In addition, I would like to express appreciation to the majority leadership and to my minority leadership for accommodating my schedule and bringing up this very important legislation, the steel, oil and gas loan guarantee program. I know they have accommodated my personal situation, and for that I am deeply grateful to both the majority leadership and to the minority leadership.

KOSOVO AND SOUTHWEST ASIA EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT, 1999

Mr. REGULA. Mr. Speaker, pursuant to the previous order of the House of August 3, 1999, I call up from the Speaker's table the bill (H.R. 1664) making emergency supplemental appropriations for military operations, refugee relief, and humanitarian assistance relating to the conflict in Kosovo, and for military operations in Southwest Asia for the fiscal year ending September 30, 1999, and for other purposes, with Senate amendments thereto, and ask for its immediate consideration.

The Clerk read the title of the bill.

MOTION OFFERED BY MR. REGULA

Mr. REGULA. Mr. Speaker, pursuant to the previous order of the House of August 3, 1999, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion and the Senate amendments is as follows:

Mr. REGULA moves that the House concur in the Senate amendments.

Senate amendments:

Page 2, strike out all after line 7 over to and including line 21 on page 3 and insert:

SEC. 101. EMERGENCY STEEL LOAN GUARANTEE PROGRAM. (a) SHORT TITLE.—This chapter may be cited as the ''Emergency Steel Loan Guarantee Act of 1999''.

(b) CONGRESSIONAL FINDINGS.—Congress finds that—

(1) the United States steel industry has been severely harmed by a record surge of more than 40,000,000 tons of steel imports into the United States in 1998, caused by the world financial crisis;

(2) this surge in imports resulted in the loss of more than 10,000 steel worker jobs in 1998, and was the imminent cause of 3 bankruptcies by medium-sized steel companies, Acme Steel, Laclede Steel, and Geneva Steel;

(3) the crisis also forced almost all United States steel companies into—

(A) reduced volume, lower prices, and financial losses; and

(B) an inability to obtain credit for continued operations and reinvestment in facilities;

(4) the crisis also has affected the willingness of private banks and investment institutions to make loans to the United States steel industry for continued operation and reinvestment in facilities;

(5) these steel bankruptcies, job losses, and financial losses are also having serious negative effects on the tax base of cities, counties, and States, and on the essential health, education, and municipal services that these government entities provide to their citizens; and

(6) a strong steel industry is necessary to the adequate defense preparedness of the United States in order to have sufficient steel available to build the ships, tanks, planes, and armaments necessary for the national defense.

(c) DEFINITIONS.—For purposes of this section:

(1) BOARD.—The term ''Board'' means the Loan Guarantee Board established under subsection (e).

(2) PROGRAM.—The term ''Program'' means the Emergency Steel Guarantee Loan Program established under subsection (d).

(3) QUALIFIED STEEL COMPANY.—The term ''qualified steel company'' means any company that—

(A) is incorporated under the laws of any State;

(B) is engaged in the production and manufacture of a product defined by the American Iron and Steel Institute as a basic steel mill product, including ingots, slab and billets, plates, flat-rolled steel, sections and structural products, bars, rail type products, pipe and tube, and wire rod; and

(C) has experienced layoffs, production losses, or financial losses since the beginning of the steel import crisis, in January 1998 or that operates substantial assets of a company that meets these qualifications.

(d) ESTABLISHMENT OF EMERGENCY STEEL GUARANTEE LOAN PROGRAM.—There is established the Emergency Steel Guarantee Loan Program, to be administered by the Board, the purpose of which is to provide loan guarantees to qualified steel companies in accordance with this section.

(e) LOAN GUARANTEE BOARD MEMBERSHIP.—There is established a Loan Guarantee Board, which shall be composed of—

(1) the Secretary of Commerce;

(2) the Chairman of the Board of Governors of the Federal Reserve System, who shall serve as Chairman of the Board; and

(3) the Chairman of the Securities and Exchange Commission.

(f) LOAN GUARANTEE PROGRAM.—

(1) AUTHORITY.—The Program may guarantee loans provided to qualified steel companies by private banking and investment institutions in accordance with the procedures, rules, and regulations established by the Board.

(2) TOTAL GUARANTEE LIMIT.—The aggregate amount of loans guaranteed and outstanding at any one time under this section may not exceed $1,000,000,000.

(3) INDIVIDUAL GUARANTEE LIMIT.—The aggregate amount of loans guaranteed under this section with respect to a single qualified steel company may not exceed $250,000,000.

(4) TIMELINES.—The Board shall approve or deny each application for a guarantee under this section as soon as possible after receipt of such application.

(5) ADDITIONAL COSTS.—For the additional cost of the loans guaranteed under this subsection, including the costs of modifying the loans as defined in section 502 of the Congressional Budget Act of 1974 (2 U.S.C. 661a), there is appropriated $140,000,000 to remain available until expended.

(g) REQUIREMENTS FOR LOAN GUARANTEES.—A loan guarantee may be issued under this section upon application to the Board by a qualified steel company pursuant to an agreement to provide a loan to that qualified steel company by a private bank or investment company, if the Board determines that—

(1) credit is not otherwise available to that company under reasonable terms or conditions sufficient to meet its financing needs, as reflected in the financial and business plans of that company;

(2) the prospective earning power of that company, together with the character and value of the security pledged, furnish reasonable assurance of repayment of the loan to be guaranteed in accordance with its terms;

(3) the loan to be guaranteed bears interest at a rate determined by the Board to be reasonable, taking into account the current average yield on outstanding obligations of the United States with remaining periods of maturity comparable to the maturity of such loan;

(4) the company has agreed to an audit by the General Accounting Office prior to the issuance of the loan guarantee and annually thereafter while any such guaranteed loan is outstanding; and

(5) In the case of a purchaser of substantial assets of a qualified steel company, the qualified steel company establishes that it is unable to reorganize itself.

(h) TERMS AND CONDITIONS OF LOAN GUARANTEES.—

(1) LOAN DURATION.—All loans guaranteed under this section shall be payable in full not later than December 31, 2005, and the terms and conditions of each such loan shall provide that the loan may not be amended, or any provision thereof waived, without the consent of the Board.

(2) LOAN SECURITY.—Any commitment to issue a loan guarantee under this section shall contain such affirmative and negative covenants and other protective provisions that the Board determines are appropriate. The Board shall require security for the loans to be guaranteed under this section at the time at which the commitment is made.

(3) FEES.—A qualified steel company receiving a guarantee under this section shall pay a fee to the Department of the Treasury to cover costs of the program, but in no event shall such fee exceed an amount equal to 0.5 percent of the outstanding principal balance of the guaranteed loan.

(4) GUARANTEE LEVEL.—No loan guarantee may be provided under this section if the guarantee exceeds 85 percent of the amount of principal of the loan.

(i) REPORTS TO CONGRESS.—The Secretary of Commerce shall submit to Congress a full report of the activities of the Board under this section during each of fiscal years 1999 and 2000, and annually thereafter, during such period as any loan guaranteed under this section is outstanding.

(j) SALARIES AND ADMINISTRATIVE EXPENSES.—For necessary expenses to administer the Program, $5,000,000 is appropriated to the Department of Commerce, to remain available until expended, which may be transferred to the Office of the Assistant Secretary for Trade Development of the International Trade Administration.

(k) TERMINATION OF GUARANTEE AUTHORITY.—The authority of the Board to make commitments to guarantee any loan under this section shall terminate on December 31, 2001.

(l) REGULATORY ACTION.—The Board shall issue such final procedures, rules, and regulations as may be necessary to carry out this section not later than 60 days after the date of enactment of this Act.

(m) IRON ORE COMPANIES.—

(1) IN GENERAL.—Subject to the requirements of this subsection, an iron ore company incorporated under the laws of any State shall be treated as a qualified steel company for purposes of the Program.

(2) TOTAL GUARANTEE LIMIT FOR IRON ORE COMPANY.—Of the aggregate amount of loans authorized to be guaranteed and outstanding at any one time under subsection (f)(2), an amount not to exceed $30,000,000 shall be loans with respect to iron ore companies.

FEDERAL ADMINISTRATIVE AND TRAVEL EXPENSES

(RESCISSIONS)

SEC. 102. (a) Of the funds available in the nondefense category to the agencies of the Federal Government, $145,000,000 are hereby rescinded: Provided, That rescissions pursuant to this subsection shall be taken only from administrative and travel accounts: Provided further, That rescissions shall be taken on a pro rata basis from funds available to every Federal agency, department, and office in the Executive Branch, including the Office of the President.

(b) Within 30 days after the date of enactment of this Act, the Director of the Office of Management and Budget shall submit to the Committees on Appropriations of the House of Representatives and the Senate a listing of the amounts by account of the reductions made pursuant to the provisions of subsection (a) of this section.

Page 4, strike out all after line 1 over to and including line 14 on page 22 and insert:

SEC. 201. PETROLEUM DEVELOPMENT MANAGEMENT. (a) SHORT TITLE.—This chapter may be cited as the ''Emergency Oil and Gas Guaranteed Loan Program Act''.

