Transmittal No. 02–02), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

4126. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Akaska; Pollock in Statistical Area 630 of the Gulf of Alaska [Docket No. 010112013–1013–01; I.D. 091001A] received September 17, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4127. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Atlantic Highly Migratory Species (HMS) Fisheries; Large Coastal Shark Species [I.D. 082901B] received September 18, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4128. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bell Helicopter Textron, Inc. Model 47B, 47B–3, 47D, 47D–1, 47G, 47G–2, 47G2A, 47G–2A–1, 47G–3, 47G–3B, 47G–3B–1, 47G–3B–2, 47G–3B–2A, 47G–4, 47G–4A, 47G–5, 47G–5A, 47H–1, 47J, 47J–2, 47J–2A, and 47k Helicopters [Docket No. 2001–SW–13–AD; Amendment 39–12408; AD 2001–17–17] (RIN: 2120–AA64) received September 7, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4129. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Raytheon Model DH.125, HS.125, BH.125, and BAe. 125 (U–125 and C–29A Series Airplanes; Model Hawker 800, Hawker 800 (U–125A), Hawker 800XP, and Hawker 1000 Airplanes [Docket No. 2000–NM–373–AD; Amendment 39–12417; AD 2001–17–26] (RIN: 2120–AA64) received September 7, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4130. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A300 B2 and B4 Series Airplanes, and Model A300 B4–600, B4–600R, and F4–600R (Collectively Called A300–600) Series Airplanes [Docket No. 2001–NM–263–AD; Amendment 39–12420; AD 2001–17–29] (RIN: 2120–AA64) received September 7, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4131. A letter from the Paralegal Specialist, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Honeywell International Inc. (formerly AlliedSignal Inc. and Textron Lycoming Inc. LTS101 Series Turboshaft and LTP101 Series Turboprop Engines [Docket No. 94–ANE–38–AD; Amendment 39–12406; AD 2001–17–15] (RIN: 2120–AA64) received September 7, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4132. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Supplemental Guidelines for the Award of Section 319 Nonpoint Source Grants to States and Territories in FY 2002 and Subsequent Years [FRL–7054–7] received September 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4133. A letter from the Chief, Regulations Division, Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury, transmitting the Department's final rule—Stills and Miscellaneous Regulations; Recodification of Regulations (2000R–491P) [T.D. AFT–462] (RIN: 1512–AC34) received September 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4134. A letter from the Chief, Regulations Division, Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury, transmitting the Department's final rule—Rules of Practice in Permit Proceedings; Recodification of Regulations (2000R–529P) [T.D. ATF–463] (RIN: 1512–AC43) received September 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4135. A letter from the Chief, Regulations Division, Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury, transmitting the Department's final rule—Exportation of Tobacco Products and Cigarette Papers and Tubes, Without Payment of Tax, or With Drawback of Tax; Recodification of Regulations (2001R–58P) [T.D. ATF–464] (RIN: 1512–AC47) received September 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4136. A letter from the Chief, Regulations Division, Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury, transmitting the Department's final rule—Implementation of Public Laws 106–476 and 106–554, Relating to Tobacco Importation Restrictions, Markings, Repackaging, and Destruction of Forfeited Tobacco Products (2000R–492P) [T.D. ATF–465; Ref: Notice No. 913] (RIN: 1512–AC35) received September 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4137. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—2001 Marginal Production Rates [Notice 2001–53] received September 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4138. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Determination of Interest Rate [Rev. Rul. 2001–47] received September 13, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4139. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—2001 Section 43 Inflation Adjustment [Notice 2001–54] received September 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4140. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Gross Income Defined [Rev. Rul. 2001–42] received September 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4141. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Separate Reporting of Nonstatutory Stock Option Income in Box 12 of the Form W–2, Using Code V, Optional for Year 2002 [Announcement 2001–92] received September 10, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. RANGEL (for himself, Mr. LEVIN, Mr. MATSUI, and Mr. MCDERMOTT):

H.R. 3019. A bill to provide fast-track trade negotiating authority to the President; to the Committee on Ways and Means, and in addition to the Committee on Rules, 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 Mrs. KELLY:

H.R. 3020. A bill to amend the Public Health Service Act to establish a Nurse Corps and recruitment and retention strategies to address the nursing shortage, and for other purposes; to the Committee on Energy and Commerce.

By Mr. BURTON of Indiana:

H.R. 3021. A bill to authorize the issuance of United States Defense of Freedom Bonds to aid in funding of the war against terrorism, and for other purposes; to the Committee on Ways and Means.

By Mr. CARDIN (for himself, Mr. RANGEL, Mr. HOUGHTON, Mr. STARK, Mr. ENGLISH, Mr. LEVIN, Mr. MCDERMOTT, and Mr. COYNE):

H.R. 3022. A bill to provide for a program of temporary enhanced unemployment benefits; to the Committee on Ways and Means.

By Mr. DUNCAN:

H.R. 3023. A bill to amend title II of the Social Security Act to allow remarried widows, widowers, and surviving divorced spouses to become or remain entitled to widow's or widower's insurance benefits if the prior marriage was for at least 10 years; to the Committee on Ways and Means.

By Mr. ENGLISH:

H.R. 3024. A bill to reform the Federal unemployment benefits system; to the Committee on Ways and Means.

By Mr. FORBES:

H.R. 3025. A bill to amend title 10, United States Code, to expand the program under which State and local governments may procure law enforcement equipment through the Department of Defense to include the procurement of counter-terrorism equipment; to the Committee on Armed Services.

By Mr. GIBBONS (for himself, Ms. HARMAN, Mr. LAHOOD, Mr. ROEMER, and Mr. CASTLE):

H.R. 3026. A bill to establish an Office of Homeland Security within the Executive Office of the President to lead, oversee, and coordinate a comprehensive national homeland security strategy to safeguard the Nation; to the Committee on Government Reform, and in addition to the Committees on Armed Services, the Judiciary, Transportation and Infrastructure, Intelligence (Permanent Select), and Energy and Commerce, 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. GREEN of Texas:

H.R. 3027. A bill to amend title XVIII of the Social Security Act to permit expansion of medical residency training programs in geriatric medicine and to provide for reimbursement of care coordination and assessment services provided under the Medicare Program; to the Committee on Energy and Commerce, and in addition to the Committee on 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 Ms. HART:

H.R. 3028. A bill to amend the Intermodal Surface Transportation Efficiency Act of 1991 to designate Pennsylvania State route 60 as part of the Dwight D. Eisenhower National System of Interstate and Defense Highways; to the Committee on Transportation and Infrastructure.

By Mr. INSLEE (for himself, Mr. SHAYS, Mr. STRICKLAND, Mr. KING, Mr. MARKEY, Mrs. MORELLA, Ms. BROWN of Florida, Mr. ALLEN, Mr. DICKS, Mr. MCDERMOTT, Ms. JACKSON-LEE of Texas, Mr. BONIOR, Mr. BROWN of Ohio, Mr. BAIRD, Ms. CARSON of Indiana, Mr. BOUCHER, Mr. BARRETT, and Mr. BACA):

H.R. 3029. A bill to amend title 49, United States Code, to require the screening of all property carried in aircraft in air transportation and intrastate air transportation, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. LATHAM:

H.R. 3030. A bill to extend the ''Basic Pilot'' employment verification system, and for other purposes; to the Committee on the Judiciary, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LEWIS of Kentucky:

H.R. 3031. A bill to suspend temporarily the duty on 3,3–Dichlorobenzidine Dihydrochloride; to the Committee on Ways and Means.

By Mr. MASCARA:

H.R. 3032. A bill to amend title XVIII of the Social Security Act to extend coverage of immunosuppressive drugs under the Medicare Program to cases of transplants not paid for under the program; to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, 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 Ms. McCOLLUM:

H.R. 3033. A bill to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to authorize the appropriation of funds for the program to collect information relating to nonimmigrant foreign students and to provide for a GAO review of such program; to the Committee on the Judiciary.

By Mr. MENENDEZ:

H.R. 3034. A bill to redesignate the facility of the United States Postal Service located at 89 River Street in Hoboken, New Jersey, as the ''Frank Sinatra Post Office Building''; to the Committee on Government Reform.

By Ms. MILLENDER-McDONALD:

H.R. 3035. A bill to direct the Secretary of Transportation to conduct an assessment of terrorist-related threats to all forms of public transportation; to the Committee on Transportation and Infrastructure.

By Mr. MORAN of Virginia (for himself, Mr. TOM DAVIS of Virginia, Mr. WOLF, Mr. HOYER, Mr. SCHROCK, Mrs. MORELLA, Mr. WYNN, Mrs. JO ANN DAVIS of Virginia, Mr. FORBES, Mr. SCOTT, Mr. GOODLATTE, Mr. BOUCHER, Mr. CANTOR, Ms. NORTON, and Mr. GOODE):

H.R. 3036. A bill to authorize the Secretary of Defense to establish a memorial on the Arlington Naval Annex to the victims of the terrorist attack on the Pentagon; to the Committee on Armed Services, and in addition to the Committee on Resources, 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. PALLONE:

H.R. 3037. A bill to enhance the benefits of the national electric system by encouraging and supporting State programs for renewable energy sources, universal electric service, affordable electric service, and energy conservation and efficiency, and for other purposes; to the Committee on Energy and Commerce.

By Mr. PLATTS (for himself, Mr. DOYLE, Mr. MASCARA, Mr. GEKAS, Ms. HART, Mr. HOLDEN, Mr. COYNE, Mr. SHERWOOD, Mr. HOEFFEL, Mr. ENGLISH, and Mr. BORSKI):

H.R. 3038. A bill to authorize the Secretary of the Interior to study the suitability and feasibility of designating Camp Security, located in Springettsbury, York County, Pennsylvania, as a unit of the National Park System; to the Committee on Resources.

By Mr. RYAN of Wisconsin:

H.R. 3039. A bill to amend the Internal Revenue Code of 1986 to reduce the maximum capital gains rate from 20 percent to 15 percent; to the Committee on Ways and Means.

By Mr. SCHIFF (for himself, Mr. HINCHEY, and Mr. FROST):

H.R. 3040. A bill to make COBRA continuing coverage more affordable for laid-off American workers; to the Committee on Ways and Means.

By Mr. SHADEGG (for himself, Mr. ABERCROMBIE, and Mrs. WILSON):

H.R. 3041. A bill to amend the Internal Revenue Code of 1986 to provide tax and other incentives to maintain a vibrant travel and tourism industry, to keep working people working, and to stimulate economic growth, and for other purposes; to the Committee on Ways and Means.

By Mr. SMITH of Michigan (for himself, Mr. ARMEY, Mr. DELAY, Mr. SENSENBRENNER, Mrs. KELLY, and Mr. GOODE):

H.R. 3042. A bill to amend the Internal Revenue Code of 1986 to provide that the deduction for depreciation shall be computed on a neutral cost recovery basis; to the Committee on Ways and Means.

By Mr. SWEENEY (for himself and Mr. TAUZIN):

H.R. 3043. A bill to provide for the establishment of an alien nonimmigrant student tracking system; to the Committee on the Judiciary.

