

Their perception, which was shared by many other employees, was that the VA did not take sexual harassment complaints seriously. There was a great deal of suspicion and distrust caused by too many years of apparent toleration of unacceptable behavior.

Without question, our 1992 hearing revealed that the process in place at the VA for investigating sexual harassment complaints was seriously flawed. Consequently, the Veterans' Affairs Committee unanimously approved legislation, which was later passed by the House, to address the problems at the VA. H.R. 1032 would have provided for improved and expedited procedures for resolving complaints of employment discrimination, including sexual harassment complaints.

When we considered H.R. 1032, VA Secretary Brown opposed the passage of this legislation because he preferred to take administrative action instead. The Senate did not act on H.R. 1032, and the bill was never enacted into law.

Secretary Brown established a policy of zero tolerance of sexual harassment and other forms of discrimination within the Department of Veterans Affairs early in his tenure as Secretary. Unfortunately, it appears that this policy of zero tolerance is not being enforced.

Almost 5 years after our first hearing, we are faced with a similar situation at the VA. This matter was brought to my attention again when the director of the Fayetteville VA Medical Center was found to have sexually harassed one female employee. He also engaged in abusive, threatening and inappropriate behavior toward other female employees. This director was transferred to the Bay Pines VA Medical Center which serves many of the veterans in my congressional district. He was allowed to retain a salary of more than \$100,000 in a position created specifically for him.

I heard from my constituents, particularly female veterans and VA employees, who were outraged by the Department's actions on this matter. They do not believe that the VA took any punitive action against this senior VA employee.

At my request, the Veterans' Affairs Oversight Subcommittee held a hearing on this latest incident of sexual harassment on April 17, 1997. We heard from several VA employees who were subjected to abusive treatment while working in the Fayetteville Medical Center. Sadly, their stories mirror those that we first heard in 1992. Despite the Secretary's zero tolerance policy, it appears that the VA has failed to adequately implement sufficient administrative procedures to deal with sexual harassment complaints.

Our witnesses believed that their harasser was not properly or adequately punished. In fact, they felt that he was rewarded for his actions "by being sent to the place he wanted to be with a raise in salary." This certainly appears to be the case. Consequently, I am greatly concerned that the VA's policy of zero tolerance has, at best, not been implemented uniformly, and at worst, has been ignored.

In 1992, I said that "Everyone has the right to live and to go to work without fear of harassment of any sort * * * we owe all female veterans and all female VA employees the assurance that we will not tolerate sexual harassment at any level." This statement is just as relevant today as it was 5 years ago.

Our 1992 hearing revealed that the process in place at the VA for investigating sexual har-

assment complaints was seriously flawed. Our 1997 hearing showed that the process is still flawed. Although I wish it were not necessary, I am pleased to be an original cosponsor of Chairman EVERETT's legislation, H.R. 1703.

We cannot defer legislative action again. I certainly do not want to find out 5 years from now that the VA's EEO process is still broken. Victims of sexual harassment and other types of employment discrimination deserve a sympathetic and effective response from their employer. The legislation before us is essential to assure employees that mistreatment will be dealt with fairly.

I urge my colleagues to support H.R. 1703. Mr. GILMAN. Mr. Speaker, I rise today in strong support of H.R. 1703, the Department of Veterans Affairs Employment Discrimination Resolution and Adjudication Act of 1997.

In recent years, we have heard of numerous cases where individuals within the Department of Veterans Affairs who were subjected to sexual harassment and other unlawful employment discrimination. As a result, the Department has established a zero-tolerance policy on sexual harassment and has promised to improve its equal opportunity system.

This legislation would assist the Department in meeting that goal by establishing a new Office of Resolution Management [ORM] to carry out such responsibilities. The number of full time professional EEO counselors and investigators is increased under this legislation.

Furthermore, H.R. 1703 mandates that the VA Secretary establish an Office of Employment Discrimination Complaint Adjudication [OEDCA] to issue final decisions on the merits of discrimination claims within the Department. The director of OEDCA will report directly to the VA Secretary and will have sole responsibility within the VA for resolving complaints of sexual harassment and other unlawful employment practices.

Accordingly, I urge my colleagues to join me in support of this legislation, which will help to reduce the level of unlawful employment incidents in the VA and allow those who were victims of such practices to continue to move forward in helping our veterans.

Mr. FARR of California. Mr. Speaker, I rise in support of two important veterans bills being considered on the floor today. H.R. 1703, the Veterans' Affairs Employment Discrimination Prevention Act, would establish a new VA office to resolve employment discrimination claims by veterans. Too often, our Nation's veterans are the victims of discrimination in the workplace, and this legislation would help ensure that their concerns are heard and resolved.

H.R. 2206, the Veterans Health Programs Improvement Act, will provide needed help to homeless veterans and veterans of the gulf war. The legislation would reauthorize a number of important Federal programs for homeless veterans, and allow the VA to operate more care facilities for veterans suffering from drug and alcohol abuse.

In addition, H.R. 2206 would expand medical care eligibility for gulf war veterans, so that any veteran with gulf war illnesses could receive health care from the VA—whether or not their illness can be proven as caused by exposure to toxins. The bill also authorizes \$5 million in funds for researching new forms of treatment of gulf war syndrome.

I represent both veterans and veterans' families who continue to suffer from gulf war ill-

nesses, with no end in sight. Unfortunately, many suffering veterans don't get medical care because they cannot prove the cause of their illness. This legislation will ensure medical help is available for those gulf war veterans who need it.

I am glad to see these two bills come to the floor, and I urge my colleagues to support them.

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

The SPEAKER pro tempore (Mr. STEARNS). The question is on the motion offered by the gentleman from Arizona [Mr. STUMP], that the House suspend the rules and pass the bill, H.R. 1703, as amended.

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

The title of the bill was amended so as to read: "A bill to amend title 38, United States Code, to provide for improvements in the system of the Department of Veterans Affairs for resolution and adjudication of complaints of employment discrimination."

A motion to reconsider was laid on the table.

□ 1500

REAUTHORIZATION OF THE EXPORT-IMPORT BANK

The SPEAKER pro tempore (Mr. STEARNS). Pursuant to House Resolution 255 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1370.

□ 1500

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1370) to reauthorize the Export-Import Bank of the United States, with Mrs. EMERSON, Chairman pro tempore in the chair.

The CHAIRMAN pro tempore. When the Committee of the Whole rose on Tuesday, September 30, 1997, amendment No. 3 printed in House Report 105-282 offered by the gentleman from New York [Mr. LAFALCE] had been disposed of.

It is now in order to consider amendment No. 4 printed in House report 105-282.

AMENDMENT NO. 4 OFFERED BY MR. ROHRABACHER

Mr. ROHRABACHER. Madam 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. 4 offered by Mr. ROHRABACHER:

At the end of the bill, add the following:

SEC. 10. PROHIBITION AGAINST ASSISTANCE TO COMPANIES THAT ARE AT LEAST 50 PERCENT OWNED BY A FOREIGN GOVERNMENT OR MILITARY.

Section 2(b) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)) is amended by adding at the end the following:

“(12) PROHIBITION AGAINST ASSISTANCE TO COMPANIES THAT ARE AT LEAST 50 PERCENT OWNED BY A FOREIGN GOVERNMENT OR MILITARY.—

“(A) DETERMINATION OF OWNERSHIP.—On application for assistance involving a transaction in connection with the import or export of any good or service, the Bank shall determine whether any company involved in the transaction is at least 50 percent owned by the government or military of a foreign country.

“(B) PROHIBITION.—The Bank shall not insure, guarantee, extend credit, or participate in an extension of credit involving any transaction in connection with the import or export of any good or service if any company involved in the transaction is at least 50 percent owned by the government or military of a foreign country.”

The CHAIRMAN pro tempore. Pursuant to House Resolution 255, the gentleman from California [Mr. ROHRABACHER] and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from California [Mr. ROHRABACHER].

Mr. CASTLE. Madam Chairman, will the gentleman yield?

Mr. ROHRABACHER. I yield to the gentleman from Delaware.

Mr. CASTLE. Madam Chairman, I ask unanimous consent that the time for debate on the two Rohrabacher amendments be extended to 20 minutes from the 10 minutes allocated from the rule, to be equally divided between the proponents and opponents. We have discussed this, and it is in everyone's interest to do this.

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

There was no objection.

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

Madam Chairman, my amendment to H.R. 1370 would prohibit the Export-Import Bank from providing assistance for transactions involving the import or export of goods or services with companies that are at least 50 percent owned by a foreign government or the military of a foreign government. My amendment will also prohibit the bank from insuring, extending credit, or participating in an extension of credit with such a company.

Numerous studies show that the largest percentage of Export-Import Bank transactions benefit a small number of mega private corporations at the expense of small business and/or the tax-paying citizenry. It is ridiculous that while other U.S. agencies, such as the Agency for International Development, and multinational-multilateral banks are spending billions of U.S. tax dollars on privatization efforts, that the Export-Import Bank subsidizes transactions with State or military-owned companies. Often these are the vestiges of failed socialist state-planned political and economic systems.

