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## House of Representatives

### NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2004—Continued

Mr. HUNTER (during the reading). Mr. Chairman, I ask unanimous consent that the modifications be considered as read and printed in the RECORD.

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

There was no objection.

The CHAIRMAN pro tempore. Pursuant to House Resolution 247, the gentleman from California (Mr. HUNTER) and the gentleman from Missouri (Mr. SKELTON) each will control 10 minutes.

The Chair recognizes the gentleman from California (Mr. HUNTER).

Mr. HUNTER. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Pennsylvania (Mr. WELDON), chairman of the Subcommittee on Tactical Air and Land Forces, and the vice-chairman of the full committee.

(Mr. WELDON of Pennsylvania asked and was given permission to revise and extend his remarks.)

Mr. WELDON of Pennsylvania. Mr. Chairman, I thank my chairman for yielding time to me.

If for no other reason, I would ask my colleagues to look at this amendment en bloc because it contains perhaps one of the most significant pieces of legislation that we have passed in this Congress.

Approximately 1 month ago, 25 Members of Congress, including the gentleman from Texas (Mr. EDWARDS) and I, introduced the Nuclear Security Initiative Act of 2003. This bill is the first major, comprehensive expansion of our efforts to work with the former Soviet states to take away the threat of the use of weapons of mass destruction.

The bill authorizes \$78 million of funding, but, more significantly, includes a whole vast, new array of engaging the Russians, including the establishment of a Duma-Congress initia-

tive to focus together on nonproliferation, the establishment of fellowships between the Kurchatov Institute and Lawrence Livermore Laboratory to focus on nonproliferation, the killing in our policy to work with NATO and do appropriate cooperative relationships in development and deployment of theater missile defenses, to work with the Russians on early warning, the Ramos program, to expand that, to create a Teller-Kurchatov alliance for peace to work together, to provide more in the inherent accountability and transparency on how we spend money in Russia to take apart these weapons of mass destruction.

This particular bill, which is in fact as it was introduced, H.R. 1719, was endorsed by the Heritage Foundation, the Carnegie Endowment for Peace, the Nuclear Threat Reduction Initiative, Sam Nunn's group, the Physicians for Social Responsibility, all coming together, along with the Vietnam Veterans Foundation, saying this is the direction we should be moving in.

My colleagues on both sides of the aisle, including the gentleman from Maryland (Mr. HOYER) on the minority side and the gentleman from California (Mr. COX) on the Republican side, are original sponsors.

It is a major step forward, a major step forward for this Congress, for this body in taking the lead on helping to secure these weapons of mass destruction. I thank the distinguished chairman.

Mr. Chairman, I include for the RECORD letters from top Russian leaders thanking this Congress for taking this bold step, including one letter I received yesterday signed by 30 of the top leaders in the Russian Duma thanking this Congress for its leadership role in helping to provide a vision for a new relationship with Russia that goes beyond the Nunn-Lugar program, that allows us to truly establish a new framework in dealing with the issues of

weapons of mass destruction that still exists within the bounds of the former Soviet states.

The letters referred to are as follows:

Hon. CURT WELDON,  
*Member of Congress, House of Representatives,*  
*Washington, DC.*

DEAR CONGRESSMAN WELDON. With satisfaction we knew about your new initiative (a Bill) towards higher cooperation with the Russian Federation on nonproliferation of nuclear weapon and other weapons of mass destruction.

We think that the Russian Federation and the United States as the countries, which possess the biggest inventories of nuclear warheads, are responsible to the world future in the matter of deterrence and nonproliferation.

The especially important role belongs to transition of the nuclear warhead industry to peaceful aims—development of ecologically clean nuclear energy. The Russian and American scientists are especially responsible for this. That's why establishment of the Teller-Kurchatov Alliance for Peace may be an important and useful step. It would be also extremely important to engage students, post-graduates, and young scientists in this work.

We consider that establishment of the Nuclear Treaty Reduction Working Group as a subgroup of Duma-Congress Group will help to setup an additional control on international and national programs in this field.

Dear Mr. Weldon, we wish you success in your initiative promotion, and you can count on our understanding and assistance.

With best regards,

Hon. CURT WELDON,  
*Member Of Congress, House of Representatives,*  
*Washington, DC.*

DEAR CONGRESSMAN WELDON: We welcome your new initiative (a Bill) towards higher cooperation with the Russian Federation on nonproliferation of nuclear weapon and other weapons of mass destruction.

We believe that the Russian Federation and the United States specially account for the world future in the matter of deterrence and nonproliferation being the countries, which possess the biggest inventories of nuclear warheads.

The very important matter is to redirect the nuclear warhead industry to peaceful

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



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aims—development of ecologically clean nuclear energy. The especially important role belongs to the Russian and American Scientists in this process. That's why establishment of the Teller-Kurchatov Alliance for Peace may be an important and useful step. It would be also extremely important to engage students, post-graduates, and young scientists in this work.

We expect that establishment of the Nuclear Treat Working Group as a subgroup of Duma-Congress Group will help to strengthen the control on international and national programs in this field.

Dear Mr. Weldon, we wish you success in your initiative promotion, and you can count on our understanding and assistance.

Sincerely,

VASILY F. KUZNETSOV,  
*Deputy of the State Duma.*

Hon. CURT WELDON,  
*Member of Congress, House of Representatives,  
Washington, DC*

DEAR CONGRESSMAN WELDON. With satisfaction we knew about your new initiative (a Bill) towards higher cooperation with the Russian Federation on nonproliferation of nuclear weapon and other weapons of mass destruction.

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Dear Mr. Weldon we wish you success in your initiative promotion, and you can count on our understanding and assistance.

With best regards,

VALENTINA N. PIVNENKO,  
*Chairman of the Committee on the Problems of  
the North and the Far East of the State  
Duma.*

Mr. Chairman, I thank the chairman for his untiring cooperation, and I thank the ranking member for his cooperation in making sure that together we can bring this package forward.

Mr. SKELTON. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan (Mr. KILDEE).

Mr. KILDEE. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise to support the Kline amendment, but I believe we need to point out the realities of this legislation.

Mr. Chairman, this amendment provides the Secretary of Education with the authority to waive certain statutory or regulatory provisions relating to student aid for higher education to benefit our Armed Forces personnel.

The Committee on Education and the Workforce passed the first version of this legislation last Congress after the attacks of September 11. I applaud the

gentleman from Minnesota for seeking to help our troops, but I believe this amendment will still not respond to their needs.

Unfortunately, the Secretary of Education has done little to actually help our troops with the authority he has been granted. The Secretary recently granted two waivers under the existing HEROS authority, but these waivers are going to have very little impact on the vast majority of Armed Forces personnel with student loans. The response of the Secretary in this area has been inadequate.

This amendment and existing law provide the Secretary with the authority to ensure that those called up for active duty in the military are not financially disadvantaged, but the student loans of servicemen and women are still accruing interest while they are in armed combat overseas. The minimum that can be done for these individuals is to ensure that interest on their student loans do not accrue while they are defending their country. Unfortunately, the Secretary has not chosen to act in this area. I encourage him to do so.

This amendment is a good first start, but it does not directly or forcefully address the real needs of our servicemen and women who have student loans. I would like to work with the gentleman from Minnesota (Mr. KLINE) to make sure the Secretary uses the authority we grant him.

Mr. HUNTER. Mr. Chairman, I yield 2½ minutes to the gentleman from Colorado (Mr. HEFLEY), chairman of the Subcommittee on Readiness.

Mr. HEFLEY. Mr. Chairman, I would like to be recognized for the purpose of a colloquy with the gentleman from Montana (Mr. REHBERG).

I have an amendment in here that is trying to get rid of the bureaucratic difficulty we have of getting firefighting assets of the Air Force Reserve focused on a fire early on. The law right now, as it is being interpreted, says that you must make sure that there are no private assets that can do it.

I had a forest fire burning in my backyard last summer, 140,000 acres, and we had these planes sitting on the tarmac and could not take off to go help with the fight.

I believe the gentleman from Montana (Mr. REHBERG) and some others have some questions about this.

Mr. REHBERG. Mr. Chairman, will the gentleman yield?

Mr. HEFLEY. I yield to the gentleman from Montana.

Mr. REHBERG. Mr. Chairman, I thank the gentleman from Colorado for yielding to me.

I want to express my concerns about the potential impact of the Hefley-Gallegly amendment on the commercial firefighting industry.

I am aware that action by the FAA has caused some surplus aircraft not to be certified as flightworthy. This action has raised concerns about the

availability of firefighting resources in the approaching firefighting season.

I am also aware that the U.S. Forest Service is addressing ways of examining the problem, but I believe in the short term it is unlikely. I ask if I can obtain the gentleman's assurance that in conference on this bill he will work with me to address my concerns about the potential negative impacts of this legislation on the commercial firefighting industry.

Mr. HEFLEY. I appreciate you bringing up these concerns. I think they are legitimate concerns. We have no desire to put the private contractors out of business. We only have eight planes in the Air Force Reserve to do this, and they are scattered from coast to coast, so there is no way it would put them out of business, anyway.

We have no desire to do that. The gentleman has raised a legitimate concern, and I pledge to work with the gentleman. It is kind of a dramatic gesture I made there, but I pledge to work with the gentleman to try to solve this problem in conference. If we do not get it solved, I will not let it go through.

Mr. REHBERG. I thank the gentleman from Colorado.

Mr. GOODLATTE. Mr. Chairman, will the gentleman yield?

Mr. HEFLEY. I yield to the gentleman from Virginia.

Mr. GOODLATTE. Mr. Chairman, I would like to direct to the chairman of the committee, the gentleman from California, the concerns that I have as chairman of the Committee on Agriculture and the gentleman from California (Mr. POMBO) has. He is the chairman of the other committee of concurrent jurisdiction with regard to this issue.

We want to raise our strong concerns to the way this amendment has proceeded to the floor, as well as the way that the amendment is drafted. We have some grave concerns about the necessity of it and about the scope of it. It may go well beyond what both the Committee on Armed Services and the Forest Service think is appropriate and necessary.

Mr. Chairman, I rise in opposition to the Hefley/Gallegly amendment to H.R. 1588, the National Defense Authorization Act For Fiscal Year 2004. This amendment creates a pilot program to improve the use of Air Force and Air National Guard Modular Airborne Fire-Fighting systems to fight wildfires. It should come as no surprise to anyone that I support strengthening our ability to fight wildfires but this amendment is ill-considered. The U.S. Forest Service tells me that this authority is not necessary and they oppose it as does the Office of Management and Budget. This will disrupt decades of contractual services provided by competent private sector participants.

This amendment is identical to bills that were referred primarily to the House Agriculture Committee. As Chairman of the committee of jurisdiction on this issue, I intend to address this issue in conference as a conferee. However, I would note, notwithstanding the comments of the gentleman from Colorado, that he has never discussed this issue

with me or members of the committee staff or asked that any action be taken by the Committee on Agriculture.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. HEFLEY. I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I would pledge to work to see that we have a balanced result coming out of the conference and that we work with the gentleman and the other gentlemen who have spoken of this.

Mr. HEFLEY. Let me just say, I am sorry about the procedure, but this bill has been sitting in these two committees for 2 years. We have a fire season coming up again, and we need to focus all the assets we can.

When we have a war and when we have a blazing fire, and that is a war, we want all the assets we can get on it. It is predicted we will have 30 percent less assets this year than we had last year in terms of planes because many of the private planes have been grounded, so we need to solve this and we need to solve it now, not put it off for another year or two.

Mr. SKELTON. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. ACKERMAN).

Mr. ACKERMAN. Mr. Chairman, I rise in support of the en bloc amendment.

I want to thank the chairman of the committee, the gentleman from California (Mr. HUNTER) and the ranking minority member, the gentleman from Missouri (Mr. SKELTON), for their work on this year's National Defense Authorization Act.

Mr. Chairman, my amendment, which is included in the en bloc, is short and simple. It encourages the Secretary of Defense and the U.S. Navy to work with their Israeli counterparts to make arrangements for safe port visits by the U.S. Sixth Fleet to Haifa, and if such arrangements can be made, to resume the regular visits to Haifa that used to occur.

