

to focus attention on the needs of child abuse victims by enhancing coordination and support among community agencies and professionals involved in the intervention, prevention, prosecution, and investigation systems that respond to child abuse cases.

Children's advocacy centers are child-focused, facility-based programs that use multidisciplinary teams to coordinate judicial and social service systems' response to victims of child abuse, Mr. Speaker.

My motion instructs conferees to remain firm on the House position of \$7 million for Victims of Child Abuse programs. These programs are working and working well and deserve this level of funding.

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

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

Mr. Speaker, I have no objection to the motion.

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

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

The SPEAKER. Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER. The question is on the motion to instruct offered by the gentleman from West Virginia [Mr. MOLLOHAN].

The motion was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. Without objection, the Chair appoints the following conferees:

Messrs. ROGERS,  
KOLBE,  
TAYLOR of North Carolina,  
REGULA,  
FORBES,  
LATHAM,  
LIVINGSTON,  
MOLLOHAN,  
SKAGGS,  
DIXON, and  
OBEY.

There was no objection.

#### GENERAL LEAVE

Mr. ROGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2267, and that I may include tabular and extraneous material.

The SPEAKER pro tempore (Mr. SHAW). Is there objection to the request of the gentleman from Kentucky?

There was no objection.

#### REAUTHORIZATION OF THE EXPORT-IMPORT BANK

The SPEAKER pro tempore. 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 further consideration of the bill, H.R. 1370.

□ 1812

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 Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose earlier today, amendment No. 7 printed in House report 105-282 offered by the gentleman from Minnesota [Mr. VENTO] had been disposed of.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN pro tempore. Pursuant to House Resolution 255, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: Amendment No. 4 offered by the gentleman from California [Mr. ROHRABACHER] and amendment No. 5 offered by the gentleman from California [Mr. ROHRABACHER].

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

□ 1815

AMENDMENT NO. 4 OFFERED BY MR. ROHRABACHER

The CHAIRMAN pro tempore (Mrs. EMERSON). The pending business is the demand for a recorded vote on the amendment offered by the gentleman from California [Mr. ROHRABACHER] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was refused.

So the amendment was rejected.

AMENDMENT NO. 5 OFFERED BY MR. ROHRABACHER

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on amendment No. 5 offered by the gentleman from California [Mr. ROHRABACHER] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was refused.

So the amendment was rejected.

The CHAIRMAN pro tempore. The question is on the Committee amendment in the nature of a substitute, as amended.

The Committee amendment in the nature of a substitute, as amended, was agreed to.

Mr. PAUL. Mr. Speaker, H.R. 1370, reauthorizing the Export-Import Bank, should be

rejected for several reasons. The claim to constitutionality is dubious. The Bank rewards special interest groups with political favors. Reallocating money from the job-producing, productive sectors of the economy to the less efficient sectors distorts credit allocation. Reauthorization of the Bank is both bad economics and bad politics.

Article I section 8 of the U.S. Constitution enumerates areas over which Congress has authority. The ninth and tenth amendments further reinforce that powers not vested in the U.S. Congress are reserved to the States or to the people. The fifth amendment of the Constitution forbids the taking from the people in order to subsidize the business of the politically well-connected. It is not through free trade that the Government subsidizes the politically well-connected. Rather, it is through such organizations as the Eximbank.

The justification of H.R. 1370 under the general welfare clause of the Constitution stretches the imagination of the intent of the Founding Fathers. Nowhere in the authors' dreams could the general welfare clause be used to tax all American individuals in order to give corporate welfare to a few, specific, large political donors. The supporters of the bill have not satisfactorily explained how the authorization of the Eximbank could be justified as regulating commerce. To construe Congress' power to coin money so broadly as to include the Federal regulation of the provision of credit by creating and perpetuating the Eximbank threatens the intrinsic value of American money itself. As former Federal Reserve Chairman Paul Volcker pointed out, "The truly unique power of a central bank, after all, is the power to create money, and ultimately the power to create is the power to destroy." Even if Congress has the constitutional authority to destroy money incident to its enumerated authority to coin, this is not to say it should do so through the reauthorization of the credit-misallocating Eximbank.