Even worse, some of these subsidized firms may be owned by the military arm of dictatorial regimes; for example, the Peoples Liberation Army in China, Communist China.

I have heard concern that my amendment would prevent companies from participating in large infrastructure, power generation, communications, and transportation projects in developing countries. Clearly this amendment does not prevent American companies from being involved in such projects.

What it specifies is that the U.S. taxpayers should not be put at risk with guaranteeing or loaning hundreds of millions of dollars for ventures with state- or military-owned companies that are shunned by private lenders.

This is in fact corporate welfare that subsidizes imports over exports. For example, in China, where U.S. airline companies are receiving export-import funding, those deals, more often than not, involve the transfer of American technology and the development of Chinese assembly lines that in a few short years will be in direct competition with United States workers. This is the worst kind of short-sightedness, not only on the part of the companies involved, but on the part of the U.S. Government. We are subsidizing the creation of our own high-tech competition in dictatorships like China.

Will my amendment really deter the creation of new American jobs? According to the Congressional Research Institute, and I quote, Most economists doubt that a nation can improve its welfare over the long run by subsidizing exports. At the national level, export financing merely shifts production among sectors within the economy, rather than adding to the overall level of economic activity, and subsidizes foreign consumption at the expense of the domestic economy.

In addition to sustaining the American job base, this amendment will encourage our trading partners to expedite the privatization of state-owned and military-owned companies, and to reduce the power of foreign businesses that are controlled by government apparatchiks, military brass, and other anti-democratic cronies. This is in the long-term interest of our people, it is in the long-term interest of our economy, instead of having some clique, some what they call crony capitalism, some clique of capitalists in our country being given resources that should be going out to the small businessmen and women of our country, and it also protects our own workers from subsidizing their competition.

Madam Chairman, I reserve the balance of my time.

Mr. FLAKE. Madam Chairman, I rise in opposition to the amendment.

The CHAIRMAN pro tempore. The gentleman from New York [Mr. FLAKE] is recognized for 10 minutes.

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

Madam Chairman, this particular amendment and its sponsor I tend to

believe does not understand what the Eximbank really does. It is completely unilateral, this amendment, and would significantly damage the ability of U.S. companies to compete for infrastructure projects in most of the regions of the world. No other government will follow suit, so this amendment simply gives foreign companies a big advantage over U.S. firms and our workers.

The amendment applies worldwide, preventing Eximbank financing in most of the lucrative and most fast-growing markets in the world, where Exim's financing is essential to U.S. companies to compete in these various marketplaces.

I think we need to understand that in the countries where Exim is operating, that those countries that are participating with these small, developing nations are in fact countries that provide subsistence to their various companies, and if we do not do that we will not be in a competitive posture with them.

U.S. industries hurt most under this amendment include power plant equipment makers, aircraft makers, oil and gas service companies, construction and engineering firms, communications equipment makers, water treatment equipment makers, et cetera.

By undercutting American exporters in these markets, this amendment would directly cut American exports and export-related jobs. These exports and jobs would go to foreign countries which would still have their government's full financial backing. I believe that this puts us in a competitive posture that takes away from our ability to be able to function appropriately in these marketplaces.

By cutting U.S. exports, this amendment will worsen our already dismal record of trade deficit. The amendment is based on the false notion that it is wrong for U.S. Governments to help American exporters sell our goods and services to government-owned companies anywhere in the world. Since no other government will follow this policy, foreign government-owned companies will simply buy from Europe, Japanese, Korean, and other competitors. It will have no impact on foreign governments, nor will it hasten privatization.

Foreign corporations and their workers are the only ones who will benefit from this amendment, because they will get the business that American exporters will lose by the denial of Exim financing.

Madam Chairman, I reserve the balance of my time.

Mr. FLAKE. Madam Chairman, I yield the balance of my time to the gentleman from Delaware [Mr. CASTLE], the distinguished chairman of the subcommittee.

The CHAIRMAN pro tempore. Without objection, the gentleman from Delaware [Mr. CASTLE] will control the remainder of the time, and is recognized for 7½ minutes.

There was no objection.

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

Madam Chairman, I am in firm opposition to this amendment. I know it means well, but we do not have time to go through that. But essentially it would severely damage U.S. exports to developing economies, developing markets, and post-Communist foreign countries by prohibiting Exim financing for the purchasing of U.S. goods and services to any foreign buyer that is at least 50 percent owned by a foreign government or military.

It is ill-conceived, and frankly it is counterproductive. It guts Eximbank's ability to effectively support U.S. exporters and their workers, our workers, throughout much of the world. It is plainly contrary to the national interests and the economic well-being of American workers.

It is opposed by the Department of State, which has starkly warned that the amendment could do great damage to U.S. commercial interests. It is opposed by the Department of Treasury, which points out that most buyers in the developing world are public sector entities. It is just a fact. A prohibition on sales to such entities will put Eximbank out of business and cede export sales to our competitors.

The U.S. Chamber of Commerce has come out in strong opposition to this particular amendment, while at the same time strongly supporting H.R. 1370, the Export-Import Bank.

The National Association of Manufacturers states that the Rohrabacher amendments would reduce U.S. exports or public works projects in every region of the country, and block U.S. exports to government-owned customers. These amendments would hand over billions of dollars of contracts to our major competitors in Germany, Japan, and France, among others.

According to Exim, had this amendment been in effect since 1987, it would have cost the United States \$8.7 billion in aircraft sales alone. It would directly jeopardize more than \$11 billion in future aircraft sales.

Why would it wound us so much? Very simply, it would cut off Exim financing for the export of U.S. goods and services to any public sector economy anywhere around the world, period. For example, if a United States company is competing on a public power project in South Africa against a Japanese firm being financed by JEXIM, Japan's export credit agency, this amendment would concede that sale to the Japanese. That is why we need a strong Eximbank, to level the playing field for American exporters and their workers.

Let us be clear about the effects of this amendment. It would penalize U.S. businesses and their workers trying to compete and win in the global marketplace. It would lose billions in U.S. export sales. It would lose hundreds of thousands of good, high-paying American jobs. The amendment

misperceives the purpose of Exim. It operates on commercial principles to support U.S. exporters. It operates as a lender of last resort. It finances the purchase of U.S. exports by foreign buyers at market rates. It does not subsidize foreign governments or militaries.

A vote for this amendment is a vote to impose sanctions on United States businesses and United States workers because it prohibits Exim from assisting United States exports to the fastest growing emerging markets of virtually every continent around the world: Argentina, Brazil, Central Asia, Chile, India, Mexico, Russia, South Africa and the Ukraine. A vote for this amendment is tantamount to closing down the Eximbank. I would encourage all of us to rise in opposition to this amendment.

Madam Chairman, I reserve the balance of my time.

Mr. ROHRABACHER. Madam Chairman, I yield myself 1 minute.

Madam Chairman, first of all, let us just note that when we subsidize someone who is doing business overseas, that money comes from a pool of money that is not available for our own small businessmen, for everybody else who wants to do that kind of business here in the United States.

There is no reason that I see that we should provide huge American corporations with loans that are taken right out of the pockets of these small businesses that would like to maybe expand their little shop by a little bit in their hometown. That is where that money is coming from. It is no magic wand that is coming out of nowhere. It is coming from our pockets, and it is subsidizing, as I say, some of the largest companies in this country to do business where? In the developing world. Many times that is a euphemism for vicious, ugly dictatorships that cannot get loans because they are too risky for private owners to loan this money. And \$8 billion in aircraft loans? What accompanies those \$8 billion in loans has been mandates that we set up manufacturing units in those other "developing countries," not in the long run but in the medium run. That means we are setting up competition for our own aerospace industry. It is ridiculous. Vote against this.

Mr. CASTLE. Madam Chairman, if the gentleman will yield, I agree with voting against it.

Mr. ROHRABACHER. Vote in support of the amendment.

Mr. CASTLE. Madam Chairman, I yield 10 seconds to the gentleman from New York [Mr. FLAKE].

□ 1515

Mr. FLAKE. Madam Chairman, I think the gentleman from California [Mr. ROHRABACHER] does not quite understand how the Exim works. These are American companies that are doing business in countries where other countries allow for some type of subsidy for the companies that are operating

there. I think the gentleman is correct in stating, though, that we should vote against the amendment.

Mr. CASTLE. Madam Chairman, I yield 2 minutes to the gentleman from Iowa [Mr. LEACH].

Mr. LEACH. Madam Chairman, let me stress the issue of airplane sales has been raised. That professionals tell us that if this policy had been in effect over the last decade, it would have cost about \$8.7 billion in U.S. aircraft sales and in the immediate future about \$11 billion in aircraft sales.

