

Mr. Speaker, I support the peace process fully. I think the suicide bombings have brought a sense of reality to the peace process, but peace must continue and must go on. I think what is going on in Lebanon today and for the past several days also is a sobering realization that there are many, many people that want to destroy the peace process. The Hezbollah are guerrillas, the so-called Party of God, the people who are rejecting it on the Palestinian side.

We need to persevere. But in order to have a real peace, Mr. Speaker, I believe that both sides must keep their agreement. And I say it again and I say it for all to hear, to Mr. Arafat, you must abrogate those covenants calling for Israel's destruction or American aid will cease. Now, I support this because again I think free-trade benefits to the West Bank and Gaza Strip are important. But again, these benefits and all benefits will stop if those covenants are not abrogated.

Mr. SHAW. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois [Mr. CRANE], chairman of the Subcommittee on Trade of the Committee on Ways and Means.

Mr. CRANE. Mr. Speaker, I am pleased to rise today in support of H.R. 3074, legislation that would provide the President proclamation authority to modify tariffs on products from the West Bank, Gaza Strip, and qualifying industrial zones. I introduced this bill, together with my colleagues Mr. SHAW and Mr. RANGEL, because I believe it will go a long way to improve the tense situation in the Middle East. This bipartisan bill was reported favorably out of the Ways and Means Committee by voice vote without amendment on March 14 and enjoys the full support of the administration.

Specifically, the effect of the provision is to offer to goods from the West Bank, Gaza Strip, and qualifying industrial zones the same tariff treatment as is offered to Israel under the United States-Israel Free-Trade Agreement. In exchange for this preferential tariff treatment, the Palestinian Authority has agreed to accord United States products duty-free access to the West Bank and Gaza Strip, to prevent illegal transshipment of goods not qualifying for duty-free access, and to support all efforts to end the Arab economic boycott of Israel.

I believe that granting duty-free treatment for goods produced in these zones in exchange for the commitment by the Palestinian Authority is important to the Middle East peace process. In addition, it will increase employment and will stimulate the economy of the region. Therefore, I encourage my colleagues to give their full support to this bill.

Mr. RANGEL. Mr. Speaker, I just want to urge the adoption of this legislation. As I said earlier, it is supported by both sides of the aisle and the President.

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

Mr. ARCHER. Mr. Speaker, I am very pleased today to support H.R. 3074. I congratulate my colleagues, Chairman CRANE and Mr. SHAW, in working hard to bring this important piece of legislation before the House today. This bill enjoys bipartisan support and is noncontroversial.

H.R. 3074 would permit the expansion of preferential tariff treatment in the Middle East, specifically to goods from the West Bank, Gaza Strip, and qualifying industrial zones in the area. This provision would implement an agreement with the Palestinian authority that would benefit United States interests because United States products would also be accorded duty free access to these areas and steps would be taken to end illegal transshipment of goods not qualifying for such treatment. In addition, the Palestinian authority has agreed to support all efforts to end the Arab economic boycott of Israel.

Although the impact of this legislation will not cover a large dollar amount of trade, I believe that it sends an important signal to encourage the Middle East peace process. I have always said that free trade is the most effective public policy tool that we possess to increase peace and prosperity in our society. This legislation is part of that process. I urge my colleagues to vote for H.R. 3074.

Mr. SHAW. Mr. Speaker, I join with my colleague and good friend, the gentleman from New York [Mr. RANGEL], and ask for a "yes" vote on this important piece of legislation.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. SHAW] that the House suspend the rules and pass the bill, H.R. 3074.

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

A motion to reconsider was laid on the table.

PRIVILEGES OF THE HOUSE—RETURNING TO THE SENATE S. 1463

Mr. SHAW. Mr. Speaker, I rise to a question on the privileges of the House and I offer a resolution (H. Res. 402) returning to the Senate the bill S. 1463.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read as follows:

H. RES. 402

Resolved, That the bill of the Senate (S. 1463) to amend the Trade Act of 1974 to clarify the definitions of domestic industry and like articles in certain investigations involving perishable agricultural products, and for other purposes, in the opinion of this House, contravenes the first clause of the seventh section of the first article of the Constitution of the United States and is an infringement of the privileges of this House and that such bill be respectfully returned to the Senate with a message communicating this resolution.

