firms pull back from investment and trade with these countries, our trading partners and allies are not restrained in their pursuit of lost United States contracts.

The bill reported from the Ways and Means Committee reaffirms my goal that our trading partners join the United States in a multilaterally agreed regime to stem Iran's ability to export international terrorism to the rest of the world. Too many innocent individuals have suffered at the hands of Iran's Government for business as usual to persist. In this bill, we make clear that our allies cannot continue to look the other way.

However, this legislation puts a priority on supporting the achievement of a multilateral agreement to isolate Iran economically. In order to keep the focus on achieving change in Iran, the substitute contains provisions providing discretion for the President. Thus, we ensure that he is in the best position to be persuasive with our trading partners, and to respond to violations judiciously. Where the President feels it prudent and safe, he would have substantial measures to join with us to contain the threat of Iran to international peace and security, section 4 of the bill permits a waiver of the application of sanctions.

While the investment trigger for Iran remains mandatory in the new bill, the substitute increases the number of choices available to the President on the menu of sanctions he has to choose from.

In this and all other cases the President has authority to waive sanctions if their application would hurt the national interest. The waiver authority is intended to be broad enough to accommodate instances when invoking sanctions would be violative to international trade obligations.

I want to emphasize that the bill as reported from the Committee on Ways and Means treats the cases of Iran and Libya differently, because of their unique economic histories and geopolitical circumstances. While a mandatory trade trigger is viewed by the Committee on Ways and Means as unwarranted for Iran, and therefore not included in the substitute, such a mechanism has been included as a tool for Libya. The difference is that a multilateral regime is already in place for Libya.

Subsection 5(c) also provides the President with the discretion to impose sanctions in connection with new, large investments in Libya's petroleum sector, if he believes it would advance U.S. interests to do so.

I hope our allies can appreciate the deep and urgent commitment in Congress for increasing pressure on Iran and Libya to end their lawless behavior. While the approach of H.R. 3107 carries with it the risk of exposing U.S. exporters and investors to possible retaliation, this threat has been minimized in the substitute. With the addition of solid contract sanctity language, and strict limitations on vicarious liability for companies with parents or subsidiaries located abroad, the bill should not engender the same serious criticism.

Finally, the 5-year sunset provision in the bill ensures that this type of legislation does not remain on the books indefinitely. The committee report indicates that because this is such a difficult policy area, it will be important for Congress to revisit these issues in 5 years in order to evaluate the behavior of Iran and Libya, and whether this bill has been effective.

To summarize, Mr. Speaker, my greatest fear has been that world attention would shift to United States violations of trade agreements and away from the targets of our condemnation—Iran and Libya. I strongly urge the President to implement H.R. 3107 in a manner that respects our international trade obligations. To the nations of Europe, Japan, Australia, and others I renew a pledge to work together to establish a solution that isolates these two outlaw nations.

Let's join forces and accomplish the job. Working together involves each country taking substantial measures that achieve results—mere words will no longer suffice.

Mr. Speaker, I rise today to express my concern with the precedent that could be set by provisions of H.R. 3107, legislation originating in the International Relations Committee, and referred to the Ways and Means Committee on which I serve.

No one argues that the goal of bringing the Pan Am 103 bombers to justice, or with containing international terrorism and the proliferation of weapons of mass destruction. We must find ways to increase United States and international pressure on these rogue nations and the threat they pose to U.S. interests. However, I do have concerns with H.R. 3107's provisions that may rely on unilateral actions rather than multilateral cooperation.

The concept of a secondary boycott was opposed by the United States when the Arab League used it against Israel in the 1970's and 1980's, and remains contrary to the principles endorsed by this very body when it approved NAFTA and GATT. Indeed, U.S. law, most recently enacted in the Export Administration Act, has long prohibited any U.S. person from "complying with or supporting" a foreign boycott against another country.

The use of trade sanctions to accomplish trade law compliance is vital and appropriate, but the use of trade sanctions as a foreign policy tool to coerce other sovereign nations to do our bidding breaches America's commitment to preserving independence from international control. It is fundamental to U.S. participation in trade agreements that other governments should not be permitted to dictate business relationships among U.S. firms and citizens, as H.R. 3107 could do for our trading partners.