To be clear, the amendment does not require the resumption of visits by the Sixth Fleet to Haifa and does not encourage such visits unless appropriate means can be agreed upon to protect our ships and personnel.

Mr. Chairman, Israel, like our nation, is confronting terror. The visits of our Navy ships to Israel's chief port will send a critical message of support and make clear our Nation's bedrock commitment to the survival of the only real democracy in the Middle East.

I want to thank the chairman and the ranking member for their support, and I encourage Members to support the amendment.

Mr. HUNTER. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota (Mr. KLINE).

Mr. KLINE. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in strong support of this broad amendment before us. Included in this package is the text

of H.R. 1412, the Higher Education Relief Opportunities for Students Act of 2003, or the HEROS Act. This legislation passed the House overwhelmingly on April 1, and I urge its inclusion here to ensure its enactment into law.

As we know, many members of our National Guard and Reserves are also students. This amendment will bring assurance to those men and women by providing the Secretary of Education with the authority to waive certain rules and requirements to ensure that as a result of war, military operation, or national emergency, they are protected from hardship in relation to their education or for their student aid obligations. It is crucial that our military and others are protected while the integrity of the student aid programs remain intact.

I thank my colleague, the gentleman from Michigan (Mr. KILDEE), for his support. I urge all of my colleagues to support this amendment, and I thank the chairman of the Committee, the gentleman from California (Mr. HUNTER), for his support here.

Mr. SKELTON. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts (Mr. TIERNEY).

Mr. TIERNEY. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I have introduced the Build America Act Amendment, which is a step towards ensuring that the United States defense jobs are performed by United States defense workers. American defense workers are 100 percent committed to our Armed Forces and to ensuring that America has the best-trained, best-equipped, and best-led forces in the world.

Unfortunately, over the past 15 years, defense-related employment has fallen by 67 percent. That translates into over 1 million jobs lost. We need to do more to reverse this disturbing trend, and we must do more on their behalf.

Just as we in Congress continue to fulfill our patriotic promise to our men and women in uniform, we must also demonstrate our equal commitment to those men and women who wear a different kind of uniform, those who build, repair, and operate the machines that sustain and strengthen our security here at home.

The Build America Amendment, which expands the scope of the United States defense Industrial Base Assessment Program, seeks information on why contracts are transferred outside this country and mandates an action plan on how this critical sector can be revitalized and restored.

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The amendment stands in solidarity with our workers, finding out where jobs have gone and fighting to keep them in this country.

Mr. Chairman, I thank the chairman and the ranking member for their fine work on this bill and this section in particular.

Mr. HUNTER. Mr. Chairman, I yield 1 minute to the gentleman from the great State of Michigan (Mr. UPTON).

Mr. UPTON. Mr. Chairman, I rise today in support of this amendment en bloc but particularly to an amendment that I offered which supports our Nation's reservists.

In the event of a domestic terrorism attack this country's reservists, particularly the National Guard's weapons of mass destruction team, could be called up at any time to protect and defend their fellow citizens, working with their fellow first responders across the country, police and firefighters. It would clarify that the first response to a domestic terrorism attack will qualify reservists for hostile fire and imminent danger pay. Ultimately, it is a matter of appreciation for the service to our Nation's Reserve forces. I hope all of you will join in supporting this amendment.

Mr. SKELTON. Mr. Chairman, I yield 1 minute to the gentlewoman from Ohio (Ms. KAPTUR).

Ms. KAPTUR. Mr. Chairman, I would like to thank the fine gentleman from Missouri (Mr. SKELTON) for yielding me time, the ranking member on Defense, and also the chairman, my good friend, the gentleman from California (Mr. HUNTER), for allowing the inclusion in the en bloc amendment, our Buy America Enhancement Provisions as well as our Technical Assistance Provisions.

Let me just say that these dual amendments direct and require the Department of Defense to consciously at the highest level support the continuation and enhancement of our domestic industrial manufacturing capabilities, particularly those defense industrial companies that are essential to war production and face stiff foreign competition. It specifies that when application of the Buy American Act is inconsistent with the public interest, the Defense Secretary shall not consider the provision of any trade agreement between the U.S. and a foreign country that is in effect at the time of the determination.

We particularly ask the Department of Defense to focus on critical technologies such as industrial molds, special dies and tools, cutting tools and machine tools and accessories. Of course, in the foundry area, attention is needed as well.

The technical assistance provisions and the center that is proposed will also require the Department to reach out to the over 7,000 such firms in our country that comprise our defense industrial base, many of them small and medium sized companies, and connect them directly to the Department of Defense so that contracts and sub-contracts have broad application, and small and medium size businesses are included.

The dual amendments thus require both a "topdown" and "bottomup" approach by the Department to engage this critical sector of U.S. defense manufacturing.

I also want to thank the gentleman from Illinois (Mr. MANZULLO) and the gentlewoman from New York (Ms. VELÁZQUEZ) for their wonderful investigative work on the Committee on

Small Business that has supported strongly the necessity for these provisions.

Mr. HUNTER. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Connecticut (Mr. SIMMONS), who is a member of the committee and has a great defense background.

(Mr. SIMMONS asked and was given permission to revise and extend his remarks.)

Mr. SIMMONS. Mr. Chairman, I thank the gentleman for yielding me time. I support this amendment wholeheartedly in part because it contains a provision requesting a report from the Secretary of Defense which I have requested dealing with the issuance of security clearances and updates on security clearance for defense workers.

My district has literally thousands of defense workers producing the very best submarines in the world. But under a recently passed law which we refer to as the Smith Act, some of these workers run the risk of losing their clearances for activities that took place many, many years ago and, yet, under the provisions of the Smith Act, may result in denial of a clearance which for them results in denial or loss of a job.

I look forward to the report which this amendment requests so that we can work to eliminate this unintended consequence of the Smith Act.

Mr. Chairman, I rise today in support of the en bloc amendment being offered by Chairman DUNCAN HUNTER.

This amendment contains many important provisions. It includes language I authored to require the Secretary of Defense to report to Congress on the granting or renewal of security clearances for Department of Defense personnel and defense contractor personnel.

Those Members of Congress with Department of Defense contractors in their districts know the importance of a security clearance to the men and women who work for those contractors. As someone who has held a TOP SECRET clearance for over 30 years, I fully understand the importance of issuing these clearances to defense contractors and their employees.

My district is home to Electric Boat where thousands of hard working people show up every day to design and build the finest submarines in the world. Every 5 years Electric Boat workers are put through a necessary review of their security clearances, which I support.

Unfortunately, a recent law contained language commonly known as the "Smith Act" which requires any person convicted of a crime and sentenced to one year or more in jail to be automatically disqualified from holding a security clearance. The law does not take into account whether the individual actually served the sentence. But, the law says conviction means no clearance, and no clearance means no job.

Mr. Chairman, over the past year many highly skilled veteran workers from Electric Boat have appeared at my district office, frightened that a conviction in their youth will suddenly come back to haunt them and cost them their job. These are men and women

who have often held their security clearances for over 20 years. But because of the Smith Act, those clearances are now in jeopardy.

These working men and women have families and contribute positively to their communities, both in eastern Connecticut and around the nation. And at Electric Boat they have been safely and securely building the best submarines in the world for the U.S. Navy for over 100 years!

There are similar stories in other defense contractor facilities around this great nation. While the intention of the "Smith Act" was good, it is time to re-examine this law and see if there are more effective ways to update and issue these security clearances.

My amendment does just that. It simply requires the Department of Defense to report back to Congress within 60 days with recommendations for legislation or administrative steps the Secretary of Defense considers necessary to better carry out the business of granting and renewing security clearances.

In searching for solutions to this problem, I am pleased to have the support of both management and labor. Both parties are well aware of the importance of security clearances to the defense industry and the dramatic impact the loss of a clearance has on their employees.

Today I am pleased to share letters from both the President of Electric Boat and the President of the Metal Trades Council of New London County. Both letters express support for my efforts to improve the Smith Act. I ask unanimous consent that these letters be inserted into the RECORD.

In closing, let me thank Chairman HUNTER and his staff for working with me on this important amendment. I appreciate their recognition of the need to review the unintended consequences of the Smith Act.

Finally, I look forward to reviewing the recommendations from the Department of Defense and working with both the Pentagon and my colleagues on the Armed Services Committee to craft a reasonable solution to this problem.

METAL TRADES COUNCIL OF  
NEW LONDON COUNTY,  
Groton, CT, May 15, 2003.

Hon. DUNCAN HUNTER,  
Chairman, House Armed Services Committee,  
U.S. House of Representatives, Rayburn  
House Office Building, Washington, DC.

DEAR CHAIRMAN HUNTER: It has come to my attention that Congressman Rob Simmons is currently working with you and your staff on ways to improve Section 986(c)(1) of title 10 USC, also known as the "Smith Act." As the president of the Metals Trade Council union at Electric Boat in Groton (CT), I am writing today to share my strong support of Mr. Simmons's proposed changes to the Act.

As you know, the purpose of the Smith Act is to ensure that individuals who have been convicted of a serious crime are not given a Defense Security Service (DSS) security clearance at controlled industrial areas like Electric Boat. Under the Act, any person convicted of a crime and sentenced to imprisonment for greater than one year is automatically disqualified from a security clearance. Unfortunately, I have seen firsthand the unintended consequences of the Smith Act.

All too often, an Electric Boat employee, whose security clearance is being reviewed, is denied a clearance renewal because of a minor criminal offense where the individual was sentenced to more than one year in prison, yet served little or no jail time. Sadly, losing a clearance means losing a job.

Many of these working men and women have received their clearances prior to the implementation of the Smith Act and have been on the yard for more than 20 years. They are skilled workers, proud of their work and their country. And while I support efforts to protect controlled industrial areas through tougher scrutiny of clearances, I would urge you to strongly consider the proposed changes that Congressman Simmons has drafted. These improvements to the Smith Act will go a long way toward saving the jobs of numerous laborers at Electric Boat.

Thank you for taking my thoughts into consideration. We at Electric Boat appreciate everything that you and your Committee have done for the submarine capital of the world.

Sincerely,

KENNETH DELACRUZ,  
President.

GENERAL DYNAMICS,  
Groton, CT, May 15, 2003.

Hon. DUNCAN L. HUNTER,  
Rayburn House Office Building, Washington,  
DC.

DEAR MR. HUNTER: Electric Boat Corporation enthusiastically supports the efforts of Congressman Robert Simmons to amend TITLE 10 > Subtitle A > Part II > chapter 49 > Sec. 986, Title: "Security Clearances limitations" (The "Smith Amendment"). In particular we support the proposed change to Paragraph (c)(1) which presently states:

"Persons Disqualified From Being Granted Security Clearances—A person is described in this subsection if any of the following applies to that person: (1) The person has been convicted in any court of the United States of a crime and sentenced to imprisonment for a term exceeding one year."

Electric Boat supports Congressman Simmons' proposal that the language in Paragraph (c)(1) be changed to reflect that an individual be disqualified from being granted a security clearance if they have been convicted in any court of the United States of a crime and subsequently served a sentence of a year and a day or greater.

Electric Boat supports retaining the other three disqualifying categories in Section (c).

Electric Boat Corporation is a DOD contractor performing on classified contracts for the United States Navy. Our primary business focus is the design, manufacture and maintenance of United States Navy nuclear submarines. The nature of our contracts, and the type of work we perform, requires that virtually all 10,000 employees be eligible to receive and maintain a DOD security clearance. In accordance with the requirements of the Defense Industrial Security Clearance Program, individuals who hold an active clearance must undergo a "periodic reinvestigation". The Smith Amendment in its present form adversely affects Electric Boat because it states that the "... Department of Defense may not grant or renew a security clearance for a person to whom this section applies." Unfortunately, a number of Electric Boat employees who hold active/final DOD clearances either are, or will be, negatively impacted by this law. In those instances, although "sentenced" during judicial proceedings, they actually served no time or less than one year due to the circumstances of the law in their particular cases. They should not now be penalized (in many cases years later) under legislation that was passed without considering this important distinction.

In the interest of fairness for Electric Boat employees, and many other employees of defense contractors who are adversely affected

by this law, Electric Boat supports Congressman Simmons' recommended amendments to this legislation.

M.W. TONER,  
President.