The U.S. Government takes money from its citizens through taxes to subsidize other nations' purchases. Very often, our Government subsidizes the purchases by foreign governments, such as the People's Republic of China or other brutal regimes, whose practices many Americans find objectionable. In fact, according to the Export-Import Bank's 1996 Annual Report, the People's Republic of China was the second largest recipient country of U.S. Eximbank loans or loan guarantees; American taxpayers subsidized \$4.1 billion of mainland China's purchases. It is one thing to permit voluntary exchanges between citizens of different countries but quite another to coerce the American taxpayer to subsidize the purchases of a country whose practices offend many. Such practices can best be explained by considering the way in which the Eximbank operates.

Maria L. Haley, one of the five Bank directors, is a long-time friend of Bill from Arkansas who ran then-Gov. Clinton's program to attract foreign investment in the state. She advocated approval of loans to Pauline Kanchanalak (a Thai native living in Virginia) to set up Blockbuster video stores in Bangkok, Thailand. The Eximbank has never approved financing for franchise rights; retail stores abroad do not create U.S. jobs. Ms. Kanchanalak contributed \$85,000 on June 18, 1996, the same day DNC fundraiser John Huang arranged for her to be invited to a White House coffee. Mr.

Huang called her that day and twice more in August. The DNC eventually returned \$250,000 of Ms. Kanchanalak's donations because of questionable foreign origin. It is clear that the Bank sometimes acts as a slush fund to repay political favors—it is, however, not their money to lend. It is the taxpayers' money.

The act of the government taking from its people to return only part of it—and that part with strings attached—is another sign of the so-called Nanny State. The strings are meant to induce the welfare or subsidy recipients to act in a manner that another group of individuals, through the coercive power of the State, subjectively consider desirable. A "Bully State" might be a better characterization of such a government. The Frank amendment rightfully acknowledges this fact and attempts to maintain some form of equality of discrimination.

The section added by Rep. Bernard Sanders makes an effort to address the charge that the Bank uses taxpayer dollars from both individuals and job-producing small businesses to fund large corporations that export American jobs or downsize their workforce here. If money is to be taken from the paychecks of our citizens, then it should at least be spent on companies showing a commitment to reinvestment and job creation in the United States.

That the Eximbank works at cross-purposes with our stated foreign policy objectives is clear. The bank supports state-owned and military-controlled companies in foreign nations at the same time that our foreign policy calls for the privatization of the same companies and limitations on the activities of many foreign military companies. Amendments correcting these problems should be favorably considered by the House.

The supporters of the Export-Import Bank will point to the few examples of claimed jobs created through subsidized exports of the beneficiaries of their programs. They will be conspicuously silent on the greater number of jobs lost or forgone, dispersed throughout the country, due to the increased tax burden levied on the productive companies to support the less efficient companies living on government subsidies. The few beneficiaries of government largesse are easier to identify than the no less real, but harder to identify, losers of the government's misguided policies.

The funding for the Export-Import Bank affords politicians the opportunity to pay back their contributors with other people's money. By voting for reauthorization of the Bank, those individual politicians that depend on the political support of the few large companies subsidized at taxpayer expense can return the favor. This Congress should put a stop to this special interest favoritism. The Congressional Research Service, in a recent report, noted that the Bank's "subsidized export financing raises financing costs for all borrowers by drawing on financial resources that otherwise would be available for other uses."

Small businesses that are the engine of export growth and job creation in this country subsidize the larger corporations that are shedding jobs in America. This misallocation of credit occurs because the larger corporations have the resources to lobby politicians in order to seek special favors that are out of reach of the smaller businesses. These lobbyists will claim that these special interest subsidies are important to the country. Yet with

over \$600 million funding for the Bank, only \$20 billion of our total U.S. exports of \$700 billion are subsidized.