Yes, it is true that some of our aircraft manufacturers have made certain agreements with countries around the world to produce parts of crafts there. On the other hand, so has Airbus. So the question becomes whether the United States wants to become a part of these markets or not. If we support this amendment, the United States will be blocked out of these markets, and once we are blocked out of certain markets, that ends up having a literally cyclonic effect for other markets. It is not as if one market stands alone.

Madam Chairman, in terms of what it means for jobs, it has been estimated that in just eight key emerging markets the approach contained in this amendment would lose about \$16 billion of U.S. export sales. That is 227,000 jobs, or about 521 jobs per congressional district. I think that is a pretty difficult thing to suggest that we ought to be eliminating.

Finally, the issue is not whether Exim as an institution is forced to be closed down. The issue is whether we cede markets to other countries, whether we embargo United States exports, whether we give up United States jobs.

Madam Chairman, this is a case of unilateral economic disarmament. It is well-intended, but it is clearly counterproductive. I urge in no uncertain terms the defeat of this amendment.

Mr. ROHRABACHER. Madam Chairman, I yield myself 1½ minutes.

Madam Chairman, the only economic disarmament that is going on is the billions of dollars that we are taking out of our country and shipping manufacturing units to other countries, "developing" countries, and dictatorships like Vietnam and China.

Yes, this is put under the guise of being exports, but, more often than not, we are not talking about somebody selling refrigerators over in China or Vietnam, we are talking about companies getting subsidies from the U.S. Government in order to set up a manufacturing unit in those countries.

Like these airline deals that we are talking about, yes, we are selling some airplanes, but part of the deal is, we are setting up an aerospace industry to compete against our own aerospace industry a few years down the line.

Madam Chairman, this is so shortsighted, and we are not talking about exports here, we are talking about setting up temporary sales, some short-run sales, manufacturing units that

will import into the United States. This is a disaster in the medium run. But, again, we have the special interests trying to get their hands on the taxpayers' dollars for a short-term, cut-and-run philosophy on profit.

Madam Chairman, this is not going to be in the long-term interest of the American taxpayers or the American people. After they set up their companies in these countries, they are going to come back and put our own working people out of business.

Madam Chairman, I urge my colleagues to vote for this amendment and let us get on to privatization in the Third World, in the developing world, and let us not subsidize these companies like the People's Liberation Army in China.

Mr. CASTLE. Madam Chairman, I yield 1 minute to the gentleman from New York [Mr. LAFALCE].

Mr. LAFALCE. Madam Chairman, I know it is not intended, but I believe underlying this amendment is a certain arrogance. That is that every other country in the world and company in the world must be and do as we in the United States are, that they cannot have their own system. And if they do, we will not sell them products or services with any Eximbank assistance.

I really think that that is shortsighted. As a matter of fact, were we to closely examine the United States, for example, New York State, we have a New York State Power Authority. It is a governmental entity that provides power in New York State. We have in western New York the Niagara Frontier Transportation Authority, a governmental entity providing public transportation.

Under the Rohrabacher amendment, their counterparts in foreign countries would be excluded from participating with American businessmen and women in the purchase of goods, products, and services if Eximbank were to attempt to be of assistance.

Madam Chairman, I really think that is rather foolish and narrowminded, and I think the amendment should be rejected.

Mr. ROHRABACHER. Madam Chairman, I yield myself 1 minute.

Madam Chairman, I am not suggesting, and this amendment is not suggesting, that American businesses cannot go any place in the world, whether it is dictatorships or nondictatorships, developing world or developed world, and do business. They are welcome to do so. The major question is whether or not the taxpayers of this country should be subsidizing these enterprisers who go overseas, should be subsidizing them and offering them loan guarantees, et cetera, and direct loans, through the Export-Import Bank.

Madam Chairman, these people still can go to the private sector and get their loans, they can still participate in whatever project they want, but they cannot expect the American taxpayer to subsidize ongoing socialist projects overseas or ongoing projects in

these dictatorships where they own the enterprises, and so it becomes a bolstering of the regime rather than just a business enterprise.

Madam Chairman, this amendment would exclude no one from doing business overseas; it would end the taxpayer subsidy of this type of business.

Mr. CASTLE. Madam Chairman, I yield 45 seconds to the gentleman from Illinois [Mr. MANZULLO].

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

Mr. MANZULLO. Madam Chairman, with all deference to the gentleman from California, the Eximbank has nothing to do with projects overseas. All Eximbank does is make otherwise unavailable financing to companies, such as Beloit Corporation, which is one of three worldwide manufacturers of papermaking machines and has 2,900 subcontractors, hundreds of thousands of jobs. These are blue-collar workers. The purpose of Eximbank is to allow blue-collar workers to keep their jobs in the United States. Eximbank does not subsidize projects outside of the United States.

Madam Chairman, that is the problem with people attacking Eximbank thinking it is corporate welfare when they do not even understand what this bank does.

Mr. ROHRABACHER. Madam Chairman, I yield myself the balance of my time.

Madam Chairman, the gentleman from Illinois [Mr. MANZULLO], my good friend, has demonstrated for me exactly why my amendment is so important. I do not want us to be subsidizing sending papermaking machines to another country to then compete with our own people who are involved with the paper manufacturing industry in the United States of America.

If people want to sell cardboard boxes or whatever type of machines we are talking about overseas, more power to them. Let them go out and sell those cardboard boxes to Vietnam or China or a dictatorship, democracy, we do not care.

Madam Chairman, I do not need anyone to tell me that the American taxpayer wants us to sell manufacturing units overseas to compete with their own jobs, especially when we are talking about the subsidization here, which is what this amendment does, prevents us from subsidizing all of these state-run enterprises.

Madam Chairman, what we have got is, fine, my amendment would not affect people who want to go out and export and be involved in enterprises overseas whatsoever if they do so at their own risk and they get private capital. But the private capital will not subsidize these enterprises overseas in risky situations or in dealing with companies overseas like the People's Liberation Army where there is a political risk.

Why in the world are we having the American taxpayer subsidize this for

these big corporations, whether it is a paper manufacturing company setting up a paper manufacturing company overseas or whether it is a refrigeration unit?

Motorola set up a chip manufacturing unit in China. They ended up in China using the chips from that company to develop land mines that will explode on anyone who is trying to defuse the land mine. I am not sure if they have an Export-Import Bank loan on that, but if they did, they should not have.

So, Madam Chairman, I would say let us keep the taxpayers' dollars here. Let that stay in the pool of money that is available to our own small business rather than subsidizing these enterprises overseas which in the end compete with the American jobs.

Madam Chairman, I call for the support of my amendment.

Mr. CASTLE. Madam Chairman, I yield the balance of my time to the gentleman from Florida [Mr. MICA].

Mr. MICA. Madam Chairman, Exim does not ship any money or set up any manufacturing overseas. What it does is exactly what the opponent of Exim has said: It helps American businesses finance the sale of American goods and products overseas where no one else will touch the financing. That is the whole purpose of Exim, to help create U.S. jobs, U.S. opportunities, in the sale of U.S. goods where they cannot obtain financing in any other market or by any other means.

Madam Chairman, I urge my colleagues to oppose the amendment.

Mr. KIM. Mr. Chairman, I rise in opposition to the Rohrabacher amendment. While I appreciate the intent of the amendment, it is simply too broad and makes no distinction between America's friends and foes. If adopted, this amendment could result in the loss of billions of dollars of American export sales and tens of thousands of American jobs, including those of my constituents who work in the commercial aerospace industry.

Here's just one example of the damage this amendment could do to American exports. In many developing countries, the only source strong enough to support a national airline is the government. Like airlines all over the world these national airlines continue to expand and modernize. As part of this process, many of these government-owned airlines utilize the Ex-Im Bank as a key source of financing for the American-built commercial aircraft they buy. However, if Boeing or Douglas aircraft are denied access to Ex-Im financing for sales to these airlines, as this amendment would do, that won't stop these airlines from modernizing their fleets. Instead, they will turn to the Europeans who offer Ex-Im type financing and these airlines will buy Airbus products. That means many more jobs in Germany and France and fewer in America.

This is not a minor example. The list of airlines owned by a government or in which a government holds the majority of shares that have bought or could buy Boeing or Douglas aircraft is extensive. This amounts to well over 1000 recent or current aircraft orders. Of these, some 200 are for Douglas aircraft which are built in Long Beach, CA. Each order sustains hundreds of California jobs.

Among the major airlines that could be prohibited from utilizing Ex-Im financing by this amendment are:

Aer Lingus—the national airline of Ireland; Air Afrique—the joint airline of eleven different African states; Air France; Air India; Air Malta; air Zimbabwe, Alitalia—the national airline of Italy; Balkan—the Bulgarian airlines; Biman, the national airline of Bangladesh; Cyprus Airways; Egyptair; El Al—Israel airlines; Ethiopian Airlines; Finnair of Finland; Gulf Air—the joint airline of the Bahrain, Qatar, the United Arab Emirates and Oman; Garuda of Indonesia; Indian Airlines—the domestic airline of India; Kuwait Airways; Lithuanian Airlines; Lot—the national airline of Poland; Malev, the national airline of Hungary; Nigeria Airways; Olympic Airways—the national airline of Greece; Royal Air Maroc of Morocco; Royal Jordanian Airlines; Saudia—the national airline of Saudi Arabia; Singapore Airlines; South African Airways; TAP/Air Portugal; Tarom Romanian Airlines; China Airlines; Aeroflot Russian Airlines and Turkish Airlines.