The following is an example of an Electric Boat employee who is subject to lose her DOD Secret clearance as a result of the Smith Act. This individual was identified because her clearance was up for renewal/periodic reinvestigation.

*Example (1):* This employee is a valued member of management as a trade superintendent in the shipyard. She began her employment in the trades as a welder in 1974. Before starting work with Electric Boat in 1974, the individual was convicted of a drug offense and sentenced to 18 months. The sentence was suspended, she was placed on probation, and she never served any time in jail. The individual has an outstanding work record over the course of the last 29 years. Of greatest significance, she has held a DOD Secret clearance for virtually all of her period of employment and has had her clearance status periodically reinvestigated several times without an issue.

Mr. SKELTON. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. NADLER).

Mr. NADLER. Mr. Chairman, I thank the gentleman for yielding me time. I thank the chairman and ranking member for including in this en bloc amendment, which I support, my amendment which I will address now.

Mr. Chairman, the greatest danger this country faces is that al Qaeda or some other terrorist group will get nuclear weapons. The greatest danger of that happening is that they will get weapons grade material from the former Soviet Union, which has enough weapons grade plutonium and uranium to manufacture 40,000 nuclear weapons lying around, not guarded properly and subject to theft or sale on the black market.

What we ought to do is buy all this material from the Russians from between 25 to \$30 billion so we can take possession of it and protect it from theft or sale.

My amendment requires the Secretary of Defense to submit a study to Congress examining the costs and benefits of purchasing all the ex-Soviet Union's weapons grade plutonium and uranium in fiscal year 2005 and safeguarding it from smuggling or theft until it can be rendered unusable for weapons.

I am glad that this study of doing what I regard as essential to protect this country from the possibility of al Qaeda having a nuclear weapon with which to attack us is included in this amendment and I, therefore, support it.

Mr. HUNTER. Mr. Chairman, I yield 1 minute to the gentleman from Nevada (Mr. PORTER).

(Mr. PORTER asked and was given permission to revise and extend his remarks.)

Mr. PORTER. Mr. Chairman, I rise today to thank the chairman for including my amendment. The Defense Department conducts studies on the effects of perchlorate on human beings. Perchlorate, a major ingredient in rocket fuel and other military ord-

nance, has been found in the water of many western States, including my district in Nevada, as well as the chairman's home State of California.

The EPA is currently in the process of determining a safe amount of perchlorate in drinking water, but right now no one knows if even a level of one part per billion is safe. What level of perchlorate is found will have a major impact in the water districts, costing them potentially billions of dollars in technology to meet the standards.

I must add there can be no substitute for clean drinking water for children. And whatever level is found to be safe, Congress must help our communities to meet this need. The major source of perchlorate comes from current and former defense industrial sites, including in my district. The Department of Defense is potentially liable for the cost of perchlorate cleanup at some or all of these sites. Given that, and the perchlorates primarily were made for DOD orders, it is only fair that the Department contribute to the ongoing urgent research on the possible health effects of this chemical.

I rise today to thank Chairman HUNTER for including my amendment requiring the Defense Department to conduct studies on the effects of perchlorate on human beings.

Perchlorate, a major ingredient in rocket fuel and other military ordnance, has been found in the water of many Western States, including my district of Nevada, as well as in the Chairman's home state of California.

The Environmental Protection Agency is currently in the process of determining the safe amount of perchlorate in drinking water, but right now no one knows what, if any, level above 1 part per billion is safe.

What level of perchlorate is found safe will have a major impact on water districts, costing them potentially billion of dollars in technology to meet new standards.

I must add that there can be no substitute for clean drinking water for children, and that whatever level is found to be safe, Congress must provide the help our communities need to achieve this.

The major source of perchlorate comes from current and former defense industrial sites, including my district.

The Department of Defense is potentially liable for the cost of perchlorate cleanup at some or all of these sites. Given that, and that perchlorates primarily were made for DoD orders, it is only fair that the Department contribute to the ongoing, urgent research on the possible health effects of this chemical.

The Senate Armed Services Committee has already passed, with a bipartisan majority, identical language to my amendment. I thank the Chairman for including this amendment and look forward to working with him in the future.

Mr. HUNTER. Mr. Chairman, how much time remains?

The CHAIRMAN pro tempore (Mr. LAHOOD). The gentleman from California (Mr. HUNTER) has 1½ minutes remaining.

Mr. SKELTON. Mr. Chairman, may I make the same inquiry. How much time do we have left?

The CHAIRMAN pro tempore. The gentleman from Missouri (Mr. SKELTON) has 4 minutes remaining.

Mr. SKELTON. Mr. Chairman, I yield 1½ minutes to the gentlewoman from California (Mrs. CAPPs).

Mrs. CAPPs. Mr. Chairman, I thank my colleague for yielding me time. I wish to engage the distinguished gentleman from Nevada (Mr. PORTER) in colloquy to clarify his amendment which is included in the en bloc amendment.

This amendment requires the Secretary of Defense to reach an agreement with another Federal entity naming the National Institutes of Health and the Centers for Disease Control as preferred candidates to conduct an independent epidemiological study of the effects of perchlorate on humans. It is my understanding that this study would not be done by the Department of Defense or the Department of Energy; am I correct?

Mr. PORTER. Mr. Chairman, will the gentlewoman yield?

Mrs. CAPPs. I yield to the gentleman from Nevada.

Mr. PORTER. That is correct.

Mrs. CAPPs. It is also my understanding that the gentleman's intention in requiring this independent Federal study of perchlorate is to add to the scientific database on this chemical. I understand that your amendment is not intended to delay the setting of a drinking water standard for perchlorate or to delay any cleanup at any site that may have perchlorate contamination. Is my understanding correct?

Mr. PORTER. That is correct.

Mrs. CAPPs. Mr. Chairman, I thank the gentleman from Nevada (Mr. PORTER) for this clarification.

Mr. HUNTER. Mr. Chairman, I yield a challenging 15 seconds to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Chairman, I thank the gentleman for such a generous allocation of time. I just want to say this is probably the most important amendment because I have his and the ranking member's support. All it says is in the event of BRAC, if they close down a base, the roads will stay open to the local folks, and that will be very important to offset the impact of a base closure.

Mr. SKELTON. Mr. Chairman, I yield 1 minute to the gentlewoman from California (Ms. WOOLSEY).

Ms. WOOLSEY. Mr. Chairman, I want to thank the ranking member and the chairman for working with me and my colleagues, the gentleman from Iowa (Mr. LEACH) and the gentleman from Pennsylvania (Mr. PLATTS), to include our amendment in the en bloc amendment.

Our partisan Sense of the Congress amendment calls on the Department of Defense to have an institution devoted to studying peacekeeping operations and preparing our troops for future peacekeeping missions. We have constantly bore witness to the dramatic challenges facing our troops right now in Afghanistan and in Iraq as they work to secure the peace, from acting

as traffic cops to feeding hungry crowds.

Our amendment aims to ensure that these troops are prepared for peace as much as they are ready for war.

Mr. HUNTER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I yield 4 minutes to the gentleman from Michigan (Mr. ROGERS), who has a presentation he wants to make.

Mr. ROGERS of Michigan. Mr. Chairman, I have an important story to tell in a very brief time.

The person you will see here is named Hannan Shahib, a young girl, 15 years old, was injured, burned severely in coalition bombings. Because of the heroic action of our military soldiers on the ground, she was able to survive this, keep her arm due to their great work, and is now at the University Hospital in Michigan receiving treatment.

We have been after the DOD for some time to help us facilitate more of these injured Iraqi children. And I will tell you, when this gal got up off the stretcher to walk to that airplane all on her own, all of these soldiers in that tent, and I happened to be there that day, there were cheers and tears and every one of those soldiers realized that they were there as liberators and not conquerors.

But I tell you what, Mr. Chairman, when we went to the Department of Defense, the bureaucrats down the road, the only tears were frustration. We are getting calls now from different military medical providers in Iraq asking for help. We cannot get any help out of the bureaucrats down the road. For 3 days, Northwest Airlines, Immigration, Department of State, private sector came together to make this happen. It took 3 weeks, 3 weeks for the Department of Defense to even make a decision to let her ride on an airplane to Frankfurt, Germany. We have lost a little girl we were working on this weekend. She was 7 years old. If they had only made a decision, just given us a decision, she might be alive today, in the good care of an American hospital today.

Two hundred people of Hannan's family showed up that day to whisk her off and wish her well. They were crying and cheering and praising the United States of America. We need to do this.

We need to do this. We can do this. We need to show the Iraqi people that our muscles are big, but our hearts and our compassion are bigger. The soldiers on the ground are doing heroic work every day; and they are asking us, Members of Congress, to help them out. We need to nudge the folks down there in the ivory tower, tell them to not worry about the wax that is on the floor; but tell them to start worrying about the soldiers in the dust making these kinds of things happen. They are identifying these children. We can help them, but we need DOD to help. We need to get them out of Baghdad to a commercial airport so we can get them here. All the rest is paid for.

The American people have stood up and said, We are going to help these kids. We have two burn centers around the country standing by ready to go, free of charge to the Federal Government because they feel so strongly that this is important and we need to have it happen. We have talked to as many people as we possibly could, Mr. Chairman, over there at the Department of Defense, and we have asked for help.

As I stand here today, this has been 2 weeks since she has been here; and by the way, those doctors were able to save her arm. Had she been there one more day, she would have lost her arm. Her mother told me just the other day this last weekend that when she calls home there are other folks who are there getting ready to lose their limbs. This is only due to a lack of decision on behalf of the Department of Defense.

The military folks on the ground are doing the right thing. They are standing up. They are showing compassion. They are reaching out. We need to do this, Mr. Chairman. We need an answer from DOD. We need them to stand up and do the right thing and stand up for these soldiers in the field who are doing miraculous things.

Mr. HUNTER. Mr. Chairman, how much time do we have left under the striking request?

The CHAIRMAN pro tempore. The gentleman has 1½ minutes remaining.

Mr. HUNTER. Mr. Chairman, how much time do I have under my regular time?

The CHAIRMAN pro tempore. The gentleman has 1¼ minutes remaining.

Mr. HUNTER. Mr. Chairman, I yield 1½ minutes to the gentleman from Washington (Mr. DICKS).

(Mr. DICKS asked and was given permission to revise and extend his remarks.)

Mr. DICKS. Mr. Chairman, I want to thank the chairman and the ranking member.

The amendment I am offering today is straightforward and noncontroversial. It would authorize the Secretary of the Navy to transfer a small parcel of land to the city of Bremerton, Washington, my hometown in my district.

The property in question sits on the eastern end of the Puget Sound Naval Shipyard and has been determined to be surplus on the Navy's immediate and future needs. It has been used in the past several years largely as a laydown area for steel. The shipyard has found ways to reduce its inventory of steel and transferred the storage of this material closer to the machine shop where it is used.

□ 1730

The property is not well positioned for any other shipyard function, and the installation would prefer not to pay for the upkeep of the property in an empty condition.

The City of Bremerton has proposed to use the property for a Maritime Park and Naval Museum, functions

that are consistent with the security needs of the Navy industry and which enhance the mission of the shipyard. The shipyard is also acquiring other property in the City for security purposes. The conveyance of this unneeded property will keep the shipyard footprint from growing substantially and avoid increasing the maintenance costs of the installation to the Navy.

The amendment includes provisions for the city to compensate the Navy through renovations to Navy property acceptable to both sides. Mr. Chairman, this amendment is good for the Navy and good for the taxpayer. I urge my colleagues to support it and to support the en bloc amendments.

Mr. SKELTON. Mr. Chairman, I yield 1 minute to the gentleman from South Carolina (Mr. SPRATT).

(Mr. SPRATT asked and was given permission to revise and extend his remarks.)

Mr. SPRATT. Mr. Chairman, the rule did not make in order an amendment that I sought with respect to cooperative threat reduction, but it does make in order an amendment offered by my good friend, the gentleman from Pennsylvania (Mr. WELDON), and I am here to offer my support for his amendment, which is included in the en bloc amendment.

This amendment is drawn from legislation introduced earlier this year by the gentleman from Pennsylvania, the Nuclear Security Initiative Act, which I was proud to cosponsor. As the gentleman from Pennsylvania said, this bill was in the works for a long time, and I can attest to that. In fact, parts of it come from provisions I introduced in prior years.