Arguments that we must reauthorize the Bank because it creates jobs, generates economic growth, and counterbalances the subsidies of our major trading partners is not supported by objective economic data:

Country	Percent of country's exports subsidized <sup>1</sup>	Percent rate of real GDP growth <sup>2</sup>	Percent rate of unemployment <sup>2</sup>
Japan .....	32	0.7	3.1
France .....	18	2.2	11.6
Canada .....	7	2.2	9.5
Germany .....	5	2.1	9.4
Italy .....	4	3.0	12
U.K. ....	3	2.4	8.2
U.S.A. ....	2	2.0	5.6

<sup>1</sup> Export-Import Bank, 1995 figures.

<sup>2</sup> Bureau of Economic and Business Affairs, 1995 figures.

It would be difficult for anyone but the most committed statist to argue that the dirigiste wonders of government bureaucrats could be demonstrated by macroeconomic statistics. However, if there is a broad relationship, it is directly inverse to the relationship the central planners envision.

In 1995, according to Export-Import Bank data, Japan subsidized 32 percent of its exports and France subsidized 18 percent while the United States only aided 2 percent of total exports. However in the same year, according to figures from the Bureau of Economic and Business Affairs, Japan's real growth in Gross Domestic Product registered a paltry 0.7 percent against a solid 2.0 percent here in the U.S., and France had an unemployment rate of 11.6 percent, more than double the American rate of only 5.6 percent. Perhaps, following the logic of the Bank's supporters, we should increase the portion of our subsidized exports to nine times the current level (with the accompanying tax increases) to double our unemployment rate, and, if that isn't desirable, we could double that rate of subsidy (again with the increased tax burden) to cut our economic growth rate to one-third its current level. We should not jump off the bridge of special interest corporatism just because our competitors do.

"Corporate welfare does not work anywhere in the world. It does not work because it penalizes a country's winners with excess taxes in order to fund that country's losers with inefficiently run government programs," testified Dr. T.J. Rodgers, President and C.E.O. of Cypress Semiconductor Corporation, before Congress in 1995. "'They've got subsidies; we need subsidies,' is exactly wrong. America will be much more competitive on a relative basis if we allow the nations with whom we compete to squander their taxpayer's money, while we encourage our companies to win without subsidies. It's like the Olympics: there comes the day when an athlete must walk alone into the arena of competition. The government cannot lift the weights and run the miles that are required to be a champion—only an individual can."

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. SHAW] having assumed the chair, Mrs. EMERSON, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration

the bill (H.R. 1370) to reauthorize the Export-Import Bank of the United States, pursuant to House Resolution 255, she reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

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

Mr. SMITH of Michigan. Mr. Speaker, 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 SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 378, nays 38, not voting 17, as follows:

[Roll No. 492]

YEAS—378

Abercrombie	Canada	Doyle
Ackerman	Cannon	Dreier
Aderholt	Capps	Dunn
Allen	Cardin	Edwards
Archer	Carson	Ehlers
Bachus	Castle	Ehrlich
Baesler	Chambliss	Emerson
Baker	Chenoweth	Engel
Baldacci	Christensen	English
Ballenger	Clay	Ensign
Barcia	Clayton	Eshoo
Barrett (NE)	Clement	Etheridge
Barrett (WI)	Clyburn	Evans
Bartlett	Collins	Everett
Barton	Combest	Ewing
Bateman	Condit	Farr
Becerra	Conyers	Fattah
Bentsen	Cook	Fawell
Bereuter	Cooksey	Fazio
Berman	Costello	Filner
Berry	Coyne	Flake
Bilbray	Cramer	Foley
Bishop	Crane	Forbes
Blagojevich	Crapo	Ford
Bliley	Cubin	Fowler
Blumenauer	Cummings	Fox
Blunt	Cunningham	Frank (MA)
Boehlert	Danner	Franks (NJ)
Boehner	Davis (FL)	Frelinghuysen
Bonilla	Davis (IL)	Frost
Bono	Davis (VA)	Furse
Borski	Deal	Gallegly
Boswell	DeGette	Gejdenson
Boucher	Delahunt	Gekas
Boyd	DeLauro	Gibbons
Brady	DeLay	Gilchrest
Brown (CA)	Dellums	Gillmor
Brown (OH)	Deutsch	Goode
Bryant	Diaz-Balart	Goodlatte
Bunning	Dickey	Goodling
Burr	Dicks	Gordon
Burton	Dingell	Goss
Buyer	Dixon	Graham
Callahan	Doggett	Granger
Calvert	Dooley	Green
Camp	Doolittle	Gutierrez