The SPEAKER pro tempore. The resolution constitutes a question of the privileges of the House.

Under the rule, the gentleman from Florida [Mr. SHAW] will be recognized

for 30 minutes, and the gentleman from New York [Mr. RANGEL] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Florida [Mr. SHAW].

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

Mr. Speaker, this resolution is necessary to return to the Senate the bill S. 1463, because it contravenes the constitutional requirement that revenue measures shall originate in the House of Representatives. S. 1463 would create a new basis for applying import restrictions, and therefore contravenes this constitutional requirement.

S. 1463 proposes to amend title II of the Trade Act of 1974, which sets forth the authority and procedures for the President to provide temporary import relief to a domestic industry which has been seriously injured by imports. Under the so-called "safeguard" statute, the International Trade Commission conducts an investigation upon request, and, if appropriate, makes a recommendation to the President regarding what action would address the injury to the industry. This action may include a tariff, tariff-rate quota, quantitative restriction, or adjustment measures. The President then must determine what action, if any, is appropriate. The actions authorized to be taken by the President include a duty, tariff-rate quota, quantitative restriction, adjustment measure, or negotiation of trade agreements limiting imports into the United States.

S. 1463 changes this authority and procedure by authorizing the ITC to limit its investigation with respect to a domestic agricultural product produced within a particular growing season. As a result, S. 1463 changes the predicate necessary for achieving access to the desired trade remedy, which takes the form of an import restriction. As a result, the proposed change would allow products which do not currently qualify for import relief to be able to qualify in the future. This would have the effect of creating a new basis and mechanism for applying import restrictions under authority granted to the President, which is not currently available.

Import relief granted under this new authority would have a direct effect on customs revenues. The proposed change in our tariff laws is a "revenue affecting" infringement in the House's prerogatives, which constitutes a revenue measure in the constitutional sense. Therefore, I am asking that the House insist on its constitutional prerogatives.

There are numerous precedents for the action I am requesting. For example, on March 21, 1996, the House returned to the Senate S. 1518, repealing an existing import restriction in the Tea Importation Act of 1897. On July 21, 1994, the House returned to the Senate S. 729, prohibiting the import of specific products which contain more than specified quantities of lead.

On February 25, 1992, the House returned to the Senate S. 884, requiring the President to impose sanctions, including import restrictions, against countries that fail to eliminate large-scale driftnet fishing. On October 31, 1991, the House returned to the Senate S. 320, including provisions imposing, or authorizing the imposition of a ban on imports in connection with export administration. On September 23, 1988, the House returned to the Senate S. 2662, imposing import quotas on textiles and footwear products.

I want to emphasize that this action does not constitute a rejection of the Senate bill on its merits. Adoption of this privileged resolution to return the bill to the Senate should in no way prejudice its consideration in a constitutionally acceptable manner.

In fact, I introduced companion legislation, H.R. 2795, on December 15, 1995, in order to address the identical issues by S. 1463. In addition, at my request, the Ways and Means Subcommittee on Trade will be holding a hearing on H.R. 2795 on April 25.

Accordingly, the proposed action today is purely procedural in nature, and is necessary to preserve the prerogatives of the House to originate revenue matters. It makes it clear to the Senate that the appropriate procedure for dealing with revenue measures is for the House to act first on a revenue bill, and for the Senate to accept it or amend it as it sees fit.

Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. GOSS].

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

Mr. GOSS. Mr. Speaker, I thank the gentleman from Florida [Mr. SHAW] for yielding this time to me.

I rise in strong support of what the gentleman from Florida is trying to do primarily because of the casualties. We are suffering unnecessary casualties. There are things we can do to repair that damage, and the gentleman from Florida [Mr. SHAW] has the right answer.

Mr. Speaker, Florida winter fruit and vegetable growers are being drowned in a flood of cheap Mexican produce. While current U.S. laws allow other industries in this position to seek relief under a GATT and NAFTA legal escape clause, this option is not really open to our growers because of the seasonal nature of their industry. In January, the Florida delegation made a bipartisan push to attach language to the continuing resolution to correct this technical, definitional problem in section 202 of the 1974 Trade Act. While these efforts hit a snag in the House, Florida's Senators were able to join forces to pass a stand-alone measure in the Senate.