I commend the chairman of our committee for allowing this to be made in order, including it in the en bloc. I think it is a positive addition to the bill, and I encourage support for the en bloc amendment.

The rules governing debate on this defense bill did not make in order an amendment I offered with Rep. SCHIFF that would have restored the President's request on Cooperative Threat Reduction (CTR) programs by striking several provisions in the committee bill. Like the Administration, I believe these committee-added provisions will hamstring the program unnecessarily.

I was disappointed not to have the chance to debate the amendment, and I plan to work to strike those provisions in conference. And if I may, Mr. Speaker, I'd like to enter into the RECORD an excerpt from today's Statement of Administration Policy on the committee bill.

The rule did, however, make in order an amendment offered by my friend from Pennsylvania, Mr. WELDON, and I am here to offer my support. This amendment is drawn from legislation introduced earlier this year by Rep. WELDON, the "Nuclear Security Initiative Act," which I was proud to cosponsor. As Mr. WELDON likes to say, the bill was in the works for a long time, and I can attest to that—in fact, it includes some provisions I introduced in prior years with my colleague Rep. ELLEN TAUSCHER.

Like the bill, the Weldon amendment calls for enhanced cooperation between the U.S.

and Russia to reduce the threat posed by weapons of mass destruction, and establishes what should be useful tools for improved collaboration toward that end.

It calls for some important studies, too, including an examination by the National Academy of Sciences of the effect on CTR and other non-proliferation programs of the myriad congressional oversight measures that have been established over the past several years.

I must confess I have mixed feelings about reducing the President's request for CTR, even by the modest amount contained in the Weldon amendment, but as the funds are proposed to be shifted into the Department of Energy's companion threat reduction program, I can support it. And the amendment on balance, like the Weldon-Edwards-McHugh-Spratt bill it is drawn from, should strengthen our threat reduction and non-proliferation programs.

I urge support of the Weldon amendment.

Mr. Chairman, I provide for the RECORD the statement of administration policy with respect to cooperative threat reduction.

From the Statement of Administration Policy issued May 22, 2003 Executive Office of the President Office of Management and Budget Page 3:

"Nonproliferation and Cooperative Threat Reduction The Administration appreciates full funding of the CTR budget request, but is very concerned about requirements imposed by the Committee that would hinder DOD's and DOE's ability to implement more rigorously and effectively Cooperative Threat Reduction (CTR) and Nuclear Non-proliferation activities. Furthermore, H.R. 1588 would limit the President's flexibility to apply CTR resources to the most pressing nonproliferation challenges in support of the Global War on Terrorism and would not clarify that DOE has the authority to carry out such activities outside states of the former Soviet Union."

Mr. HUNTER. Mr. Chairman, I reserve the balance of my time.

Mr. SKELTON. Mr. Chairman, I yield 30 seconds to the gentleman from Ohio (Mr. RYAN).

Mr. RYAN of Ohio. Mr. Chairman, I thank the gentleman for yielding me this time, and I also thank the chairman of the committee for all his help with the provisions in this bill on strengthening the industrial base.

I also wanted to quickly comment on the Tierney amendments, which is included in here, which will allow us to find out why the contractors are leaving the United States. The average taxpayer pays \$1,000 a year that goes to building up our own industrial base, and I think the least we can do is make sure that those jobs are employed here in the United States.

I want to thank the chairman for all his work and also thank the ranking member, the gentleman from Missouri (Mr. SKELTON).

Mr. SKELTON. Mr. Chairman, I move to strike the last word.

Ms. JACKSON-LEE of Texas. Mr. Chairman, will the gentleman yield?

Mr. SKELTON. I yield to the gentleman from Texas.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the ranking member, the gentleman from Missouri (Mr.

SKELTON), for yielding to me, as well as the gentleman from California (Mr. HUNTER) and the staff for their hard work.

Mr. Chairman, I have an amendment that is part of the en bloc amendment that I wish to speak on at this time. Mr. Chairman, this challenge that I give is one that I hope will be not only instructive but it will open the doors of opportunity, and that is, of course, to small, minority and women-owned businesses. My amendment directs the Secretary of the Department of Defense to commission a study on the feasibility of using small, minority-owned businesses and women-owned businesses in the United States' efforts to build and rebuild Iraq.

This is an operation that will cost billions of dollars. Obviously, as we look toward the future of peace-keeping, America asks the question of when, why and how, and would it not be better to ensure that the backbone of America's economy, small businesses, medium-sized businesses, minority businesses, and women-owned businesses are part of the rebuilding of Iraq?

It is well-known that the culture of many of our nations in the Arab community are interested or have been used to dealing with smaller and more localized businesses. The business-to-business contact providing the opportunities to contract on behalf of the United States and to do the work in Iraq would be miraculous and outstanding. In looking at the work that has been distributed by the Department of Defense in 2001, the most recent statistics, we see that only \$300 million is going to what we call hub zone businesses. I believe this amendment is going to be instructive and constructive.

Mr. Chairman, this is a study, but I hope that we can work through conference to be able to work harder on language that would really outreach to our small businesses, and I appreciate the gentleman's assistance as we move toward conference.

Mr. SKELTON. Reclaiming my time, Mr. Chairman, I thank the gentleman; and she can be assured that we will work very hard to keep the provisions in the bill.

Ms. JACKSON-LEE of Texas. Mr. Chairman, if the gentleman will continue to yield, as I indicated, this focuses on small businesses, giving the opportunity to develop relationships and help rebuild Iraq. I hope we can strengthen it in conference and work with the chairman as we do so.

Mr. Chairman, I propose an Amendment to H.R. 1588, the "National Defense Authorization Act For Fiscal Year 2004."

Under my amendment, "The Secretary of Defense shall commission a study of the feasibility of using small businesses, minority-owned businesses, and women-owned businesses in the United States' efforts to rebuild Iraq. The study shall include the development of outreach procedures to provide, to small businesses, minority-owned businesses, and

women-owned businesses, information on participating in rebuilding Iraq."

The purpose of this amendment is to direct the Secretary of the Department of Defense to commission a study of the feasibility of using small, minority-owned businesses, and women-owned businesses in the United States' efforts to rebuild Iraq. The study will develop outreach procedures to provide information on participating in rebuilding Iraq to minority-owned businesses and women-owned businesses.

During the course of cooperative discussions with the leadership of the House of Representatives' Armed Services Committee, it was agreed that the language of my amendment would better serve the needs of the small, minority, and women-owned business community if there were revisions.

My revised amendment would read, "The Secretary of Defense shall ensure that outreach procedures are in place to provide information to small businesses, minority-owned businesses, and women-owned businesses regarding Department of Defense requirements and contract opportunities for the rebuilding of Iraq.

Both the Majority and Minority Party leadership agreed to work in conference to include the revised language in the final passage of the bill. This is a better formulation of the language of the amendment, and it protects small, minority, and women-owned businesses from unnecessary delay. In fact, the Leadership of the Armed Services Committee agreed to work "robustly" in conference, and with me to ensure that this amendment language is in the final version of H.R. 1588, and also to ensure that small, minority, and women-owned business participate fully in rebuilding Iraq.

The process of rebuilding Iraq is a monumental task that should include the participation of more than just the large, international corporations. Small, minority, and women-owned businesses are the backbone of our economy. Small businesses employ more members of the workforce than larger businesses. For example, according to 2000 Census statistics published by the Small Business Administration, 114,064,976 employees worked at various businesses. Of that number, 81.95 percent of the employees worked at firms with between 20 and 100 employees. This is the majority of the American workforce. These hardworking men and women possess the expertise and experience to contribute to our efforts to rebuild Iraq. Furthermore, by promoting the participation of America's small, minority, and women-owned businesses in the rebuilding of Iraq, we bolster our work force, alleviate the strains of unemployment, and strengthen our economy.

The Department of Defense has not allocated a substantial percentage of their contracts to small, minority, and women-owned businesses. In 2001, the Department of Defense awarded \$135.8 billion in prime contracts. Only \$7.8 billion went to small disadvantaged businesses, and only \$3.0 billion went to women-owned small businesses. In subcontracts, the Department of Defense awarded a total of \$60.5 billion. Of that sum, only \$3.0 billion went to small disadvantaged businesses, and \$2.5 went to women-owned small businesses.

I also recommend that the Department of Defense hold regional meetings around the country to inform small, minority, and women-

owned businesses of the Department of Defense's contracting opportunities. It is imperative that these meetings be held in localities where the small businesses can easily attend. Holding the meetings in Washington, DC does not provide small, minority, and women-owned businesses with sufficient opportunity to attend. Holding regional meetings will ensure that all contracting companies have the opportunity to participate.

The Department of Defense must also establish procedures to monitor the progress and implementation of their contracts. The monitoring should be conducted on two fronts. First, the Department of Defense should monitor all of the prime and subcontractors that receive funding. Second, the prime contractors should also closely monitor the disbursement of funds to, and progress of, the small, minority, and women-owned businesses to ensure the funds are allocated to businesses owned, not simply staffed, by minorities and women.

It is also critical that the Department of Defense establish a system of accountability. It is not enough for prime contractors to agree to subcontract a portion of their award. There must be a follow-up mechanism, and a sanctioning mechanism. For example, if a prime contractor is awarded a Department of Defense contract based upon an agreement to subcontract 50 percent of the contract to minority, there should be penalties if the prime contractor fails to do so.

The Department of Defense can use the model established by USAID. USAID procures prime and subcontracts for the rebuilding of Iraq, but also make substantial use of small, minority, and women-owned businesses. USAID is responsible for the purchase of over \$2.5 billion of goods and services annually in support of U.S. foreign policy initiatives. As of May 12, 2003, USAID has provided \$90.9 million for the reconstruction of Iraq. USAID allocated \$34.6 million was awarded to Bechtel to build infrastructure, \$10 million to ABT Associates for health, \$10 million to World Health organization for health, \$9 million to UNICEF for health and education, \$7.9 million to Research Triangle Institute for local governance, \$7.1 million to International Resources Group for personnel support, \$4.8 million to Stevedoring Services of America for port management and administration, \$4 million to the Air Force Contract Augmentation Program for theater logistical support, \$2.5 million to SkyLink Air and Logistic Support for airport management and administration, \$1 million to Creative Associates for education.

On May 21, 2003 at the Ronald Reagan Building here in Washington, DC Bechtel National, Inc. hosted a contractor-supplier conference to inform the contractors of its role in USAID's Iraq Infrastructure Reconstruction Program. The conference included an overview of Bechtel's role in rebuilding Iraq, and the status of Bechtel's support of USAID's humanitarian assistance efforts. Bechtel also discussed maximizing Iraqi resources, presentations about tendering and subcontracting processes and requirements including insurance requirements, performance securities, collecting expressions of interest, determining bid lists for specific programs and job orders, tendering and tender evaluations.

USAID's policies require a majority of these funds to be subcontracted. It is important that small, minority, and women-owned have full access to the subcontracted funds available,

and also have an equal opportunity to compete for the prime contracts.

For example, in Houston, there are dozens of minority-owned businesses with expertise in all aspects of the oil industry. The minority-owned businesses can provide a range of oil-related services from refining, processing, storage, and transportation.

This amendment's purpose is only to commission a study of feasibility of using small, minority, and women-owned businesses and to develop efficient outreach procedures to maximize inclusion of these businesses. Small, minority, and women-owned businesses are a valuable resource that should be fully utilized in the Iraq rebuilding efforts. This amendment to H.R. 1588, the Department of Defense Reauthorization bill is an important step in that direction. I urge the Chamber to accept my amendment to H.R. 1588.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. SKELTON. I yield to the gentleman from California.

Mr. HUNTER. Mr. Chairman, I wish to assure the gentlewoman that we will work to see to it that small businesses participate robustly in rebuilding Iraq.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank both gentleman for their help and would conclude by asking my colleagues to support this amendment.

Mr. SKELTON. Mr. Chairman, reclaiming my time, let me urge the passage of the en bloc amendments and thank the chairman so very much for his courtesy in working with this side of the aisle and making all of these happen. I think it is an excellent series of amendments.

Mr. HUNTER. Mr. Chairman, I yield myself the balance of my time to reciprocate to my partner, the ranking member of the Committee on Armed Services, the gentleman from Missouri (Mr. SKELTON), and thank him for his great work on this bill, and I want to thank all the Members for their great work on this en bloc package.