(b) FINDINGS.—Congress finds that—

(1) consumption of foreign oil in the United States is estimated to equal 56 percent of all oil consumed, and that percentage could reach 68 percent by 2010 if current prices prevail;

(2) the number of oil and gas rigs operating in the United States is at its lowest since 1944, when records of this tally began;

(3) if prices do not increase soon, the United States could lose at least half its marginal wells, which in aggregate produce as much oil as the United States imports from Saudi Arabia;

(4) oil and gas prices are unlikely to increase for at least several years;

(5) declining production, well abandonment, and greatly reduced exploration and development are shrinking the domestic oil and gas industry;

(6) the world's richest oil producing regions in the Middle East are experiencing increasingly greater political instability;

(7) United Nations policy may make Iraq the swing oil producing nation, thereby granting Saddam Hussein tremendous power;

(8) reliance on foreign oil for more than 60 percent of our daily oil and gas consumption is a national security threat;

(9) the level of United States oil security is directly related to the level of domestic production of oil, natural gas liquids, and natural gas; and

(10) a national security policy should be developed that ensures that adequate supplies of oil are available at all times free of the threat of embargo or other foreign hostile acts.

(c) DEFINITIONS.—In this section:

(1) BOARD.—The term ''Board'' means the Loan Guarantee Board established by subsection (e).

(2) PROGRAM.—The term ''Program'' means the Emergency Oil and Gas Guaranteed Loan Program established by subsection (d).

(3) QUALIFIED OIL AND GAS COMPANY.—The term ''qualified oil and gas company'' means a company that—

(A) is—

(i) an independent oil and gas company (within the meaning of section 57(a)(2)(B)(i) of the Internal Revenue Code of 1986); or

(ii) a small business concern under section 3 of the Small Business Act (15 U.S.C. 632) (or a company based in Alaska, including an Alaska Native Corporation created pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.)) that is an oil field service company whose main business is providing tools, products, personnel, and technical solutions on a contractual basis to exploration and production operators that drill, complete wells, and produce, transport, refine, and sell hydrocarbons and their by-products as the main commercial business of the concern or company; and

(B) has experienced layoffs, production losses, or financial losses since the beginning of the oil import crisis, after January 1, 1997.

(d) EMERGENCY OIL AND GAS GUARANTEED LOAN PROGRAM.—

(1) IN GENERAL.—There is established the Emergency Oil and Gas Guaranteed Loan Program, the purpose of which shall be to provide loan guarantees to qualified oil and gas companies in accordance with this section.

(2) LOAN GUARANTEE BOARD.—There is established to administer the Program a Loan Guarantee Board, to be composed of—

(A) the Secretary of Commerce;

(B) the Chairman of the Board of Governors of the Federal Reserve System, who shall serve as Chairman of the Board; and

(C) the Chairman of the Securities and Exchange Commission.

(e) AUTHORITY.—

(1) IN GENERAL.—The Program may guarantee loans provided to qualified oil and gas companies by private banking and investment institutions in accordance with procedures, rules, and regulations established by the Board.

(2) TOTAL GUARANTEE LIMIT.—The aggregate amount of loans guaranteed and outstanding at any 1 time under this section shall not exceed $500,000,000.

(3) INDIVIDUAL GUARANTEE LIMIT.—The aggregate amount of loans guaranteed under this section with respect to a single qualified oil and gas company shall not exceed $10,000,000.

(4) EXPEDITIOUS ACTION ON APPLICATIONS.—The Board shall approve or deny an application for a guarantee under this section as soon as practicable after receipt of an application.

(5) ADDITIONAL COSTS.—For the additional cost of the loans guaranteed under this subsection, including the costs of modifying the loans as defined in section 502 of the Congressional Budget Act of 1974 (2 U.S.C. 661a), there is appropriated $122,500,000 to remain available until expended.

(f) REQUIREMENTS FOR LOAN GUARANTEES.—The Board may issue a loan guarantee on application by a qualified oil and gas company under an agreement by a private bank or investment company to provide a loan to the qualified oil and gas company, if the Board determines that—

(1) credit is not otherwise available to the company under reasonable terms or conditions sufficient to meet its financing needs, as reflected in the financial and business plans of the company;

(2) the prospective earning power of the company, together with the character and value of the security pledged, provide a reasonable assurance of repayment of the loan to be guaranteed in accordance with its terms;

(3) the loan to be guaranteed bears interest at a rate determined by the Board to be reasonable, taking into account the current average yield on outstanding obligations of the United States with remaining periods of maturity comparable to the maturity of the loan; and

(4) the company has agreed to an audit by the General Accounting Office before issuance of the loan guarantee and annually while the guaranteed loan is outstanding.

(g) TERMS AND CONDITIONS OF LOAN GUARANTEES.—

(1) LOAN DURATION.—All loans guaranteed under this section shall be repayable in full not later than December 31, 2010, and the terms and conditions of each such loan shall provide that the loan agreement may not be amended, or any provision of the loan agreement waived, without the consent of the Board.

(2) LOAN SECURITY.—A commitment to issue a loan guarantee under this section shall contain such affirmative and negative covenants and other protective provisions as the Board determines are appropriate. The Board shall require security for the loans to be guaranteed under this section at the time at which the commitment is made.

(3) FEES.—A qualified oil and gas company receiving a loan guarantee under this section shall pay a fee to the Department of the Treasury to cover costs of the program, but in no event shall such fee exceed an amount equal to 0.5 percent of the outstanding principal balance of the guaranteed loan.

(4) GUARANTEE LEVEL.—No loan guarantee may be provided under this section if the guarantee exceeds 85 percent of the amount of principal of the loan.

(h) REPORTS.—During fiscal year 1999 and each fiscal year thereafter until each guaranteed loan has been repaid in full, the Secretary of Commerce shall submit to Congress a report on the activities of the Board.

(i) SALARIES AND ADMINISTRATIVE EXPENSES.—For necessary expenses to administer the Program, $2,500,000 is appropriated to the Department of Commerce, to remain available until expended, which may be transferred to the Office of the Assistant Secretary for Trade Development of the International Trade Administration.

(j) TERMINATION OF GUARANTEE AUTHORITY.—The authority of the Board to make commitments to guarantee any loan under this section shall terminate on December 31, 2001.

(k) REGULATORY ACTION.—Not later than 60 days after the date of enactment of this Act, the Board shall issue such final procedures, rules, and regulations as are necessary to carry out this section.

FEDERAL ADMINISTRATIVE AND TRAVEL EXPENSES

(RESCISSIONS)

SEC. 202. (a) Of the funds available in the nondefense category to the agencies of the Federal Government, $125,000,000 are hereby rescinded: Provided, That rescissions pursuant to this subsection shall be taken only from administrative and travel accounts: Provided further, That rescissions shall be taken on a pro rata basis from funds available to every Federal agency, department, and office in the Executive Branch, including the Office of the President.

(b) Within 30 days after the date of enactment of this Act, the Director of the Office of Management and Budget shall submit to the Committees on Appropriations of the House of Representatives and the Senate a listing of the amounts by account of the reductions made pursuant to the provisions of subsection (a) of this section.

Page 22, strike out all after line 15 over to and including line 4 on page 32 and insert:

GENERAL PROVISIONS

SEC. 301. No part of any appropriation contained in the Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

This Act may be cited as the ''Emergency Steel Loan Guarantee and Emergency Oil and Gas Guaranteed Loan Act of 1999''.

Amend the title so as to read: ''An Act providing emergency authority for guarantees of loans to qualified steel and iron ore companies and to qualified oil and gas companies, and for other purposes.''.

The SPEAKER pro tempore. Pursuant to the order of the House of Tuesday, August 3, 1999, the gentleman from Ohio (Mr. REGULA), the gentleman from West Virginia (Mr. MOLLOHAN), the gentleman from Iowa (Mr. LEACH), and the gentleman from New York (Mr. LAFALCE) each will control 15 minutes.

The Chair recognizes the gentleman from Ohio (Mr. REGULA).

GENERAL LEAVE

Mr. REGULA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1664, and that I may include tabular and extraneous material.

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

There was no objection.

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

Mr. Speaker, this is an issue of agreeing to a Senate amendment to the bill, H.R. 1664. It provides for steel, oil, and gas loan guarantee programs. These two sectors of the economy need a helping hand because they have not enjoyed the benefits of our robust economy recently because of unfair foreign trading practices and depressed prices.

Independent oil and natural gas producers have lost about 56,000 jobs over the past 18 months because of depressed oil and gas prices. The U.S. steel industry has lost over 10,000 jobs due to the record level of low priced steel imports that came into the United States in 1998. Steel imports continue at above average rates in 1999. In addition to the jobs lost in the steel industry and the surrounding communities, these unfair imports have driven companies into bankruptcy.

