

our country. He underscored the basic workings of democracy, preaching his message about the strength of numbers, the necessity of registering to vote, and the power of voting.

Today, Dr. Garcia's message is the political gospel to which we all adhere; and his pulpit was the GI Forum. While others fought the system, often unsuccessfully, Dr. Garcia worked within the system to open it up for everyone to participate. He amazed us all with his wisdom, foresight, and longevity.

Dr. Garcia began fighting for the cause of civil rights in 1948—long before others joined that cause. He fought for basic, fundamental civil, human and individual rights. The seeds he planted all those years ago have grown into ideas whose roots are firmly planted in South Texas. Those seeds have produced today's leaders and laid the foundation for tomorrow's pioneers.

As a veteran, I am particularly grateful to Dr. Garcia for his very special service, during conflict with the enemy, and within the bureaucracy. The American GI forum was originally intended to guide WWI and WWII veterans through the maze of bureaucracy to obtain their educational and medical benefits, and it grew into the highly acclaimed civil rights organization.

The seeds of Dr. Garcia's inspiration and leadership have sprouted, and they will continue to grow and succeed, just as he planned. Dr. Garcia was a tremendously decent man, and his legacy to us is to treat each other decently as human beings. He embodied the Golden Rule: "Do unto others as you would have them do unto you." There are a host of people in South Texas who received free medical care from him because they simply couldn't afford to pay him.

We all appreciate his simple decency, and I commend the Veterans' Affairs Committee for their wisdom in granting a Federal Charter to the American GI Forum. It is a fitting legacy for both the American GI Forum and for the man who founded it.

Mr. BONILLA. Mr. Speaker, I rise in strong support of S. 1759, legislation granting a federal charter to the American GI Forum (AGIF). This legislation is identical to H.R. 3843, a bill introduced by my colleague Mr. RODRIGUEZ and myself, and worthy of all our support. The Senate passed S. 1759 last week and it is up to us to pass it today so that it becomes law.

It is particularly fitting that we are approving this legislation this Congress, as this year the GI Forum is celebrating its 50th anniversary.

The American GI Forum was founded by the late Dr. Hector P. Garcia on March 26, 1948, in Corpus Christi. Today, the GI Forum has 500 chapters and over 100,000 members. The GI Forum is the largest national veterans service organization without a federal charter. It is only fitting that this patriotic family organization receive recognition with a federal charter. The GI Forum members have earned this special recognition through their sacrifices on behalf of America.

I commend the Senate for passing this legislation and urge all my colleagues to join me in voting for this important bill. The American GI Forum is an institution in Texas and the Hispanic community. This bipartisan bill provides a means for this Congress to recognize the service of more than 1,000,000 Hispanic veterans. Let's take this opportunity to provide GI Forum the recognition it deserves. Please join me in voting for S. 1759.

Mr. RODRIGUEZ. Mr. Speaker, I rise today in support of granting a federal charter to the American GI Forum (AGIF), the nation's oldest and largest Hispanic veterans organization.

As the original sponsor of the House bill, HR 3843, I am especially gratified by the imminent passage of this bill. For too long, the American GI Forum has waited for this recognition. Now, on the eve of its 50th Annual Convention, to be held in its home state of Texas, we are in a position to present the AGIF membership what it rightfully deserves.

The American GI Forum was founded fifty years ago in Corpus Christi, Texas by the late Dr. Hector P. Garcia, a medical doctor and Army veteran of World War II. This year, the AGIF celebrates its 50th year of service to our Nation's veterans and their families. Today, the AGIF has over 100,000 members in 500 chapters across 32 states and Puerto Rico.

This is not the first time the AGIF has sought a federal charter. At least as early as the 1960's, in an era when Hispanic veterans were facing exclusion and discrimination, AGIF approached Congress for a federal charter. Several groups were almost routinely given charters, but the American GI Forum was left out. As the American GI Forum enters its 50th Year, it is fitting to secure passage of this important legislation.