Mr. FARR. Mr. Chairman, I rise today in support of the rights of women around the world, including those of servicewomen who are stationed abroad. The Sanchez amendment is about restoring rights and healthcare access to our servicewomen abroad, and not about the ideological debate on abortion.

This Congress has professed tremendous leadership in advocating on behalf of those who have selflessly chosen to serve in the military. However, the health, safety, and rights of our servicewomen do not seem to be a top priority. In no way should the healthcare options of any serviceman or woman be compromised. Unfortunately, the system currently in place makes servicewomen stationed abroad second-class citizens who are subject to different and inferior healthcare parameters than their male counterparts. In supporting our Armed Services we cannot allow the very rights and liberties that they are fighting for to be compromised by refusing to allow servicewomen to choose to have safe and timely medical procedures at military hospitals.

It is unacceptable that a servicewoman would be forced to compromise her privacy and wait for space on a military transport, in order to obtain a time-sensitive procedure like

an abortion. Our female soldiers should be cared for in a safe and timely manner by a military hospital, whose very purpose is to provide healthcare for serviceman and women. Moreover, this amendment clearly states that these abortions would be paid for by private funds, and that no doctor or staff would be forced to participate in these procedures.

In defense of women's reproductive freedoms, and our servicewomen stationed abroad, I support the Sanchez amendment and urge my colleagues to do the same.

Mr. VITTER. Mr. Chairman, I rise today to urge the support of my amendment that would assist in our efforts to ensure that militarily useful United States flag commercial vessels crewed by American citizens are available for this Nation's military and national security needs under the Maritime Security Program.

The MSP program provides the Department of Defense with a large fleet of U.S.-flag roll-on/roll-off, container and other militarily useful vessels for the transport of military vehicles, supplies and other materiel in support of U.S. military operations around the world. I particularly commend Chairman HUNTER for his strong support of the MSP program, and for his leadership by including provisions in the pending Defense Authorization bill that would extend, expand and significantly improve that vital military program.

Chairman HUNTER's work will preserve the ability of the United States through the MSP program to maintain a fleet of active, militarily useful, privately owned United States-flag vessels to meet national defense and other security requirements and to maintain a United States presence in international commercial shipping.

In order to encourage the participation of the most modern vessels in the MSP program, my amendment would allow existing vessels to be documented under United States flag provided that the telecommunications and other electronic equipment of such vessels meets internationally accepted standards.

When the MSP program was originally enacted in the mid-1990's, Congress provided that vessels which meet internationally accepted construction and equipment standards and are reflagged under United States flag for operation in the MSP program are not required to retrofit material and equipment solely for the purpose of complying with U.S. law and regulations, where such law or regulations establish a standard exceeding the internationally accepted standard which applied to the vessel before it was reflagged. However, that legislation did not expressly address related telecommunications standards within its provisions. Our amendment remedies that oversight.

Accordingly, my amendment would permit a vessel to be added to the U.S.-flag commercial fleet for operation in the MSP program if its telecommunications and other radio equipment aboard the vessels comply with applicable international Safety of Life at Sea (SOLAS) Convention requirements. Our amendment removes unjustified impediments to the documentation of militarily useful vessels under the United States flag, and is in keeping with the elimination of financial and other burdens that the Congress specifically sought to remove through the establishment of the Marine Security Program.

I would particularly like to acknowledge and thank my other colleague from Louisiana, Mr.



TAUZIN, the Chairman of the Energy and Commerce Committee, and Mr. DINGELL, the Ranking Member of that Committee, for their cooperation and support on this amendment. I also would like to express my appreciation to Chairman HUNTER and Chairman DREIER for working so closely with us to clear this amendment. I urge the support of this body for this amendment that is critical to the military and national security of the United States.

Mr. WAXMAN. Mr. Chairman, I rise in opposition to the amendment.

This amendment makes a number of unnecessary and potentially harmful changes to Federal procurement law in the name of fighting terrorism. Most troubling is the authority it grants to all agencies—not just the Department of Defense—to use special simplified procurement procedures designed for commercial items for any good or service, regardless of cost. This means that full and open competition will not be used when purchasing these items. It also means that the government will not have access to important safeguards designed to protect taxpayer dollars on sole-source contracts below \$15 million.

We all want to fight the war on terrorism as effectively as possible, but the case simply has not been made that we need this bill. What agencies are having problems getting material or services to fight the war on terrorism? What exactly is it that they have been unable to get?

I haven't heard that agencies are having any problems. The administration has not asked for these "flexibilities." Maybe that is because existing law already has a great deal of flexibility. Waivers from almost all acquisition procedures are available to agencies for a number of reasons. Those include waivers for national security reasons, if there is an "unusual and compelling urgency," and even if it is determined that it is "in the public interest." All of these would seem to apply to fighting the war on terrorism.

Under current law, when the government buys a good or service from a company, the government is entitled to receive cost and pricing data if that company is the only one that can provide the product to the government and if the value of the contract is over \$550,000. The laws that require this information are the Truth in Negotiations Act. The Cost Accounting Standards are also a critical oversight tool. Congress wrote those laws to prevent waste, fraud, and abuse and they are critical safeguards needed to protect taxpayer dollars in the Federal procurement process.

The amendment allows any agency—not just the Defense Department—to enter into sole-source contracts worth up to \$15 million without requiring the contractor to provide accurate cost and pricing data to ensure that taxpayers are getting their money's worth. I think that is foolish and irresponsible, and I urge members to oppose this amendment.

Mr. HOEFFEL. Mr. Chairman, I rise in support of the en bloc amendment. This amendment contains many important provisions, most notably language regarding the Tacony Warehouse.

In September of 2001, the Philadelphia City Planning Commission released a long-term plan to redevelop and revitalize the North Delaware Riverfront located in Philadelphia. The plan is to transform the area from a corridor of abandoned industry and shipping to one of recreation and leisure, business and residential living.

A key component of this plan is the demolition of the Tacony Warehouse, an abandoned 1988 BRAC site that is under the administrative responsibility of the United States Army. Congress included \$5 million in the Fiscal Year 2001 Department of Defense Appropriations bill to demolish this building, yet the United States Army has taken no action to destroy the property.

My amendment expresses the Sense of the Congress that the Secretary of the Army should take swift action to finally demolish the Tacony Warehouse. It is imperative that the Tacony Warehouse be destroyed in order for the City of Philadelphia and the Tacony Community Development Corporation to move forward with their efforts to revitalize Northeast Philadelphia.

I wish to thank Chairman HUNTER and Ranking Member SKELTON for their support of my amendment.

Mr. Chairman, this amendment is an important first step in ensuring that the Army moves forward in demolishing the Tacony Warehouse, as previously required by Congress. I look forward to working with Chairman LEWIS and Ranking Member MURTHA in securing the necessary Federal commitments so that their instructions to the Army in fiscal year 2001 Defense Appropriations Bill are realized.

Revitalizing our nation's riverfronts will leave our cities economically stronger and more sustainable. I ask my colleagues to support this important amendment.

Mr. HUNTER. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. LAHOOD). The question is on the amendments en bloc offered by the gentleman from California (Mr. HUNTER).

The amendments en bloc were agreed to.

The CHAIRMAN pro tempore. It is now in order to consider amendment No. 4 printed in House Report 108-122.

AMENDMENT NO. 4 OFFERED BY MR. TOM DAVIS OF VIRGINIA

Mr. TOM DAVIS of Virginia. Mr. Chairman, I offer amendment No. 4 made in order under the rule.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Mr. TOM DAVIS of Virginia:

At the end of subtitle A of title XI (page 349, after line 10), insert the following new section (and redesignate subsequent sections accordingly):

**SEC. 1111. HUMAN CAPITAL PERFORMANCE FUND.**

(a) IN GENERAL.—Subpart D of part III of title 5, United States Code, is amended by inserting after chapter 53 the following:

**"CHAPTER 54—HUMAN CAPITAL PERFORMANCE FUND**

"Sec.

"5401. Purpose.

"5402. Definitions.

"5403. Human Capital Performance Fund.

"5404. Human capital performance payments.

"5405. Regulations.

"5406. Agency plan.

"5407. Nature of payment.

"5408. Appropriations.

**"§ 5401. Purpose**

"The purpose of this chapter is to promote, through the creation of a Human Capital

Performance Fund, greater performance in the Federal Government. Monies from the Fund will be used to reward agencies' highest performing and most valuable employees. This Fund will offer Federal managers a new tool to recognize employee performance that is critical to the achievement of agency missions.

**"§ 5402. Definitions**

"For the purpose of this chapter—

"(1) 'agency' means an Executive agency under section 105, but does not include the General Accounting Office;

"(2) 'employee' includes—

"(A) an individual paid under a statutory pay system defined in section 5302(1);

"(B) a prevailing rate employee, as defined in section 5342(a)(2); and

"(C) a category of employees included by the Office of Personnel Management following the review of an agency plan under section 5403(b)(1);

but does not include—

"(i) an individual paid at an annual rate of basic pay for a level of the Executive Schedule, under subchapter II of chapter 53, or at a rate provided for one of those levels under another provision of law;

"(ii) a member of the Senior Executive Service paid under subchapter VIII of chapter 53, or an equivalent system;

"(iii) an administrative law judge paid under section 5372;

"(iv) a contract appeals board member paid under section 5372a;

"(v) an administrative appeals judge paid under section 5372b; and

"(vi) an individual in a position which is excepted from the competitive service because of its confidential, policy-determining, policy-making, or policy-advocating character; and

"(3) 'Office' means the Office of Personnel Management.

**"§ 5403. Human Capital Performance Fund**

"(a) There is hereby established the Human Capital Performance Fund, to be administered by the Office for the purpose of this chapter.

"(b)(1)(A) An agency shall submit a plan as described in section 5406 to be eligible for consideration by the Office for an allocation under this section. An allocation shall be made only upon approval by the Office of an agency's plan.

"(B)(i) After the reduction for training required under section 5408, ninety percent of the remaining amount appropriated to the Fund may be allocated by the Office to the agencies. Of the amount to be allocated, an agency's pro rata distribution may not exceed its pro rata share of Executive branch payroll.

"(ii) If the Office does not allocate an agency's full pro rata share, the undistributed amount remaining from that share will become available for distribution to other agencies, as provided in subparagraph (C).

"(C)(i) After the reduction for training under section 5408, ten percent of the remaining amount appropriated to the Fund, as well as the amount of the pro rata share not distributed because of an agency's failure to submit a satisfactory plan, shall be allocated among agencies with exceptionally high-quality plans.

"(ii) An agency with an exceptionally high-quality plan is eligible to receive an additional distribution in addition to its full pro rata distribution.

"(2) Each agency is required to provide to the Office such payroll information as the Office specifies necessary to determine the Executive branch payroll.

**"§ 5404. Human capital performance payments**

"(a)(1) Notwithstanding any other provision of law, the Office may authorize an

agency to provide human capital performance payments to individual employees based on exceptional performance contributing to the achievement of the agency mission.

"(2) The number of employees in an agency receiving payments from the Fund, in any year, shall not be more than the number equal to 15 percent of the agency's average total civilian full- and part-time permanent employment for the previous fiscal year.

"(b)(1) A human capital performance payment provided to an individual employee from the Fund, in any year, shall not exceed 10 percent of the employee's rate of basic pay.

"(2) The aggregate of an employee's rate of basic pay, adjusted by any locality-based comparability payments, and human capital performance pay, as defined by regulation, may not exceed the rate of basic pay for Executive Level IV in any year.

"(3) Any human capital performance payment provided to an employee from the Fund is in addition to any annual pay adjustment (under section 5303 or any similar provision of law) and any locality-based comparability payment that may apply.

"(c) No monies from the Human Capital Performance Fund may be used to pay for a new position, for other performance-related payments, or for recruitment or retention incentives paid under sections 5753 and 5754.

"(d)(1) An agency may finance initial human capital performance payments using monies from the Human Capital Performance Fund, as available.

"(2) In subsequent years, continuation of previously awarded human capital performance payments shall be financed from other agency funds available for salaries and expenses.