Both of these industries have and are seeking relief through our anti-dumping and countervailing duty laws. The Commerce Department has found dumping in numerous steel cases and the International Trade Commission has found injury, so that dumping duties are now being collected on many steel imports. But this process has been a long and costly process for the companies and their workers. The results of slightly lower imports are just now beginning to show.

But many of the affected companies and their workers need the self-help, and I emphasize ''self-help,'' loan guarantee that is provided in this legislation. They are having trouble gaining access to private capital in order to deal with the cash flow problems and to restructure in order to weather the steel import crisis. The loan program is not, and I emphasize again, is not a Federal giveaway. It is a tough, self-help program which does have protections for the U.S. taxpayer. Let me list those:

The Chairman of the Federal Reserve, Alan Greenspan, will serve as the chairman of the board that will review all loan guarantee applications. The Secretary of Commerce and the Chairman of the Securities and Exchange Commission are also members of the board. So obviously this is a tough board that these companies would have to go to for a guarantee.

The loan guarantee amount for each company is limited to $250 million and must be paid back by December 31, 2005. Companies must provide security for all loan guarantees and shall pay a fee to cover the cost of the program. Only 85 percent of the principal loan amount can be guaranteed by this program.

Furthermore, any company that receives a loan guarantee is subject to a GAO audit. So there are tough conditions in this, I want to emphasize.

The board's authority, the board headed by Chairman Greenspan, to make loan guarantees terminates on December 31, 2001. In other words, it is essentially a 17-month program. So this is not an open-ended new program.

I should also add that the credit subsidy cost of this bill, $267 million, and that is the charge we would have to appropriate just to cover it, not that there would be any Federal money involved, this is a guarantee, all the loans would come from the private sector, with the government guaranteeing 85 percent of the loan. But it is completely offset by a rescission of Federal administrative and travel expenses.

As we prepare to give a helping hand to our farmers, and most of those are grants, in some cases loans, but we are saying billions we are talking about to help our farm economy, agriculture, as we should, but as we prepare to give them a helping hand, and they are affected by the current drought, I ask that we also give the steel and oil and gas industries a helping hand to overcome the import crisis that they have had no control over.

We cannot allow foreign nations to export their unemployment to the United States. I urge support of this legislation and, in effect, the support of American jobs.

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

Mr. MOLLOHAN. Mr. Speaker, I yield myself 2½ minutes.

Mr. Speaker, first I want to express appreciation to our senior Senator from West Virginia for his interest and efforts in regard to the steel industry, which have been tremendous and consistent and effective, as this legislation which he is responsible for getting through the Senate evidences.

Mr. Speaker, our steel industry and steelworkers are in trouble. Foreign steel imports are up dramatically across the board, from 30 to 41 million tons in 1998. Hot rolled steel imports, for example, are up a staggering 66 percent. Three countries, Korea, Russia and Japan, account for 78 percent of this increase, and much of it is illegal dumping, selling in this country at a price less than the cost of actually producing it. That is a violation of international trade law.

Dumping has resulted in five of our steel companies in this country going bankrupt and 10,000 of our steelworkers losing their job, 800 of these jobs at Weirton Steel in my district. Five companies, Mr. Speaker, 10,000 steel jobs, all lost because of illegal dumping.

The legislation before us today addresses the short- to medium-term financial problems created for steel companies by this illegal dumping. It establishes a program whereby the government will guarantee up to $1.5 billion in conventional loans, $1 billion for the steel industry and $500 million for the ailing oil and gas industry.

The amount actually appropriated in the bill is $270 million, which represents the subsidy rate, and that is the amount of money actually estimated to be at risk should there be defaults.

Loan guarantees are a tried and true approach to helping backbone industries get through troubled financial times. Remember when the Congress passed the Chrysler Loan Guarantee Act of 1980 which supported a loan guarantee program of up to $1.5 billion? Chrysler borrowed $1.3 billion, and successfully completed the program in 1983.

Likewise, in 1981 Lockheed was the object of a federally backed $250 million guarantee program. Also New York City benefitted from a successful $1 billion loan guarantee program. Some refer to these programs as the Lockheed or the New York or Chrysler bailout. In fact, none of these programs were bailouts. All were guarantee programs, which allowed Lockheed, Chrysler, and New York to work through their financial crisis and, at the conclusion, pay off their debts. The government did not have to pay off one penny of those guaranteed loans.

Steel manufacturing and oil and gas production industries are vital interests to our broad economic well-being, not to mention to our national security interests. It is perfectly appropriate for us to act reasonably to assist these industries using the loan guarantee model.

I urge adoption of the legislation, Mr. Speaker.

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

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

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

Mr. LEACH. Mr. Speaker, let me first begin by saying I regret I am rising in strong opposition to this bill because I have such enormous respect for the two gentlemen that have just spoken, the gentleman from Ohio (Mr. REGULA) and the gentleman from West Virginia (Mr. MOLLOHAN). But I rise in opposition on the grounds of process, the grounds of substance, and the grounds of precedent.

In terms of process, Members will be asked to vote on the creation of a massive new $1.5 billion Federal credit program designed to benefit certain steel as well as oil and gas companies that has never been considered by the House or any of its committees.

I have grave doubts about the appropriateness of a new contingent liability of this nature in the Federal Government for a number of reasons, including the fact that the proposal coming from the other body lacks adequate taxpayer safeguards. Not only are there no warrants to reward taxpayers for risks undertaken, as was in the case of the Chrysler program, this legislation does not even comply with OMB guidelines establishing core policies for Federal credit programs.

To cite just one, financial standards for risk taking require that private lenders who extend government guaranteed credit must bear at least 20 percent of the loss from any default. This standard OMB policy is not included in this loan guarantee program, thus making the program a bailout for poor lending policies of banks, as well as poor management practices of steel and oil and gas companies.

For a country with the most sophisticated market economy in the world, the approach advocated today represents an astonishingly slippery slope. Loan guarantee proposals and circumstances of this nature have a tendency to create stilted markets and unfair competition. They implicitly disadvantage competitors and may not be as protective of ordinary workers as they may be for investors and a few companies and lending institutions that may have troubled loans in place.

Let me be clear: Nothing in this bill expands demand for steel or creates a single job. It may protect a particular worker's job in a particular company, but it is not a jobs protection bill. At the very most, it allocates jobs by protecting the least efficient producers and jeopardizing more efficient ones.

For example, I represent an industrial river district with four steel plants. None can be expected to receive any of the resources made available under this act. But this bill authorizes assistance to steel producers in competition with these efficient plants.

For every job that may be protected in West Virginia, one will be lost in Iowa, and for every dollar diverted in this market intervention program, one will be deprived from HUD, the USDA and an assortment of other government agencies. There is no free lunch for loan guarantees of this nature.

To be sure, last year steel import crisis was real and caused harm to our industry and its workers. In reaction, the United States Government responded aggressively to anti-dumping and countervailing duty cases against a variety of countries. At the same time, the executive branch exerted bilateral pressure on key trading partners, including Japan and Korea, to reduce their steel imports to the United States.

According to Commerce Secretary Daley, these efforts are beginning to have an effect. While our steel industry still faces a number of economic difficulties, we have reversed last year's historic import surge. Total steel imports have returned to pre-crisis levels. April 1999 imports of all steel products were 22 percent below April 1998 levels and 6 percent below April 1997.

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Indeed, this April's import levels were more than 42 percent below last August's peak. Ironically, just today it was reported the domestic steel companies are raising spot market prices of large volume flat rolled products by as much as 9 percent.

According to the Chicago Tribune, these price increases have been made possible by sharp economic rebounds in key parts of Asia's Pacific Rim which is soaking up steel that otherwise might have been shipped to the United States.

As for the oil and gas dimension of this bill, it should be understood that this provision was added in the other body when crude oil prices were at an inflation-adjusted post World War II low. But from a bottom of $10.27 cents per barrel in February of this year, oil prices have rallied over 100 percent, to $20.62 today. The recovery of crude oil prices makes this bill not only philosophically dubious, but untimely.

Let me turn now to precedent. Here two issues stand out. First, the fact that this legislation is being considered on the House floor in this way is a testament to the disproportionate power individual Members of the other body have attained through precedents and rules not shared by this body.

The principal reason this bill is before us is that one powerful member of the other body refused to allow a national defense and humanitarian spending measure to go forward until he received a pledge from House leaders that this legislation would receive expedited consideration in this body, in disregard of regular House processes.

To allow this kind of process to be subjected in the House is precedential folly. The procedures of the other body demand reform for a number of reasons, not the least of which is that they disadvantage the people's body. But under no circumstances should House Members be a party to power plays in the other House that dictate how this House should proceed, especially if such commitments have the effect of bypassing the committee system, which is designed to protect the House and the public interest.

Further complicating this bill are constitutional and administrative law questions. In an effort to make the loan guaranty program less expensive, the bill was amended to require the chairman of the Federal Reserve to serve as the chairman of a three-member board to administer the program.

But it should be remembered, the Federal Reserve is an independent agency, not part of the executive branch. It is responsible for conducting the Nation's monetary policy, as well as supervising and regulating banking institutions. This bill would entangle the Federal Reserve in inappropriate executive branch functions and compromising political judgments.