Within the veteran community, a federal charter is deemed to be recognition of a national veteran organization's commitment and service to our nation's veterans. The Hispanic community is among the most patriotic in America, historically ready to answer the call to service. Having earned the highest number of medals of honor per capita, Hispanic Americans have a distinguished record of valor and patriotism. There are more than 1,000,000 Hispanic veterans alive today.

I urge you to join us in passing this legislation to grant a federal charter to this worthy organization. I would like to take this opportunity to thank the Chairman of the Judiciary Subcommittee on Immigration and Claims, Mr. SMITH of San Antonio, for his help and his staff's help in passing this bill. I would also like to thank the distinguished Chairman of the Senate Judiciary Committee and his staff for their work in expediting passage of this historic legislation.

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

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

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). The question is on the motion offered by the gentleman from Texas (Mr. SMITH) that the House suspend the rules and pass the Senate bill, S. 1759.

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

A motion to reconsider was laid on the table.

PRIVATE TRUSTEE REFORM ACT OF 1998

Mr. GEKAS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2592) to amend title II of the United States Code to provide private trustees the right to seek judicial re-

view of United States trustee actions related to trustee expenses and trustee removal, as amended.

The Clerk read as follows:

H.R. 2592

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 "Private Trustee Reform Act of 1998".

SEC. 2. SUSPENSION AND TERMINATION OF PANEL TRUSTEES AND STANDING TRUSTEES.

Section 586(d) of title 28, United States Code, is amended—

(1) by inserting "(1)" after "(d)", and
(2) by adding at the end the following:

"(2) A trustee whose appointment to the panel or as a standing trustee is terminated or who ceases to be assigned to cases filed under title 11 may obtain judicial review of the final agency decision by commencing an action in the United States district court for the district in which the panel member or standing trustee resides, after first exhausting all available administrative remedies, which if the trustee so elects, shall also include an administrative hearing on the record. Unless the trustee elects to have an administrative hearing on the record, the trustee shall be deemed to have exhausted all administrative remedies for purposes of this section if the agency fails to make a final agency decision within 90 days after the trustee requests administrative remedies. The Attorney General shall prescribe procedures to implement this paragraph."

SEC. 3. EXPENSES OF STANDING TRUSTEES.

Section 586(e) of title 28, United States Code, is amended by adding at the end the following:

"(3) After first exhausting all available administrative remedies, an individual appointed under subsection (b) of this section may obtain judicial review of final agency action to deny a claim of actual, necessary expenses under this paragraph by commencing an action in the United States district court in the district where the individual resides.

"(4) The Attorney General shall prescribe procedures to implement this subsection."

SEC. 4. PROCEDURES FOR AND STANDARD OF REVIEW.

Section 157 of title 28, United States Code, is amended—

(1) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively, and

(2) by inserting after subsection (c) the following:

"(d)(1) In conducting judicial review under section 586(d)(2) or section 586(e)(3) of this title, the district court shall determine whether to retain the case or to refer the case to a bankruptcy judge in the district. Any bankruptcy judge to whom a case is referred shall submit a recommendation for disposition to the district court based solely on a review of the administrative record before the agency, and a final order or judgment shall be entered by the district court after considering the bankruptcy judge's recommendation, and after reviewing those matters to which any party has timely and specifically objected. The decision of the agency shall be affirmed unless it is unreasonable and without cause based upon the administrative record before the agency.

"(2)(A) The district courts of the United States shall have jurisdiction to review final agency decisions under subsection 586(d)(2) and final agency actions under subsection 586(e)(3).

"(B) Bankruptcy judges are authorized to submit to such courts recommendations in accordance with paragraph (1)."

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania (Mr. GEKAS) and the gentlewoman from California (Ms. LOFGREN) each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. GEKAS).

GENERAL LEAVE

Mr. GEKAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2592, as amended.

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

There was no objection.

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

Today we consider a truly significant piece of legislation within the world of the courts, and particularly the bankruptcy courts. This bill, the one before us now, has been jointly cosponsored by the gentleman from Virginia (Mr. GOODLATTE), the gentleman from Texas (Mr. SMITH), and the gentleman from Georgia (Mr. BARR).