#### "§ 5405. Regulations

"The Office shall issue such regulations as it determines to be necessary for the administration of this chapter, including the administration of the Fund. The Office's regulations shall include criteria governing—

"(1) an agency plan under section 5406;

"(2) the allocation of monies from the Fund to agencies;

"(3) the nature, extent, duration, and adjustment of, and approval processes for, payments to individual employees under this chapter;

"(4) the relationship to this chapter of agency performance management systems;

"(5) training of supervisors, managers, and other individuals involved in the process of making performance distinctions; and

"(6) the circumstances under which funds may be allocated by the Office to an agency in amounts below or in excess of the agency's pro rata share.

#### "§ 5406. Agency plan

"(a) To be eligible for consideration by the Office for an allocation under this section, an agency shall—

"(1) develop a plan that incorporates the following elements:

"(A) adherence to merit principles set forth in section 2301;

"(B) a fair, credible, and transparent employee performance appraisal system;

"(C) a link between the pay-for-performance system, the employee performance appraisal system, and the agency's strategic plan;

"(D) a means for ensuring employee involvement in the design and implementation of the system;

"(E) adequate training and retraining for supervisors, managers, and employees in the implementation and operation of the pay-for-performance system;

"(F) a process for ensuring ongoing performance feedback and dialogue between su-

pervisors, managers, and employees throughout the appraisal period, and setting timetables for review;

"(G) effective safeguards to ensure that the management of the system is fair and equitable and based on employee performance; and

"(H) a means for ensuring that adequate agency resources are allocated for the design, implementation, and administration of the pay-for-performance system;

"(2) upon approval, receive an allocation of funding from the Office;

"(3) make payments to individual employees in accordance with the agency's approved plan; and

"(4) provide such information to the Office regarding payments made and use of funds received under this section as the Office may specify.

"(b) The Office, in consultation with the Chief Human Capital Officers Council, shall review and approve an agency's plan before the agency is eligible to receive an allocation of funding from the Office.

"(c) The Chief Human Capital Officers Council shall include in its annual report to Congress under section 1303(d) of the Homeland Security Act of 2002 an evaluation of the formulation and implementation of agency performance management systems.

#### "§ 5407. Nature of payment

"Any payment to an employee under this section shall be part of the employee's basic pay for the purposes of subchapter III of chapter 83, and chapters 84 and 87, and for such other purposes (other than chapter 75) as the Office shall determine by regulation.

#### "§ 5408. Appropriations

"There is authorized to be appropriated \$500,000,000 for fiscal year 2004, and, for each subsequent fiscal year, such sums as may be necessary to carry out the provisions of this chapter. In the first year of implementation, up to 10 percent of the amount appropriated to the Fund shall be available to participating agencies to train supervisors, managers, and other individuals involved in the appraisal process on using performance management systems to make meaningful distinctions in employee performance and on the use of the Fund."

(b) CLERICAL AMENDMENT.—The table of chapters for part III of title 5, United States Code, is amended by inserting after the item relating to chapter 53 the following:

"54. Human Capital Performance Fund .... 5401".

The CHAIRMAN pro tempore. Pursuant to House Resolution 247, the gentleman from Virginia (Mr. TOM DAVIS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Virginia (Mr. TOM DAVIS).

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield myself such time as I may consume, and I rise to offer an amendment to authorize the establishment of a Human Capital Performance Fund, a fund that would enable agencies to reward their highest-performing and most valuable employees at various and sundry GS levels. This is a common-sense idea that the current civil service laws prohibit.

In his fiscal year 2004 budget submission to the Congress, the President proposed the creation of a Human Capital Performance Fund that would provide for a base pay increase of up to 10 percent to individual employees based on exceptional employees' contribution to an agency's mission. H.R. 1836, the

Civil Service and National Security Personnel Improvement Act, which the gentleman from California (Mr. HUNTER) and I introduced last month, included this language that I am offering here today. In addition, the Human Capital Performance Fund was approved by the Committee on Government Reform during its consideration of this legislation.

The incentive payments paid to employees from this performance fund would be, number one, in addition to an employee's current salary and general schedule grade; second, continuing rather than just a one-time bonus; and, third, part of a base pay for purposes of retirement and other benefits.

This amendment would authorize \$500 million for the fund for fiscal year 2004, in which 90 percent would be available to the agencies. The other 10 percent would be used to train Federal managers on how to effectively manage and evaluate employee performance.

To qualify for funds from this fund agencies must submit a plan demonstrating its performance management system supports its strategic goals and performance objectives and is able to make a meaningful distinction in individual performance.

In addition, the Committee on Government Reform included additional requirements that agencies must certify that their agency plans contain certain elements that are essential to a good performance management system, such as adherence to merit principles, transparency, employee feedback, and sufficient training.

The statement of administration policy strongly endorses the authorization of the performance fund. I believe it will go a long way toward moving the government-wide human capital management agenda forward. I urge adoption of this amendment.

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

The CHAIRMAN pro tempore. Does any Member seek time in opposition?

Mr. WAXMAN. Mr. Chairman, I seek time in opposition.

The CHAIRMAN pro tempore. The gentleman from California (Mr. WAXMAN) is recognized for 5 minutes.

Mr. WAXMAN. Mr. Chairman, I yield myself such time as I may consume.

It is ironic, Mr. Chairman, that this amendment is made in order. It applies across the board to civil servants, but this is a DOD bill, and what the Republican leadership would not allow to be in order is a debate about the dramatic radical changes on civil service and procurement issues.

First, with regard to the amendment before us, I have concerns about this Human Capital Performance Fund because I am concerned that the fund will be used as a ruse to slash annual pay raises for Federal employees.

Mr. Chairman, three of my colleagues, though, were denied the opportunity to come to the floor and offer a proposal, which was such a common-sense approach, for restoring the fundamental rights of DOD employees

without in any way hindering the Department's ability to perform its mission.

The Cooper-Danny Davis-Van Hollen amendment would have protected due process appeal and collective bargaining rights. The amendment would have reaffirmed the importance of veterans' preferences and nondiscrimination based on political affiliation. These are the same fundamental rights enjoyed by other Federal employees and, indeed, by employees all around the country. Yet the underlying bill takes those rights away. They would not even allow the chance for these authors to propose this.

Now, let me inform my colleagues that that Cooper-Van Hollen-Danny Davis amendment will be the motion to recommit, so Members will still have to vote on it. But the Republican leadership will not allow us to debate the Cooper amendment on the floor because they cannot defend their own bill. This is no way for the House to deal with one of the most sweeping civil service changes in history.

What makes this process even more galling is that we are dealing with the rights of 700,000 loyal and hard-working DOD employees. They are the same employees who saw terrorists crash an airplane into their headquarters at the Pentagon, and they are the same employees who made enormous sacrifices to support the military efforts in Iraq.

We have our basic priorities all wrong. At the same time that the House today is going to reward billionaires with unnecessary tax breaks, the Republican majority is passing legislation to take away health benefits from veterans and strip dedicated Defense Department employees of their basic rights.

Of course, this is only the latest assault on Federal employees by the Bush administration. Federal jobs have been given to private contractors who are unsupervised and unable to do their job as effectively or efficiently as it would be public employees, and financial bonuses have been given to political appointees instead of career employees. If we are truly concerned about a strong national defense, we ought to open debate and make sure that we have a motivated workforce.

I was also unable to offer an amendment requiring sole source contracts over \$1 million to be covered by laws intended to prevent waste, fraud and abuse. Who is in favor of waste, fraud and abuse? Well, we would have given the chance for Members to make sure that that sort of thing would not happen.

The approach of the leadership on the Republican side is unprecedented, and I want to use this time to protest it.

Mr. Chairman, I yield 1 minute to the gentleman from Maryland (Mr. HOYER) to further talk about what is happening in this DOD bill.

Mr. HOYER. Mr. Chairman, I thank the gentleman for yielding me this time, and I wish to ask the gentleman

from Virginia if he is for the budget provision in the Republican budget for 4.1 percent parity for civil service employees?

Mr. TOM DAVIS of Virginia. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Virginia.

Mr. TOM DAVIS of Virginia. Mr. Chairman, not only are we for it, there is language in this underlying legislation that calls for pay parity to the maximum extent practicable.

□ 1745

Mr. HOYER. I understand the maximum extent practical. Is the gentleman for the 4.1 percent parity for civil service employees?

Mr. TOM DAVIS of Virginia. Absolutely.

Mr. HOYER. Reclaiming my time, when this proposal was originally made, I said if it is a proposal in lieu of ensuring proper pay for Federal employees, then I would oppose it, and I would oppose it vigorously. I do not think the administration is yet for parity. They did not offer parity. This Congress has repeatedly said they are for parity. In fact, the President's pay advisory committee says that civilians are further behind comparable private sector jobs than the military. In light of that, certainly we must adopt the premise that 4.1 percent pay raise will be adopted; but I say to my friend that if this is solely for the purposes of supplementation, then I think that it is not objectionable. But my concern is that they fund this, but not the pay raise.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield myself 15 seconds.

Let me assure the gentleman from Maryland (Mr. HOYER) that this is in addition to. This is supplemental to what would ordinarily be paid. The underlying legislation speaks to that. This is a half billion in additional compensation to Federal employees, and I want to put that on the record.

Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania (Mr. MURPHY).

Mr. MURPHY. Mr. Chairman, I thank the gentleman from Virginia for allowing me to speak on this important amendment that will motivate Federal workers to perform at their true potential.

In January, the National Commission on the Public Service, chaired by Paul Volcker, issued a report stating the current civil service system "makes few distinctions between hard-working high-achievers and indifferent non-achievers."

A recent OPM study found the current performance evaluation for the Senior Executive Service "is merely a rubber stamp and not a measure of, nor an incentive to, performance." And a recent Center for Public Service survey of Federal employees found the average estimate of the number of poor performers in their midst was about 25 percent. These results are typical of

the conclusions reached by other studies conducted to evaluate the status of the Federal civil service. The true value of the individual Federal worker is lost beneath the layers of rigidity in a decades-old architecture of pay and classification.

We must not underestimate the value of rewarding our hard-working Federal employees. The amendment offered by the gentleman from Virginia (Mr. TOM DAVIS) which has the strong support of the President represents a major step in the direction of adequately acknowledging these contributions. I urge Members to support this amendment.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield 1 minute to the gentleman from Tennessee (Mrs. BLACKBURN).

Mrs. BLACKBURN. Mr. Chairman, I thank the gentleman for the opportunity to speak on this amendment.

Under the current civil service system, agencies are limited in the extent to which they can reward employees for their performance, in the way they can recognize excellent performance. In the current system, employees at lower levels of their employment grade can receive quality step increases limited to about 3 percent of their annual salary, and they can only receive one a year regardless of how well they perform in their job. The Human Capital Performance Fund would allow agencies to reward their top-performing employees with a pay raise, a pay raise that they deserve, that they have worked for and earned, but would never receive under the current guidelines.

It is important to clarify, however, that the funds in the Human Capital Performance Fund are in addition to across-the-board pay raises and periodic within-grade step increases that Federal workers already receive. This is not an attempt to gouge Federal employee pay raises, and this is not an attempt to circumvent the existing system. It is an attempt to integrate performance incentives into a civil service system that was developed many decades ago. I urge support for this amendment.

Mr. WAXMAN. Mr. Chairman, I yield myself such time as I may consume.

I have some misgivings about this amendment, but the real point that I want to make is that we should have had an opportunity to debate radical, sweeping civil service changes for the DOD. It was wrong not to have that chance to offer an amendment to do that.

In the motion to recommit, an employee bill of rights will be offered which will protect veterans' preferences, protect against discrimination based upon political opinion or affiliation, right to overtime pay, due process rights, and appeal rights. I hope Members will be willing to vote for that.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield myself the balance of my time.

I thank the gentleman from Maryland (Mr. HOYER) for some of the clarifications he brought forth. It is very clear that underlying pay parity is something I feel strongly about. That needs to be in the record.

In addition, this bonus builds for calculations for retirement, something that current bonuses do not. Pay parity has been an issue not just with this administration but with previous administrations, and we have joined together in a bipartisan way to overturn those, and will be fighting that battle again this year.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. TOM DAVIS of Virginia. I yield to the gentleman from Maryland.