By Mr. TAYLOR of Mississippi (for himself and Mr. BUYER):

H.R. 3044. A bill to amend title 10, United States Code, to provide for the forfeiture of vessels used in the commission of willful violations of Department of Defense safety regulations regarding navigable waters used by the Armed Forces, to increase penalties for violation of other security regulations and orders, and for other purposes; to the Committee on Armed Services, and in addition to the Committees on the Judiciary, and Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. TIAHRT (for himself and Ms. DUNN):

H.R. 3045. A bill to provide assistance to employees who suffer loss of employment in the aircraft manufacturing industry as a result of the terrorist attacks of September 11, 2001; to the Committee on Education and the Workforce, and in addition to the Committees on Energy and Commerce, 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. TOOMEY (for himself, Ms. BERKLEY, Mr. BILIRAKIS, Mr. BROWN of Ohio, Mr. TAUZIN, Mr. DINGELL, Mr. NORWOOD, Mr. HALL of Texas, Mr. GREENWOOD, Mr. PALLONE, Mr. UPTON, Mrs. CAPPS, Mr. BURR of North Carolina, Mr. STRICKLAND, Mr. BUYER, Mr. WAXMAN, Mr. DEAL of Georgia, Mr. BARRETT, Mr. WHITFIELD, Mr. STUPAK, Mr. BRYANT, Mr. TOWNS, Mr. PICKERING, Mr. DEUTSCH, Mr. EHRLICH, Mr. WYNN, Mr. BARTON of Texas, Mr. GREEN of Texas, Mr. BAKER, and Mr. COOKSEY):

H.R. 3046. A bill to amend title XVIII of the Social Security Act to provide regulatory relief, appeals process reforms, contracting flexibility, and education improvements under the Medicare Program, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, 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. WAXMAN (for himself, Mr. BROWN of Ohio, Mr. DINGELL, Mr. DEUTSCH, Mr. PALLONE, Mr. GREEN of Texas, Mr. STUPAK, and Mr. BARRETT):

H.R. 3047. A bill to amend the Federal Food, Drug, and Cosmetic Act and the Public Health Service Act with respect to pediatric studies of drugs, and for other purposes; to the Committee on Energy and Commerce.

By Mr. YOUNG of Alaska:

H.R. 3048. A bill to resolve the claims of Cook Inlet Region, Inc., to lands adjacent to the Russian River in the State of Alaska; to the Committee on Resources.

By Mr. HYDE (for himself and Mr. LANTOS):

H. Con. Res. 242. Concurrent resolution recognizing Radio Free Europe/Radio Liberty's success in promoting democracy and its continuing contribution to United States national interests; to the Committee on International Relations.

By Mr. CROWLEY (for himself, Mr. ETHERIDGE, Mr. SANDERS, Mr. STENHOLM, Ms. ROS-LEHTINEN, Mr. SCOTT, Mr. PETERSON of Minnesota, Mr. ROYCE, Ms. WOOLSEY, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. KENNEDY of Rhode Island, Mr. RYAN of Wisconsin, Mr. POMBO, Mr. GANSKE, Mr. FARR of California, Mrs. JOHNSON of Connecticut, Mr. DICKS, Mr. BERRY, Mr. BACA, Ms. BROWN of Florida, Mr. LUCAS of Kentucky, Mr. VITTER, Mr. THOMAS, Mr. CONDIT, Mr. SABO, Ms. McCOLLUM, Mr. CARSON of Oklahoma, Mr. TAUZIN, Mr. DEMINT, Mr. McDERMOTT, Mr. BOYD, Ms. WATERS, Ms. LOFGREN, Mr. TAYLOR of Mississippi, Mr. FILNER, Mr. WAXMAN, Mr. BERMAN, Mrs. NAPOLITANO, Ms. JACKSON-LEE of Texas, Mr. GREEN of Texas, Mr. NETHERCUTT, Mr. YOUNG of Florida, Mr. TRAFICANT, Mr. REHBERG, Mr. ROHRABACHER, Mr. ENGLISH, Mr. SHERWOOD, Mr. OSE, Mr. INSLEE, and Mrs. CAPPS):

H. Con. Res. 243. Concurrent resolution expressing the sense of the Congress that the Public Safety Officer Medal of Valor should be presented to the public safety officers who have perished and select other public safety officers who deserve special recognition for outstanding valor above and beyond the call of duty in the aftermath of the terrorist attacks in the United States on September 11, 2001; to the Committee on the Judiciary.

By Mr. ARMEY:

H. Res. 254. A resolution supporting the goals of Pregnancy and Infant Loss Remembrance Day; to the Committee on Government Reform.

By Mr. HONDA (for himself, Mr. SHAYS, Ms. SLAUGHTER, Mr. SERRANO, Mr. BROWN of Ohio, Mr. LARSEN of Washington, Mr. MATSUI, Mr. BERMAN, Mr. DELAHUNT, Ms. LOFGREN, Mr. FARR of California, Mr. FERGUSON, Mr. DINGELL, Mr. PAYNE, Ms. CARSON of Indiana, Mr. FORD, Mr. FRELINGHUYSEN, Mr. HERGER, Mr. HAYWORTH, Mr. CLEMENT, Ms. BERKLEY, Ms. McCOLLUM, Mrs. MEEK of Florida, Mr. LoBIONDO, Mr. SOUDER,

Mr. KIRK, Mr. CONDIT, Ms. ROYBAL-ALLARD, Mrs. BIGGERT, Mr. UDALL of Colorado, Mr. BECERRA, Mr. HYDE, Mr. ISRAEL, Mrs. JOHNSON of Connecticut, Mr. BLAGOJEVICH, Mr. SCHIFF, Mr. PASTOR, Mr. SIMMONS, Ms. KAPTUR, Mr. KING, Ms. SCHAKOWSKY, Mr. POMBO, Mr. PALLONE, Mr. PASCRELL, Mr. DOGGETT, Mr. KNOLLENBERG, Mr. MEEHAN, Mr. ROHRABACHER, Mr. COOKSEY, Mr. ANDREWS, Mr. HINCHEY, Mr. GEORGE MILLER of California, Mr. EVANS, Mrs. TAUSCHER, Ms. SOLIS, Mr. TOWNS, Mr. LANGEVIN, Mr. CRAMER, Mr. HASTINGS of Florida, Mr. MCGOVERN, Mr. SHERMAN, Ms. PELOSI, Mr. MORAN of Virginia, Mr. JACKSON of Illinois, Mrs. MORELLA, Mr. GILMAN, Mr. TOM DAVIS of Virginia, Mr. BLUMENAUER, Mr. CROWLEY, Mr. BISHOP, Mr. BURTON of Indiana, Ms. WATSON, Mrs. JONES of Ohio, Mr. BACA, Mr. HORN, Mr. WU, Mr. LANTOS, Mrs. MINK of Hawaii, Mr. UNDERWOOD, Ms. MCKINNEY, Ms. WOOLSEY, Mr. FROST, Mr. FALEOMAVAEGA, Mr. SANDERS, Mr. BORSKI, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. STARK, Ms. MILLENDER-MCDONALD, Mr. SMITH of New Jersey, Ms. LEE, Mr. OSE, Mr. RODRIGUEZ, Mr. MCDERMOTT, Mr. DOOLITTLE, Mr. GREEN of Wisconsin, Mr. KLECZKA, Mr. SMITH of Washington, Mr. ABERCROMBIE, Mr. ROYCE, Mr. LEWIS of California, Mr. ACKERMAN, Mr. BONIOR, Mr. HOLT, Mr. CAPUANO, Mr. FATTAH, Mrs. NAPOLITANO, Mr. REYES, Mrs. MCCARTHY of New York, Mr. VISCLOSKY, Mr. BOUCHER, Mr. FILNER, Mr. CONYERS, Mr. DICKS, Ms. ESHOO, Mr. UDALL of New Mexico, and Mr. LAMPSON):

H. Res. 255. A resolution condemning bigotry and violence against Sikh Americans in the wake of terrorist attacks against the United States on September 11, 2001; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 41: Mrs. BIGGERT.

H.R. 71: Mr. OWENS, Mrs. NAPOLITANO, and Mrs. MCCARTHY of New York.

H.R. 73: Ms. LEE.

H.R. 74: Mrs. NAPOLITANO.

H.R. 75: Mrs. NAPOLITANO, Mr. SCOTT, Ms. SCHAKOWSKY, and Ms. LEE.

H.R. 162: Mr. SERRANO, Mr. SMITH of New Jersey, Mr. OBERSTAR, Mr. KOLBE, and Mr. BROWN of South Carolina.

H.R. 218: Ms. GRANGER and Mr. WALDEN of Oregon.

H.R. 226: Ms. LEE.

H.R. 267: Mr. BARCIA.

H.R. 274: Mrs. MCCARTHY of New York.

H.R. 281: Mr. FATTAH.

H.R. 286: Ms. LEE.

H.R. 394: Ms. HART, Mr. HORN, Mr. RANGEL, Mr. SIMMONS, Mr. ROGERS of Michigan, Ms. MCKINNEY, Mr. BEREUTER, Mr. WAMP, Mr. KENNEDY of Minnesota, and Mr. CARSON of Oklahoma.

H.R. 529: Ms. SLAUGHTER.

H.R. 530: Ms. SLAUGHTER.

H.R. 536: Mr. LUCAS of Kentucky.

H.R. 664: Mr. BARR of Georgia and Mr. SERRANO.

H.R. 777: Mrs. CAPITO.

H.R. 822: Mr. BONIOR and Mr. FERGUSON.

H.R. 839: Mr. HOEFFEL.

H.R. 951: Mr. FOLEY, Mr. HOLT, Mr. SHAYS, Mr. CROWLEY, Mr. SKELTON, and Mr. GONZALEZ.

H.R. 975: Mr. GREEN of Texas.

H.R. 984: Mr. PENCE.

H.R. 1040: Mr. HALL of Texas.

H.R. 1073: Mr. CARSON of Oklahoma.

H.R. 1090: Mr. HOEFFEL, Ms. CARSON of Indiana, Mrs. JO ANN DAVIS of Virginia, and Mr. MANZULLO.

H.R. 1117: Mr. BACA.

H.R. 1158: Mr. FOLEY and Mr. HALL of Texas.

H.R. 1201: Mrs. DAVIS of California.

H.R. 1268: Mr. BLUNT.

H.R. 1354: Mr. BACHUS.

H.R. 1360: Mr. HORN.

H.R. 1383: Mr. THOMPSON of California.

H.R. 1433: Mr. PASTOR.

H.R. 1485: Ms. RIVERS and Mr. OBERSTAR.

H.R. 1494: Mr. HONDA.

H.R. 1509: Ms. CARSON of Indiana.

H.R. 1522: Mr. CUMMINGS.

H.R. 1586: Mr. FROST.

H.R. 1700: Mr. SHERMAN.

H.R. 1701: Mr. SWEENEY, Mr. MCINTYRE, and Mr. MCCRERY.

H.R. 1754: Mr. MCNULTY.

H.R. 1762: Mr. PETERSON of Minnesota.

H.R. 1919: Mr. PENCE, Mr. UDALL of Colorado, Mr. THUNE, Mr. CAMP, and Mr. Barr of Georgia.

H.R. 1987: Mr. DAVIS of Florida.

H.R. 2023: Mr. CAPUANO, Ms. DUNN, Mr. CRANE, and Mr. SKEEN.

H.R. 2117: Mr. HORN and Mr. LUTHER.

H.R. 2123: Mr. CARSON of Oklahoma.

H.R. 2125: Ms. WOOLSEY, Mr. FOLEY, and Mr. NETHERCUTT.

H.R. 2148: Mr. ROTHMAN and Mr. UDALL of Colorado.

H.R. 2160: Ms. CARSON of Indiana.

