

First, it help us pursue criminals who commit the underlying organized crimes that generate tainted money, such as drug trafficking, tax evasion, and fraud;

Second, it helps us fight the foreign corruption that undermines U.S. and multilateral assistance programs to promote democracy and economical development abroad; and lastly,

It helps us protect the stability of the international financial system.

The bill we are introducing today enshrines these principles. The bill provides the Treasury Secretary with the authority and discretion to address a specific money laundering problem with precision—which cannot be done with current law.

Current law provides limited options for law enforcement; the Treasury Secretary can either issue informational advisories to U.S. financial institutions about specific offshore jurisdictions, or take the more extreme approach of invoking sweeping and often disruptive economic sanctions. In an effort to strengthen our ability to fight money laundering, the bill I am introducing today provides new discretionary authority to the Treasury Secretary, which can be invoked under certain select circumstances. For instance, the Secretary can use these discretionary tools if he or she were to identify an area of “primary money laundering concern” offshore. If invoked by the Treasury Secretary, these discretionary tools only apply to the activities of U.S. financial institutions outside the U.S., but not domestically.

Our bill grants the Treasury Secretary the authority, and policy discretion, to use several new tools that fall between informational advisories, on the one hand, and economic sanctions on the other. For example, the Secretary could identify a particular institution in a foreign jurisdiction as a primary money laundering concern without making a determination regarding the entire foreign jurisdiction, and then, impose restrictions on activities concerning such an institution. The approach taken in the bill offers the kind of regulatory flexibility, which does not exist today, needed to tackle a fast-moving and remarkably adaptable class of criminals.

More specifically, the bill would do the following:

Authorize the Secretary of the Treasury to impose one or more of five new special measures upon finding a jurisdiction, financial institution operating outside the United States, or class of international transactions to be of “primary money laundering concern”;

Require the Secretary, in selecting a measure, to consult with the Federal Reserve and consider several factors of concern to domestic financial institutions;

Outline the special measures, including enhanced recordkeeping and reporting; collection of information on beneficial ownership of certain accounts; conditions on opening so-called payable-through and correspondent accounts; and prohibition of payable-through or correspondent accounts;

Require the Secretary to consult with selected Federal officials and consider a number of factors in making a finding relative to a primary money laundering concern;

Require the Secretary to notify Congress within 10 days of taking a special measure;

Authorize banks to share suspicions of employee misconduct in employment references with other banks without fear of civil liability, and clarify prohibitions against disclosure of a suspicious activity report to the subject of the report;

Clarify penalties for violating Geographic Targeting Orders issued by the Secretary to combat money laundering in designated geographical areas;

Require the Bank Secrecy Act Advisory Group to include a privacy advocate among its membership and to operate under the “sunshine” provisions of the Federal Advisory Committee Act;

Require reports from the Treasury Department and banking agencies regarding penalties for Bank Secrecy Act and safety-and-soundness violations;

Express the sense of the Congress that the U.S. should press foreign governments to take action against money laundering and corruption, and make clear that the United States will work to return the proceeds of foreign corruption to the citizens of countries to whom such assets belong; and,

Express the sense of the Congress that the U.S. should support the efforts of the Financial Action Task Force, an international anti-money laundering organization, to identify jurisdictions that do not cooperate with international efforts to combat money laundering.

We are often told by the financial services industry that it self-regulates well in the area of international and correspondent banking, and that, therefore, no legislation is needed. However, a recent staff report by the Senate’s Permanent Subcommittee on Investigations concluded that U.S. correspondent banking provides an important avenue for rogue foreign banks and their criminal clients to carry on money laundering and other criminal activity in the U.S. We are also too often reminded by egregious cases—such as the recent one involving the laundering of Russian organized crime funds through offshore centers and U.S. financial institutions—that our current regulatory and law enforcement system may not be as protected as we like to think. A well targeted, common sense approach—such as the one in this bill—that fills in gaps in current law makes sense. Moreover, keeping in mind the need to protect legitimate commerce, the bill is crafted in a way that evenly balances burden-sharing between regulators and the financial services industry.

In sum, I am pleased to propose comprehensive money laundering legislation to address one of the most insidious and challenging of financial crimes. Money laundering is now estimated to absorb somewhere between 2 and 5 percent of the world’s domestic product, or nearly \$600 billion, and represents a significant threat to the international financial system. The enhanced tools in this proposed legislation will lead to improved ways of preserving the integrity of the international financial system, working in partnership with our major trading partners and the world’s market economies.

As we consider policy changes in this area, we must address the appropriate needs of law enforcement without impeding legitimate commerce. By empowering the Federal government with more flexible and effective tools

than those offered under existing law, the bill moves us closer to meeting this goal. I look forward to working with the Bush Administration, law enforcement officials, and the financial services industry, to enact a common sense approach to fighting money laundering.