The program the bill establishes is more political than economic in character. It is designed by politicians to benefit certain companies in selected industries. In its present form, it entwines the Federal Reserve Board, which both parties on a bipartisan basis have a vested interest in keeping above politics, into the hurly-burly of congressional politics.

Extraordinarily, the bill causes the chairman of the Fed to become, in effect, a loan officer who also may be regulating financial institutions with which the Federal Reserve may, under this bill, become a party in lending judgments.

The only thing more foolish than the economic and political judgments in play are the process considerations for Congress, the executive branch, and the Fed.

In conclusion, Mr. Speaker, let me reiterate that the interventionist policy under consideration represents a procedural, substantive, and precedent-setting umbrage. Loan guaranty approaches should only be considered after extensive review and only under the most exigent of circumstances. This particular congressional intrusion into the American free market should be viewed with the utmost skepticism.

Mr. Speaker, I urge its defeat, and I reserve the balance of my time.

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

Mr. Speaker, first of all, I want to say how much respect I have for the authors of this bill, both the gentleman from Ohio (Mr. REGULA) and the gentleman from West Virginia (Mr. MOLLOHAN).

With respect to the gentleman from West Virginia (Mr. MOLLOHAN), I want to express my deepest condolences upon the death of his father, with whom I had the tremendous pleasure of serving for 8 years, from 1975, his retirement, to 1982. He was a great person. He was a great Congressman.

But I think, in all candor, his greatest achievement was his son. I do not think any father could have been more proud of his son than Bob Mollohan was, and rightly should have been, of the gentleman from West Virginia (Mr. MOLLOHAN). I am proud to serve with him. That makes opposing the bill even more difficult.

Mr. MOLLOHAN. Mr. Speaker, will the gentleman yield?

Mr. LAFALCE. I yield to the gentleman from West Virginia.

Mr. MOLLOHAN. Mr. Speaker, I thank my friend, the distinguished gentleman from New York, for those very kind remarks. They are certainly appreciated. God bless.

Mr. LAFALCE. Mr. Speaker, I regret that I must oppose this bill, in large part for the reasons articulated by the chairman of the Committee on Banking and Financial Services, the gentleman from Iowa (Mr. LEACH). I find myself in 100 percent agreement with each and every remark of his.

First of all, with respect to process, there was not one minute worth of hearing on this bill in the House of Representatives; not a day, not an hour, not a minute. I believe that is true in the Senate, too, but I cannot swear to that.

As a matter of fact, the oil and gas provisions of this bill were never even introduced in the House. The bill number is the Kosovo appropriations that was substituted. I do not believe there ever was a bill creating a loan guaranty program for the oil and gas industry.

Now, I think it is a terrible precedent. I really think this is a terrible precedent, because what we are doing is we are saying to the authorizing committees, whatever they are, the Committee on Transportation, the Committee on Ways and Means, the Committee on Armed Services, we are going to eliminate the necessity for them, on minor matters. What is a minor matter? For $1.5 billion, we will just eliminate the need for their consideration of any legislation dealing with approximately $1.5 billion. That is a terrible precedent.

Secondly, some individuals say, well, speaking of precedents, we have some precedents when we have given guaranties in the past. To be sure, Chrysler has been mentioned as one example; Lockheed.

A few things. First of all, those were company-specific, not industry-wide; not oil and gas industry, iron ore industry, but company-specific. There were days and weeks of hearings and markup and conferences, et cetera.

Most importantly, I remember when I wrote a dissenting opinion against the Chrysler loan guaranty bill because we did not attach adequate conditionality to the loan, because we did not attach the necessity for shared sacrifices on the part of all the stakeholders.

The Senate did a better job on that bill, thanks to a good Republican and a good Democrat, Senator RICHARD LUGAR and Senator Paul Tsongas. They attached those conditions. They attached, for example, the ability of the United States to have warrants. They attached the necessity for shared sacrifices, et cetera.

There is nothing in this bill remotely close to that at all, nothing whatsoever. There certainly has not been the months and months of hearing and public dialogue and discussion; not even a minute, not even a minute.

There are other reasons, too. The steel industry is very important and the iron ore industry is very important and the oil and gas industry is very important. But there are countless other important industries in the United States of America, too. Why just steel, why not the materials industry? Why not the textile industry? Why not the computer industry, the machine tool industry? We could go on endlessly.

If we are going to intervene and allocate credit, ought we not at least to have some hearings to discuss where we would best allocate credit? The House tonight is saying no.

But let us think of something else, now. We are coming in with a $1.5 billion program. The program had just run for a couple of years, but the loan guaranties will go for decades, or I have forgotten the exact date, but considerably beyond that. But we cannot do it for nothing. We can only do it if we rescind monies in fiscal year 1999. That is what we are going to be voting on. We are going to be voting to rescind monies for fiscal year 1999.

How much will we have to rescind? Two hundred seventy million dollars, or $267 million, to be exact, according to the gentleman from Ohio (Mr. REGULA). We have to rescind that much. Where do we take it from? The bill says, not from defense but from the non-defense programs.

So what do we do if we vote for this bill? If Members are interested in agriculture, we rescind $45 million from agriculture. If Members are interested in commerce, we rescind $12 million from commerce. If Members are interested in health and human services, we rescind $20 million from health and human services. If Members are interested in housing for the poor and the elderly, we rescind $17 million from HUD. If we are interested in the Department of the interior, we rescind $9 million; from Justice, $23 million; the Department of State, $11 million; Transportation, almost $14 million; Treasury, over $20 million; and Veterans Affairs, approximately $36 million. The list goes on and on.

The total is, according to OMB, a rescission of approximately $270 million. I ask Members to ask themselves if this bill, that has not had a day's worth of hearing, in order to help the oil and gas industry, et cetera, is worth rescinding $270 million.

Mr. REGULA. Mr. Speaker, will the gentleman yield?

Mr. LAFALCE. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Speaker, would the gentleman agree that those are travel budgets for those various agencies, just travel for members of the executive branch?

Mr. LAFALCE. No, those are administrative and travel. Administrative includes salaries for people.

So what we are doing is for veterans affairs, we would be eliminating doctors, these are administrative; nurses, these are administrative. But can our hospitals in Buffalo and Batavia, wherever they are, afford their pro rata share of a budget cut in veterans affairs of $36 million, et cetera, et cetera? Is it that important?

Of course, the gentleman from Iowa (Mr. LEACH) pointed out, it is so wrong to have the chairman of the Federal Reserve Board, and unconstitutional, he argued, and I would agree with him fully, in there. I hate saying vote no on this bill, but logic and the order of the House and the integrity of the House, the integrity of the legislative process, demands it.

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

Mr. REGULA. Mr. Speaker, I yield 1 minute to the gentleman from Florida (Mr. YOUNG), the chairman of the Committee on Appropriations.

Mr. YOUNG of Florida. Mr. Speaker, a number of Members have asked the question, what does this have to do with national defense and Kosovo? Because when the Clerk read out the title of the bill, it did refer to national defense, to the Kosovo supplemental.

I wanted to advise the Members that there is nothing left in this bill that has anything to do with Kosovo and national defense or anything of that nature. That was all stripped out. This vehicle was an empty vehicle, and the other body used it as a vehicle then for this loan guaranty program. I just wanted Members to know that, especially because several have asked that question.

Mr. MOLLOHAN. Mr. Speaker, I am pleased to yield 2 minutes to the distinguished gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Speaker, I rise in strong support of this legislation, which will establish an emergency loan guaranty program for the independent oil and gas industry and the steel industry.

Much like America's agriculture, the oil and gas industry and steel industries have recently experienced a price crisis which has caused hundreds of thousands of job losses and severe economic hardships for the communities in which they serve.

In November of 1997, the oil and gas exploration and production industry began experiencing critically low prices, which included the lowest inflation-adjusted oil price in history. These low prices were well below the cost of finding and producing crude, and they threatened the ability of many independent producers to continue operation. The effects of hard times on producers have a significant impact in all areas of our economy, as many of our Texas schools and hospitals receive significant tax revenues from oil and gas properties.

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While prices have improved in the past few months, the industry continues to face economic hardship and infrastructure loss. The Independent Petroleum Association of America estimates that 56,400 jobs of oil and gas have been lost since October of 1997. Twenty-five percent of the United States' total oil wells and 57,000 natural gas wells shut down. Many of these wells will never operate again.

With oil imports currently accounting for 56 percent of America's supply, it is of vital importance to our national security that we provide assistance to oil and gas producers so that we can preserve what is left of our domestic oil and gas industry. Since 1986, the United States has lost 2 million barrels per day of oil production.

With programs such as these loan guarantees in place, we might not have lost the domestic production. But we now have the opportunity to do something to maintain what is left. These loan guarantees will provide struggling independent producers with the capital necessary to save jobs, businesses, and the viability of the domestic industry. If the relevant committees of jurisdiction had taken action since 1997, we would not be in this position now.