H.R. 2173: Mr. SNYDER.

H.R. 2276: Mr. PASTOR.

H.R. 2290: Mr. NEAL of Massachusetts, Mr. BEREUTER, Mr. LEWIS of Kentucky, Mr. PRICE of North Carolina, Mr. MCGOVERN, Mr. FOLEY, and Mr. ROGERS of Kentucky.

H.R. 2308: Mr. TOOMEY.

H.R. 2329: Mr. CLAY.

H.R. 2349: Ms. SLAUGHTER.

H.R. 2352: Ms. NORTON.

H.R. 2357: Mr. RYUN of Kansas and Mr. SHIMKUS.

H.R. 2362: Mr. HORN and Mr. TIERNEY.

H.R. 2380: Mr. PAYNE, Mr. MORAN of Virginia, Mr. FATTAH.

H.R. 2485: Mr. SHADEGG.

H.R. 2573: Ms. VELÁZQUEZ, Mr. MARKEY, and Mr. KUCINICH.

H.R. 2613: Mr. MEEKS of New York and Mr. STUPAK.

H.R. 2623: Mr. GILMAN.

H.R. 2638: Ms. CARSON of Indiana and Ms. KAPTUR.

H.R. 2641: Mr. FATTAH.

H.R. 2691: Mr. MCGOVERN.

H.R. 2709: Mr. ISAKSON and Mr. PASTOR.

H.R. 2722: Mr. LAHOOD, Mr. SOUDER, Mr. STUPAK, Ms. HOOLEY of Oregon, Mrs. MORELLA, and Mr. OLVER.

H.R. 2725: Mrs. CLAYTON.

H.R. 2781: Mr. STUPAK and Mr. GRAHAM.

H.R. 2787: Ms. LEE, Ms. CARSON of Indiana, and Ms. SCHAKOWSKY.

H.R. 2794: Mr. OLVER, Mr. SHERMAN, Mr. KOLBE, and Mr. DEAL of Georgia.

H.R. 2805: Mr. TERRY.

H.R. 2807: Mr. HERGER, Mr. FOLEY, and Mr. DAVIS of Florida.

H.R. 2808: Ms. MCKINNEY.

H.R. 2836: Mrs. MCCARTHY of New York.

H.R. 2837: Mr. FILNER, Mr. FATTAH, and Ms. WOOLSEY.

H.R. 2877: Mr. STUMP.

H.R. 2887: Mr. FATTAH, Ms. WOOLSEY and Mr. WHITFIELD..

H.R. 2896: Mr. PETERSON of Minnesota.

H.R. 2897: Mr. KUCINICH, Mr. BONIOR, and Ms. SANCHEZ.

H.R. 2899: Mrs. KELLY and Mr. FOSSELLA.

H.R. 2931: Mr. BRADY of Texas, Mr. WELDON of Florida, Mr. SCHAFFER, and Mr. PITTS.

H.R. 2935: Mr. DINGELL, Ms. WOOLSEY, Mr. MCKINNEY, Mr. DEFAZIO, and Ms. WATERS.

H.R. 2940: Mr. COX, Mr. MANZULLO, Mr. MCHUGH, Mr. MALONEY of Connecticut, Ms. ESHOO, Mr. CANTOR, Ms. SANCHEZ, Ms. BROWN of Florida, Mr. GUTIERREZ, Ms. PELOSI, Mr. HOYER, Mr. TURNER, Mr. DEUTSCH Mr. COSTELLO, Mr. DOOLEY of California, Ms. ROYBAL-ALLARD, Mr. DAVIS of Illinois, and Mr. TRAFICANT.

H.R. 2945: Ms. MCKINNEY and Mr. DELAHUNT.

H.R. 2946: Ms. CARSON of Oklahoma, Ms. MILLENDER-MCDONALD, Mr. UDALL of New Mexico, Ms. MCCARTHY of Missouri, Mr. HOLDEN, Ms. SOLIS, Mr. BLUMENAUER, Mr. CONDIT, Mr. TIERNEY, Mr. QUINN, Mr. CARSON of Oklahoma, Mr. BILIRAKIS, Mr. RAMSTAD, Mr. CUMMINGS, Mr. UDALL of Colorado, Mr. LOBIONDO, Mr. FRANK, Mr. ISRAEL, and Mr. ESHOO.

H.R. 2947: Mr. JACKSON of Illinois and Mr. FATTAH.

H.R. 2950: Mr. MICA, Mr. EHLERS, Mr. LATOURETTE, Mr. DEMINT, Mr. KIRK, Mr. GRAVES, Mr. FERGUSON, Mr. BUYER, and Mr. SHUSTER.

H.R. 2957: Mr. BEREUTER, Mr. CRENSHAW, Mr. GREENWOOD, and Mr. HALL of Texas.

H.R. 2961: Mr. SHAYS, Mrs. THURMAN, and Mrs. JONES of Ohio.

H.R. 2965: Mr. GALLEGLY, Mrs. MALONEY of New York, Mr. CASTLE, and Ms. DELAURO.

H.R. 2966: Mr. BERMAN, Mr. UDALL of Colorado, Mr. UDALL of New Mexico, Mr. ORTIZ, and Mr. ACEVEDO-VILA.

H.R. 2968: Mr. BEREUTER, Mr. WOLF, and Mr. CALVERT.

H.R. 2975: Mr. DELAHUNT and Mr. WEINER.

H.R. 2981: Mr. TIBERI and Mr. ENGEL.

H.R. 2985: Mr. HALL of Texas and Mr. NEY.

H.R. 2986: Mr. HALL of Texas and Mr. NEY.

H.R. 2988: Ms. CARSON of Indiana and Mr. HALL of Texas.

H.R. 2989: Mr. MOORE and Mr. GEPHARDT.

H.R. 2991: Mr. GRUCCI, and Mr. BROWN of Ohio, Mrs. JO ANN DAVIS of Virginia, Ms. ESHOO, Mr. KING, Mr. MCNULTY, and Ms. SLAUGHTER.

H.R. 2998: Mr. COX, Mrs. MALONEY of New York, Mrs. BONO, Mr. ARMEY, Mr. ISSA, Mr. CALVERT, Mr. MCKEON, Mr. OSE, Mr. RADANOVICH, Mr. THOMAS, Mr. DREIER, Mr. GALLEGLY, Mr. DOOLITTLE, Mr. LEWIS of California, Mr. ROHRABACHER, Mr. GARY G. MILLER of California, Mr. SCHIFF, Mr. ENGEL, and Mr. ACKERMAN.

H.R. 3004: Mr. ISRAEL, Mr. SHOWS, Mr. MALONEY of Connecticut, and Mr. MORAN of Virginia.

H.R. 3007: Mr. TIAHRT, Mr. GRAVES, Mr. MORAN of Kansas, Mr. KENNEDY of Minnesota, Mr. HORN, Mr. HONDA, Mr. LATOURETTE, Mr. THUNE, Mr. HOYER, Mr. LARSEN of Washington, and Mr. JOHNSON of Illinois.

H.R. 3011: Mr. ENGLISH, Mr. WYNN, and Mr. KING.

H.R. 3015: Ms. NORTON, Mr. MCDERMOTT, Mr. BACA, Mr. ORTIZ, Ms. VELÁZQUEZ, Mr. SERRANO, Ms. SCHAKOWSKY, Mr. BONIOR, and Ms. ROYBAL-ALLARD.

H.J. Res. 12: Mr. SHOWS.

H.J. Res. 54: Mr. BALLENGER.

H. Con. Res. 26: Ms. SLAUGHTER.

H. Con. Res. 104: Mr. BONIOR, Mr. MORAN of Virginia, and Mr. KOLBE.

H. Con. Res. 181: Mr. WAMP, Mr. GORDON, Mr. NCNULTY, Mr. LOBIONDO, and Mr. COOKSEY.

H. Con. Res. 197: Mr. RANGEL, Mr. BOEHLERT, Mr. LANGEVIN, Mr. STUPAK, Mr. SNYDER, and Mr. GRAHAM.

H. Con. Res. 198: Ms. WATSON and Ms. KILPATRICK.

H. Con. Res. 233: Ms. SLAUGHTER, Mrs. JO ANN DAVIS of Virginia, Mr. HALL of Texas, and Mr. CARSON of Oklahoma.

H. Con. Res. 234: Mr. JACKSON of Illinois, Ms. CARSON of Indiana, Mr. REGULA, Mr. STUPAK, and Mr. STRICKLAND.

H. Con. Res. 240: Mrs. DAVIS of California, Ms. ESHOO, Mr. EVANS, and Mr. STARK.

H. Res. 52: Mr. HALL of Texas.

H. Res. 106: Mr. MATSUI, Mrs. CAPPS, Mrs. CHRISTENSEN, Mrs. MCCARTHY of New York, Mr. GREEN of Texas, Mr. MCGOVERN, Mr. STARK, Ms. JACKSON-LEE of Texas, Ms. ROYBAL-ALLARD, Ms. BROWN of Florida, Ms. NORTON, Mrs. ROUKEMA, Ms. ROS-LEHTINEN, Ms. SLAUGHTER, and Mr. ABERCROMBIE.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 2883

OFFERED BY: MR. GOSS

AMENDMENT NO. 7: Strike section 503 (page 23, lines 1 through 16).

Strike section 506 (page 26, line 1, through page 27, line 5).

H.R. 2883

OFFERED BY: MS. PELOSI

AMENDMENT NO. 8: Page 13, line 11, strike ''10'' and insert ''8''.

Page 13, line 13, strike ''4'' and insert ''2''.

Page 16, beginning on line 5, strike ''hold hearings,''.

Page 16, beginning on line 8, strike ''The Commission'' and all that follows through the end of line 9.

Strike paragraph (6) of section 306(e) (page 17, beginning on line 7 through page 19, line 3) and redesignate the succeeding paragraph accordingly.

Page 19, line 10, strike ''6 months'' and insert ''one year''.

Page 19, beginning on line 17, by striking ''subsection (g)'' and insert ''subsection (f)''.

H.R. 2883

OFFERED BY: MR. WOLF

AMENDMENT NO. 9: At the end of title III (page 19, after line 18) insert the following new section:

SEC. 307. IMPLEMENTATION OF RECOMMENDATIONS OF THE NATIONAL COMMISSION ON TERRORISM.

(a) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Director of Central Intelligence, in cooperation with the heads of the departments and agencies of the United States involved, shall implement the recommended changes to counterterrorism policy in preventing and punishing international terrorism directed toward the United States contained in the report submitted to the President and the Congress by the National Commission on Terrorism established in section 591 of Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105–277; 112 Stat. 2681–210).

(b) REPORT.—(1) Not later than 90 days after the date of the enactment of this Act, if the Director of Central Intelligence determines that one or more of the recommended changes referred to in subsection (a) will not be implemented, the Director shall submit to the appropriate congressional committees a report containing a detailed explanation of that determination.

(2) In this subsection, the term ''appropriate congressional committees'' means the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate.

EXTENSION OF REMARKS

RECOGNIZING THE KANSAS CITY FORD ASSEMBLY PLANT AND THE UAW LOCAL 249

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 2001

Mr. GRAVES. Mr. Speaker, I rise today to recognize the Kansas City Ford Assembly Plant and the UAW Local 249 for their work and sacrifice in honor of all the people who both survived and who lost their lives in the terrorist attacks on September 11th, 2001, their families and their friends.