Gutknecht	Matsui	Rush
Hall (OH)	McCarthy (MO)	Ryun
Hall (TX)	McCarthy (NY)	Sabo
Hamilton	McCollum	Salmon
Hansen	McCrery	Sanchez
Harman	McDade	Sanders
Hastert	McGovern	Sandlin
Hastings (FL)	McHale	Sawyer
Hastings (WA)	McHugh	Saxton
Hefley	McInnis	Schaefer, Dan
Hefner	McIntyre	Schaffer, Bob
Herger	McKeon	Scott
Hill	McKinney	Serrano
Hinchey	McNulty	Sessions
Hinojosa	Meehan	Shaw
Hobson	Meek	Shays
Holden	Menendez	Sherman
Hooley	Metcalf	Shimkus
Horn	Mica	Shuster
Houghton	Millender-	Sisisky
Hoyer	McDonald	Skaggs
Hulshof	Miller (CA)	Skeen
Hunter	Minge	Skelton
Hutchinson	Mink	Slaughter
Hyde	Moakley	Smith (NJ)
Inglis	Mollohan	Smith (TX)
Istook	Moran (KS)	Smith, Adam
Jackson (IL)	Moran (VA)	Smith, Linda
Jackson-Lee	Morella	Snowbarger
(TX)	Murtha	Snyder
Jefferson	Myrick	Souder
Jenkins	Nadler	Spence
John	Neal	Spratt
Johnson (CT)	Nethercutt	Stabenow
Johnson, E. B.	Neumann	Stark
Johnson, Sam	Ney	Stenholm
Kanjorski	Northup	Stokes
Kaptur	Norwood	Strickland
Kasich	Nussle	Stump
Kelly	Oberstar	Stupak
Kennedy (MA)	Obey	Sununu
Kennedy (RI)	Olver	Talent
Kennelly	Ortiz	Tanner
Kildee	Oxley	Tauscher
Kilpatrick	Packard	Tauzin
Kim	Pallone	Taylor (MS)
Kind (WI)	Pappas	Taylor (NC)
King (NY)	Parker	Thomas
Kingston	Pascrell	Thompson
Klecza	Pastor	Thornberry
Klink	Paxon	Thune
Klug	Payne	Thurman
Knollenberg	Pease	Tiahrt
Kolbe	Pelosi	Tierney
Kucinich	Peterson (MN)	Torres
LaFalce	Peterson (PA)	Towns
LaHood	Pickering	Trafficant
Lampson	Pickett	Turner
Lantos	Pitts	Upton
Latham	Pomeroy	Velazquez
LaTourette	Porter	Vento
Lazio	Portman	Visclosky
Leach	Poshard	Walsh
Levin	Price (NC)	Waters
Lewis (CA)	Pryce (OH)	Watkins
Lewis (GA)	Quinn	Watt (NC)
Lewis (KY)	Rahall	Waxman
Linder	Ramstad	Weldon (FL)
Lipinski	Redmond	Weldon (PA)
Livingston	Regula	Weller
LoBiondo	Reyes	Wexler
Lofgren	Riggs	White
Lowe	Riley	Wicker
Lucas	Rivers	Wise
Luther	Rodriguez	Wolf
Maloney (CT)	Roemer	Woolsey
Manton	Rogers	Wynn
Manzullo	Ros-Lehtinen	Yates
Markey	Rothman	Young (AK)
Martinez	Roukema	Young (FL)
Mascara	Roybal-Allard	

## NAYS—38

Andrews	Hayworth	Rogan
Armey	Hilleary	Rohrabacher
Barr	Hoekstra	Royce
Bass	Hostettler	Sanford
Bilirakis	Johnson (WI)	Scarborough
Bonior	Jones	Sensenbrenner
Campbell	Largent	Shadegg
Chabot	McDermott	Smith (MI)
Coble	McIntosh	Solomon
Cox	Miller (FL)	Stearns
DeFazio	Paul	Wamp
Duncan	Petri	Watts (OK)
Ganske	Radanovich	

## NOT VOTING—17

Brown (FL)	Greenwood	Schiff
Coburn	Hilliard	Schumer
Foglietta	Maloney (NY)	Smith (OR)
Gephardt	Owens	Weygand
Gilman	Pombo	Whitfield
Gonzalez	Rangel	

## □ 1836

Mr. WAMP changed his vote from "yea" to "nay."