Of course, Boeing and Douglas do not have to approach the Ex-Im Bank for financing sales to all of these airlines. But, they have for many. And, American airplanes have been bought.

Mr. Chairman, Israel, Ireland, Portugal, Italy, Bangladesh, Lithuania, Poland, Romania, Bulgaria, South Africa, India, France, Greece, Finland, Malta, and Hungary are all democracies and friends of the United States. Some, like Israel, are strategic allies of the United States. Yet, this amendment treats aircraft purchases for their national airlines no different than those of dictatorships like Syria, Iran, Libya, and Cuba. There are already laws on the books that prevent U.S. commercial aircraft sales to these countries. If there are specific countries that the authors of the amendment want to target, then they should offer an amendment targeting only those countries, not the significant list of friends I have noted.

I am also concerned that in the course of this debate, the charge has been made that the Ex-Im Bank uses American tax dollars to subsidize foreign businesses that compete against American industry. This is wrong. The Ex-Im Bank provides financing, loan guarantees and insurance programs like many other banks. While these guarantees are backed up by the taxpayer, so too are many domestic housing, education and other loan guarantees. Full repayment is required. In fact, the Ex-Im Bank is specifically prohibited from providing financing to U.S. exporters unless there is a reasonable assurance of repayment. Furthermore, Ex-Im Bank financing can only be used to help export American products.

The bottom line is that this amendment, if adopted, could result in the loss of billions of dollars of aircraft sales for no apparent positive reason. I cannot explain such action to an aerospace worker in my district who watches the sale of a new MD-95 or MD-11 vanish and be replaced by a European Airbus order. I urge my colleagues to support American jobs and defeat this amendment.

The CHAIRMAN pro tempore (Mrs. EMERSON). All time for debate on the amendment has expired.

The question is on the amendment offered by the gentleman from California [Mr. ROHRBACHER].

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

Mr. ROHRBACHER. Madam Chairman, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The CHAIRMAN pro tempore. Pursuant to House Resolution 255, further proceedings on the amendment offered by the gentleman from California [Mr. ROHRBACHER] will be postponed.

The point of no quorum is considered withdrawn.

The CHAIRMAN pro tempore. It is now in order to consider Amendment No. 5 printed in House Report 105-282.

AMENDMENT NO. 5 OFFERED BY MR. ROHRBACHER

Mr. ROHRBACHER. Madam 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. 5 offered by Mr. ROHRBACHER:

At the end of the bill, add the following:
SEC. 10. PROHIBITION AGAINST ASSISTANCE TO ENTITY OWNED BY A GOVERNMENT WHICH IS NOT CHOSEN THROUGH FREE AND FAIR DEMOCRATIC ELECTIONS OF WHICH LACKS AN INDEPENDENT JUDICIARY, OR FOR IMPORT FROM OR EXPORT TO A COUNTRY WITH SUCH A GOVERNMENT.

Section 2(b) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)) is amended by adding at the end the following:

“(12) PROHIBITION AGAINST ASSISTANCE TO ENTITY OWNED BY A GOVERNMENT WHICH IS NOT CHOSEN THROUGH FREE AND FAIR DEMOCRATIC ELECTIONS OR WHICH LACKS AN INDEPENDENT JUDICIARY, OR FOR IMPORT FROM OR EXPORT TO A COUNTRY WITH SUCH A GOVERNMENT.—The Bank shall not insure, guarantee, extend credit, or participate in an extension of credit in connection with—

“(A) a transaction by an entity which is owned by a government that—

“(i) is not chosen through free and fair democratic elections, as certified by the President of the United States; or

“(ii) lacks a independent judicial system; or

“(B) the import of any good or service from, or export of any good or service to, a country with a government described in subparagraph (A).”.

The CHAIRMAN pro tempore. Pursuant to the order of the Committee, the gentleman from California [Mr. ROHRBACHER] and a Member opposed each will control 10 minutes.

The Chair recognizes the gentleman from California [Mr. ROHRBACHER].

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

Madam Chairman, my amendment to H.R. 1370 would prohibit the Export-Import Bank from providing assistance for transactions within a country ruled by a government which is not chosen through free and fair elections, as certified by the President of the United States, or which lacks an independent judiciary. This amendment will also prohibit Export-Import Bank transactions for import from or export to a country with a nondemocratic government.

While supporters of an unrestricted Export-Import Bank argue that the

Bank's role is to provide support for transactions that cannot find private support, let me note that in countries where private international banks are reluctant to fund business transactions, the Export-Import Bank's subsidized lending and guarantees often reward bad economic policies and relieve nondemocratic governments of the need to create a free market environment that genuinely attracts sound foreign capital investment.

Madam Chairman, worse than that, these loans reinforce these dictatorial governments, and, basically, these governments that deny their people their basic civil liberties and economic freedoms are being told that they can be subsidized, even though they have these restrictions on their own people and it takes away their pressure then to democratize.

Opponents of my amendment also claim that Export-Import Bank transactions primarily assist small businesses in this country. To the contrary. A recent study by the CRS, that is, Congressional Research Service, shows that small businesses account for only 12 to 15 percent of the Export-Import Bank's total authorization.

CRS also emphasizes that, quote, subsidized export financing raises financial costs for all borrowers by drawing financial resources that otherwise would be available for other uses, thereby crowding some buyers from the financial markets.

□ 1530

This crowding-out effect might nullify any positive impacts subsidizing export financing may have on the economy. In other words, we are crowding out the little guy in this country in order to give some big megacorporations the money they need to set up some company in a dictatorship, and that money is no longer available to be loaned to our small businessmen and women throughout the country. End of quote from the Congressional Research Service.

It is our responsibility in Congress to appropriate America's taxpayers' dollars wisely. It makes no sense to subsidize American companies for doing business with largely corrupt and inefficient, basically antidemocratic and socialist governments who are too risky for these people to get loans from other sources in the private sector. Our international business policy should be based on reinforcing free markets and democratic institutions where these people could get private sector loans. This is especially true when the business being subsidized is building manufacturing units abroad, which means U.S. working people, taxpayers, are subsidizing the building of factories in dictatorships to produce goods in competition with their own jobs.

Most of the investment that has gone into many of these countries, and much of it into China, we are not selling refrigerators there. We are selling people who are exporting what? Manufacturing units of refrigerators which

end up being sold in the United States and putting our own people out of work. This is immoral. It is wrong, especially wrong when we are dealing with a dictatorship that is the recipient of this business activity.

My amendment will help protect U.S. taxpayers by preventing the Export-Import Bank from providing corporate welfare to risky ventures by megacorporations who should not be investing in these antidemocratic societies in the first place. But if they do, they can do it at their own risk. And it will keep us moral by preventing the taxpayers from subsidizing and propping up those regimes.

This is in fact corporate welfare that subsidizes imports actually to a higher degree than exports. For example, in China, where the United States airline companies, which we have heard today, have sold their products subsidized by the Export-Import Bank, we, as part of those agreements, have set up an aerospace industry or are in the process of setting up an aerospace industry that will put my people out of work in the medium term, not the long term but the medium term. It is ridiculous. If the dictatorships are making those sorts of demands, the last thing we should do is subsidize it with the Export-Import Bank.

I would call on my colleagues to support my amendment and let us stop this subsidization of providing manufacturing units for dictatorships.

Madam Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore [Mrs. EMERSON]. Does the gentleman from Delaware [Mr. CASTLE] rise in opposition to the amendment?

Mr. CASTLE. Madam Chairman, I do rise in opposition to the amendment.

The CHAIRMAN pro tempore. The gentleman from Delaware [Mr. CASTLE] is recognized for 10 minutes.

Mr. CASTLE. Madam Chairman, I yield myself such time as I may consume. Last time I looked the American government was not a dictatorship. These are American businesses and American workers which we are helping. Virtually nobody else is being helped at the same level. We are helping them compete with other countries.

I do rise in very strong opposition to this amendment. This is a debate about means and ends. The sponsor of the amendment seeks to promote democracy and the rule of law abroad. So does this Member and every Member of this body. There is no disagreement about the objective, but there is disagreement about the means.

The amendment's sponsor evidently believes that the United States should express its repugnance for undemocratic governments by enacting sweeping, unprecedented global sanctions against ourselves by cutting off trade, by unilaterally embargoing American exports and sacrificing good, high-paying American jobs. I do not. The United States does not advance its interest in

democracy and the rule of law by punishing ourselves by telling foreign purchasers of United States goods and services to buy their industrial machinery, power equipment, telecommunications and aircraft from European or Japanese companies.