Mr. Speaker, as the world's greatest exporter, the United States benefits tremendously from free and open trade with our allies. Given our past commitment to an international trading regime, the United States should not expose United States exporters and investors to possible retaliation through abrogation of international rules, or exacerbate the dispute with our allies over policies toward Iran and Libya. If it becomes possible for countries to unilaterally or under threat of trade sanctions, U.S. participation in these important organizations could be threatened.

Put at risk by unilateral U.S. action are the benefits to the U.S. economy created by strong protection of intellectual property rights, the guarantee of competitive bidding opportunities under the Government Procurement Code and dramatic tariff reductions for U.S. exports—all of which were improved and expanded by NAFTA and GATT.

Instead, I would urge that we work to avoid the painful consequences of trade retaliation and continue pressing for additional multilateral action and enforcement of existing agree-

As in the case with the extraterritorial Helms-Burton law which penalizes firms outside the jurisdiction of the United States for trading with Cuba, foreign governments will not permit their firms to comply with such legislation. As we seek to contain and punish terrorists and those states that sponsor them, we do not want to drive a costly wedge between the United States and its allies whose support we are seeking.

While I will be supporting H.R. 3107, I am doing so because it provides the administration adequate discretion in executing the provisions of this bill. However, doing so, it is my hope that the administration will effectively implement multilateral sanctions against Iran and Libya.

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

The SPEAKER pro tempore. Pursuant to clause 5 of rule I, the Chair designates the time for resumption of further proceedings on the motions to suspend the rules and pass the bill, H.R. 3107 as Wednesday, June 19, 1996.

ANSWERS FROM THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York [Mr. GILMAN] that the House suspend the rules and pass the bill, H.R. 3107, as amended.

Mr. GILMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered. The SPEAKER pro tempore. Pursuant to clause 5 of rule I, the Chair designates the time for resumption of further proceedings on the motions to suspend the rules and pass the bill, H.R. 3107, as Wednesday, June 19, 1996.

CHURCH ARSON PREVENTION ACT OF 1996

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 3525, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois [Mr. HYDE] that the House suspend the rules and pass the bill, H.R. 3525, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—aye 422, noes 0, not voting 12, as follows:

[Roll No. 246]

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YEAES—422
PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE PRIVILEGED REPORT ON DEPARTMENT OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT APPROPRIATIONS BILL, 1997

Mr. LEWIS of California. Mr. Speaker, I ask unanimous consent to remove the name of Mr. DACRE as a cosponsor of H.R. 94.

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

There was no objection.

CONGRESSIONAL RECORD — HOUSE H6479

June 18, 1996

PERMISSION TO FILE AND PRINT SUPPLEMENTAL REPORT ON HOUSE REPORT 104-193 ON H.R. 1858 DEPOSITORY INSTITUTIONS PAPERWORK REDUCTION ACT

Mr. LEACH. Mr. Speaker, by direction of the Committee on Banking and Financial Services and pursuant to clause 8 of rule XIX, I ask unanimous consent to file a supplemental report to House Report 104-193, which accompanies H.R. 1858, and that such supplemental report be printed.

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

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3662, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1997

Ms. PRYCE, from the Committee on Rules, submitted a privileged report (Rept. No. 104-627) on the Resolution (H. Res. 455) providing for consideration of the bill (H.R. 3662) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1997, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE JOINT RESOLUTION 182

Mr. ROHRABACHER. Mr. Speaker, I ask unanimous consent to remove the name of the gentleman from California [Mr. FAZIO] from the list of cosponsors of House Joint Resolution 182.

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

There was no objection.

REMOVAl OF NAME OF MEMBER AS COSPONSOR OF H.R. 1972

Mr. CHRISTENSEN. Mr. Speaker, I ask unanimous consent that the name of the gentleman from Pennsylvania [Mr. MCDADE] be removed as a cosponsor of H.R. 1972.

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

There was no objection.

REMOVAl OF NAME OF MEMBER AS COSPONSOR OF H.R. 94

Mr. CHRISTENSEN. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 94.

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

There was no objection.

HOUSTON JOURNALISM LOSES ONE OF ITS FINEST

(Mr. FIELDS of Texas asked and was given permission to address the House)