These terrorist attacks mark a solemn moment in America's history. American men and women, civilians and soldiers, firefighters and police, mothers and fathers, were slain for a cause so terrible, so heinous, and so despicable that we find it unimaginable and indescribable. United, Americans seek to find meaning and hope in a seemingly hopeless and meaningless act. In the days since these terrible terrorist attacks, America has been shoulder-to-shoulder in a struggle to meet the challenges of a world that is a little less safe, a little scarier, and far less predictable. The efforts of organizations like the Kansas City Ford Assembly Plant and the UAW Local 249 signify the commitment and concern of Americans everywhere. Our nation's strength does not lie in her military might but rather in the collective compassion of its people.

Since the September 11th terrorist attacks, the Kansas City Ford Assembly Plant and the UAW Local 249 have raised more than $67,000 to support the nationwide relief effort to provide for the grieving families and rescue workers. The patriotism and persistence of the Kansas City Ford Assembly Plant and the UAW Local 249 is a lasting memorial to the thousands of victims who perished in New York, Washington, and Pennsylvania.

Through the days, weeks, and months ahead, all Americans must come together and do what they can to assist the nation's war effort. Whether it is giving blood, sending donations, praying for the thousands of grieving families, or simply saying thanks to the brave men and women who put their lives on the line each and every day so that we may be free, it is important that the American people are vigilant in their efforts to overcome this evil. Though the nation has witnessed unspeakable horror, America's virtues, determination, and faith continue to shine brightly on the world.

I am confident that the United States will seek out those that harbor hatred, terror, and depravity in their hearts; and we will defeat them. This is a war that we must, can, and will win. May God bless the families and children grieving across this great nation and may God bless America.

IN HONOR OF THE ANNUAL PULASKI DAY CEREMONY

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 2001

Mr. KUCINICH. Mr. Speaker, I rise today to recognize the Polonia Foundation of Ohio on their Annual Pulaski Day Ceremony in memory of General Kazimierz Pulaski.

Born March 4, 1747 in Warka, Poland, Kazimierz Pulaski achieved great military military fame in Poland and soon became a national figure. In 1768 he and his father organized the Bar Confederacy and attempted to save Poland from Russian forces. He became a well-respected commander, but was forced into exile when the Russians pressured the confederacy to disintegrate. General Pulaski soon arrived in Paris where Benjamin Franklin actively recruited him for the American cause.

His service to America led him to the post of Brigadier General and was later recognized as the Father of the American Cavalry. He fought alongside George Washington at Brandywine and Germantown, but was mortally wounded in 1779 at Savannah.

The Polonia Foundation recognizes their obligation to see that the memory of the distinguished General Kazimierz Pulaski does not fade into history. His brilliant cavalry improvisations as well as his selfless service and dedication to our young nation's cause have earned him the respect of the American people.

This year, the annual Pulaski Day Celebration will be held at 10 a.m. on Saturday, October 6 at the War Memorial in Washington Park.

Mr. Speaker, please join me in recognizing the Polonia Foundation of Ohio for their outstanding cause of liberty and remembrance of a great man and soldier, General Kazimierz Pulaski.

IN RECOGNITION OF GLENDALE MEMORIAL HOSPITAL AND HEALTH CENTER

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 2001

Mr. SCHIFF. Mr. Speaker, I rise today to honor Glendale Memorial Hospital and Health Center. On October 7, 2001, the hospital will celebrate its 75th Anniversary at its 14th annual Evening of Wine & Ross celebration.

The hospital's origins date back to 1926 when on January 13th Glendale Memorial Hospital and Health Center opened as Physicians and Surgeons Hospital with 47 beds. The hospital underwent three separate expansions in 1942, 1956, and 1968 making it better equipped to treat the growing population of the foothill communities. In 1955 the hospital's name was changed to Memorial Hospital of Glendale and then again changed in 1986 to its current name, Glendale Memorial Hospital and Health center.

The hospital has always shown a commitment to improving its facilities and increasing its level of care. In 1987, the Glendale Memorial Cancer Center was completed. This state of the art center is devoted solely to the prevention, detection, and treatment of cancer. In 1992, the hospital took on the challenge of treating some of the area's most critical patients with the completion of the Heart and Emergency Center. Even today, the hospital continues its expansion. Scheduled to be completed in the Fall of 2002 is the Orthopedic Center as well as an addition to the Cancer Center.

I am proud to represent such an exceptional institution. With an outstanding staff of 1,250 full time employees and 562 physicians representing 63 specialties, it is no wonder that in 2000 the Heart center at the Glendale Memorial Hospital and Health Center was named as one of the top #100 heart centers in the country.

So today, I ask all Members of Congress to join me in congratulating Catholic Healthcare West, the Glendale Memorial Hospital, the Health center Board of Directors, and all the physicians and staff on their outstanding service to our community and wish them much success as they join in celebrating the Glendale Memorial Hospital and Health Center's 75th Anniversary.

TRIBUTE TO THE SALVATION ARMY

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 2001

Mr. GRAVES. Mr. Speaker, I rise today to recognize the Salvation Army for its work and sacrifice in honor of all the people who both survived and who lost their lives in the terrorist attacks on September 11th 2001, their families and their friends.

These terrorist attacks mark a solemn moment in America's history. American men and women, civilians and soldiers, firefighters and police, mothers and fathers, were slain for a cause so terrible, so heinous, and so despicable that we find it unimaginable and indescribable. United, Americans seek to find meaning and hope in a seemingly hopeless and meaningless act. In the days since these terrible terrorist attacks, America has been shoulder-to-shoulder in a struggle to meet the challenges of a world that is a little less safe, a little scarier, and far less predictable. The efforts of organizations like the Salvation's Army

signify the commitment and concern of Americans everywhere. Our nation's strength does not lie in her military might but rather in the collective compassion of its people.

Since the September 11th terrorist attacks, the Salvation Army has assisted stranded travelers while planes were grounded and provided food for people both downtown and at KCI when heightened security left people without a means to get home. The patriotism and persistence of the Salvation Army is a lasting memorial to the thousands of victims who perished in New York, Washington, and Pennsylvania.

Through the days, weeks, and months ahead, all Americans must come together and do what they can to assist the nation's war effort. Whether it is giving blood, sending donations, praying for the thousands of grieving families, or simply saying thanks to the brave men and women who put their lives on the line each and every day so that we may be free, it is important that the American people are vigilant in their efforts to overcome this evil. Though our nation has witnessed unspeakable horror, America's virtues, determination, and faith continues to shine brightly on the world.

I am confident that the United States will seek out those that harbor hatred, terror, and depravity in their hearts; and we will clear them. This is a war that we must, can, and will win. May God bless the families and children grieving across this great nation and may God bless America.

INTRODUCTION OF THE GERIATRIC CARE ACT OF 2001

HON. GENE GREEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 2001

Mr. GREEN of Texas. Mr. Speaker, I rise today to introduce the Geriatric Care Act of 2001, an important piece of legislation which will help our nation prepare for the health care pressures associated with the aging of the baby boom generation.

Americans are living longer than ever, with the average life expectancy rising to 80 years old for women and 74 years old for men. While this is generally a positive development, there are costs associated with the aging of America. As seniors live longer, they face greater risks of disease and disabilities, such as Alzheimer's, diabetes, cancer, stroke, and heart disease.

Geriatricians are physicians who are uniquely trained to help care for the aging and elderly. By promoting a comprehensive approach to health care, including wellness and preventive care, geriatricians can help seniors live longer and healthier lives.

It is critical that our nation have a sufficient number of geriatricians to help manage the aging of the baby-boom generation. Unfortunately, there are currently only 9,000 certified geriatricians, and that number is expected to decline dramatically in the coming years. Of the approximately 98,000 medical residency and fellowship positions supported by Medicare in 1998, only 324 were in geriatric medicine and geriatric psychiatry. We must do more to promote geriatric residency programs.

Unfortunately, there are two barriers preventing physicians from entering geriatrics: insufficient Medicare reimbursements for the provision of geriatric care and inadequate training dollars and positions for geriatricians.

A recent MedPac survey found that Medicare's low reimbursement rates serve as a major obstacle to recruiting new geriatricians. Due to their higher level of chronic disease and multiple prescriptions, seniors require additional care to ensure proper diagnosis and treatment. Medicare's reimbursement rates do not factor the complex needs of elderly patients. Because geriatricians treat seniors exclusively, they are especially affected by Medicare's low reimbursement rates.

Additionally, the Balanced Budget Act placed limits on the numbers of residents a hospital can have, based on 1996 numbers. This cap serves as a disincentive for some hospitals, and has caused them to eliminate or reduce their geriatric Graduate Medical Education (GME) programs.

The legislation I am introducing today would remedy both of these problems, so that America is prepared for the aging baby boom generation. The Geriatric Care Act would modernize the Medicare fee schedule to more accurately reflect the cost of providing care for seniors. It also would allow for additional geriatric residency slots, so that we can develop an adequate supply of geriatricians for the next generation.

I urge all of my colleagues to join me as cosponsors of this legislation. Thank you, Mr. Speaker, I yield back the balance of my time.

TRIBUTE TO COLONEL DENNIS LEWIS

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 2001

Mr. SKELTON. Mr. Speaker, let me take this opportunity to share a few words regarding the upcoming retirement of Colonel Dennis Richard Lewis, Program Branch Chief for the Army's Congressional Legislative Liaison. In the very near future, Colonel Lewis will retire after 27 years in the Army. He has distinguished himself, the Army and our nation with dedicated service.

Colonel Lewis began his career in the military in 1974, after graduating from the United States Military Academy. At West Point he excelled in academics, sports and became Airborne qualified as a cadet. Colonel Lewis later attended Purdue University, receiving a masters degree in Industrial Relations. His professional military development includes the Army Field Artillery Advanced Course, the Command and General Staff College and the Army War College. In addition to his academic achievements, Colonel Lewis became Air Assault qualified and became an Airborne Jump Master with the 82nd Airborne Division.

During the Cold War, Colonel Lewis served in numerous field artillery assignments including Nuclear Weapons Officer, Battery Executive Officer, Battery Commander and Assistant Operations Office in Germany, Turkey and Southwest Asia. With this experience, Colonel Lewis returned to the United States Military Academy as a Tactical Officer.

Colonel Lewis' next assignments included some of the Army's most challenging. As a field artillery Operations officer, Colonel Lewis deployed to Saudi Arabia during Desert Shield and Desert Storm. Upon return, Colonel Lewis was selected to command a field artillery battalion in the 82nd Airborne Division. After completing his Battalion Command, Colonel Lewis was assigned to the Office of the Secretary of Defense and the Chairman of the Joint Chiefs of Staff. Assignments at this post included coordinating military response and support to the crash of TWA Flight 800, the downing of two U.S. civilian aircraft over Cuba, the 1996 Summer Olympics in Atlanta and the Cuban and Haitian migrants operations in the Carribean.

Colonel Lewis became a field artillery Brigade Commander in the 18th Airborne Corps at Fort Bragg, NC and then served as Program Branch Chief for the Army's Congressional Legislative Liaison. In this position, Colonel Lewis effectively articulated the Army's goals, policies and programs to key members of Congress while serving as an advisor to the Secretary of the Army and the Army Chief of Staff.

Mr. Speaker, Colonel Lewis has had an impressive career in the military. As he prepares for this next stage in his life, I am certain that my colleagues will join me in wishing Colonel Lewis all the best. We thank he for his 27 years of service to the United States of America.