The Department of State is opposed to this amendment. The Department of the Treasury is also opposed to the amendment because Eximbank is the most effective tool in the Treasury-led international negotiations to reduce foreign export financing subsidies. The Export-Import Bank itself is opposed to this and states very explicitly that their business would be decimated by the Rohrabacher amendment. I will include their letter for the RECORD.

The effect of this amendment would be to cut off Exim financing of all export transactions in any country anywhere around the world with an unelected government, such as in the Persian Gulf, Sub-Saharan Africa, Central Asia and Southeast Asia. Likewise, the amendment would also shut off Exim financing in any country around the world which does not have an independent judiciary. This would include many countries in the newly independent states, the Middle East and Southeast Asia. Exim financing is cut off regardless of whether or not the U.S. exporter is facing government-financed competition.

The amendment therefore shifts export sales and the jobs they support from U.S. exporters all across the country to the exporters of our competitors. How can this be in the national interest?

This amendment would leave U.S. exporters defenseless in the face of foreign-government-financed competition for export contracts throughout much of the developing world. I cannot imagine a more unsound and ill-conceived basis for United States economic policy.

I urge my colleagues to reject this ill-conceived amendment.

Madam Chairman, I include for the RECORD the letter to which I referred:

EXPORT-IMPORT BANK
OF THE UNITED STATES,

Washington, DC, October 6, 1997.

Hon. MIKE CASTLE,
Chairman, Subcommittee on Domestic and International Monetary Policy, House of Representatives, Washington, DC.

DEAR CHAIRMAN CASTLE: I am writing to express my great concern about two amendments being offered by Congressman Rohrabacher that seriously undermine the ability of U.S. exporters to sell goods and services into emerging markets and cost U.S. jobs. Simply stated, these two amendments put Ex-Im Bank "out of business".

The Rohrabacher amendments cost U.S. jobs by preventing U.S. companies from competing against Airbus and other European and Japanese supported competitor companies. Had these amendments been in effect during the past five years, Ex-Im Bank would have been unable to support approximately \$50 billion out of \$77 billion in U.S. exports that went forward during this period. The loss of these exports would have resulted in the loss of hundreds of thousands of jobs in each of the five years.

Small business programs at Ex-Im Bank will be decimated by the Rohrabacher amendments. Ex-Im Bank has worked diligently over the last four years to simplify its small business programs and make them accessible through delegated authority arrangements. Last year alone, Ex-Im Bank directly supported \$2.4 billion in small business exports. Ex-Im Bank would be unable to finance these U.S. small business exports under the Rohrabacher amendments.

In short, these two amendments would prevent the Bank from fulfilling its mission to support U.S. exports and thereby create and sustain U.S. jobs. Without Ex-Im Bank, U.S. companies and U.S. workers will be unable to compete in emerging markets.

Sincerely,

JAMES A. HARMON.

Madam Chairman, I reserve the balance of my time.

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

Mr. CASTLE. Madam Chairman, I yield 2 minutes to the gentleman from New York [Mr. FLAKE].

Mr. FLAKE. Madam Chairman, I rise in opposition to the amendment.

It seems to me that a part of our responsibility is obviously to create U.S. jobs wherever that possibility exists for us. Indeed, what we have done through Exim cannot be duplicated from any other source that we have in America.

It seems to me that as we look at the letter that James Harmon has sent and that the gentleman from Delaware [Mr. CASTLE] has asked to be included in the RECORD, we would have lost a great deal of money and a great number of jobs had we not had the Eximbank support for those American companies who are doing business abroad over the last 5 years. As a matter of fact, he estimates that we would have lost \$50 billion out of \$777 billion in exports. That is not, it seems to me, the direction that we ought to be going.

The gentleman who is the sponsor of the amendment seems to be moving in a direction that takes out of hand the possibility for us to be able to create jobs for American companies and for American citizens. I tend to think that we cannot afford to support this amendment. It is completely unilateral. No other government would adopt such restrictions. It means that we have basically given this market over to other countries and to other companies. That does not provide any kind of creation of jobs for American citizens.

I would hope that as our colleagues come to vote on this particular amendment, that they would vote against it and that we would continue to provide the level of support for the Exim that we have in the past.

Mr. CASTLE. Madam Chairman, I yield 2 minutes to the distinguished gentleman from Iowa [Mr. LEACH], chairman of the Committee on Banking and Financial Services.

Mr. LEACH. Madam Chairman, I thank my colleague for yielding me the time. Let me just say this amendment not only defies rational explication today, it defies our history. For half a century the United States of America

has set a model around the world of active engagement with many different societies, even when we disagree with what is happening in those societies.

What this amendment says is, if we do not like what is happening in another society, we are going to express our differences by hitting ourselves in the face. It is patently counter-productive. I would say to my distinguished friend that while he has certain premises and certain concerns which we all share, by the same token he has a solution that I think is a countersolution.

The great question is, is this country going to be better off to constructively engage even with those with whom we differ, or are we better off going through some sort of economic isolation that amounts not only to unilateral economic disarmament but amounts to harming ourselves by giving markets to others, by allowing them to build up their export capacity in direct competition with us?

I think the answer has to be that this is an amendment that is very dicey and something that this Congress should would be ill-served to adopt.

Mr. ROHRBACHER. Madam Chairman, I yield myself 3 minutes.

Just to reflect on what my colleague, the gentleman from Iowa [Mr. LEACH] has just said, this is not unilateral disarmament. This is refraining from arming our adversaries. Yes, we have been engaged for the last half century, since World War II, the United States has been the sucker of the world most of that time. But we had to defend the world against international communism.

We do not have to take American taxpayers' dollars anymore and subsidize business deals in foreign lands, taking that money directly out of the pool of money that is available for our own people, the small business men and women of every community throughout our country. They have to take money from that same pool in order to do business in their communities, and instead we are decreasing the amount of money in that pool to give to large corporations to do what? To do business in some communist or some fascist dictatorship overseas. It is not only immoral, it is bad economics.

Yes, Red China has been a big market for our airplanes and other things, they are setting up an aerospace industry at our expense, but they have a \$40 billion trade deficit with the United States. Let them finance their own business deals. They have got the money. They have got the capital.

The fact is that no private companies will finance that because it is risky, because you are dealing with a dictatorship. So what do we do? We take the pressure off them to liberalize and become a freer society by giving them the loans and guaranteeing the loans anyway.

Who are the benefactors in the Three Gorge Dam project in China, \$30-\$40 billion? Yes, there are some American

companies over here that would like to sell the equipment to do the \$30-\$40 billion Three Gorge Dam project in China. We have got some public works projects here in our own country. Why are we taking money from the pool of money that is available to do things in the United States and transferring it overseas? We can buy the tractors and we can buy the equipment to do those projects right here in the United States.

We do not need to drain our own pool of capital dry in order so a few big corporations can show a profit at the end of this year, while what we are really doing is subsidizing projects in vicious and ugly dictatorships around the world, especially Red China; Red China, which now has such an unfair trading relationship with the United States that when we try to send our goods and services in, they are taxed, they are tariffed at 30-40 percent.

What do we do? We subsidize somebody who wants to set up a company over there. They set up the company and then, because we only charge them 3-4 percent tariffs on their goods coming back, that company begins exporting to the United States. In the medium run, yes, a few jobs are created in the short run, but in the long run we are destroying the economic base of our own country. We are destroying the working people of our own country, subsidizing with taxpayers' dollars. Vote for my amendment.

Mr. CASTLE. Madam Chairman, I yield myself 15 seconds.

I would like to make a couple points. First is, this is the Eximbank, not OPIC. Exim is not financing the Three Gorges project in China because of environmental concerns.

Mr. Harmon, talking about small businesses and their involvement in this, says the small business programs at Eximbank will be decimated by the Rohrabacher amendments. He is the head of Eximbank. Exim has worked diligently over the last 4 years to simplify its small business programs. It has \$2.4 billion in small business exports.

Madam Chairman, I yield 1 minute to the distinguished gentleman from New York [Mr. LAFALCE].

Mr. LAFALCE. Madam Chairman, I would think that the governments of Japan, the governments of Germany, the governments of France would favor the Rohrabacher amendment. But I would think that the people of the United States and the exporters in the United States would strongly oppose it because if his amendment passes, we will be at a competitive disadvantage.

The argument has been made, and I agree with it, that we would lose money, lose jobs, to be sure, but even more important than that in my judgment, we would lose influence over those governments. The gentleman from California [Mr. ROHRBACHER] used the word "adversaries," why are we financing United States exporters who want to sell their goods or services

to our adversaries. I do not view them as adversaries simply because they have a form of government that is not a clone of the United States or is not the form of government that we have. I think that we have more influence over the Chiles of this world, the Argentinas, the Brazils, the Mexicos, the central European countries, Russia, Saudi Arabia, et cetera, when we trade with them and promote trade with them rather than when we build a wall of isolation between ourselves and those countries.

Mr. CASTLE. Madam Chairman, I yield 1½ minutes to the gentleman from Illinois [Mr. MANZULLO].