It attempts, and does succeed, or else we would not be here at this moment, in striking a well-deserved balance between the respective rights of the private trustees, which play a gigantic role in the world of bankruptcy, and those of the U.S. Trustees' Office, which is charged with the responsibility of guidelining, as it were, the work and cases of the private trustees.

Where before we had conflict as to the assignment of cases and whether or not a private trustee could be removed from a case, or whether or not future cases would be withheld from a private trustee, all these issues were points of tremendous conflict. This bill goes a long way in resolving all of those particular problems that may have arisen and could arise in the future.

In addition to that, this bill seeks to provide certain methodologies of judicial review when a decision by a U.S. Trustee or otherwise is inimical in the minds of the private trustees to their interests.

This bill, after negotiation on a wide range of issues, also resolved that particular one, so now the question of who should review a decision made, those kinds of decisions that adversely, in their minds, affect the private trustees, that has been settled by the language of this bill.

Then this bill, with amendments, makes one additional substantive and three technical revisions to the version of the bill as we reported to the House out of the full committee.

In response to concerns raised by representatives of the Federal judiciary, the bill, as amended, deletes the provision that would have permitted a magistrate judge to make proposed recommendations to the district court for final disposition. As a result, the district court, under the now amended version of H.R. 2592, may dispose of the matters that are the subject of this bill, or allow, when appropriate, bank-

ruptcy judges to make proposed recommendations. The other other amendments, are strictly technical.

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

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

(Ms. LOFGREN asked and was given permission to revise and extend her remarks.)

Ms. LOFGREN. Mr. Speaker, this legislation attempts to balance two very important public interests, giving the office of the United States Trustee the ability to oversee the administration of bankruptcy estates, and to ensure that private trustees perform their job honestly and efficiently.

For the most part, the private trustees do an outstanding job, and they deserve our respect. This legislation would provide due process rights for private trustees in those instances in which they disagree with the decision by the U.S. Trustee to stop assigning cases, or in a dispute over expense reimbursement.

It is a product of the hearings by the Subcommittee on Commercial and Administrative Law, as well as lengthy and careful negotiations between the Department of Justice, the sponsors, and interested parties, including the trustees and the bankruptcy judges. I would note that this is of interest, as well, to bankruptcy lawyers on all sides who value and strive for a system that is efficient and fair.

It is my understanding that the Department of Justice still has some concerns about this legislation, but it is my hope that in the spirit of cooperation which has moved this legislation to this point, that the sponsors and the Department of Justice will be able to resolve any remaining issues, and get this legislation to the President before the end of this Congress.

I am sure that whatever minor issues need resolving can indeed be resolved, and I would urge that my colleagues vote for this bill, that we move forward with this reform.

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

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

Mr. Speaker, many times in the full Committee on the Judiciary we come to an impasse, borne out of questions raised right at the time we are in markup or in full consideration of a particular bill. Many times members on other side will request that the bill be put off until negotiations can occur on parcels of that bill could be negotiated, and a final bill represent the views of all of the members of the Committee on the Judiciary.

This bill was a perfect example of the willingness on the part of many to continue negotiations and talks on contentious issues until full resolution could be made of the problems.

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

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

I would note that, in agreement with the chairman, this is certainly one where we are not suggesting delay or defeat. Everyone has worked in good faith, and I think this deserves our support.

Mr. GOODLATTE. Mr. Speaker, I rise today in strong support of H.R. 2592, the Private Trustee Reform Act of 1998. This bill reflects several months of negotiations between the private trustees and the Executive Office of the U.S. Trustee, and while it was modified slightly from the compromise approved by the Judiciary Committee last month, the core principles agreed upon by both sides remain in the bill. The bill has recently gained the support of the National Association of Bankruptcy Judges as well.

Mr. Speaker, I introduced this legislation last year to restore fairness and equity to the relationship between the United States Trustee and private standing trustees. Specifically, this legislation amends title 28 of the U.S. Code to provide private trustees the right to seek judicial review in court, in certain cases following an administrative hearing on the record, of U.S. Trustee actions related to trustee expenses and trustee removal.