Mr. LEACH. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Texas (Mr. ARCHER), the chairman of the Committee on Ways and Means.

Mr. ARCHER. Mr. Speaker, I thank the gentleman from Iowa for yielding me this time.

Coming from Houston, Texas, the energy capital of the world, I certainly have sympathy for the plight of the oil and gas industry, and I am concerned about the plight of the steel industry also.

But I was taught early in life that the end never justifies the means, and this means is one of the most inappropriate efforts that I have seen in the 28½ years that I have been in the House of Representatives.

It opens its way to boondoggles, because there is no restriction for a steel company with a loan to a bank. The bank is concerned about the steel company's capabilities to shift that off to the responsibility of the taxpayers. There is no protection against the president of one of these industries making a personal loan to that industry and then applying for the government to take that president personally off the hook. No protection at all against that in this bill.

I associate myself with the eloquent remarks of the gentleman from New York. I could not say them better than he did. But I would add that it also sends the worst of signals to our trading partners.

We complain over and over again about their government subsidies to their basic industries, like their steel industry; and here we are in the back doorway having a government subsidy for a basic industry that we decry over and over again.

Importantly, it is so precedential, as the gentleman from New York said. Where do we draw the line when the government begins to embark on this course? There are better ways. We should find a better way.

Mr. LAFALCE. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. TRAFICANT).

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

Mr. TRAFICANT. Mr. Speaker, I do not like this bill, but I am going to vote for it. I want to thank the gentleman from New York (Chairman LAFALCE) for being a gentleman and allowing me the time.

Pretty tough for me to vote against the bill that has come to the floor offered by the gentleman from Ohio (Mr. REGULA) and the gentleman from West Virginia (Mr. MOLLOHAN), two great Members.

I also offer my sympathies to the gentleman from West Virginia (Mr. MOLLOHAN).

But I want to pick up on something that the gentleman from Texas (Chairman ARCHER) said. No matter how one cuts this bill, the reason for it being on the floor is illegal trade. The steel industry is in desperate straits because of illegal trade.

What Congress has chosen to do is, no matter how we cut it, we subsidize and accommodate illegal trade tonight in the House of Representatives, with the only vehicle to help our industries.

This is unbelievable to me. We act like a bank and guarantee with taxpayers dollars industries that are impacted upon by illegal trade, but Congress does not have the courage to take a stand and reconcile these great negative balance of payments in a trade deficit approaching a quarter of a trillion dollars.

Good God almighty. Now we are going to accommodate illegal trade. We are telling our trading partners, go ahead. The doors are open. If worst comes to worst, we will take care of our industry for you.

A Nation that allows predators to violate their marketplace is a Nation that will bankrupt and collapse. We have no sound trade policy in America. I do not see any difference now between either party. I do not see any resolution. I do not see any progress being made. I see a sigh of surrender.

Let us use our largess. Let us put a Band-Aid on it and hope they treat us better. I think it is time for a reciprocal trade agreement. It is time to tell our trading partners, ''If you want access, give us yours, or we will close the door on you, just like you have done to us.''

If they are beating us because they are better, I can accept it. But I cannot give them an advantage and go home and tell my people we are going to use their tax dollars now to guarantee our failing policies. This is bad policy, Congress.

Now I want my colleagues to take a look at some of the suggestions, Mr. Speaker, that are coming from both sides of the aisle now on the illegal trade. I am not talking about free trade tonight. I am not talking about trade. I am talking about illegal trade, and we sponsored it.

The SPEAKER pro tempore (Mr. LAHOOD). The Chair announces that the gentleman from Ohio (Mr. REGULA) has 10 minutes remaining, the gentleman from West Virginia (Mr. MOLLOHAN) has 10½ minutes remaining, the gentleman from Iowa (Mr. LEACH) has 5 minutes remaining, and the gentleman from New York (Mr. LAFALCE) has 3½ minutes remaining.

Mr. REGULA. Mr. Speaker, I yield 2 minutes to the gentleman from Alabama (Mr. ADERHOLT).

Mr. ADERHOLT. Mr. Speaker, I rise in strong support of H.R. 1664, a bill to provide loan guarantees to help U.S. steel companies and oil and gas companies. I would like to comment for just a minute on the steel portion of the bill.

American workers are the most productive in the world. As my colleagues and I are pointing out here on the House floor and have been for about a year, American steelworkers and steel company managers have worked together to achieve remarkably efficient steel production here in the U.S.

U.S. steel is the highest quality in the world, and producers adhere to the highest safety and environmental standards. The bottom line is we can compete with any steel producers in the world as long as we are not flooded with artificially low-priced steel.

Due to the illegal dumping by foreign countries, scheduled maintenance and modernization improvements at U.S. steel companies have been impossible for much of the past 2 years. So these loan guarantees will allow our companies to remain competitive.

As has already been pointed out here tonight, the terms of the plan are tough. The Federal Reserve Chairman, Alan Greenspan, chairs the board that oversees the plan. All loans must be paid back by December 1, 2005. The plan is fully paid for with offsets.

I represent one of the mid-sized U.S. steel companies that has suffered because of this illegal steel dumping. Gulf States Steel, in Gadsden, Alabama, which is in the Fourth Congressional District, employs about 1,800 people. Without a program like this one, the future of these workers is not optimistic.

This bill has been scrutinized, it has been amended, and it reflects the hard work of Members both here in the House and of the Senate, Republicans and Democrats.

I ask for my colleagues to support H.R. 1664 and support our steel and oil and gas industries.

Mr. MOLLOHAN. Mr. Speaker, I am pleased to yield such time as he may consume to the gentleman from Texas (Mr. HALL).

(Mr. HALL of Texas asked and was given permission to revise and extend his remarks, and include extraneous material.)

Mr. HALL of Texas. Mr. Speaker, I rise in support of the Emergency Steel, Oil, and Gas Guarantee Act of 1999.

Mr. Speaker, I'm here tonight to offer my support for the men and women in Texas, as well as throughout all of what we know as the ''Oil Patch.'' These people have built an industry that has brought us a way of life. Inherent in this industry has been the willingness to take risks by the investors, and an abundance of hard work. The oil and gas industry in this country owes it's past successes to the classic hard work, family business, the American way.

Without the risks and hard work we would not currently enjoy so many of the conveniences that make our way of life the envy of the world. Yet, these family businesses, otherwise known as Independent Producers, have hit upon very serious hard times, and while the rest of our economy appears to be booming, these hard working people have been forced to cap wells, lay off their employees, and compete with very strong foreign markets. The stacked oil riggs give mute testimony to their plight.

We must vote YES, and pass this bill, for at least two important reasons. (1) Our National Security rests upon our ability to rely on domestic energy resources in case of emergency, * * *. We cannot afford to sit back and watch this industry fail. (2) It is the right thing to do, * * *, these men and women, have been there for us in tough times, all they are asking of us, is that we be there for them in what most of the rest of us are experiencing as good times. This industry is deserving of these loan guarantees, and as a matter of national security, we must respond to their call for assistance.

Mr. MOLLOHAN. Mr. Speaker, I am pleased to yield 1 minute to the distinguished gentleman from Indiana (Mr. VISCLOSKY).

Mr. VISCLOSKY. Mr. Speaker, I would add my comments and wishes to the gentleman from West Virginia (Mr. MOLLOHAN) as everyone else has. I think it is a mark of the gentleman that, this evening, he is here protecting the interest of, not only the people of his congressional district, his State, but all of those in the United States of America who want a good paying decent job for themselves and their families. I think we all owe the gentleman from West Virginia (Mr. MOLLOHAN) a debt of gratitude on that.

One of the earlier speakers, in his comments said this is not going to create one new job. I would remind all of our colleagues that we are here tonight because we have lost 11,000 jobs since July 1, 1997. There is no end in sight. Those jobs were lost, not because of inefficiency, but because of illegally traded steel that we as a government, the executive branch and legislative branch, did not stop.

Those 11,000 individuals with spouses and children do not have a job tonight. We owe them this loan guarantee.

Mr. LEACH. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Arizona (Mr. KOLBE).

Mr. KOLBE. Mr. Speaker, I thank the gentleman from Iowa for yielding me this time. I, too, would like to join my colleagues in paying tribute to the gentleman from West Virginia (Mr. MOLLOHAN) for the work that he has done and for being here this evening.

But I do also rise in very strong opposition to this bill. It is a target-rich environment of arguments against it. I do not know which one to start with.

Let me start with this one. This bill is being brought to this floor for the first time without the benefits of any hearings in the House or any kind of public input.

This bill provides an almost open-ended $1 billion in loan guarantees for the steel industry and as much as $500 million in guarantees for the oil and gas industry. To cover potential defaults of administrative cost, $270 million are appropriated.

Now, we have an offset for that, we have been told, an offset of an unspecified pro rata recessions from the nondefense travel and administrative accounts in all Federal agencies' fiscal 1999 budgets which have 2 months to run.