APRIL SCHOOL OF THE MONTH

HON. CAROLYN MCCARTHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mrs. MCCARTHY of New York. Mr. Speaker, I have named Meadowbrook Elementary School in East Meadow as School of the Month in the Fourth Congressional District for April 2001.

Thomas Mangano is Principal of Meadowbrook Elementary, and Dr. Robert R. Dillon is the Superintendent of Schools for the East Meadow Union Free School District.

The school motto says it all—“Four Walls with the Future Inside.” For over 45 years, Meadowbrook has been educating Long Island’s future generations on the importance of accepting everyone as is. These children have learned that being “different” doesn’t matter.

Boasting a 100 percent teacher PTA membership, Meadowbrook fosters a culture of inclusion and emphasizes a strong school, family and community partnership. All teachers have been trained in the “World of Difference” program which fosters a respect for diversity at all levels. Meadowbrook is a multi-cultural school representing a variety of countries such as India, Pakistan, Columbia, South Korea, South Vietnam, China, El Salvador, Egypt, Israel and Russia.

Meadowbrook, recognized as a New York State Blue Ribbon School, is one of five elementary schools in the East Meadow Public School District and has 510 students. Meadowbrook is one of two sites which provides educational services to children who face special educational challenges. This, combined with the school’s emphasis on cultural awareness, teaches children that being different is good.

I commend Meadowbrook for the focus on special education students. I have a learning disability that wasn’t diagnosed until I was an adult, so I’m particularly gratified to know children are being helped at a young age. It’s also comforting to me that these kids don’t feel “different.” I know that feeling, and it’s not a good one.

Congratulations, and keep up the good work.

TRIBUTE TO REV. VERSIE PULPHUS EASTER OF THE CHRISTIAN METHODIST EPISCOPAL CHURCH, TURNER CHAPEL CHURCH

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. BONIOR. Mr. Speaker, the Christian Methodist Episcopal Church is an organization

with a noble mission: to preach the Good News, teach divine truth and heal life by the power of God. Extending from the efforts of first generation pioneers to present day evangelists, CME's mission has always been to spread good faith to communities worldwide.

Each year the Turner Chapel Christian Methodist Episcopal Church has held a week-long spiritual revival, encompassing several area churches and welcoming members of all denominations of faith. During this revival, congregation members join together in spiritual song, spoken word, and biblical teachings, renewing and strengthening their religious beliefs. This evening, as the Turner Chapel Church culminates its revival week with its final service, they have chosen to honor visiting revival leader Rev. Versie Pulphus Easter, for her treasured contributions to the community.

A life long evangelist and missionary to the Christian Methodist Episcopal Church, Rev. Easter has demonstrated her dedication and commitment through her outstanding service with her community and beyond. A certified United States Chaplain Association member, ordained Elder in Full of the CME Church, and veteran pastor of over 31 years, she has made history as the first Female Presiding Elder of the CME Church. Captivating audiences as a world evangelist as well, her message and ministry have been received in Australia, the Bahamas, Germany, and Brazil. Currently serving as pastor of the Womack Temple CME Church in Dyersburg, Tennessee and living by the motto: Where God Guides, He Provides, her distinguished service and remarkable dedication to improving the lives of people through faith continue to serve as an example to communities around the world.

I applaud the Turner Chapel Christian Church and Rev. Versie Pulphus Easter for their leadership, commitment, and service. I know that Rev. Easter is honored by this recognition and I urge my colleagues to join me in saluting her for her exemplary years of faith and service.

27TH ANNIVERSARY OF TURKEY'S
INVASION OF THE REPUBLIC OF
CYPRUS

HON. MICHAEL E. CAPUANO

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. CAPUANO. Mr. Speaker, on July 20th 2001, we will mark the 27th anniversary of Turkey's invasion of the Sovereign State of Cyprus. On this date in 1974, Turkish troops began a campaign to forcibly evict nearly 200,000 Greek Cypriots from their homes located in the northern part of the island of Cyprus. After twenty-seven years, Greek Cypriots are still prohibited from returning to their homes and remain refugees within their own country.

Nearly 1,000 women were raped, their ages vary from 12 to 78, while over 6,000 Greek Cypriots were massacred, many of them tortured to death. Over 1,600 men, women and children who vanished during the invasion

have not been accounted for, and the Turkish government continues to refuse to provide information as to their whereabouts.