PERSONAL EXPLANATION

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 2001

Mr. GALLEGLY. Mr. Speaker, on September 25 I missed rollcall vote No. 359. Had I been present, I would have voted "aye" on the vote.

RECOGNIZE THE MIDLAND EMPIRE RED CROSS

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 2001

Mr. GRAVES. Mr. Speaker, I rise today to recognize the Midland Empire Red Cross for their work and sacrifice in honor of all the people who both survived and who lost their lives in the terrorist attacks on September 11th, 2001, their families and their friends.

These terrorist attacks mark a solemn moment in America's history. American men and women, civilians and soldiers, firefighters and police, mothers and fathers, were slain for a cause so terrible, so heinous, and so despicable that we find it unimaginable and indescribable. United, Americans seek to find meaning and hope in a seemingly hopeless and meaningless act. In the days since these

terrible terrorist attacks, America has been shoulder-to-shoulder in a struggle to meet the challenges of a world that is a little less safe, a little scarier, and far less predictable. The efforts of organizations like the Midland Empire Red Cross signify the commitment and concern of Americans everywhere. Our Nation's strength does not lie in her military might but rather in the collective compassion of its people.

Since the September 11th terrorist attacks, the Midland Empire Red Cross has mobilized ''Henry's Kitchen,'' which is capable of feeding 10,000 people a day, to assist volunteers at the Pentagon in their rescue efforts. Additionally, Karla Long—the Emergency Service Director—is at Ground Zero assisting as a mass care specialist while 9 other volunteers and staff are helping in New York as well. The patriotism and persistence of the Midland Empire Red Cross is a lasting memorial to the thousands of victims who perished in New York, Washington, and Pennsylvania.

Through the days, weeks and months ahead, all Americans must come together and do what they can to assist the Nation's war effort. Whether it is giving blood, sending donations, praying for the thousands of grieving families, or simply saying thanks to the brave men and women who put their lives on the line each and every day so that we may be free, it is important that the American people are vigilant in their efforts to overcome this evil. Though our Nation has witnessed unspeakable horror, America's virtues, determination, and faith continues to shine brightly on the world.

I am confident that the United States will seek out those that harbor hatred, terror, and depravity in their hearts; and we will defeat them. This is a war that we must, can, and will win. May God bless the families and children grieving across this great Nation and may God bless America.

REGARDING THE $400 MILLION STRIPPED FROM THE DEFENSE AUTHORIZATION BILL

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 2001

Mr. SCHAFFER. Mr. Speaker, It is truly shocking that the House Defense Authorization Bill eliminated $400 million from space-based defenses, cutting the highly successful Space Based Laser program and a restart for the equally successful but de-funded Brilliant Pebbles space based interceptor program. Conscience demands my protest.

The destruction of the World Trade Center and the Pentagon involving the loss of 6,000 lives should have taught us a lesson on the need for vigilance. Freedom has a price. Attacks upon the United States can take the form of ballistic missiles, cyberwarfare, and attacks on our satellites as well as terrorism.

The World Trade Center was bombed in 1993. Plans for the aerial destruction of the World Trade Center by Islamic terrorist Abdul Hakim Murad were communicated from the Philippines to the United States in 1995. Six years of advance warning was supplied before the terrible events of September 11, 2001.

In 1995 China threatened the United States with a ballistic missile to exchange Los Angeles for Taipei. China, moreover, reinforced its threat in 2000, and in 1995 and 1996 demonstrated its proclivity to use ballistic missiles, launching them offshore Taiwan. Six years of advanced warning has been supplied of China's plans.

U.S. intelligence has been either unable or unwilling to inform us of the extent and purpose of China's military buildup. It is not for modernization but part of a deliberate buildup for threatening or attacking the United States. China's Long Wall Project building missile bases is aimed at U.S. forces in the Pacific.

Nor is China the only country building ballistic missiles. North Korea, Libya, Iran, Iraq as well as other countries are engaged in buildup of ballistic missiles. But the passage of a few weeks has not seared the conscience of Congress to the menace posed by ballistic missiles, a threat against which Mr. Rumsfeld has warned us.

The House Defense Authorization Bill saw fit to cut our defenses, cutting $400 million from space-based missile defense programs, including the Space Based Laser and re-start of the Space Based Interceptor or Brilliant Pebbles. Aiming itself at out space-based defenses, the House Defense Authorization Bill substituted false economy for the senseless risk of our lives and freedom.

The disregard for our nation's defense is exuberated by a certain ignorance of ballistic missile defense programs. For Example, the opposition to the space-based defenses said the Airborne Laser was a stepping stone to the Space Based Laser evidently unaware of how the Space Based laser already completed the demonstration of its technology of its technology in 1997, four years ago.

It is evidently poorly understood how the Airborne Laser and Space Based Laser involve different applications and technologies. The Airborne Laser uses a chemical oxygeniodine reaction to power the laser suitable for an airplane or other platform in the environment of the earth's gravity. This laser, however, is not suitable for the zero-gravity environment of space. This Space Based Laser uses a hydrogen-fluoride reaction to power its laser, where the spent gases can be exhausted in the zero-gravity environment of space.

It is apparently not well understood, moreover, how the Airborne Laser relies on a complex mirror system for directing the laser beam. The Airborne Laser, in addition, is designed for transmission of the laser through the atmosphere at ranges greater than 100 miles. The Space Based Laser, in contrast, transmits its bean from space to around 35,000 feet in altitude, or above the cloud tops.

The House Defense Authorization Bill left $32 million for space-based missile defenses including the Space Based Laser and any restart of the Space Based interceptor or Brilliant Pebbles where the administration requests $165 million for the Space Based Laser. Funding levels for the Space Based Laser have been around $130 million.

I vigorously protest this senseless abasement of our best missile defense programs. The United States is spending $40 billion to respond to the terrorist attacks against the World Trade Center and Pentagon. The price of a ballistic missile attack and the policy of deliberately leaving ourselves vulnerable, as embodied in the House Defense Authorization Bill, may be immeasurable.

I therefore urge this body, at the first and next opportunity to advocate not only the full and immediate restoration of the $400 million cut by Congress, but to increase funding for space-based defenses, along with their necessary technological support and development.

IN HONOR OF THE 100TH ANNIVERSARY OF THE SISTERS OF ST. JOSEPH

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 2001

Mr. KUCINICH. Mr. Speaker, I rise today in honor of the 100th Anniversary of the founding of the Sisters of St. Joseph of the Third Order of St. Francis.

The Sisters have a long history of dedication to people of Northeast Ohio. Over the years, the sisters served in seventeen schools in Ohio, providing for a strong education and solid virtue and morale to thousands of students.

The congregation was originally founded in Wisconsin in 1901 to educate Polish immigrants who were settling in the Midwest. Forty-six Sisters comprised the original congregation that had grown to over 183 members in 1908, serving twenty-three parish schools in Illinois, Wisconsin, Indiana, and Ohio.

The ministry of the Sisters expanded greatly from its original focus on educating grade school children to include high school teaching, hospital care, special education, food pantries, missionary work, geriatric care, spiritual guidance and counseling, university professorships, pastoral care, and more. Their guidance and inspiration has touched thousands of people throughout the entire Midwest, and their caring missions stand strong today. While their mission and programs continue to expand, the Sisters of St. Joseph of the Third Order of St. Francis have not altered their founding spirit—seeking to serve the minores, the little people who often fall through the cracks of society.

Mr. Speaker, please join me in celebrating and honoring the 100th Anniversary of the Sisters of St. Joseph of the Third Order of St. Francis. The Sisters have remained a strong force in our community, and will continue to touch the hearts and souls of many in the years to come.

IN RECOGNITION OF THE CITY OF LA CAÑADA FLINTRIDGE

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 2001

Mr. SCHIFF. Mr. Speaker, I rise today to honor the Southern California community of La

Cañada Flintridge. On December 8, the city will celebrate its 25th year of cityhood.

In 1843, in the wake of the Mexican Revolution, Ignacio Coronel, a Mexican schoolteacher from Los Angeles, was granted a valley named ''Rancho La Cañada.'' Later, U.S. Senator Frank Flint divided 1,700 acres south of modern-day Foothill Boulevard into large lots and called his subdivision ''Flintridge.'' Eventually, the valley came to be known as ''La Cañada Flintridge,'' as it is called today.

La Cañada Flintridge experienced its most rapid growth during the 20th Century. A diverse and resourceful collection of farmers, professionals, intellectuals, and ranchers toiled to develop a prosperous city. To this day La Cañada Flintridge reflects their hard work. It is a city with extensive cultural resources and an educated population that has never abandoned the vision of its founders of successful small-town life.

La Cañada Flintridge is a bustling suburb with several important landmarks. The most recognizable institution in La Cañada Flintridge is the Jet Propulsion Laboratory, the world's leading center for robotic exploration of the solar system, which is managed for NASA by the California Institute of Technology. La Cañada Flintridge is also home to Descanso Gardens, a 165-acre botanical garden famous throughout the nation. The city also provides its citizens a full range of vital services and an excellent education in an independent school district.

On this 25th anniversary of the incorporation of La Cañada Flintridge, I offer my sincere congratulations to the city and its residents. La Cañada Flintridge exemplifies the American dream of a diverse coalition of individuals and families working together to secure business success, a high quality of life, and the friendliness and cooperation that is a hallmark of America's small-town suburbs.

RECOGNIZE THE STUDENT BODY OF SAVANNAH HIGH SCHOOL

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 2001

Mr. GRAVES. Mr. Speaker, I rise today to recognize the Student Body of Savannah High School for their work and sacrifice in honor of all the people who both survived and who list their lives in the terrorist attacks on September 11, 2001, their families and their friends.

These terrorist attacks mark a solemn moment in America's history. American men and women, civilians and soldiers, firefighters and police, mothers and father, were slain for a cause so terrible, so heinous, and so despicable that we find it unimaginable and indescribable. United, Americans seek to find meaning and hope in a seemingly hopeless and meaningless act. In the days since these terrible terrorist attacks, America has been shoulder-to-shoulder in a struggle to meet the challenges of a world that is a little less safe, a little scarier, and far less predictable. The efforts of young people like the Student Body of Savannah High School signify the commitment and concern of Americans everywhere. Our nation's strength does not lie in her military might but rather in the collective compassion of its people.

Since the September 11th terrorist attacks, the Student Body and Faculty of Savannah High School contributed more than $1,400 and raised more than $5,300 for the American Red Cross and Salvation Army to assist the grieving families and rescue workers. The patriotism and persistence of the Student Body of Savannah High School is a lasting memorial to the thousands of victims who perished in New York, Washington, and Pennsylvania.

Through the days, weeks, and months ahead, all Americans must come together and do what they can to assist the nation's war effort. Whether it is giving blood, sending donations, praying for the thousands of grieving families, or simply saying thanks to the brave men and women who put their lives on the line each and every day so that we may be free, it is important that the American people are vigilant in their efforts to overcome this evil. Though our nation has witnessed unspeakable horror, America's virtues, determination, and faith continues to shine brightly on the world.

I am confident that the United States will seek out those that harbor hatred, terror, and depravity in their hearts; and we will defeat them. This is a war that we must, can, and will win. May God bless the families and children grieving across this great nation and may God bless America.

CELEBRATING HEAR O' ISRAEL AND THE LISTEN TO THE CRIES OF THE CHILDREN NATIONAL CAMPAIGN 2001

HON. GENE GREEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 2001

Mr. GREEN of Texas. Mr. Speaker, I rise to celebrate Hear O' Israel, which is sponsoring the Listen to the Cries of the Children National Campaign 2001. Hear O' Israel International, Inc. developed the campaign to strengthen the unity of families and enhance public awareness of the negative effects that alcohol and drug abuse, family violence, child abuse, and gang activity have on children and their families across Houston.