Now, there are many of these budgets which do not have anything in those accounts, and OMB has acknowledged they have not the slightest idea of how they are going to handle it in those particular budgets. So, in short, it puts millions of dollars of taxpayers' funds at risk, rescinds millions of dollars in Federal administrative accounts, in the Veterans Administration, in the Energy Department, in the Agriculture Department where we have a real problem with agriculture in this country. It takes the money out of those accounts and sets up an elaborate loan guarantee board to administer the program.

Yet no one, not a single Member of the House, has had an opportunity to review this proposal in committee nor hear from those who are affected. This is not the way this institution is supposed to function.

Now, I also object to this on a substantive ground. The loan guarantees being considered would not go to the benefit of any workers. Instead they go to investors of a few companies, many of whom may have had troubled loans in the first place.

The effect of these loan guarantees would be to reward inefficient producers and skew market capital away from efficient industries toward inefficient companies and inefficient industries.

Rather than save jobs, this bill would simply reallocate jobs in our country. This is nothing but a special interest bailout for specific industries, and I urge the defeat of this particular bill.

Mr. LAFALCE. Mr. Speaker, since I only have about 3 minutes remaining, I reserve the balance of my time for closing.

Mr. REGULA. Mr. Speaker, I yield 1 minute to the gentleman from Ohio (Mr. NEY).

Mr. NEY. Mr. Speaker, also, as neighbors of the gentleman from West Virginia (Mr. MOLLOHAN), I know my constituency sends their deepest sympathies.

Tonight a lot of right things I guess have been said, no matter which side one is at on this issue. Politics. There are some politics involved. I think it is politics to help good people that deserve help from their government.

As far as breaking precedent procedure, I think that has been done here over the course of a couple hundred years. I really do not think it is being done tonight, though, in a way of breaking precedent procedure, because there has been a type of hearing. There has been a one-year nonhearing on this issue for the steelworkers and their families.

Oil and gas is included obviously in this, too. They are having some troubled times.

I would also like to point out that the monitoring bill of Visclosky, Regula, et al. of this body, the White House put its hand into the Senate and killed it. That chance seems to be gone, so something has to be done. Tonight is the urgent need to do it.

This is not about free trade. It is not about fair trade. It is about illegal dumping. Give the steelworkers a chance.

Mr. MOLLOHAN. Mr. Speaker, I am pleased to yield 1 minute to the gentlewoman from Ohio (Ms. KAPTUR).

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Ms. KAPTUR. Mr. Speaker, I thank the distinguished and able gentleman from West Virginia (Mr. MOLLOHAN), who is really fully admired by Members of this House for being here this evening, and our dear colleague, the gentleman from Ohio (Mr. REGULA) as well.

Mr. Speaker, I rise in support of this measure to put some steel back into the spine of America and to help our beleaguered independent energy sector. Earlier this year, the House passed this legislation. It has been stalled over in the other body all this time. Unforgivable.

Now six more steel companies in our country, American jobs, have filed for bankruptcy. Over 6,000 jobs at stake in Alabama, Ohio, Illinois, Pennsylvania, Utah, coast to coast, and more on the chopping block.

I think we are obligated to do what we can to provide help to this beleaguered set of industries in the United States of America, especially when they are so adversely impacted by imports from Japan, which has never opened its markets to us; Indonesia, not exactly the most Democratic place on the face of the earth.

So I rise in support of this bill, as I would have on the Chrysler loan bailout, in which every penny was paid back with interest.

Mr. LEACH. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. DELAY), the distinguished majority whip.

Mr. DELAY. Mr. Speaker, I too want to offer my sympathies to the gentleman from West Virginia (Mr. MOLLOHAN) and the Mollohan family. I know the loss of a father leaves a very deep hole, and we all feel very sympathetic to the gentleman and his family.

Mr. Speaker, I must oppose this bill. I understand why this bill comes, but my colleagues, I was raised in the oil fields. My daddy was a drilling contractor. We went through many ups and downs in the economy in the oil and gas industry. I come from Houston, Texas, the capital of the oil and gas industry in the world, and I am telling my colleagues this is a horrible policy. This is a horrible policy.

We just went through a depression in the oil and gas industry in the late 1970s and early 1980s, and we got through it. Sure, there were a lot of people that lost their jobs, but I have to tell my colleagues that the oil and gas industry got through that deep depression and they are stronger for it today. They are stronger for it today.

When this bill was first conceived, oil was at $8, $10 a barrel, West Texas crude is up to $20 to $21 a barrel. The oil and gas industry does not need the government fooling around with their market by suggesting that loan guarantees will somehow save all the jobs and save the oil and gas industry. They do not need this.

My daddy would be turning over in his grave today, because I can remember my entire life, every night at 6 o'clock around the dinner table how much he would gripe about how the government was constantly interfering in the oil and gas industry and stopping us from developing the kind of industry that we needed for our national security.

They do not want this, they do not need this, and I hope that my colleagues will defeat it.

Mr. REGULA. Mr. Speaker, I yield 2 minutes to the gentleman from Alabama (Mr. BACHUS).

Mr. BACHUS. Mr. Speaker, first of all, I want to commend my colleague, the gentleman from Alabama (Mr. ADERHOLT), for his fine work on this bill, and I want to introduce for the RECORD a letter that he wrote to the Members of this Congress on June 16 where he talked about the cost of not acting on this legislation. It is 108,000 jobs.

Mr. Speaker, I read an interesting article in a paper. I pulled it off the internet, and it is called the Hindustan Times. It is one of the leading papers in India. They said that imports from Japan, Korea, Brazil, and the Communist block were ruining the Indian steel industry. They said they were importing steel into India at less than what India could produce it.

The average steelworker in India makes 20 cents an hour. India said they are moving to block this. In that article, it said there are only two countries in the world that are allowing its steel industries to be destroyed, us and the United States, and they are acting to stop this. The European nations and Japan have a reciprocal agreement which says they will not dump on each other. We will not do that. These things are not coming into Europe. Europe will not stand for it. We will.

I heard the gentleman from Iowa say the crisis is almost over. Let me state the latest statistics from the Census Bureau. Shipments of U.S. steel down 10 percent; utilization down 10 percent from a month before. Total imports up 30 percent in May over April. That does not sound like it is almost over. U.S. steel prices down 27 percent.

Mr. Speaker, I submit for the RECORD the letter I referred to earlier.

WASHINGTON, DC, *June 16, 1999.*

Re loan guarantees.

DEAR COLLEAGUE: During conference consideration of H.R. 1141, the Supplemental Appropriations Act, loan guarantee provisions for steel, oil, and gas companies were removed in order to facilitate consideration of the Supplemental bill. Recognizing the strong support for assisting steel, oil, and gas companies, leadership offered to let the Senate Appropriations Committee amend H.R. 1664 to make it a loan bill (H.R. 1664 was the original House funding bill for Kosovo operations; the final version of H.R. 1141 essentially combined the Senate Kosovo funding bill and the House Emergency bill, thus making H.R. 1664 no longer necessary to the funding of Kosovo operations). We are hopeful that the full Senate will soon pass this amended version and refer it to the House, at which point conferees will be appointed.

There has been some debate about the possible costs of providing these loan guarantees. Not as often considered as the costs of doing nothing to help these companies. With regard to steel, if the ten companies most likely to apply for loan guarantee were to close, here is what we would lose:

Number of jobs: 107,167

Dollar amount of income: $4,879,443,110

Dollar amount of production: $9,227,000,000

These companies affect many others within their states. For one company alone, the impact on that would be a loss of $206,348,230 in statewide projected earnings.

Independent oil and natural gas producers around the country have also been hit hard by the extended depressed oil and gas prices. Beginning in November 1997, the oil exploration and production industry began experiencing a price crisis that included the lowest inflation-adjusted oil prices in history. These prices have had far-reaching effects on the lives of thousands in the industry. In the past 18 months, the industry has lost 56,400 jobs, and an additional 20,000 jobs are at risk. This is a natural result of the shut down of 136,000 oil wells (25 percent of total U.S.) and 57,000 natural gas wells during the same period—a substantial number which will never operate again. As a result, the U.S. oil and natural gas production is nearly at its fifty year low. As devastating as this crisis has been on individuals in the industry, the impact on our Nation has been equally severe—estimated at $25 billion in lost economic impact.

When the House votes again on this bill, I hope you will support it. These U.S. industries are competitive and the loan guarantees will help them remain competitive. If you have any questions, please contact Mark Dawson (Rep. Aderholt, 225–4876) or Dawson Oslund (Rep. Watts, 225–6165).

Sincerely,

J.C. WATTS,
ROBERT B. ADERHOLD,
Members of Congress.

Mr. MOLLOHAN. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. TURNER).

Mr. TURNER. Mr. Speaker, we hear a lot today about the new economy, but there are some of us still trying to get by on the old economy, and the old economy is not doing too well.