Today, S. 1463 is being blue-slipped on procedural grounds because it is the prerogative of the House to originate revenue measures. The members of the Florida delegation respect the need to proceed under the regular rules of the House, but believe that this measure must be moved forward. For this reason, we are pleased to see that the House Ways

and Means Subcommittee on Trade will be holding hearings on Representative SHAW's section 202 fix next week. From there, we hope to see the measure return quickly to this floor for full consideration. We hope that when this measure emerges from committee for a vote, you will join us in giving fair treatment to American farmers.

Florida growers perform a unique function for this country by competing head-to-head—not with other American producers, but with foreign producers—to provide winter fruits and vegetables for Americans. They deserve our support.

Mr. SHAW. Mr. Speaker, at this time I have no additional speakers. I compliment the Senators and the Senate for the passage of this bill, and hopefully they can expeditiously pass it in the final analysis.

Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF FEDERAL POWER ACT DEADLINE FOR PROJECT IN KENTUCKY

Mr. SCHAEFER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2501) To extend the deadline under the Federal Power Act applicable to the construction of a hydroelectric project in Kentucky, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2501

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF DEADLINE.

(a) IN GENERAL.—Notwithstanding the time period specified in section 13 of the Federal Power Act (16 U.S.C. 806) that would otherwise apply to the Federal Energy Regulatory Commission project numbered 10228, the Commission shall, at the request of the licensee for the project and after reasonable notice, in accordance with the good faith, due diligence, and public interest requirements of that section and the Commission's procedures under that section, extend the time period during which the licensee is required to commence the construction of the project, under the extension described in subsection (b), for not more than 3 consecutive 2-year periods.

(b) EFFECTIVE DATE.—This section shall take effect on the date of the expiration of the extension of the period required for commencement of construction of the project described in subsection (a) that the Commission issued, prior to the date of enactment of this Act, under section 13 of the Federal Power Act (16 U.S.C. 806).

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Colorado [Mr. SCHAEFER] and the gentleman from New Jersey [Mr. PALLONE] will each be recognized for 20 minutes.

The Chair recognizes the gentleman from Colorado [Mr. SCHAEFER].

GENERAL LEAVE

Mr. SCHAEFER. Mr. Speaker, I ask unanimous consent that all Members

may have 5 legislative days within which to revise and extend their remarks on H.R. 2501, as amended.

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

There was no objection.

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

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

Mr. SCHAEFER. Mr. Speaker, these bills extend the deadline for construction of hydroelectric projects in the States of Illinois, Kentucky, North Carolina, Ohio, and Pennsylvania. Under section 13 of the Federal Power Act, project construction must begin within 4 years of the issuance of the license. If the licensee has not begun construction by that time, the Federal Energy Regulatory Commission cannot extend the deadline and must terminate the license.

These types of bills have not been controversial in the past, and the bills we are considering today were reported out of the Commerce Committee by unanimous voice vote. The bills do not alter the license requirements in any way and do not change environmental standards, but merely extend the Federal Power Act deadline for construction.

There is a need to act, since the construction deadlines for some of the projects have already expired. If Congress does not act, the Commission will terminate the licenses, the project sponsors will lose millions of dollars they have invested in the projects, and communities will lose the prospect of significant job creation and added revenues.

The principal reason construction of these projects has not commenced is the lack of a power sales contract. In order to finance a hydroelectric project, a sponsor typically requires a power sales contract to obtain financing necessary to begin construction. However, due to the sweeping changes in the electric industry today, many utilities are reluctant to sign the long-term purchase contracts. These bills give licensees additional time to obtain financing.

I should also note that the bills incorporate the views of the Federal Energy Regulatory Commission. The Energy and Power Subcommittee solicited the views of FERC, and amended the legislation to limit extensions to 10 years, as recommended by the Commission.

I would like to briefly describe the first of the bills, H.R. 2501, a bill to extend the deadline for commencement of construction of a hydroelectric project in Kentucky. This 80-megawatt project would be located at an existing Army Corps of Engineers dam on the Ohio River in Hancock County, KY. The construction deadline expired on June 20, 1995, and if we do not act the Commission will terminate the license. According to the project sponsor, the lack of