Despite these heinous crimes, Turkey continues to relocate some 80,000 Turkish citizens to Northern Cyprus, thus changing the demographic structure in the north. Many of these Turkish citizens occupy homes and estates once belonging to Greek Cypriots who were evicted during the invasion. Additionally, historical institutions of religious and cultural heritage have been willfully pillaged and destroyed.

Tragically, there are only 500 Greek Cypriots still living in the occupied area, and even those few families are subject to constant and systematic campaigns of harassment and intimidation. They are forbidden to attend school or work, denied medical assistance and cannot visit their families living in the Republic of Cyprus. This blatant violation of international law and basic human rights must not be tolerated.

In 1983, Turkey encouraged a "unilateral declaration of independence" by the Turkish Republic of Northern Cyprus (TRNC). The United Nations Security Council as well as our government condemned this declaration. To date the TRNC is not officially recognized as a sovereign State by any country except for Turkey.

Mr. Speaker, since that time, the international community has made some progress on this issue. In June of 1999, the European Commission of Human Rights found Turkey responsible for continuing to violate several provisions of the European Convention of Human Rights, including not accounting for missing persons, limiting the living conditions of the enslaved, and failing to protect the properties of the displaced persons.

The recent decision of the European Parliament (EP) to approve a report delivered by Jaques Poos, the former Foreign Minister of Luxembourg and the Cyprus Rapporteur of the EP Foreign Relations Commission, has rattled Turkey and the Denktash regime. The decision accused the illegal TRNC regime and Turkey of a lack of progress in efforts to find a solution on the island. In addition to insisting that the Turkish occupation forces withdraw from the island, the report defended the Greek Cypriot's position that would allow for its membership in the European Union, before a settlement of the Cyprus issue.

Mr. Denktash and his government at present are experiencing some difficulties of their own. Faced with collapsing banks, unemployment, inflation and devalued wages—the situation could be ready for change.

Mr. Speaker, I reiterate my argument from last year that the continued occupation of Northern Cyprus is clearly an affront to over 90 United Nations and Security Council resolutions calling on Turkey to withdraw its forces and return refugees to their homes and for Turkey to respect the sovereignty, independence and territorial integrity and unity of the Republic of Cyprus. This is an insult to the United States and the global community which has worked tirelessly to unify Greek and Turkish Cypriots in a peaceful manner.

I hope that the United States and the international community will continue to advocate for a peaceful solution to this conflict that has

torn Cyprus apart and caused 27 years of suffering for thousands of innocent people.

H.R. 333 PROVIDES RELIEF TO
FAMILIES, CONSUMERS, FARMERS,
AND SMALL BUSINESSES

HON. DENNIS MOORE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 20, 2001

Mr. MOORE. Mr. Speaker, I rise to share my support for H.R. 333, the Bankruptcy Abuse Prevention and Consumer Protection Act of 2001. H.R. 333 is the culmination of many years of compromise and discussion in Congress and among consumer advocates and business representatives. This bill is the culmination of efforts to protect families filing bankruptcy, family farmers, and small businesses without negatively harming responsible borrowers.

In recent years, the bankruptcy filing rate has increased rapidly, with a record high of 1.4 million in 1998. In 2000, over \$40 billion was discharged through bankruptcies. Retailers pass on the costs of losing this money to all consumers by raising prices for goods and services. All consumers, regardless of their use of credit, pay for these discharged debts. In fact, bankruptcies cost each household in America \$400 per year.

Furthermore, creditors are forced to restrict access to credit as bankruptcies cost creditors more and more money. This restricted access to credit disproportionately affects low-income Americans, who are most in need of affordable credit for mortgages and consumer purchases. It is more important than ever, given the recent economic downturn, that we fight to lower prices for consumers and provide equal access to credit to all Americans.

Mr. Speaker, H.R. 333, fairly addresses the concerns of bankruptcy filers, consumers, and creditors. This bill contains a needs-based formula that directs filers into chapter 7 or Chapter 13 based on their ability to pay. Filers earning less than the national median income are not affected by this legislation. Furthermore, if filers earn more than the national median income, but if after paying the allowable monthly deductions and secured debts payments the filers are unable to pay not less than the lesser of 25 percent of non-priority unsecured debt or \$6,000 (or \$100 a month), whichever is greater, or \$10,000, they will have access to Chapter 7 without qualification. These precautions are taken to ensure that those who can afford to pay their debts are required to do so. And even if a filer is above the limits, this bill protects those who have special circumstances such as a decline in income or unexpected medical expenses that can be taken into account and preclude moving the filer into Chapter 13.

All of these provisions are included to ensure that bankruptcy relief is available to those who are truly in need, while ending the abuses in the system by irresponsible debtors who are capable of repaying their debts.

Furthermore, Mr. Speaker, H.R. 333 includes provisions to protect women and children, those individuals who typically have the