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

□ 1545

Mr. MANZULLO. Madam Chairman, the Eximbank, to my dear colleague from the State of California, does not build factories overseas. That is not what the Eximbank does. What the Eximbank does is make loans to foreign companies so that they can buy goods that are manufactured by American companies. That is what this is about.

I met with two gentlemen from the Republic of Georgia; perhaps the George Masons and James Madisons who are in the process of writing the Constitution to set up an independent judiciary. They do not have one yet, they are working on it. The gentleman from California would draw this arbitrary line and say, well, if their government does not meet our standards of running a government, they cannot be involved in buying American goods.

Eximbank is about allowing people in foreign countries to buy goods manufactured in the United States, because Eximbank has a rule that most of the content of that which is financed has to be American products. That is what Eximbank is all about. It is very, very simple.

The gentleman from California would cut off sales to China, cut off sales to Saudi Arabia, even cut off sales to Peru, where ultimately the independent judiciary there is the military triumvirate.

Mr. ROHRBACHER. Madam Chairman, I yield myself the balance of my time.

I do not believe in economic isolation. I applaud those enterprisers of the United States who want to go out and take risks. Let them take their own risks. Let them take their own risks. They will reap the profit. If they reap the profit, they can take the risk.

Yes, if someone wants to do business in red China, where Christians are being tortured, where the Dalai Lama's followers are being victims of genocide in Tibet, where they are wiping out Muslims in East Turkestan. Let those businessmen who want to do business in that situation take their risk, get their own loans.

Let us not deplete the limited amount of money available to create

new business from our country and ship it to those people who are trying to do business over there. Let us let the mom and pops continue to have the money available from that pool of resources for us.

If the Saudis, and they have been our friends during the cold war, but if they want to buy something, let them finance it. Let the Red Chinese finance it. Let us not take this from the American taxpayers' pockets.

And if we were following the logic I have heard in this debate, we would never have ended farm subsidies in this Congress. We would have said, well, other countries have farm subsidies so we have to continue. Other countries have socialism and government controls and government subsidies to other people, thus we have to do it and follow those same countries down the drain of collectivism, which has destroyed the standard of living of so many other countries. We do not need to do that. We can lead the way.

And, in fact, the risks that are taken overseas, we do not say that these people are going to be isolated, we just say we are not going to subsidize it with taxpayers' dollars.

And again we keep hearing the refrain of selling American products overseas. Let us note that many of these projects that are being financed by mega corporations are the export of manufacturing units, which only in the short term look like exports but in the long term become a huge force for imports to overwhelm our own manufacturing jobs in the United States of America.

Let us vote for this amendment. Vote against subsidizing dictatorships.

Mr. CASTLE. Madam Chairman, I yield such time as he may consume to the gentleman from Washington [Mr. METCALF].

Mr. METCALF. Madam Chairman, I rise in opposition to the amendment.

In simple terms, the United States has a trade deficit. The only major component doing poorly in the total economy is exports. The only strong tool we have to fend off foreign nations that subsidize their exports is the U.S. Export Import Bank.

This amendment will hurt American exporters and American jobs. It does not target the perpetrator of the problem—that being the foreign nation who we disagree with. The effect of this amendment is handing over billions of dollars of contract to foreign countries.

Surely this amendment will hurt large corporations, but let us not forget that EXIM is vital to small business exporters. Approximately 81 percent, let me repeat, 81 percent of EXIM transactions go to small exporters. Last year EXIM extended nearly \$378 million in guarantees to support small business exporters which have supported 200,000 jobs annually and over 2,000 communities.

Export transactions supported by EXIM ripple through the economy to hundreds of suppliers. Thus, EXIM is not some financial boutique merely for the Fortune 500. United States Manufacturers, small and large, only go to EXIM when they have to, which is when foreign government financing is being offered on

behalf of our competitors. It would be nice to live in a world where agencies such as the Export-Import Bank were not needed. Until we do this disbanding EXIM would be tantamount to unilateral economic disarmament.

The effect of this amendment will place the burden on U.S. companies and will hurt the American Worker.

Mr. CASTLE. Madam Chairman, I yield the balance of my time to the distinguished gentleman from Florida [Mr. MICA].

Mr. MICA. Madam Chairman, we have heard the statement, let U.S. businesses get their own financing. The whole purpose of Exim is for U.S. businesses, small, medium and large, to obtain financing to sell U.S.-produced goods overseas where there is no financing. That is the whole purpose.

There is no money that goes overseas with Exim. It is U.S.-produced products only. There is no building of factories with this money. It is U.S. goods with the government assisting and financing small, medium and large U.S. companies to sell those goods where they cannot get financing. Only U.S. contractors would be financed under this program.

We have heard about the plea for small businesses. Over 80 percent of Exim assistance goes to medium and small U.S. firms who cannot find financing to sell these U.S.-made products overseas in these difficult markets.

Exim is not corporate welfare. Exim is not a giveaway program. Exim is not a business subsidy. Exim creates thousands of jobs for American workers.

The CHAIRMAN pro tempore (Mrs. EMERSON). The question is on the amendment offered by the gentleman from California [Mr. ROHRBACHER].

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

Mr. ROHRBACHER. Madam Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN pro tempore. Pursuant to House Resolution 255, further proceedings on the amendment offered by the gentleman from California [Mr. ROHRBACHER] will be postponed.

The point of no quorum is considered withdrawn.

It is now in order to consider amendment No. 6 printed in House Report 105-282.

AMENDMENT NO. 6 OFFERED BY MR. SOLOMON

Mr. SOLOMON. Madam 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. SOLOMON:
At the end of the bill, add the following:

SEC. 10. PROHIBITION AGAINST ASSISTANCE TO RUSSIA IF RUSSIA TRANSFERS CERTAIN MISSILE SYSTEMS TO THE PEOPLE'S REPUBLIC OF CHINA.

Section 2(b) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)) is amended by adding at the end the following:

“(12) PROHIBITION AGAINST ASSISTANCE TO RUSSIA IF RUSSIA TRANSFERS CERTAIN MIS-

SILE SYSTEMS TO THE PEOPLE'S REPUBLIC OF CHINA.—If the President of the United States is made aware that Russia has transferred or delivered to the People's Republic of China an SS-N-22 or SS-N-26 missile system, the President of the United States shall notify the Bank of the transfer or delivery. Upon receipt of the notification, the Bank shall not insure, guarantee, extend credit or participate in an extension of credit with respect to, or otherwise subsidize the export of any good or service to Russia.”.

The CHAIRMAN pro tempore. Pursuant to House Resolution 255, the gentleman from New York [Mr. SOLOMON] and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New York [Mr. SOLOMON].

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

Madam Chairman, my amendment simply would prohibit further Export-Import Bank subsidies of transactions involving Russian firms if, and this is so important, if Russia transfers either the SS-N-26 Sunburn missile or the SS-N-26 Yakhont missile to Communist China.

As all my colleagues will recall, this amendment passed on the State Department authorization bill, which covers Freedom Support Act aid to Russia, in June with over 240 votes at that time.

Madam Chairman, over the past 5 or 6 years, America has been engaged in an extraordinary act of generosity toward the Russian people. I have monitored all of that aid as it has gone to the former Soviet Union, now the country called Russia. Together with our allies, we have provided tens of billions of dollars in assistance for Russia's transformation toward a free market democracy, including over \$2 billion in Eximbank assistance.

That is a lot of money, my colleagues. It is a lot of taxpayers' money. And yet we have seen instances over the years where Russia has shown a very alarming disregard for the legitimate security interests of the United States of America in return for this assistance. And that puts America's soldiers and sailors at risk wherever they may serve in other foreign ports of this world. In the hands of the Communist government in Beijing, these missiles pose a direct threat to U.S. ships and U.S. sailors in the Pacific Theatre.

My colleagues, the Sunburn, and in case Members do not know, they should listen closely, the Sunburn is a supersonic sea-skimming missile designed specifically for what purpose, for the purpose to attack American ships equipped with the Aegis radar system. That is what the thing was developed for in the first place. That is right, let me say it again. The Sunburn was designed specifically to take out American ships and kill American sailors. One noted Russian defense analyst has called the Sunburn the most vicious antiship missile in the world.

The Chinese Government began shopping for this missile. Why? In direct response to the deployment of the United

States aircraft carrier last year to the Strait of Taiwan, after China began lobbing missiles at Taiwan. That is true. Because of the Taiwan Relations Act we have to defend Taiwan, one of our greatest allies in the history of this world, and they were having missiles lobbed at them.

We have put American sailors at risk in those Taiwan straits and we have learned recently, Madam Chairman, that the Russians are readying to export another advanced cruise missile. This one is the SS-N-26, called the Yakhont, that travels at more than Mach II speed and has a range of 200 miles. Do my colleagues know what kind of damage that can do to American personnel serving overseas?