In October, Hear O' Israel will be celebrating the grand opening of their National Campaign Headquarters in Houston, Texas. I ask my colleagues to join me in congratulating Hear O' Israel.

Mr. Speaker, on February 22, 2001, Houston Mayor Lee P. Brown and the Houston City Council approved the following resolution:

A RESOLUTION: ''LISTEN TO THE CRIES OF THE CHILDREN''

A non-profit non-denominational organization, Hear O' Israel International Inc., developed its ''Listen to the Cries of the Children'' national campaign to strengthen the unity of families and enhance public awareness of the negative side effects that alcohol and drug abuse, family violence, child abuse, and gang activity have on children and their families. The campaign has heard the cries of the children and parents, young and old, and the veterans who are crying out due to neglect, physical challenges; broken homes; and or lack of adequate food, shelter, clothing, health care, or education. The ''Listen to the Cries of the Children'' National Campaign 2001 will promote ''. . . wisdom, knowledge, understanding, and forgiveness that will break the suffering out of their prisons, visible or invisible.''

As part of its ongoing effort to help the suffering, Hear O' Israel International, Inc., has conducted community oriented programs, campaigning with former gang members who were shot and, after becoming quadriplegic, are presenting themselves as physical evidence to reinforce the negative consequences of gang involvement and experimenting with drugs and alcohol.

As part of this year's campaign, Hear O' Israel International, Inc., will call for sixty seconds of positive communication between children and adults, in an effort to bridge cultural boundaries and unify a response to listen to the cries of the children. The campaign will also call for a ''stop to violence and a response to mercy, love and compassion for our fellow man; turning the hearts of the fathers to the children and the hearts of the children towards the fathers; linking and strengthening the connection that should be present between every parent, child, American, and citizen of the worldwide.''

The Mayor and City Council of the City of Houston do hereby salute Hear O' Israel International Inc., for its efforts to improve and enhance the quality of life for children, and extend best wishes for continued success.

Approved by the Mayor and City Council of the City of Houston this 22nd day of February 2001.

MEMORIAL TO H. NORMAN JOHNSON, SAN BERNARDINO CIVIC LEADER

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 2001

Mr. LEWIS of California. Mr. Speaker, I would like today to pay tribute to H. Norman Johnson, a lifelong civic leader in my hometown of San Bernardino, California. Mr. Johnson, who was the owner and operator of Fourth Street Rock Crusher in San Bernardino, died on September 19 at the age of 73.

Norm Johnson was the old-fashioned kind of civic leader, one who was deeply involved in his community because he loved it and wanted to make it a better place. He never held public office, but could always be counted on to work as a volunteer in the service of San Bernardino. He helped convince voters to pass an improvement tax that has made our streets safe, headed up a drive to provide underprivileged children with dental care and even campaigned to save the historic whistle at the local Santa Fe Railway depot yard.

Much of what Norm Johnson did came with no publicity. He donated all of the concrete for an addition to the local Lighthouse for the Blind, and made a similar donation for an addition to Santa Claus Inc., a local charity. Most of the Little League dugouts in the Inland Empire were provided and poured at no expense

by Fourth Street Rock Crusher—and many of those teams were sponsored by the company, as well. When Yucaipa High School needed new volleyball courts, 200 tons of materials were donated by Norm Johnson and his company. When any church called, materials were supplied and delivered at no expense.

Norm Johnson worked closely with local schools long before it became fashionable for companies to ''sponsor'' a school. He ensured local libraries stayed in business. When San Bernardino Unified School District opened the new Arroyo Valley High School in August, Mr. Johnson advanced the city the funds needed to complete street improvements around the school.

A graduate of my alma mater, San Bernardino High, Mr. Johnson went to the University of Arizona to study business and engineering. He returned to take over Fourth Street Rock Crusher when his father became ill, and was in the office nearly every day since. His employees remember him as a tough, solid man who was unswerving in his loyalty to his company family. City officials will remember him for his insistence that they must meet his standards in supporting San Bernardino. Please join me in expressing our condolences to his wife, Merrily, and three daughters: Christi Bulot, JayAnn Stanley and Debra Ann Borden, and in praising Norm Johnson's dedication to his city and community.

CONGRESSIONAL TRIBUTE TO GENERAL HENRY H. SHELTON, CHAIRMAN OF THE JOINT CHIEFS OF STAFF

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 2001

Mr. SKELTON. Mr. Speaker, General Henry H. Shelton became the fourteenth Chairman of the Joint Chiefs of Staff on October 1, 1997, and was reconfirmed by the Senate for a second 2-year term in 1999. In this capacity, he serves as the principal military adviser to the President, the Secretary of Defense, and the National Security Council. Prior to becoming Chairman, he served as Commander in Chief of the U.S. Special Operations Command.

Born in Tarboro, North Carolina in January 1942, General Shelton earned a Bachelor of Science degree from North Carolina State University and a Master of Science degree from Auburn University. His military education includes attendance at the Air Command and Staff College in Montgomery, Alabama and at the National War College at Ft. McNair, Washington, D.C.

Commissioned a second lieutenant in the Infantry in 1963 through the Reserve Officer Training Corps, General Shelton spent the next 24 years in a variety of command and staff positions in the continental United States, Hawaii, and Vietnam. He served two tours in Vietnam—the first with the 5th Special Forces Group, the second with the 173d Airborne Brigade. He also commanded the 3d Battalion, 60th Infantry in the 9th Infantry division at Fort Lewis, Washington; served as the 9th Infantry Division's assistant chief of staff for operations; commanded the 1st Brigade of the 82d Airborne Division at Fort Bragg, North Carolina; and served as the Chief of Staff of the 10th Mountain Division at Fort Drum, New York.

Following selection for brigadier general in 1987, General Shelton served 2 years in the Operations Directorate of the Joint Staff. In 1989, he began a 2-year assignment as Assistant Division Commander for Operations of the 101st Airborne Division (Air Assault), a tour that included the Division's 7-month deployment to Saudi Arabia for Operations DESERT SHIELD and DESERT STORM. Upon returning from the Gulf War, General Shelton was promoted to major general and assigned to Fort Bragg, North Carolina, where he commanded the 82d Airborne Division. In 1993, he was promoted to lieutenant general and assumed command of the XVIII Airborne Corps. In 1994, while serving as corps commander, General Shelton commanded the Joint Task Force that conducted Operation UPHOLD DEMOCRACY in Haiti. In March 1996, he was promoted to general and became Commander in Chief of the US Special Operations Command.

In his 4 years as Chairman of the Joint Chiefs of Staff, General Shelton worked tirelessly to improve the quality of life for military members and their families. He championed numerous initiatives including the largest across-the-board pay raise for the military in 18 years—helping to narrow the civilian-military ''pay gap.'' His push for pay table reform targeted greater increases for mid-grade noncommissioned officers, and his retirement reform package reinstated benefits for those entering service after 1986. Furthermore, thanks to his dedication and support, an enhanced housing allowance was implemented to gradually eliminate out of pocket expenses for service members living off post. Finally, the Chairman was a strong advocate of the effort to reform medical health care, to make medical care more responsive—to include military retirees over 65.

The Chairman made great strides to improve the readiness of the US military by articulating a regiment for increased defense spending. As a result, the Department of Defense realized a $112 billion increase in defense spending over the 5-year defense plan to arrest declining readiness rates. He additionally implemented new processes to carefully manage high demand/low density resources in support of the National Security Strategy.

The Chairman and his staff published *Joint Vision 2020* to establish goals and the metrics for the future joint force, and he established U.S. Joint Forces Command as the proponent for Joint Experimentation and Joint Force readiness. He established Joint Task Force-Civil support to increase the military's ability to respond to crises in the US homeland and established Joint Task Force-Computer Network Operations to enhance protection of US information networks. General Shelton directed numerous initiatives designed to improve the interoperability of the four Services including a Joint Warfighting Logistics Initiative, development of a Global Information Grid, revision of all Joint Professional Military Education Programs and an enhancement on the joint warfighting focus of the Joint Requirements Oversight Council.

General Shelton's awards and decorations include the Defense Distinguished Service Medal (with 2 oak leaf clusters), Distinguished Service Medal, Legion of Merit (with oak leaf cluster), Bronze Star Medal with V device (with 3 oak leaf clusters), and the Purple Heart. He has also been awarded the Combat Infantryman Badge, Joint Chiefs of Staff (Identification Badge, Master Parachutist Badge, Pathfinder Badge, Air Assault Badge, Military Freefall Badge, and Special Forces and Ranger Tabs and numerous foreign awards and badges.

General Shelton is married to the former Carolyn L. Johnson of Speed, North Carolina. Mrs. Shelton has been actively involved with service issues and support to military families throughout General Shelton's career. The General and Mrs. Shelton have three sons; Jonathan, a Special Agent in the US Secret Service; Jeffrey, a US Army Special Operations soldier, and Mark, their youngest son.

General Shelton represented the US military with great distinction for the past four years as its senior military officer. He participated in policy-making at the highest levels of government but never lost the common touch with our men and women in uniform. General Shelton will indeed be remembered as a soldiers' soldier and a quiet professional.

TRIBUTE TO SARA LYNN STERLING, KRISTEN ROBINSON, AND JORDON SMITH OF LIBERTY HIGH SCHOOL

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 2001

Mr. GRAVES. Mr. Speaker, I rise today to recognize Sara Lynn Sterling, Kristen Robinson, and Jordan Smith of Liberty High School for their work in honor of all the people who both survived and who lost their lives in the terrorist attacks on September 11th, 2001, their families and their friends.

These terrorist attacks marks a solemn moment in America's history. American men and women, civilians and soldiers, firefighters and police, mothers and fathers, were slain for a cause so terrible, so heinous, and so despicable that we find it unimaginable and indescribable. United, Americans seek to find meaning and hope in a seemingly hopeless and meaningless act. In the days since these terrible terrorist attacks, America has been shoulder-to-shoulder in a struggle to meet the challenges of a world that is a little less safe, a little scarier, and far less predictable. The efforts of young people like Sara Lynn Sterling, Kristen Robinson, and Jordan Smith of Liberty High School signify the commitment and concern of Americans everywhere. Our nation's strength does not lie in her military might but rather in the collective compassion of its people.

Since the September 11th, terrorist attacks, Sara Lynn Sterling, Kristen Robinson, and Jordan Smith of Liberty High School have been

decorating their fellow classmates jeans in lieu of donations for the grieving families and rescue workers. The patriotism and persistence of Sara Lynn Sterling, Kristen Robinson, and Jordan Smith of Liberty High School is a lasting memorial to the thousands of victims who perished in New York, Washington, and Pennsylvania.

Through the days, weeks, and months ahead, all Americans must come together and do what they can to assist the nation's war effort. Whether it is giving blood, sending donations, praying for the thousands of grieving families, or simplify saying thanks to the brave men and women who put their lives on the line each and every day so that we may be free, it is important that the American people are vigilant in their efforts to overcome this evil. Though our nation has witnessed unspeakable horror, America's virtues, determination, and faith continues to shine brightly on the world.

I am confident that the United States will seek out those that harbor hatred, terror, and depravity in their hearts; and we will defeat them. This is a war that we must, can, and will win. May God bless the families and children grieving across this great nation and may God bless America.