The bill provides for judicial review of decisions by the U.S. Trustee to terminate, suspend, or cease assigning cases to a panel or standing trustee including a decision not to reappoint the trustee to a panel. This section includes language giving the panel or standing trustees the option of an administrative hearing on the record and includes a maximum of a 90 day time frame for agency review should the panel or standing trustee not elect to have an administrative hearing on the record.

The bill also provides for judicial review of a decision by the U.S. Trustee to deny a claim of actual, necessary expenses by a standing trustee. It does not allow for an administrative hearing on the record, but would require the standing trustee to exhaust all available administrative remedies before seeking judicial review.

Finally, the bill provides (1) procedures for and (2) the standard of review for conducting judicial review. It allows the district court to retain the case or refer it to a bankruptcy judge in the same district for a recommendation. I strongly support the inclusion of this provision because I believe that bankruptcy courts are best situated to make informed judgments about these issues. Bankruptcy judges understand which expenses are justified and which are not, as well as the nature and purpose of those expenses. Additionally, bankruptcy judges understand the full ramifications of a decision to cease assigning cases to a private trustee.

If the case is referred, the district judge shall enter a final order or judgement after considering that recommendation and after reviewing those matters to which any party has timely and specifically objected.

The decision of the agency shall be affirmed unless it is unreasonable or without cause based upon the administrative record before the agency.

As I mentioned at the outset, H.R. 2592 is simply about fairness—fairness to those who dedicate themselves to their duties as private trustees. It is also about firmness in the review process, as the U.S. Trustee should be subject to the same checks and balances as other government agencies are required to bear.

Ms. JACKSON-LEE of Texas, Mr. Speaker, although this measure is still being negotiated by the parties involved, I believe that this legislation is an excellent initial effort to streamline the Federal bankruptcy system.

By establishing a procedure for private bankruptcy trustees to contest their removal from cases, this bill provides the foundation for a more efficient Federal bankruptcy system.

Under this measure, if the U.S. Trustee (part of the Justice Department) declines to reappoint a trustee or assign future cases to a trustee, the affected trustee may seek administrative review, judicial review, or both. Thus, this measure would create "on the record" administrative hearings for affected trustees.

This bill also provides jurisdiction to the U.S. District Court over trustee challenges of administrative rulings from the Office of the U.S. Trustee.

I am pleased that we are working hard to protect the due process interests of the trustees. By providing adequate hearing and judicial review processes, we can fashion both an efficient and fair Federal bankruptcy structure.

Although the Justice Department and Bankruptcy judges still have some concerns that need addressing, I find our progress very heartening. I hope that the involved parties will continue to negotiate until a workable solution becomes reality.

Ms. LOFGREN. Speaker, I yield back the balance of my time.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania (Mr. GEKAS) that the House suspend the rules and pass the bill, H.R. 2592, as amended.

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

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

A bill to amend title 28 of the United States Code to provide trustees the right to seek administrative and judicial review of the refusal of a United States trustee to assign, and of certain actions of a United States trustee relating to expenses claimed relating to, cases under title 11 of the United States Code.

A motion to reconsider was laid on the table.

CONTROLLED SUBSTANCES TRAFFICKING PROHIBITION ACT

Mr. SMITH of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3633) to amend the Controlled Substances Import and Export Act to place limitations on controlled substances brought into the United States from Mexico, as amended.

The Clerk as read as follows:

H.R. 3633

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 "Controlled Substances Trafficking Prohibition Act".

SEC. 2. LIMITATION.

(a) AMENDMENT.—Section 1006(a) of the Controlled Substances Import and Export Act (21 U.S.C. 956(a)) is amended—

(1) by striking "The Attorney General" and inserting "(1) Subject to paragraph (2), the Attorney General"; and

(2) by adding at the end the following:

"(2) Notwithstanding any exemption under paragraph (1), a United States resident who enters the United States through an international land border with a controlled substance (except a substance in schedule I) for which the individual does not possess a valid prescription issued by a practitioner (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)) in accordance with applicable Federal and State law (or documentation that verifies the issuance of such a prescription to that individual) may not import the controlled substance into the United States in an amount that exceeds 50 dosage units of the controlled substance."