In my district and across this Nation, tens of thousands of steel and oil and gas workers have lost their jobs, and many more fear that they may lose theirs. Since October of 1997, oil prices have dropped dramatically due to increases in imports. More than 50,000 workers have lost their jobs, hundreds of production and service companies have closed, and over 136,000 oil wells have shut down. That is 25 percent of all the wells in the United States.

Providing Federal loan guarantees to significant strategic U.S. businesses at risk is not without precedent. The SBA guarantees loans every day in this country for small business. We do it for agriculture. Congress has done it for New York City, for Lockheed Aircraft, for Penn Central, for Conrail. It is a common practice.

Mr. Speaker, these industries need our help. They are critical to the economic security and the national security of our country.

Mr. MOLLOHAN. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota (Mr. OBERSTAR).

Mr. OBERSTAR. Mr. Speaker, this bill is just as deadly serious for the steel and iron ore mining industry as were loan guarantees Congress approved for New York City in 1977 and Chrysler in 1980.

The steel import crisis is not over. American steel makers are still cutting production and jobs because of unfairly traded steel dumped in our markets at subsidized prices. Iron ore producers in Minnesota and Michigan, whose only market is the domestic integrated steel industry, are especially devastated by imports of semi-finished steel slab subsidized in Russia and other countries and dumped on our shores displacing our high quality taconite. Layoffs totaling 2,500 jobs were announced just this week by mines in Minnesota and Michigan, on top of hundreds of previous layoffs.

I would rather the unfair trade laws worked. I would rather we had duties and countervailing duties and quotas. But they are not being imposed, they are not working, and the loan guarantee initiative will help taconite plants upgrade operations, reduce costs, improve efficiency, and the loans will be repaid with interest.

Mr. REGULA. Mr. Speaker, I yield 1¼ minutes to the gentleman from Oklahoma (Mr. WATKINS).

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

Mr. WATKINS. Mr. Speaker, I have only 1 minute to make a point. We have lost over 100,000 jobs to oil patch in this country. We have lost equity. And I say to the gentleman from Ohio (Mr. LEACH) and the gentleman from New York (Mr. LAFALCE), that is the difference. We have lost more equity ever in the history of the energy industry. I am not talking about the majors, the multinationals, I am talking about the mom and pops in the small oil service jobs.

We subsidized ethanol and we bailed out New York City. The Department of Energy is doing nothing. In fact, the Department of Energy is harming the oil and domestic energy industry. Why? Because they are supporting a lot of foreign oil production, especially in Iraq. What kind of policy do we have? We have sanctions. We are proposing to lift the caps in Iraq. They are selling oil illegally to Jordan and we are loaning money to Jordan. What kind of policy is that? It is crazy.

My colleagues, our people do not understand it. During the July 4 break I marveled at our senior citizens. A grandmother approached me and said, ''Congressman, I know you are going to take care of my Social Security, and I know that you are going to take care of my Medicare, but, Congressman, when can my grandson go back to work in the oil patch?''

It is serious out there in America, and I ask my colleagues for their help.

Mr. MOLLOHAN. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. KLINK), who has worked so long and hard on steel issues.

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

Mr. KLINK. Mr. Speaker, first of all, I want my friend and colleague, the gentleman from West Virginia (Mr. MOLLOHAN), to know that his courage and dedication tonight are the greatest tribute he could pay to his father, and I am honored to be on the floor with him.

My colleagues, this Congress had an idea that we would pass a steel quota bill and that would be our response, and we passed it with a veto-proof measure. But the same people on both sides of the aisle who had sold GATT to us back in 1994 in a lame duck session said it is not GATT compliant, that we could not do it, and they killed it. Now some of the same forces are coming out and saying we cannot do this either. Well, Mr. Speaker, our steel companies are having to compete with companies that are subsidized by foreign governments. So we want to tie both hands behind the backs of our steel industry, and we say go out and compete in the world.

This is not the first time, my colleagues, that we have done subsidies. We have heard about it before. But the reality is that our basic industry needs our help. And if we let the steel industry go down, next it will be aerospace, then auto manufacturing, bridge building, construction, and on and on. We have to stand up for these workers and the 11,000 who have already lost their jobs.

Mr. MOLLOHAN. Mr. Speaker, I yield 1 minute to the gentleman from West Virginia (Mr. WISE).

Mr. WISE. Mr. Speaker, I want the gentleman from West Virginia (Mr. MOLLOHAN) to know that parents live through their children, and the fact that the gentleman is standing here tonight speaks volumes about him and his father, and we thank him for being here.

For over a year, Mr. Speaker, thousands of hard working steelworkers have faced economic devastation due to illegal steel dumping. Ten thousand have lost their jobs. Weirton Steel, an employee-owned company which fought its way back from bankruptcy, suddenly had 800 workers unemployed. They played by the rules when other nations broke them with their illegal dumping.

Mr. Speaker, this is only a loan guarantee program for the steel industry and some in the oil and gas industry to get back on their feet. No handouts here, just loan guarantees with tight controls and costs offset.

Mr. Speaker, for the first time in a year, this bill provides the first little bit of hope to the thousands of proud, hard-working families in our area along the Ohio River, for instance in communities named Weirton and Wheeling and Follansbee. Vote for them tonight.

Mr. MOLLOHAN. Mr. Speaker, I yield 1 minute to the gentleman from Western Pennsylvania (Mr. MASCARA), my neighbor.

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

Mr. MASCARA. Mr. Speaker, I thank the gentleman for yielding me this time, and I extend my condolences to him and his family on the passing of his father.

To both sides, those who oppose this bill, I would like to invite them to come to southwestern Pennsylvania and see the economic carnage that took place from the depression of the 1980s and the demise of the steel and coal industry. We lost an entire generation of young people.

They told us to get our act together and be more productive. We capitalized and we were more productive. Now our steel companies are suffering from foreign imports that are illegally subsidized. We have the hardest working and most efficient steel industry in the world. All that we are asking for is a level playing field.

We neither break the trade laws nor subsidize our steel companies, that is why it is imperative to provide loan guarantees and access to capital, because it is crucial in upgrading our steel making facilities. We cannot stand by and watch these illegal imports flood our markets, which have cost steelworkers jobs all over this country.

Mr. LEACH. Mr. Speaker, I yield 2 minutes to the gentleman from Alabama (Mr. CALLAHAN).

☐ 2200

Mr. CALLAHAN. Mr. Speaker, let me just clarify something about the procedure.

There are some who have indicated that this measure has not received the proper attention of the Congress because it did not go through the regular hearing process. But this is nothing different than any other procedure that we have had. We pass a bill here, the Senate disagrees or adds to it, and then the conferees correct it, and then they bring it back to both Houses for the vote up or down.

Out of deference to Senator BYRD, he had this added on in the Senate because it was a true emergency and the conference voted to include it in the report back to the House. So it went through the proper procedure. But out of deference to this House and out of deference to the emergency needs of Kosovo and in Latin America, Senator BYRD, at my insistence and at the insistence of the Speaker of the House, voluntarily withdrew from that emergency appropriation bill provided we would use the other vehicle that was already sitting there to allow this to come before this body in a divided stance.

Had we not done this, we would have been forced to vote with the emergency appropriation that we had for Central America and for Kosovo; and this too, we would have had one vote.

Under the procedure that we finally arrived at, we get the opportunity to vote on a divided question. I think that is a fair way to do it. I applaud Senator BYRD for agreeing to do it because he did not have to do it. We could have resolved this in that emergency appropriation bill if indeed the senator had insisted.

So I appreciate the senator giving us the opportunity to bring this to the floor as a single issue and vote it up or down, because it truly is an emergency appropriation for the steel industry.

I will assure my colleagues that it is impacting my State of Alabama very adversely at this point. If they do not get some relief immediately, then there is going to be a true emergency in Alabama because we are going to have about 1,500 people walking the streets.

I urge my colleagues to vote for the amendment.

Mr. LaFALCE. Mr. Speaker, I yield myself the balance of the time.

Mr. Speaker, we are here because one senator for whom I have the greatest respect said, I have got to have this money for the industry, especially in my State, and another senator said, I do not like this idea that if we are going to have money for your industry for his State, we are going to have to have money for my industry for my State; and all of a sudden we have $1½ billion, without any consideration being given to it by this House of Representatives whatsoever. Again, not one minute.

Now, $1½ billion. I was chairman of the Committee on Small Business for 8 years. Every single year we had to limit the loan guarantees we gave to the small businesses of America because we ran up against the limit.

The greatest job creator in America is the small business community. So when we vote for $1.5 billion, we are really depriving the Small Business Administration of the ability to give loan guarantees to small businesses.

The Rural Development Administration, the Economic Development Administration, just think of the countless communities in our districts where small businesses if they got a loan with a Government guarantee could revitalize that neighborhood business district, could revitalize that community, could revitalize the housing stock. But they will not get it because we are giving it to the oil and gas industry.

My Democratic colleagues, I remember when we first came here and we argued so strongly against the oil depletion allowance. This is terrible. And now we want to give the oil and gas industry this enormous, over $1½ billion, loan guarantee program without a minute's worth of hearings.