HONORING THE 50TH ANNIVERSARY OF HOLMES RUN ACRES

HON. TOM DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 2001

Mr. TOM DAVIS of Virginia. Mr. Speaker, I rise today to honor a community in Fairfax County, Holmes Run Acres, on its 50th Anniversary. This neighborhood has been providing families with the best Falls Church, Virginia has to offer for many years and is well-positioned to continue to do so in the future.

Holmes Run Acres was designed with unique contemporary architecture to save trees and blend into the Virginia countryside. When the neighborhood was in its early stages, Fairfax County was a rural area. In 1951, the county was impacted by the post-World War II development. The residents of Holmes Run Acres decided this was time to form a Civic Association, and a year later they published "The Holmes Runner," a community newsletter.

Today, they still rely on their Civic Association meetings and publications, but, in keeping with technology trends, they have their information posted on the World Wide Web. These factors promote unifying, community-wide communications network.

Holmes Run Acres built the first community swimming pool in Fairfax County. Volunteers from the neighborhood worked with the Fairfax County Park Authority to turn an old dump site into the first neighborhood park in the County. The Civic Association encourages its residents to initiate and participate in activities that bring the community together, such as house and garden tours, art shows, classes and family gatherings.

The residents of Holmes Run Acres are always available to lend a hand with many community activities, including those events that are county-wide. During the 1960s their well-established Civic Association helped create an association for a newly formed neighboring community. During the holidays, Holmes Run's children run a gift drive for needy children outside of their immediate area.

The recent publication of the third installment of "Holmes Run Acres: The Story of a Community" proves that this community is going strong year after year. The publication provides background on the community's history and residents, as well as local history and plans for future improvements.

Mr. Speaker, in closing, I want to thank Holmes Run Acres for all it has provided to the community. They will be celebrating on Saturday, October 6, 2001, and they will also have another event in the spring. I hope that all of my colleagues will join me in congratulating them on 50 years of service and wishing them the best in the years to come.

SOCIAL SECURITY

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 2001

Mr. DUNCAN. Mr. Speaker, I rise today to introduce legislation which will correct a great injustice being endured by many widows and widowers throughout this Nation. Current Social Security law requires that those who have lost spouses surrender their survivor benefits when entering into a new marriage. Many of those who have lost spouses count these benefits as their only source of income and rely upon them for continuing their daily lives. to force these men and women to abandon survivor funds simply because they enter into a marriage after their spouse's death is outrageous.

This measure would be of very modest expense to the government, and the costs incurred are certainly justified by the positive results derived from the correction of this oversight. Senior citizens, a sector of our society often plagued by low incomes and tight budgets, would be the primary beneficiaries of this legislation, and we owe it to these citizens to provide them with every possible avenue to enjoy a proper standard of living.

Mr. Speaker, this bill would ensure that those who enter into a new, long-lasting marriage are not punished simply for finding another loving spouse. It is fiscally sound and morally correct. I thank you and urge my colleagues to support this important legislation.

TRIBUTE TO MISSOURI AIR GUARD'S 139TH AIRLIFT WING

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 2001

Mr. GRAVES. Mr. Speaker, I rise today to recognize the Missouri Air Guard's 139th Airlift Wing for its work and sacrifice in honor of all the people who both survived and who lost their lives in the terrorist attacks on September 11th, 2001, their families and their friends.

These terrorist attacks mark a solemn moment in America's history. American men and women, civilians and soldiers, firefighters and police, mothers and fathers, were slain for a cause so terrible, so heinous, and so despicable that we find it unimaginable and indescribable. United, Americans seek to find meaning and hope in a seemingly hopeless and meaningless act. In the days since these terrible terrorist attacks, America has been shoulder-to-shoulder in a struggle to meet the challenges of a world that is a little less safe, a little scarier, and far less predictable. The efforts of organizations like the 139th Airlift Wing signify the commitment and concern of Americans everywhere. Our nation's strength does not lie in her military might but rather in the collective compassion of its people.

Since the September 11th terrorist attacks, the 139th Airlift Wing flew to McGuire Air Force base in New Jersey to bring back Missouri's Task Force One whose 65 volunteers had spent more than a week at Ground Zero in an effort to support the search and rescue effort. The patriotism and persistence of the 139th Airlift Wing is a lasting memorial to the thousands of victims who perished in New York, Washington, and Pennsylvania.

Through the days, weeks, and months ahead, all Americans must come together and do what they can to assist the nation's war effort. Whether it is giving blood, sending donations, praying for the thousands of grieving families, or simply saying thanks to the brave men and women who put their lives on the line each and every day so that we may be free, it is important that the American people are vigilant in their efforts to overcome this evil. Though our nation has witnessed unspeakable horror, America's virtues, determination, and faith continues to shine brightly on the world.

I am confident that the United States will seek out those that harbor hatred, terror, and depravity in their hearts; and we will defeat them. This is a war that we must, can, and will win. May God bless the families and children grieving across this great nation and may God bless America.

COMMENDATION OF COAST GUARD

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 2001

Mr. ORTIZ. Mr. Speaker, I rise today to commend the men and women of the United States Coast Guard who have come to the rescue of South Texas communities of South Padre Island, Port Isabel and Brownsville.

Very early Saturday morning, Sept 15th, the Queen Isabella Causeway, the bridge that connects South Padre Island to the mainland was hit by a barge, resulting in sections of the bridge falling into the Gulf Intracoastal Waterway. Nine cars crashed into the water of the Laguna Madre, rocking the community with the fear that terrorists had struck in South Texas since it occurred the weekend following the World Trade Center and Pentagon attacks.

The Coast Guard Group of Corpus Christi, South Padre Island and the Marine Safety Office arrived at once and worked tirelessly—around the clock—to recover the victims, and retrieve the vehicles and debris from the water in the canal so commercial traffic could move again through the canal.

No one was surprised by the instant response from our Coasties. They are amazing people. They began as soon as the tragedy was reported and worked with our local and state officials in providing further protection and emergency assistance for citizens in the area. They worked tirelessly around the clock.

They brought assets to the Valley from the Coast Guard, Corpus Christi Group to help with search and recovery. They were focused on recovering victims. They are well-trained and ready to perform brilliantly in a time of crisis like the bridge collapse.

The Coast Guard provided tremendous support to the local and state officials, which was a huge logistical chore. They helped ensure the re-opening of the canal so the Rio Grande Valley would receive fuel supplies, food and other necessities, which arrive via the Intracoastal canal, closed to such traffic while the recovery is in progress.

One of the most satisfying things about watching these men and women do the work that they do is understanding the love they have for their job. They simply love what they do, and they are very good at it.

While we always appreciate the good work of the Coast Guard in South Texas and around our nation, we particularly want to thank them today for the hard work they did when they came to the rescue when our community needed them.

The Coast Guard has a wide range of responsibilities . . . in peacetime, they are law enforcement; in times of war, they are soldiers. Right now they are working extended hours to carry out a host of responsibilities: search and rescue, enforcing our fisheries regulations, enforcing boating regulations, drug interdiction and other national security missions.

I ask my colleagues to join me today in commending these great Americans for their dedicated service to South Texas and our nation.

RECOGNITION OF MRS. SALLY FULTON RESTON'S DEATH

HON. HILDA L. SOLIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 2001

Ms. SOLIS. Mr. Speaker, I rise to recognize the death of a notable civil rights leader and an extraordinary person.

Mrs. Sally Fulton Reston made numerous contributions to our community and led an exemplary life. As a civil rights advocate, she dedicated much of her efforts towards seeking equality for disenfranchised communities. She served as a Board Member for the Mexican American Legal Defense and Education Fund, MALDEF, for seven years and also served as the second Vice Chair for the Board for a year. MALDEF protects and promotes the civil rights of Latinos living in the United States through sound public policies, laws and programs. Mrs. Reston's efforts and contributions earned her MALDEF's highest award, The Valerie Kantor Award. The Valerie Kantor Award is the highest honor presented to those who have served MALDEF and the Latino community.

Mrs. Sally Reston was also a renowed journalist. From 1968 to 1988, she was the co-publisher of the Vineyard Gazette. Furthermore, she also worked for The Junior League Magazine, Mademoiselle Magazine, Readers Digest in London, as well as the New York Times. Ms. Reston also enjoyed the simple things of life. She enjoyed photography, developing and printing her own work and had a great affection for the piano.

I am saddened by the loss of such a fine member of our community. I extend my sincerest condolences to the Reston family, as we all mourn the loss of a true civil rights leader and an exceptional person.

HONORING VIOLA S. MARTINEZ

HON. HENRY BONILLA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 2001

Mr. BONILLA. Mr. Speaker, I rise today to honor Mrs. Viola S. Martinez of Laredo, Texas on the occasion of her 70th birthday on October 4, 2001. Viola has been an outstanding member of my team since I ran for Congress in 1992.

While her family is native to Texas, Viola was born in Dearborn, Michigan in 1931. Viola returned to Laredo as a young girl and received her education there. Family plays a large role in Viola's life. Viola and her husband recently celebrated 50 years of marriage. Viola and Ernesto are also proud parents of three children, Ernesto J. Martinez Jr., Sara Martinez Tucker and Rosie Stevens.

Viola is the heart and soul of Laredo. Folks in this booming border city know that if you need something done, go to Viola. Whether it is assisting a veteran with benefits or helping a young family find the proper tax form, Viola goes the extra mile for each constituent.

Viola is one of those rare people who can successfully accomplish many work-related tasks while still finding time to volunteer in professional and community groups. Viola's dedicated service to the Laredo community reminds us of all that is good in America. Viola is truly a shining example for all citizens.

It has been a great pleasure to work with Viola for these nine years and I look forward to many more to come. Mr. Speaker, I urge my colleagues to join me in wishing Mrs. Viola Martinez a very Happy Birthday!

ALBANY FIRST CHRISTIAN CHURCH

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 2001

Mr. GRAVES. Mr. Speaker, I rise today to recognize Albany First Christian Church for its work and sacrifice in honor of all the people who both survived and who lost their lives in the terrorist attacks on September 11th, 2001, their families and their friends.

These terrorist attacks mark a solemn moment in America's history. American men and women, civilians and soldiers, firefighters and police, mothers and fathers, were slain for a cause so terrible, so heinous, and so despicable that we find it unimaginable and indescribable. United, Americans seek to find meaning and hope in a seemingly hopeless and meaningless act. In the days since these terrible terrorist attacks, America has been shoulder-to-shoulder in a struggle to meet the challenges of a world that is a little less safe, a little scarier, and far less predictable. The efforts of churches like Albany First Christian Church signify the commitment and concern of Americans everywhere. Our nation's strength does not lie in her military might but rather in the collective compassion of its people.

Since the September 11th terrorist attacks, the Albany First Christian Church has collected relief supplies from the congregation and community to assist grieving families and rescue workers. The patriotism and persistence of the Albany First Christian Church is a lasting memorial to the thousands of victims who perished in New York, Washington, and Pennsylvania.

Through the days, weeks, and months ahead, all Americans must come together and do what they can to assist the nation's war effort. Whether it is giving blood, sending donations, praying for the thousand of grieving families, or simply saying thanks to the brave men and women who put their lives on the line each and every day so that we may be free, it is important that the American people are vigilant in their efforts to overcome this evil. Though our nation has witnesses unspeakable horror. America's virtues, determination, and faith continues to shine brightly on the world.