Mr. HOYER. I think the gentleman is correct, it has been a bipartisan problem. We have been together. I look forward to succeeding this year, as we have in years past.

Mr. TOM DAVIS of Virginia. Mr. Chairman, hopefully this bonus pool will reward hard-working Federal employees who exhibit great merit. I urge adoption of the amendment.

The CHAIRMAN pro tempore (Mr. LAHOOD). The question is on the amendment offered by the gentleman from Virginia (Mr. TOM DAVIS).

The amendment was agreed to.

The CHAIRMAN pro tempore. It is now in order to consider amendment No. 6 printed in House Report 108-122.

AMENDMENT NO. 6 OFFERED BY MR. DREIER

Mr. DREIER. 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. 6 offered by Mr. DREIER:

At the end of title X (page 333, after line 21), insert the following new section:

**SEC. \_\_\_\_ . REPEAL OF MTOPS REQUIREMENT FOR COMPUTER EXPORT CONTROLS.**

(a) REPEAL.—Effective 120 days after the date of the enactment of this Act, subtitle B of title XII and section 3157 of the National Defense Authorization Act for Fiscal Year 1998 (50 U.S.C. App. 2404 note) are repealed.

(b) CONSULTATION REQUIRED.—During the 120-day period beginning on the date of the enactment of this Act and before implementing any new regulations relating to an export administration system for high-performance computers, the President shall consult with the following congressional committees:

(1) The Select Committee on Homeland Security, the Committee on Armed Services, and the Committee on International Relations of the House of Representatives.

(2) The Committee on Armed Services, the Committee on Foreign Relations, and the Committee on Banking, Housing, and Urban Affairs of the Senate.

(c) REPORT.—Not later than 30 days after implementing any regulations described in subsection (b), the President shall submit to Congress a report that—

(1) identifies the functions of the Secretary of Commerce, Secretary of Defense, Secretary of Energy, Secretary of State, the Secretary of Homeland Security, and any other relevant national security or intelligence agencies under the export administration system embraced by those regulations; and

(2) explains how the export administration system will effectively advance the national security objectives of the United States.

(d) NEW REGULATIONS.—If the President finds that it is in the national security interest of the United States, the President may, after consultation with the Secretary of Commerce, Secretary of Defense, Secretary of Energy, Secretary of State, Secretary of Homeland Security, the Director of Central Intelligence, and other relevant national security and intelligence agencies, issue regulations that replace the current MTOPS-based method for controlling computer exports, after considering other means of controlling such exports, including controls that may incorporate accepted and accurate measurements of computer performance (including the performance of clustered computers).

The CHAIRMAN pro tempore. Pursuant to House Resolution 247, the gentleman from California (Mr. DREIER) and a Member opposed each will control 10 minutes.

Mr. DREIER. Mr. Chairman, I ask unanimous consent to yield 5 minutes of my time to the gentlewoman from California (Ms. LOFGREN), the coauthor of the amendment, and that she may control that time.

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

There was no objection.

Mr. DREIER. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, we are making an attempt to move into the 21st century; and quite frankly, we have found from the war on terrorism and the war with Iraq that one of the most phenomenal developments has been the technological advances that have been made in dealing with our national security concerns.

One of the things that we found during that process is the fact that we have a very outdated structure known as millions of theoretical operations per second, MTOPs, which has not enhanced our ability to move ahead technologically and has undermined our ability to compete globally. We believe very strongly that it is important for us to have in place a structure which would in fact allow us to deal with the potential transfer of sensitive computer technology to our adversaries.

This amendment which I have offered along with the gentlewoman from California (Ms. LOFGREN) will allow for the administration to have 120 days during which time they would come up with another method of dealing with this, and they must do it in full consultation with the relevant committees here in both Houses of Congress.

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

Mr. HUNTER. Mr. Chairman, I claim the time in opposition to the amendment.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). The gentleman from California (Mr. HUNTER) is recognized for 10 minutes.

Mr. HUNTER. Mr. Chairman, we have a system today which makes a great deal of sense. It says if we sell a super-

computer, and the President has a right to define what a supercomputer is, he can raise the number of millions of theoretical operations per second that define a supercomputer, but once he makes that determination, then if someone sells to what is known as a Tier III country, and that is a country that we may have great problems with, and I will ask the staff to bring down a poster that has those countries. I am talking about countries like China, India, Djibouti, other countries like that; and if you sell a supercomputer to those countries, you have to do something very simple, you just give notice.

You just send a notice to the Department of Commerce; and under our law that we worked out very studiously, the Department of Commerce gives within 24 hours that notice to the Secretary of Defense and the Secretary of State, and they are able to scrub their list and say wait a minute, have we got a bad guy who is an end user here? Have we got a company that wants to kill Americans? Do we have somebody who is going to aid terrorists?

If that is not the case and we come up with a benign end user, okay, go ahead and sell it. All we have to do is give notice 10 days before the transfer is made. And if the bureaucracy fails to act in 10 days, the trade under our present law is authorized.

The gentleman from California (Mr. DREIER), and I have great respect for him and he is a great friend and he is right on many defense issues, is wrong on this one because this takes away the notice. We are a Nation that now understands that fighting terrorism means knowing things. It means intelligence. We are the country that is going to get information off driver's licenses and visas and background checks because we need information; and yet if this passes, there is no notice requirement.

The gentleman from California (Mr. DREIER) says some notice requirement may be built in in the future; but when we strike title B, it takes away the notice requirement.

The other thing that it takes away, it takes away what is known as end-use verification. That means when we sell a supercomputer to Communist China, and they say we are not using this for our nuclear weapons development, we are going to use this for our weather laboratories, that means we have a right to go over and check in that weather laboratory and make sure that they have not transferred it over to nuclear weapons development. The Dreier amendment strikes this, and we no longer can check on how this equipment is being used.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, the gentleman from California (Mr. COX) and I led the investigation into the transfer of technology to China, and one of the

things that we found in our investigation was the great difficulty of verifying what the end use in fact was.

We have to look at the possibility that they could use this to upgrade their nuclear weapons capability. I think this is very serious and dangerous. I do not think we should do this. I think to end all export controls in 120 days is irresponsible, and that is what the amendment will do.

Mr. HUNTER. Mr. Chairman, I reserve the balance of my time.

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

Mr. Chairman, I think this is a good amendment, and I think it is important for Members to know that the administration supports the amendment. We received a letter from Secretary Don Evans indicating that the administration supports the amendment and also a letter from Condoleezza Rice indicating that "the President has long-supported the repeal of this requirement." She and the President support this amendment.

Clearly, President Bush would not support an amendment that would be adverse to the national security interests of the United States, and the truth is we are not repealing computer export controls. What we are doing with this amendment is replacing the control system with something that is flexible and that works better.

I have here in my hand a Sony PlayStation 2. It is a children's toy. I bought one for my son for Christmas on ebay and a game, the Madden game. This children's toy was controlled under the MTOP export control standard at one time, and we could not change it fast enough so that the toys could not be exported. That is a preposterous result. Of course we have altered the MTOP since then, but the reason the President wants this change is so the President and the administration can move and protect this country in a flexible way, and the current law does not allow that.

I hope that Members listen to Condoleezza Rice and listen to the technology sector that knows about computers. Certainly this has great economic value in this time when the tech sector is in the dumps, but we would never support it if it was not also consistent with national security, which clearly it is.

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

Mr. HUNTER. Mr. Chairman, I yield 1½ minutes to the gentleman from Mississippi (Mr. TAYLOR).

Mr. TAYLOR of Mississippi. Mr. Chairman, I rise in strong opposition to this amendment. In 1993, a group of Congressmen wrote then-Secretary of State Warren Christopher asking permission for an outfit called Hughes-Loral to launch satellites in China allegedly for telecommunications purposes.

□ 1800

The result of that and the mistakes that followed were that the Chinese

now have the technology, paid for by the American taxpayer, to put multiple warheads on one rocket and kick them into different trajectories to land on different cities. That was the scandal that came of that.

The pitch then was, nothing can go wrong. As a matter of fact, the letter says: You will find that Hughes satellites are guarded around the clock by U.S. Government and Hughes personnel during their time in China and that the Chinese have no opportunity to touch or even view the embedded MTCR control technology. Therefore, no technology transfer is possible at any time. As the gentleman from California (Mr. COX) and the gentleman from Washington (Mr. DICKS) will tell you, they sure as heck got that technology, paid for by the American taxpayer, that now threatens the American taxpayer.

The gentleman from California (Mr. DREIER) signed that letter. How many mistakes does the gentleman from California have to make? How much more do we have to put the American people at risk so that one company or two can make a couple of bucks, and then we as the taxpayers have to go back and spend a fortune to undo the harm that has been done?

Mr. DREIER. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR of Mississippi. I yield to the gentleman from California.

Mr. DREIER. I thank my friend for yielding. That letter has nothing to do with what we are looking at here today.

Mr. TAYLOR of Mississippi. It is the exact same argument.

Mr. DREIER. Mr. Chairman, I am happy to yield 1½ minutes to the gentleman from Florida (Mr. GOSS), the very distinguished chairman of the Permanent Select Committee on Intelligence.

(Mr. GOSS asked and was given permission to revise and extend his remarks.)

Mr. GOSS. Mr. Chairman, I thank my distinguished friend, the chairman of the Committee on Rules, for yielding me this time. This is a subject that we have discussed many times. There is no question about one thing and that is that MTOPS is no longer a viable template to use as the decision-driver to control exports of high-performance computers. We, I think, all agree on that. We have economic and security concerns to weigh when we talk export on these matters. They are very serious. They affect a great many people in a great many ways. But we understand that what we are dealing with is no longer viable. What we need and what the administration is seeking, I am told, is new computer control methodology that will deal with technology as it is today, in the world as it is today that provides for our national security and provides for economic opportunity. That is something we need to do.

The risk before us right now is repealing the old system without having the new system fully in place. The

Dreier amendment, I believe, allows 4 months to put the new system in place, specific consultation with the appropriate committees, those who are concerned about this on all sides of it; and it comes with a pledge from the head of our national security affairs, Condoleezza Rice, that indeed the administration is about this and a pledge from the Secretary of Commerce that says repeal of existing regulation on exports of high-performance computers until appropriate regulations are in place will not happen.

That ought to give us satisfaction. The question is, can the administration get it done in 4 months? I believe so. Are we in the process? I believe so. Should we stand pat under the old system that does not work just because we are scared to go forward with the technology in situations today? The answer is no. I believe the Dreier amendment should be considered and supported.

Mr. HUNTER. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. ROHRBACHER).

Mr. ROHRBACHER. Mr. Chairman, I rise in strong opposition to the Dreier amendment. I, too, signed that letter in 1993, and I have regretted it ever since. Unlike the gentleman from California (Mr. DREIER), who has not seemed to have learned his lessons on this, the bottom line is this is exactly the same issue. I signed that letter in 1993 because I was promised that there would be no transfer of technology for military use that could be in any way threatening to the United States. And you know what happened? Yes, because the satellite industry wanted to sell satellites to Communist China and the end result was our missile technology was transferred to Communist China and as the gentleman from Mississippi (Mr. TAYLOR) said, we now have MIRVs based on our technology, that technology, aimed at the United States. This is a travesty. The same will happen if we do not put these types of restrictions on supercomputers.

The bottom line is there is an obsession with open trade to Communist China driving policy here. We need to put heavy restrictions on those countries that could be potential enemies, like Communist China, while opening up free trade with nonbelligerent countries that do not pose a threat to us.

Vote "no" on the Dreier amendment. Keep us safe.

Ms. LOFGREN. Mr. Chairman, I yield 2 minutes to the gentleman from Washington (Mr. SMITH), a leader in this effort.

Mr. SMITH of Washington. Mr. Chairman, I think the most telling thing about this debate thus far is that those who oppose this amendment have said virtually nothing about the amendment itself. We absolutely completely agree that that system on the gentleman from California's chart should stay in place. We should have checks on end use. We should have some standard for what to ship to countries that we do not want to ship

it to. This amendment does not eliminate that. It merely recognizes the fact that the existing standard does not work and actually places our country in precisely the danger the opponents have described.