Mr. GILLMOR, Mrs. CHENOWETH, and Mr. EVERETT changed their vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## PERSONAL EXPLANATION

Mr. GILMAN. Mr. Speaker, I regret that I was delayed on my arrival to Washington from New York, which prevented me from voting on rollcall No. 490. Had I been able to vote I would have voted "aye."

I was also inadvertently detained in voting on rollcall No. 492. Had I been Present, I would have voted "aye."

Mr. CASTLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1026) to reauthorize the Export-Import Bank of the United States, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

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

There was no objection.

The Clerk read the Senate bill, as follows:

## S. 1026

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

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Export-Import Bank Reauthorization Act of 1997".

**SEC. 2. EXTENSIONS OF AUTHORITY.**

Section 7 of the Export-Import Bank Act of 1945 (12 U.S.C. 635f) is amended by striking "1997" and inserting "2001".

**SEC. 3. TIED AID CREDIT FUND AUTHORITY.**

(a) Section 10(c)(2) of the Export-Import Bank Act of 1945 (12 U.S.C. 635i-3(c)(2)) is amended by striking "through" and all that follows through "1997".

(b) Section 10(e) of such Act (12 U.S.C. 635i-3(3)) is amended by striking the first sentence and inserting the following: "There are authorized to be appropriated to the Fund such sums as may be necessary to carry out the purposes of this section."

**SEC. 4. EXTENSION OF AUTHORITY TO PROVIDE FINANCING FOR THE EXPORT OF NONLETHAL DEFENSE ARTICLES OR SERVICES THE PRIMARY END USE OF WHICH WILL BE FOR CIVILIAN PURPOSES.**

Section 1(c) of Public Law 103-428 (12 U.S.C. 635 note; 108 Stat. 4376) is amended by striking "1997" and inserting "2001".

**SEC. 5. OUTREACH TO COMPANIES.**

Section 2(b)(1) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)(1)) is amended by adding at the end the following:

"(I) The Chairman of the Bank shall undertake efforts to enhance the Bank's capacity to provide information about the Bank's programs to small and rural companies which

have not previously participated in the Bank's programs. Not later than 1 year after the date of the enactment of this subparagraph, the Chairman of the Bank shall submit to Congress a report on the activities undertaken pursuant to this subparagraph."

## MOTION OFFERED BY MR. CASTLE

Mr. CASTLE. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. CASTLE moves to strike all after the enacting clause of S. 1026 and insert in lieu thereof the provisions of H.R. 1370, as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 1370) was laid on the table.

## APPOINTMENT OF CONFEREES

Mr. CASTLE. Mr. Speaker, I ask unanimous consent that the House insist on its amendment to S. 1026 and request a conference with the Senate thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Delaware? The Chair hears none and, without objection, appoints the following conferees:

Messrs. LEACH, CASTLE, BEREUTER, LAFALCE and FLAKE.

There was no objection.

VETERANS HEALTH PROGRAMS  
IMPROVEMENT ACT OF 1997

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 2206, as amended.

The Clerk read the title of the bill

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arizona [Mr. STUMP] that the House suspend the rules and pass the bill, H.R. 2206, 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.

A motion to reconsider was laid on the table.

## POSTPONING FURTHER CONSIDERATION OF MOTIONS TO SUSPEND RULES CONSIDERED ON MONDAY, SEPTEMBER 29, 1997, UNTIL TUESDAY, OCTOBER 7, 1997

Mr. SOLOMON. Mr. Speaker, I ask unanimous consent that further consideration of the remaining motions to suspend the rules originally considered on Monday, September 29, 1997 be postponed until Tuesday, October 7.

This has been cleared.

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

There was no objection.