It would be nothing short of irresponsible, Madam Chairman, if we did not take every step possible to prevent Communist China from acquiring these missiles, and we still have time to do it. Though the Sunburn missile sale has been in the work for some time now, it is not final yet. And there are forces in Russia I have spoken to that are opposed to it. There are good people over there. There are even people like Yeltsin who want good democracy in that country and they say, "Block that sale."

We can give those positive forces in Russia some help by using our considerable aid, including Export-Import Bank subsidies, as leverage.

Madam Chairman, this amendment is about deterrence. It does not cut off Eximbank subsidies to Russia unless and until a transfer of these missile systems to China take place. If we pass it, the ball is in the Russian court.

All we want to do is to help Russia succeed, Madam Chairman. But if our aid cannot induce the Russian Government to refrain from making a sale that poses such a direct threat to our security interests, then the return on our investment is very low indeed.

If this is the case, then we owe it to the taxpayers and we owe it to our military personnel in the Pacific and in other parts of the world to terminate our aid to Russia, and that is why I urge support of this amendment. It is a very reasonable amendment, and I urge the managers of the bill from both sides of the aisle to accept the amendment.

Madam Chairman, I reserve the balance of my time.

Mr. CASTLE. Madam Chairman, I do not rise in opposition but, if there is no Member in opposition, I ask unanimous consent to control the time.

The CHAIRMAN pro tempore. Without objection, the Chair recognizes the gentleman from Delaware [Mr. CASTLE] for 5 minutes.

There was no objection.

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

Madam Chairman, this amendment prohibits Exim financing of exports to Russia if Russia transfers two sea-launched cruise missile systems to

China, which is obviously a worthwhile goal.

The background to the gentleman's amendment is a concern with China's international security policy, particularly with the perception that Beijing is believed to be focused on obtaining a greater power projection capability, in part through an enhanced naval capability.

In addition, sales to China of advanced missile technology from Russia poses concerns for United States policymakers, as it does this gentleman, in part because of the potential for re-transfer to buyers of Chinese supplies.

In this context, the gentleman has raised a very serious issue and the committee will not oppose his amendment.

Having said that, let me just highlight a number of concerns that will have to be addressed at some point later as the legislative process wends its way through here.

It is very broad in scope. It would impose an automatic shutoff of all Exim financing to Russia if the transfer occurs. The cutoff would apply to any transaction involving a Russian interest, whether or not the export is to Russia or involves a project in Russia.

By contrast, other United States nonproliferation legislation more narrowly targets foreign persons, including individuals and entities responsible for the arms transfer. The amendment, in its current form, also provides no waiver authority or discretionary flexibility to the executive branch.

In addition, the committee is notified that the Department of State is opposed to the amendment, noting that current law does not proscribe or sanction arms transfer by third countries to the PRC.

Nevertheless, the committee will not object to the amendment from the distinguished chairman of the Committee on Rules and, hopefully, we can work through what may or may not be problems as stated here.

Madam Chairman, I reserve the balance of my time.

Mr. SOLOMON. Madam Chairman, I yield myself the balance of my time.

Mr. FLAKE. Madam Chairman, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from New York, one of the outstanding, distinguished Members of this House.

Mr. FLAKE. Madam Chairman, we are prepared to accept the amendment.

Ms. HARMAN. Mr. Chairman, I move to strike the requisite number of words.

As a Californian, I understand the value of the Ex-Im Bank, which supports 737 small and large businesses in my state, with a total export value of \$4 billion.

But not all exports have commendable objectives, and for this reason, I rise in support of the amendment offered by my friend, the gentleman from New York [Mr. SOLOMON].

Like him, I am especially concerned about the proliferation of technologies related to weapons of mass destruction out of the former Soviet Union. Despite reassurances from top

Russian leaders that these technologies and materials are under lock and key, evidence is mounting to the contrary.

An area of particular concern to me and a bipartisan group of my colleagues, including Mr. SOLOMON, is that Russia has failed to halt the sale of ballistic missile technology to Iran.

Mr. Chairman, these Russian transactions are in violation to the Missile Control Technology Regime (MTCR) of which Russia has been a member since 1995.

The Administration is working through diplomatic channels to address this problem, but the response of the Russian government so far is not satisfactory. Further, the clock is ticking, and I have very credible evidence suggesting that this problem may be getting worse.

Together with 76 colleagues from the House, including the gentleman from New York, Mr. SOLOMON, I have introduced a concurrent resolution asking that Russia take all the necessary steps to stop these illegal transactions with Iran in accordance with its own policy, export control laws, and criminal code.

If Russia fails to take appropriate action, our resolution calls on President Clinton to impose sanctions on the Russian entities responsible for this proliferation under current policy and law.

It is time for the Russian government to provide evidence that its proliferating activities to Iran and elsewhere have stopped. It's time for the U.S. government to act to ensure Russia acts as well.

I applaud my colleague Mr. SOLOMON for having raised this issue at this time.

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

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

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New York [Mr. SOLOMON].

The amendment was agreed to.

□ 1600

The Chairman pro tempore [Mrs. EMERSON]. It is now in order to consider amendment No. 7 printed in House Report 105-282.

AMENDMENT NO. 7 OFFERED BY MR. VENTO

Mr. VENTO. Madam 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. 7 offered by Mr. VENTO:

At the end of the bill, add the following:

SEC. 10. PROHIBITION AGAINST PROVISION OF ASSISTANCE FOR EXPORTS TO COMPANIES THAT EMPLOY CHILD LABOR.

Section 2 of the Export-Import Bank Act of 1945 (12 U.S.C. 635 is amended by adding at the end the following:

"(f) PROHIBITION AGAINST ASSISTANCE FOR EXPORTS TO COMPANIES THAT EMPLOY CHILD LABOR.—The Bank shall not guarantee, insure, extend credit, or participate in the extension of credit with respect to the export of any good or service to an entity if the entity—

"(1) employs children in a manner that would violate United States law regarding child labor if the entity were located in the United States; or

"(2) has not made a binding commitment to not employ children in such manner."

The CHAIRMAN pro tempore. Pursuant to House Resolution 255, the gentleman from Minnesota [Mr. VENTO] and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

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

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

Mr. VENTO. Madam Chairman, this is a simple amendment that amplifies the theme that is currently in the law that guides the approval of loans, loan guarantees, and insurance to customers or consumers abroad for the benefit of U.S. jobs. This amendment will certify that in addition to evaluating a foreign buyer's creditworthiness, the Export-Import Bank would consider the child labor practices of the potential foreign buyer. If the company exploits child labor, it would not be eligible for assistance from the Export-Import Bank.

This amendment would motivate, of course, domestic companies to investigate the labor and business practices of potential partners before entering into such agreements. In fact, this bill recognizes the increased potential in the Newly Independent States of the former Soviet Union and the sub-Saharan African areas. It, in fact, emphasizes that more of the loans ought to be made to smaller entities and smaller businesses, smaller loans, in fact, which of course bring us into contact.

Madam Chairman, I am not going to go through a recitation all of the problems with child labor around the world. Someone might say, well, we do not have a lot of data on it. And that is accurate; we are operating in the dark. But we know from reports from the International Labor Organization that there are 250 million children worldwide under the age of 15 that are working instead of receiving basic education, that are being employed in jobs that would not be permitted to be employed in our Nation.

That is 250 million reasons, in my judgment, to in fact make certain that the assistance and loans and loan guarantees and insurance that we provide in this program does have this as a major focus specified in the legislation. There is no doubt that these programs touch upon the problem that we should be proactive, not reactive, to the matter of child labor.

The employment and exploitation of children is an emerging scandal around the globe. We need to be certain, as we engage in subsidizing trade, that we do what we can to curtail the exploitation of children. This amendment will help, I think. And I trust that it is not a major problem with this area, but it is one that we have to, as I said, be proactive on.

Madam Chairman, I reserve the balance of my time.

My amendment prohibits the Export-Import Bank to provide assistance for exports to com-

panies that violate U.S. child labor laws. The question is what types of enterprises are we facilitating abroad.

The amendment would certify that, in addition to evaluating a foreign buyer's creditworthiness, the Export-Import Bank would consider the child labor practices of the potential foreign buyer. If the company exploits child labor, then it would not be eligible for Export-Import assistance. This amendment would motivate domestic companies to investigate the labor and business practices of potential partners before entering into export agreements. The global market place means that this Congress can no longer remain passive regards how programs that we advance; U.S. loans, guarantees, and insurance may be engaged to help address the most serious problems, such as child labor.

On this issue we are advancing current policy in the dark, there is, no data to suggest that is not a problem. In fact, there is every reason for concern. The International Labor Organization estimates that over 250 million children worldwide under the age of 15 are working instead of receiving basic education. That is 250 million reasons to ensure that U.S. Ex-Im loan guarantees, insurance, and loans take the extra step to protect against the exploitation of child labor by U.S. companies and partners, there is no doubt that these programs touch upon the problem. And we should be pro-active not reactive to the matter of child labor. Child labor practices today reveal an unprecedented tragedy of a far greater magnitude than what transpired in a less global economic marketplace. It was, therefore, surprising to me that child labor practices are not considered by the Export-Import Bank when evaluating potential firms and their partners. Because we neither investigate nor know the child labor practices of the companies we assist, this amendment is essential to help assure that our U.S. child labor standards are not violated. Both symbolically and substantively, the U.S. must set an example as we advance and engage in the global marketplace.