The MTOPS system is hopelessly out of date and keeping up with it is virtually impossible. Just to give you one example, by trying to figure out what a supercomputer is, you have this concept that you can simply look at a computer and say, it's a supercomputer or it isn't. It is not that easy. MTOPS is the way it is currently measured, but that does not take into account that a computer that would be under the supercomputer level can be elevated to the supercomputer level simply by adding another processor which is about the size of my hand, or smaller, to the computer.

The point here is that the MTOPS system does not work. The Dreier amendment would change that and has nothing to do with the letter that people signed back in 1993. We should absolutely keep standards in place for what technology we export, particularly to countries that we are concerned about. The standard we have now does not work, and it does not protect us. It not only hurts business, as has been mentioned, which, by the way, is also important to national security if we are to maintain our leadership in technology in this country where it does us the most good on national security; but this also does not even work to protect national security because the standard is hopelessly out of date. We are giving the President of the United States, who I think the gentleman from California (Mr. HUNTER) has some confidence in on national security issues, the power to change that system to one that would work better. That is what we are doing.

At some point, the opponents of this amendment might talk about it. I doubt it. They will talk about other issues. On the substance of the Dreier amendment, it is a change that is going to protect our national security, which is something we should all be in support of.

Mr. HUNTER. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, let me just say, the playtop system that the gentlewoman from California held up and said this would be licensed, that is not the case today. Today the case is 19,000 million theoretical operations per second. That is about 2,000. Nobody is asking for a report on that. We have taken care of that.

Secondly, the heart of this is the report. If you sell to one of these controlled countries like China, you have to let the Secretary of Defense know you did it. He only has 10 days to review it. If he does not do anything, you make the sale. But the idea that we do not want to bother ourselves with knowing what we are doing makes no sense.

Mr. Chairman, I yield 1 minute to the gentleman from Hawaii (Mr. ABERCROMBIE).

Mr. ABERCROMBIE. Mr. Chairman, there is a bit of acrimony here, and I think we ought to reduce it. People have different views on this. I regret that my good friend from Washington says that we are not wanting to take up the question of the MTOPS and that that is an inadequate measure. I have here before me the GAO report on "Export Controls: More Thorough Analysis Needed to Justify Changes in High Performance Computer Controls," in which it states quite specifically that the inadequacies of the report, that is to say, the President's report on this issue is compounded by the continued use of the flawed measured MTOPS. That is not what we are talking about.

We are talking about whether or not this amendment would get done what the advocates say it will do. It will not. What it does is say give the President the opportunity to come up with a system. The reason this should be defeated is that those who wish to have a different kind of measure, those who wish to be able to sell these computers or its components in some other form need to come up with the alternative proposal and have it vetted through the Committee on Armed Services and other relevant committees, and then we will take it up and vote on it. This should be defeated because it is not ready to be passed.

Mr. DREIER. Mr. Chairman, I am very happy to yield 1½ minutes to the gentleman from California (Mr. COX), the distinguished chairman of the Select Committee on Homeland Security.

Mr. COX. Mr. Chairman, I thank the gentleman for yielding me this time. I thank the chairman, as well, for working with me on the language of this amendment which I became concerned with first as chairman of a different select committee on U.S. national security and military commercial concerns with the People's Republic of China. As a result of extensive expert testimony during hearings before that committee, I became convinced that the MTOPS standard is not an acceptable metric for the purposes that we are seeking to achieve with our export control regime, and I support modernizing and updating the approach that we are taking to high-end computer export controls. I have suggested, and there is included in this amendment, a 120-day period during which these regulations can be implemented by the Bush administration, and I appreciate the gentleman from California (Mr. DREIER) changing the text of the amendment so that the repeal of the current regime is not immediately effective.

I am concerned that while we are repealing the provisions concerning MTOPS, we are also repealing the notification requirements in the statute. I would hope that as we go to conference we might correct what I believe is an oversight in that respect because I believe that any new regime of regula-

tions would include such notification requirements in all events. But I think it is important that we modernize our regime in this respect, and I support the amendment. I will vote in support of it.

Mr. HUNTER. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. SAXTON), chairman of the Subcommittee on Terrorism, Unconventional Threats and Capabilities.

(Mr. SAXTON asked and was given permission to revise and extend his remarks.)

Mr. SAXTON. Mr. Chairman, as the gentleman mentioned at the beginning of this session, the Committee on Armed Services set up a new subcommittee which I have the honor of chairing. One of our responsibilities on the Subcommittee on Terrorism, Unconventional Threats and Capabilities is to review matters just such as this one that would have to do with the proliferation of weapons of a variety of kinds and the materials that could be used to construct them. This very amendment offered by the gentleman from California (Mr. DREIER) is just such a subject that should be reviewed by this subcommittee. That is what we are staffed for, and that is what we do; and here we are on the floor considering this amendment without even having had the opportunity to consider it by our subcommittee.

We are for international trade. We are for export of computer systems to the right people. However, this is a wrongheaded, in my opinion, at least at this point without having had a chance to study it before today, amendment which goes, in my opinion, in the wrong direction as has been stated by the developing coalition, including the gentleman from Hawaii (Mr. ABERCROMBIE), the gentleman from Washington (Mr. DICKS), and the gentleman from Mississippi (Mr. TAYLOR).

Ms. LOFGREN. Mr. Chairman, I yield myself the balance of my time.

I thought it was quite wonderful that the chairman of the Permanent Select Committee on Intelligence supported this amendment. I would like to note for the record that the ranking member, the gentlewoman from California (Ms. HARMAN), has also announced her support for the amendment. I think there is a reason for that. We have been trying to resolve this for many, many years; and because of a variety of snags, we were unable to do it, but we are paying an economic price. The Silicon Valley unemployment rate today is 8.5 percent. We have lost 239,000 jobs since January of 2001, and we need to revitalize the economy. This is one way to do it that is safe. It is supported by the Bush administration, it is supported by Condoleezza Rice, it is supported by the Department of Defense, it is supported by the GAO study; and I think it is time to act.

I am delighted to cosponsor this amendment with my colleague, the gentleman from California (Mr. DREIER). It has overwhelming support

on both sides of the aisle as well as within the administration. I think it is quite worthy of the support of Members on both sides. It does not jeopardize our national security in any way. I hope that Members will listen to the debate and vote "aye."

Mr. DREIER. Mr. Chairman, I yield myself the balance of my time. As we have worked in structuring this rule, I want to congratulate the gentleman from California (Mr. HUNTER) for all of the effort he has put into this great piece of legislation. I do not step forward to challenge him on an issue lightly. This is a very serious matter. I will take a back seat to no one when it comes to the national security of the United States of America.

The gentleman from California and I came together with Ronald Reagan in 1980, and I would not be supportive of any legislation which repealed regulations to ensure that the transfer of sensitive technology would go into the hands of our adversaries. I have great confidence in Condoleezza Rice. I have great confidence in the leadership of this President. And I believe that the correspondence that we have had, having worked closely on fashioning this amendment with the administration, having worked closely with the chairman of the Permanent Select Committee on Intelligence, having worked closely with the chairman of the Select Committee on Homeland Security, and Democrats on the other side of the aisle to ensure that we have this opportunity to do it, guarantees that we will address our national security concerns.

□ 1815

Pass this amendment. Repeal this outdated moment. Please vote in favor of the amendment.

Mr. HUNTER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this amendment guts a very important aspect of national security, and that aspect is knowledge. The idea that we want to take away notice when a supercomputer is sold to one of these third-tier countries, and once again I would ask the floor staff to put up that list of so-called third-tier countries, including Communist China and a number of others which may at some point be our adversary, the idea that we want to take away our notice so that we do not know if we are transferring a supercomputer to the Osama bin Laden Construction Corporation, we want to divest ourselves of that knowledge, that makes no sense.

We have a system in place which is very practical. It is a 10-day system. You simply tell, by notice, the Department of Commerce if you are going to sell a supercomputer. The President decides what a supercomputer consists of; and if you are going to sell a supercomputer to China or Pakistan or Vietnam or Algeria, you give them a 10-day notice. He sends a copy within 24 hours to the Secretary of Defense, the Secretary of State. If nobody objects, you make

the sale. If 10 days expires, you go ahead and transfer this supercomputer.

The other thing we have is in-use verification. We want to make sure when a supercomputer goes to China it is being used by their weather bureau, for example, not by their nuclear facilities. The only way one can tell is by sending a team and saying is that supercomputer where they said it would be? That is called in-use verification. The gentleman from California's (Mr. DREIER) amendment strikes in-use verification.

The gentleman from Illinois (Mr. HYDE) joins me in opposing this amendment very strongly. I would ask the Members to look at the handout that the gentleman from Illinois (Mr. HYDE) and I put out together.

Please vote this amendment down and please retain notice.

Ms. ESHOO. Mr. Chairman, I rise in strong support of the amendment offered by my colleagues Chairman DREIER and Representative LOFGREN.

The amendment allows the Administration to reform the MTOP standard to control computer exports, a standard implemented during the Cold War to protect high-performance computers from falling into the hands of rogue nations.

Why should this standard be reformed?

Quite simply, the MTOP standard has failed to keep pace with technological innovation and has become a useless tool that serves no other purpose other than to place American companies at a severe competitive disadvantage with their foreign competitors.

Personal computers available today perform at more than 25 times the speed of the supercomputers built just a decade ago. Yet these same PCs are treated like weapons under the MTOP standard.

Clearly, reform of our export system is necessary.

This amendment protects our national security while at the same time allowing American high technology companies to compete on a level playing field with their foreign competitors.

Importantly, it is not only the technology and computer industries who are calling for this reform.

Both the Defense Department and the GAO agree that the MTOPS export control system is "ineffective" and "irrelevant".

We must reform this standard and I urge my colleagues to support this amendment.

Ms. HARMAN. Mr. Chairman, I rise in support of the Dreier-Lofgren amendment, which would repeal the requirement to use MTOPS as the metric for restricting exports of high-powered computers and authorize the President to devise a new approach that is both more effective at protecting national security and less injurious to U.S. commercial interests.

When Congress imposed the MTOPS requirements as part of the National Defense Authorization Act back in 1998, we made a terrible mistake by mandating a metric that was poorly matched to the threat it was designed to address. At the same time, we handicapped U.S. high tech companies trying to break into the world's fastest growing markets—and gave an artificial advantage to all the companies abroad who would like to move

the leading edge in high-powered computing to other nations.

The MTOPS metric has been ineffective at controlling the diffusion of technology primarily because computing power has advanced at such a furious pace over the past decade and a half. In 1991 when the MTOPS metric was first devised, the fastest supercomputer in the world was the Cray C90, which was the size of two refrigerators and cost about \$10 million. Do you realize that today a Dell Pentium 4 laptop computer, which costs about \$1,000, has more computing power than the Cray C90?

What's more, "clustering" technology allows a foreign government whose technological capabilities we are trying to limit to buy mass market PCs off the shelves of Radio Shack or Wal-Mart and achieve the same computing power by harnessing them together.

The most important point I want to make today is that this amendment repealing the MTOPS mandate will not injure national security. To that end, I want to cite just a few sources:

A May 2001 report by the Center for Strategic and International Studies (CSIS) concluded that the MTOPS system is "ineffective, given the global diffusion of information technology and the rapid increases in performance" and "irrelevant" because it "cannot accurately measure performance of current microprocessors or alternative sources of supercomputing like clustering."

A February 2001 study by DOD's Office of Science and Technology similarly concluded that "MTOPS has lost its effectiveness \* \* \* due to rapid technology advances."

President George W. Bush commented in March 2001 that "With computing power doubling every 18 months, these controls have the shelf life of sliced bread. They don't work."

Mr. Chairman, passing this amendment will give the President the power to devise a better system to protect national security. Let's do the right thing and approve the Dreier-Lofgren amendment.

The CHAIRMAN pro tempore (Mr. HASTINGS of Washington). All time has expired.

The question is on the amendment offered by the gentleman from California (Mr. DREIER).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mr. DREIER. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 8 of rule XX, further proceedings on the amendment offered by the gentleman from California (Mr. DREIER) will be postponed.

The CHAIRMAN pro tempore. The Committee will rise informally.

The SPEAKER pro tempore (Mr. LAHOOD) assumed the Chair.

#### MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Sherman Williams, one of his secretaries.

The SPEAKER pro tempore. The Committee will resume its sitting.