(b) FEDERAL MINIMUM REQUIREMENT.—Section 1006(a)(2) of the Controlled Substances Import and Export Act, as added by this section, is a minimum Federal requirement and shall not be construed to limit a State from imposing any additional requirement.

(c) EXTENT.—The amendment made by subsection (a) shall not be construed to affect the jurisdiction of the Secretary of Health and Human Services under the Federal Food, Drug and Cosmetic Act (21 U.S.C. 301 et seq.).

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas (Mr. SMITH) and the gentlewoman from California (Ms. LOFGREN) each will control 20 minutes.

The Chair recognizes the gentleman from Texas (Mr. SMITH).

GENERAL LEAVE

Mr. SMITH of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3633, as amended.

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

There was no objection.

Mr. SMITH of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I include for the RECORD an exchange of letters between the gentleman from Illinois (Chairman HYDE) and the gentleman from Virginia (Chairman BLILEY).

The letters referred to are as follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, DC, July 16, 1998.

Hon. TOM BLILEY,
Chairman, Committee on Commerce,
House of Representatives, Washington, DC.

DEAR TOM: Thank you for your letter regarding your Committee's jurisdictional interest in H.R. 3633, the Controlled Substance Trafficking Prohibition Act.

I acknowledge your interest in this legislation and appreciate your cooperation in moving the bill to the House floor expeditiously. I appreciate your cooperation and agree to work with you as this legislation moves forward. I further agree that your decision to forego further action on the bill will not prejudice the Commerce Committee with respect to its jurisdictional prerogatives on H.R. 3633, or similar legislation.

Thank you again for your cooperation.

Sincerely,

HENRY J. HYDE,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON COMMERCE,
Washington, DC, July 16, 1998.

Hon. HENRY J. HYDE,
Chairman, Committee on the Judiciary,
Washington, DC.

DEAR MR. CHAIRMAN: On May 20, 1998, the Judiciary Committee ordered reported H.R. 3633, the Controlled Substances Trafficking Prohibition Act, without amendment. The bill would amend the Controlled Substances Import and Export Act to place limitations on certain controlled substances brought into the United States from Mexico. As you know, this legislation was introduced on April 1, 1998, and referred to the Judiciary Committee and in addition to the Commerce Committee.

Given the importance of this legislation and your interest in moving the bill to the House Floor in an expeditious manner, I will agree not to exercise the Commerce Committee's jurisdiction over the bill. By agreeing not to exercise the Commerce Committee's jurisdiction, the Committee does not waive its jurisdictional interest in this bill or similar legislation. Further, the Committee would preserve its prerogative to seek to be represented in any House-Senate conference committee that may be convened on H.R. 3633.

I appreciate your consideration of our interest in this legislation and look forward to working with you on its passage. Further, I would appreciate an acknowledgment of this letter and would request that our exchange of letters be included in the record of debate on this bill.

Sincerely,

TOM BLILEY,
Chairman.

Mr. Speaker, the Controlled Substances Trafficking Prohibition Act was introduced by my friend, the gentleman from Ohio (Mr. CHABOT), and was the subject of a subcommittee hearing by the Subcommittee on Crime of the Committee on the Judiciary on March 26. It was reported favorably out of the Subcommittee on Crime on May 7.

The magnitude of illegal drugs moving through Mexico into the United States is dramatic and has been well documented in recent years. An estimated 60 to 70 percent of the nearly 500 metric tons of cocaine entering the United States each year enters through Mexico. An even greater amount of marijuana pours into the United States from Mexico annually.

The problem addressed by this legislation is a less visible side but a growing and serious side of the drug problem: the rising volume of controlled substances being purchased legally in Mexico and then brought across the border into the United States.

The ease with which large quantities of controlled substances can be purchased in Mexico and then legally transported into the United States has led to serious concerns among U.S. law enforcement agencies, including the Customs Service, the DEA, and the drug czars's office about the illegal diversion of these drugs.

H.R. 3633 is a carefully crafted response to the problems associated with the importation of drugs across the border with Mexico. The bill amends the Controlled Substances Import and