I am confident that the United States will seek out those that harbor hatred, terror, and depravity in their hearts; and we will defeat them. This is a war that we must, can, and will win. May God bless the families and children grieving across this great nation and may God bless America.

OREGON AND CONSERVATION EASEMENTS

HON. EARL BLUMENAUER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 2001

Mr. BLUMENAUER. Mr. Speaker, Oregon has a system unique to the nation in protecting its farmland. Other states have utilized conservation easements to preserve farmland. Oregon has used a comprehensive land use system though with a record of stunning success. According to Oregon's Department of Land Conservation and Development, the state has 16 million acres zoned for Exclusive Farm Use (EFU). This is in stark contrast to the 800,000 acres protected acres nationwide. That number is less than what we protect in the northern Willamette Valley alone, which is also our most populous area.

Conservation easements—the purchase of development rights—are what other states use to protect farmland rather than the zoning approach that Oregon uses. However, leaders in protecting Oregon's farmland are in agreement that no one tool alone does the job of protecting farmland. In addition to the state's zoning system, conservation easements would be appropriate in Oregon in selected locations. They would serve as a complement to, not a replacement for, the zoning administered by the Land Conservation and Development Commission.

The primary reason Oregon has not used federal Farmland Protection Program (FPP) monies in the past is that our state was initially ineligible, but given recent changes to the program we now have the opportunity to participate. Another reason was that within our state it was thought that our land use system already served the need. However, there is increased awareness that zoning needs to be supplemented with voluntary incentives for land conservation.

This awareness has been increased by the passage last fall of Oregon ballot initiative, Measure 7. It amends Oregon's Constitution to provide that any property owner whose real property is reduced in value by government regulation must be paid compensation by the government for the lost value. While this measure is still in litigation, if it goes into effect, landowners could begin to make claims for compensation. Access to federal FPP funds would provide Oregon farmers the flexibility to accept conservation payments in lieu of other forms of compensation.

I very much appreciate the assurances that Natural Resources Conservation Services have provided me of their willingness to work with Oregon, as they are with any other state that has a unique situation, in utilizing the Farmland Protection Program. Oregon is eager to be a full participant in FPP. Increasing federal funding for this program and ensuring its accessibility for a variety of land conservation uses is key to its success in Oregon and other states.

HAPPY BIRTHDAY TO THE REPUBLIC OF CHINA

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 2001

Mr. BURTON of Indiana. Mr. Speaker, I rise today to salute President Chen Shui-bian on the occasion of Taiwan's forthcoming National Day. As a birthday present to Taiwan, I believe all of us should support Taiwan's bid to re-enter the United Nations. After the admission of Tuvalu to the United Nations in 2000, the Republic of China on Taiwan is the only aspiring country that remains excluded from the United Nations. Taiwan has every right to be a member of the United Nations. Taiwan has a dynamic economy that is the envy of much of the world. Taiwan is the world's 17th largest economy and holds approximately $100 billion in foreign exchange reserves. Politically, Taiwan is one of the freest nations. It has a democratically elected head of state and holds free elections at all levels. Taiwan's citizens enjoy full human rights and press freedom. By any measurable standard, Taiwan is an economic powerhouse and a beacon of democracy. Taiwan's twenty-three million citizens need a voice in the United Nations. By excluding Taiwan, the United Nations is violating its own principle of universality. The Republic of China on Taiwan has much to contribute to the work and funding of the United Nations and other international organizations. I urge my colleagues to give their support to Taiwan's campaign to return to the United Nations and other international organizations. I also wish to add that Taiwan was shocked and devastated by the events of September 11th. Taiwan shares with us the belief that those terrorist acts are reprehensible and must be condemned. Taiwan grieves with America whose homeland was attacked by shameless terrorists. An attack on America means an attack on Taiwan; it means an attack on democracy and our way of life. Taiwan is ready to help us combat terrorism anywhere and everywhere. Happy Birthday Taiwan!

TRIBUTE TO ALYSIA C. BASMAJIAN

HON. ERIC CANTOR

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 2001

Mr. CANTOR. Mr. Speaker, I would like to take the opportunity today to pay tribute to Alysia C. Basmajian.

Alysia Basmajian was twenty-three years of age. She was a graduate of Godwin High School and the College of William and Mary, and was just beginning her career as an accountant at the World Trade Center.

Alysia's life was brutally taken from her by the hand of terrorists—radical extremists who are seeking to destroy the ideas embodied by America and her people. Alysia was a symbol of the American dream—working hard for herself, her family and her country.

Henrico, and the entire Richmond area, has experienced a great loss. Our entire community mourns along with Alysia Basmajian's parents and family. Our thoughts and prayers are with her husband and two-year-old daughter.

On Tuesday, September 11, 2001, a precious life was ripped from our midst.

Alysia Basmajian represented the bright future of America. Working in the world's economic capital, Alysia was a hard worker and a true leader.

On September 11, Alysia Basmajian reported to work in the World Trade Center in New York City. Alysia began her day conducting the nation's business, when terror struck, taking her life and thousands of others. Because Alysia represented American freedom, she was attacked.

We owe Alysia Basmajian for paying the price of freedom with her life, and we will always remember her sacrifice. Let us honor her memory.

TRIBUTE TO COMMUNITY BLOOD CENTER

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 2001

Mr. GRAVES. Mr. Speaker, I rise today to recognize the Community Blood Center for its work and sacrifice in honor of all the people who both survived and who lost their lives in the terrorist attacks on September 11, 2001, their families and their friends.

These terrorist attacks mark a solemn moment in America's history. American men and women, civilians and soldiers, firefighters and police, mothers and fathers, were slain for a cause so terrible, so heinous, and so despicable that we find it unimaginable and indescribable. United, Americans seek to find meaning and hope in a seemingly hopeless and meaningless act. In the days since these terrible terrorist attacks, America has been should-to-shoulder in a struggle to meet the challenges of a world that is a little less safe, a little scarier, and far less predictable. The efforts of organizations like the Community Blood Center signify the commitment and concern of Americans everywhere. Our Nation's strength does not lie in her military might but rather in the collective compassion of its people.

Since the September 11th terrorist attacks, the Community Blood Center has assisted in blood drives and blood donations to support the nationwide relief effort to provide for the injured survivors. The patriotism and persistence of the Community Blood Center is a lasting memorial to the thousands of victims who perished in New York, Washington, and Pennsylvania.

Through the days, weeks, and months ahead, all Americans must come together and do what they can to assist the Nation's war effort. Whether it is giving blood, sending donations, praying for the thousands of grieving families, or simply saying thanks to the brave men and women who put their lives on the line each and every day so that we may be free, it is important that the American people are vigilant in their efforts to overcome this evil. Though our Nation has witnessed unspeakable horror, America's virtues, determination, and faith continues to shine brightly on the world.

I am confident that the United States will seek out those that harbor hatred, terror, and depravity in their hearts; and we will defeat them. This is a war that we must, can, and will win. May God bless the families and children grieving across this great Nation and may God bless America.

UNITED WE STAND

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 2001

Mr. HALL of Ohio. Mr. Speaker, following the tragic terrorist attack on our Nation September 11, Americans have responded with an

enormous outpouring of generosity and patriotism. I am proud to call to the attention of my House colleagues one effort within my Congressional District.

At a ceremony in Dayton, Ohio, on October 5, Jeff Cottrell, Ron Witters, and Dana Applegate will present the American Red Cross Disaster Fund a check for $1 million generated by sales of patriotic T-shirts and sweatshirts celebrating the irrepressible American spirit. Cottrell, Witters, and Applegate operate Screen Works Inc. in the Dayton suburb of Vandalia, Ohio, which manufactures the shirts.

The shirts depict a bold image of the Statue of Liberty and an American eagle with outstretched wings of red, white, and blue, and proclaim, ''United We Stand.''

The image was designed only hours after the World Trade Center and Pentagon disasters. Within three weeks, the company's Web site registered 130,000 hits. Orders have come from all over the United States and around the world.

Much of the work producing the shirts came from volunteers. All profits go to help with the relief effort for the September 11 victims and their families.

The success of this fund-raising effort is a tribute not only to the citizens of the Dayton area but to the people throughout our great Nation who have declared their resolve that, even in these dark moments, America will stand united.

TRIBUTE TO THOSE WHO ASSISTED IN THE RELIEF EFFORT AT THE PENTAGON

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 2001

Mr. WOLF. Mr. Speaker, in the wake of the tragic terrorist attacks on the United States, we have witnessed an outpouring of generosity throughout the nation—be it monetary donations to the local volunteer fire department, blood donations to the Red Cross or time donations to any number of volunteer organizations assisting in the relief operations at both the Pentagon and the World Trade towers.

In the midst of the human evil and premeditated acts of death and destruction which marked Tuesday, September 11, it was easy to become disheartened. But out of the rubble, time and again, fellow Americans have risen to the occasion, offering a helping hand, a warm meal or a simple smile, thereby restoring our faith in humanity. These acts of service often go unnoticed and unrecognized, but not unappreciated.

The Pentagon, just a few miles from the nation's capital, was a hotbed of volunteer activity. Americans from all over the country put busy lives on hold, taking leave from their jobs and responsibilities at home, some using cherished annual vacation leave, to reach out to fellow citizens. Touring the Pentagon's south parking lot last week, you might find the North Carolina Baptist Men's Association faithfully serving day in and day out, or a church group from Louisiana which had driven through the night only to cook large kettle pots of jambalaya. And of course there were two organizations, which have become a mainstay at disaster sights throughout the country, the American Red Cross and the Salvation Army. All of these groups, many of them faith based, were instrumental both in the tangible parts of the relief operation, which included blood drives and food preparation, and in the intangible parts, like lifting the spirits of weary rescue workers.

Another organization which was a pivotal part of the relief effort at the Pentagon was Christ in Action, based out of Manassas, Virginia, which is part of Virginia's 10th Congressional district. It is a nonprofit organization which was founded in January 1982 by Dr. Denny and Sandy Nissley.

Christ in Action prepared and served a remarkable 3,000 to 5,000 meals each day. In the twilight hours of the evening and the hours before sunrise, they and their team of volunteers diligently prepared up to 500 breakfasts to be ready by 5 a.m., for distribution to various areas of the Pentagon where workers could not leave their posts. Between 5–9 a.m., they served another 1,000 to 1,500 breakfasts. And that was just one meal cycle.

Christ in Action's tent was designated the ''official'' meal place for the entire relief effort by an office of the Joint Chiefs of Staff.

The relief workers that were permitted to leave their sites often retreated to the Christ in Action tent as a treasured respite from the arduous task before them. Located just 200 feet from the crash site, the tent was near the intersection of two newly created ''streets'' in this impromptu tent city, American Way and Freedom Lane. A large American flag hung behind the stage in the tent, from which various military bands performed during the lunch hour each day, and cards and letters from students and children around the country were gathered in boxes at the foot of the stage, to be read by workers in need of some encouragement during the course of the day.

In this time of need, Christ in Action found strength in its unyielding faith, and has displayed an outpouring of love and warmth to countless relief workers from across the country. Christ in Action answered a call to service before the call was even sounded and in doing so gave us a glimpse of the spirit which will carry our nation through this trying time.

PERSONAL EXPLANATION

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 4, 2001

Ms. LEE. Mr. Speaker, on the amendment offered by Mr. HOSTETTLER to the FY02 District of Columbia Appropriations bill on September 25, 2001, rollcall No. 354, I was unavoidably detained on official businesses. Had I been present, I would have voted ''no''.