The employment and exploitation of children is an emerging scandal around the globe. We need to be certain as we engage in subsidizing trade that we do what we can to curtail the exploitation of children.

No single nation or single agency can eradicate the child labor problem. However, we should deliberately pursue each opportunity in order to turn the tide on the inappropriate employment exploitation of young children. We have leverage in the export sector, and we should harness our market power to effect positive change. If we help these U.S. companies, then we should expect that they and their partners reflect and follow fundamental U.S. values and basic laws.

If we impede the development of young people, we curb the growth of economies and nations. And we shortchange our own work force.

Our American workers need a raise. Not just a raise in wages and benefits, but a raise in corporate conscience too and trade responsibility and fairness that addresses such obvious concerns. Let me be clear, I support the Export-Import Bank. I think that its programs are necessary in a world of global governments which subsidize corporate trade transactions. However, the U.S. Export-Import Bank needs to concentrate on financing export

growth that will create good jobs at home and reinforce our basic values. The Bank's primary concern cannot only be to maximize corporate profits. We must be certain that it tracks our respect for individuals and the welfare of children.

The initiative to move into sub-Saharan Africa and other markets like the newly independent states [NIS], the former Soviet Union, raise new real risks regards child labor.

Our Nation must be more responsible in choosing with whom we do business and who our policies benefit. If the Export-Import Bank provides financing to an overseas company to buy U.S. exports, both companies win. The U.S. firm increases its profits through the sale of its goods, and the overseas company receives the financial support it needs to purchase the product. We certainly should not allow enterprises which directly or indirectly exploit children—that rob children of their most formative years—to flourish by helping them get the goods they need. Export sales advanced through Export-Import assistance should carefully screen out products which employ illegal child labor. We need to send both domestic and foreign firms the message that if you violate the principles of U.S. child labor laws, you are no longer eligible for U.S. Export-Import assistance. Today, this amendment provides the opportunity to stand up for children, who even marginally, may be contributing to a subsidized U.S. export product.

By providing assistance to companies that employ child labor, we would be shortchanging hard working American adults by threatening their economic security. Goods produced by child labor ultimately end up in our own markets, exerting downward pressure on wages and living standards. American consumers do not want their Government to provide assistance to a market for goods produced and squeezed from the sweat and toil of children.

The United States has a long history of encouraging fair and responsible business practices. In this vein, my amendment would encourage that domestic businesses and the Export-Import Bank enter into agreements with companies that follow U.S. child labor laws. Children working in overseas factories deserve the same standard of protection that we extend to U.S. children. While this amendment does not question the benefits of young people working, it opposes excessive hours, interference with education, and hazardous occupations and workplaces that are intellectually and physically debilitating to the health of young individuals. U.S. child labor laws protect the educational opportunities of minors and prohibit their employment in jobs that are detrimental to their development. By extending essentially such protection to all children, this amendment is one small step towards closing the market for illegal child labor.

This measure—the Exim Bank—isn't our sole instrument of U.S. foreign policy, but frankly it is time that we're asked to "show us the money" that we have the best leverage in collaboration with U.S. exporters we can get positive results to stop the exploitation of children.

There is no other practice so universally condemned, yet so universally practiced as the exploitation of child labor and the problem of the global marketplace means that it's our problem. Crimes committed against children

around the world, that this Congress is so adamant to speak out against, should not be encouraged or tolerated by our own Government policies. This ought to be boiler plate law and policy on our every action. Export-Import financing should promote progress in wages, living standards, and human rights here in the United States and around the globe. I've been encouraged by new progress on this topic regards many imports to the United States of America. U.S. sponsored financing should not undermine progress in these important areas or legitimize the negative status quo. U.S. Labor protections are just one reason why the United States has a good economy in the world today. Why should we lower the standards and protections that provide the foundation for U.S. prosperity? I urge my colleagues to support the Vento amendment which places the interests and well-being of our children ahead of international corporate profits.

Mr. CASTLE. Madam Chairman, I do not rise in opposition.

Madam Chairman, this amendment, as has been so fairly stated by its sponsor, prohibits the use of Exim assistance for exports to companies that employ child labor.

The majority does not intend to object to the amendment. The gentleman from Minnesota [Mr. VENTO] seeks to address a very serious human rights concern that is being examined in a number of fora, including the OECD, as well as by our own Customs Department.

Although we have doubts that Eximbank is the appropriate vehicle through which to address this issue, the amendment is certainly a powerful symbol of congressional concerns that inhumane child labor practices should not be tolerated.

Having said that, let me register some apprehensions the majority has regarding how the amendment would be implemented. Is there any comprehensive list available to the Bank of companies that employ child labor? Would the amendment apply retrospectively to new transactions only? How would it be enforced? Would foreign buyers of U.S. goods see this as an extraterritorial of U.S. laws?

It would be my hope that we would work with the sponsor of the amendment and the minority to iron out these details later in conference with the other body.

Having said that, we will not oppose the amendment. And I applaud the gentleman from Minnesota [Mr. VENTO] for his thoughtful initiative.

Mr. VENTO. Madam Chairman, will the gentleman yield?

Mr. CASTLE. I yield to the gentleman from Minnesota.

Mr. VENTO. Madam Chairman, I appreciate the support of the subcommittee chairman and the questions he raised. There are not such lists, but there are other questions that we need to work together on. I appreciate his support, and I pledge myself to work with that and make this a part of the explicit policy of the Eximbank, the U.S. Export Bank, I guess, if we are successful with the new nomenclature

of the gentleman from New York [Mr. LAFALCE].

Madam Chairman, I yield back the balance of my time.

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

Madam Chairman, I would just say with respect to the name change, after some of the debates I have heard here in the 2 days we have debated this, I hope we can make this name change sooner rather than later. There seems to be a lot of confusion about what this bank does, I believe.

In any event, with respect to the amendment, it has been stated and we will support it.

Madam Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Minnesota [Mr. VENTO].

The amendment was agreed to.

Mr. CASTLE. Madam Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore [Mr. SOLUMON] having assumed the chair, [Mrs. EMERSON], Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1370) to reauthorize the Export-Import Bank of the United States, had come to no resolution thereon.

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.

RECESS

The SPEAKER pro tempore (Mr. SOLUMON). Pursuant to clause 12 of rule I, the Chair declares the House in recess until approximately 5 p.m.

Accordingly (at 4 o'clock and 7 minutes p.m.), the House stood in recess until approximately 5 p.m.

□ 1700

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. SHAW] at 5 p.m.

PERSONAL EXPLANATION

Mr. JONES. Mr. Speaker, on Wednesday, October 1, 1997, I missed rollcall votes 484 to 489. I was presenting testimony on behalf of my legislation, H.R. 765, to the Senate Committee on Energy and Natural Resources Subcommittee on National Parks, Historic Preservation, and Recreation. If I had been present, I would have voted "yes" on roll call 484, 485, 487, 488 and 489. I would have voted "no" on roll call 486.

WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 2160, AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1998

Mr. HASTINGS of Washington. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 232 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 232

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (H.R. 2160) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1998, and for other purposes. All points of order against the conference report and against its consideration are waived.

SEC. 2. Upon adoption of this resolution the House shall be considered to have adopted the concurrent resolution specified in section 3.

SEC. 3. The text of the concurrent resolution described in section 2 is as follows:

Resolved by the House of Representatives (the Senate concurring), That in the enrollment of H.R. 2160 the Clerk of the House shall, in title IV, in the item relating to 'Domestic Food Programs—Food Stamp Program', strike the period and insert the following: " : *Provided further*, That none of the funds made available under this heading shall be used for studies and evaluations.'".

The SPEAKER pro tempore. The gentleman from Washington [Mr. HASTINGS] is recognized for 1 hour.

Mr. HASTINGS of Washington. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the distinguished gentleman from Ohio (Mr. Hall), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

(Mr. HASTINGS of Washington asked and was given permission to revise and extend his remarks.)

Mr. HASTINGS of Washington. Mr. Speaker, House Resolution 232 provides for the consideration of the conference report to accompany H.R. 2160, a bill making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for fiscal year 1998, and for other purposes.

The rule waives all points of order against the conference report and its consideration, and upon its adoption the House shall be considered to have adopted the text of the following concurrent resolution: "Resolved by the House of Representatives, the Senate concurring, that in the enrollment of H.R. 2160 the Clerk of the House shall, in title IV, in the item relating to 'Domestic Food Programs—Food Stamp Program', strike the period and insert the following: ' ; provided further, That none of the funds made available under this heading shall be used for studies and evaluations.'". This amendment, I understand, has been agreed to.