If we have a specific business in our district, we do not know that they will ever get one penny of a loan guarantee. There is that remote possibility. We do know with absolute certainty, however, that in fiscal year 1999 we are voting for cuts in Government services that help our people. We are voting again to cut agriculture in fiscal 1999.

This is for certain, $45 million. Veterans' Affairs. If we have veterans and they have difficulty getting assistance from their veterans' hospital or the clinics, we are making it worse for them, we are cutting the Veterans' Administration's budget by $36 million.

If they need housing assistance, if they need more section 8 vouchers, if they need more 202 programs, we are cutting the Housing and Urban Development Program by $17 million in fiscal year 1999.

I could go on and on and on. But do not vote to rescind $270 million in fiscal year 1999 for this program that has not even had one minute's worth of hearings in the House of Representatives to help out the oil and gas industry, chaired by the chairman of the Federal Reserve Board, who does not want this job, who would probably urge us to vote against this program, who does not believe in the concept of credit allocation whatsoever.

Mr. MOLLOHAN. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, I just want to clarify for the gentleman from New York (Mr. LAFALCE) who just spoke. He has alluded a couple times to this money coming out of salary accounts and programmatic accounts.

I can understand his mistake. This money comes out of the expense side and it comes out of items like travel and on the administrative side pencils, paper, office supplies. It does not come out of salaries, any salaries, and will not result in any programmatic diminution.

Mr. Speaker, I am pleased to yield 1 minute to the distinguished gentleman from Pennsylvania (Mr. DOYLE) who represents steel industries.

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

Mr. DOYLE. Mr. Speaker, first let me say to my good friend the gentleman from West Virginia (Mr. MOLLOHAN) that he is in our thoughts and prayers, he and his family.

Mr. Speaker, I stand today to urge my colleagues to vote for H.R. 1664, the Byrd-Mollohan steel and oil loan guarantee bill.

My colleagues, the crisis in steel is not over. Jobs are still being lost. Steel mills are still closing. And this problem will not go away without some real solutions.

The Byrd-Mollohan loan guarantee proposal we are debating today will take real action to save American jobs and two vital American industries.

I heard the distinguished minority whip here say that in the oil and gas industry they have gone through some hard times and they have rebounded and come back stronger and they do not need any help.

Well, I do not know about the oil and gas industry, but I know about the steel industry; and I want to make something perfectly clear. We have not fallen on hard times. We have lost jobs because our foreign competitors are cheating, they are breaking the rules, and this country is doing nothing about it. That is why American steelworkers are on hard times. That is why we need some help.

Let us vote for Byrd-Mollohan and save some American jobs.

Mr. MOLLOHAN. Mr. Speaker, I am pleased to yield 1 minute to the distinguished gentleman from Michigan (Mr. STUPAK).

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

Mr. STUPAK. Mr. Speaker, I urge my colleagues to support passage of the Senate amendments to this legislation, which offer assistance to the steel and iron ore industries; most importantly, the workers, the families, and communities who depend on these industries.

I do not have any steel manufacturers in my district. I have iron ore mines. In 1920, we had over 4,500 people employed in the iron mines in northern Michigan. Then came the illegal dumping in the 1980s.

Today we have less than 2,200. Just this week it was announced that the last two mines will close, the two in northern Michigan and one in Minnesota, and they will be closed for at least 10 weeks because of depressed market conditions for iron ore pellets because of illegal steel imports.

For at least 10 weeks, the United States will not produce one iron ore pellet to make domestic steel. If we do not take action to prevent steel dumping, encourage the use of our domestic steel products, while offering some relief to our industries, there will be no more iron ore mines, there will be no more domestic steel industry here in the United States.

Mr. MOLLOHAN. Mr. Speaker, I am pleased to yield 1 minute to the gentleman from Pennsylvania (Mr. MURTHA) to close the debate for our side, who has worked long and hard for the steel industry and so effectively.

Mr. MURTHA. Mr. Speaker, 20 years ago the gentleman from Ohio (Mr. REGULA) and I went down to meet with President Reagan and we convinced him that the steel industry was absolutely essential to our national security.

We had a hard time convincing the Committee on Ways and Means. But we fashioned a program that did not go through the normal process that was finally accepted and refined and restored the steel industry in this country.

We have had hearings for the last 15 years on these steel problems. We need help. Because when they start importing steel, subsidized steel, it takes 6, 7, 8 months before we can get it before the court, before the ITC, before we can get the results.

We need to be able to lend them money so they can get through this period of time. It is absolutely essential. Oil and gas and steel are essential to our national security. I would hope the Members would help us in a time when we really need this help.

Mr. REGULA. Mr. Speaker, I yield myself the balance of my time.

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

Mr. REGULA. Mr. Speaker, this is not for big companies. This is for people. This is for that steelworker or that oil worker that is unemployed, 60,000. This is to help them pay the mortgage, to pay the tuition for their son or daughter that wants to go on to college, to perhaps help a child that is ill. This is to give them back self-respect and self-confidence by giving them their jobs back.

Remember, this is a vote for people, not for companies. This is not one taxpayer's dollar being given to these companies. We are simply saying as we have done for agriculture as we have done for housing, as we have done for small business, as we did for Chrysler, as we did for Lockheed, as we did for New York City. We said we will help them by guaranteeing their loan.

That is what we are talking about tonight. We are guaranteeing the loan. Not all of it, 85 percent. And that loan has to be approved by the chairman of the Federal Reserve, by the Secretary of Commerce, by the Chairman of the Securities Exchange commission, three highly respected individuals.

I think what it does is simply say that this Government, which historically has provided a helping hand to the people of this Nation, once again says we want to help, we want to help by ensuring that those individuals can go back to work, that we can compete in the world marketplace.

As the gentleman from Ohio said, we need revision of our State laws to stop the dumping, to stop the unfair practices. But in the meantime, that steelworker, that oil worker is out of a job.

A vote ''yes'' is a vote to give them a helping hand from their Government so they can have their job back, so their family can enjoy this great Nation and the opportunities it provides.

I urge all of my colleagues to support this.

It has been said that it is going to take it out of all these other programs. Not so. It is travel, travel for the bureaucracy. It is administrative. It is the bureaucracy. It is not programs. As the gentleman from West Virginia (Mr. MOLLOHAN) pointed out, it does not affect any veterans, does not affect any individual, just Government travel. And there is too much of that now.

So, in summation, this is a helping hand to the people of this Nation. I urge support of the bill.

Mr. RAHALL. Mr. Speaker, I rise in strong support for H.R. 1664, the Steel, Oil and Gas Loan Guarantee bill now before us.

The bill guarantees $1 billion in loans to companies already in, or close to filing, for bankruptcy because of the surge of cheap steel imports that have flooded our country.

This loan program has historical precedent, which began with government assistance to the Chrysler Corporation in 1980, and similar assistance since then that was provided to the City of New York, Lockheed Aircraft, Penn Central Railroad and Conrail.

The steel industry has lost over 10,000 jobs in the past year, and the oil and gas industry over 400,000 jobs over a four year period.

It is time for Congress to do for steel, oil and gas what it has done for others in the past—and that is to lend a helping hand.

This plan is not a bailout.

It is not a direct loan program.

It is a tough, guaranteed loan program requiring companies to apply to a board which includes the Secretary of the Treasury. It's costs are fully offset and will be repaid.

Please consider the alternative costs of doing nothing. If just one major company goes into bankruptcy, the government will likely spend tens of millions on unemployment benefits alone.

Multiply that by several companies, and then add in the lost jobs at suppliers, the lost tax revenue to local, state and federal government coffers, and even possible environmental costs—and you will have sealed the economic fates of States in which entire communities rely upon these industries for jobs and their livelihoods.

To be candid, Congress and the Administration dragged its feet far too long by refusing to acknowledge the damage that our trade policies were inflicting upon companies and workers in the steel, oil and gas industries.

Our hesitation to act has caused job loss and company bankruptcies across this country.

Today, we must do the right thing—to quickly approve and send to the President this loan guarantee for steel, oil and gas companies and their employees.

I urge my colleagues to vote yes on H.R. 1664. It is the right thing to do.

Mr. COSTELLO. Mr. Speaker, I want to thank my colleague for yielding me time on this important legislation. H.R. 1664 will help combat a crisis that is confronting American steelworkers and steel companies. A flood of cheap imports abroad have left our nation's steel factories facing stiff competition from illegally-subsidized products.

This legislation grants relief to the American oil and gas industry, providing federal loan guarantees to companies that are at risk to these imports. If we do not move quickly to support the backbone of our country's commercial sector, we could see other parts of our economy—including the construction, automobile and shipping industries—affected as well. The steel industry in my district has also seen losses as a result of these imports, and this legislation—which I have cosponsored—will address their needs as well.

H.R. 1664 is modeled on the successful $1.5 billion Chrysler loan guarantee program, enacted in 1980. Three years later, Chrysler repaid the government seven years before their loans were due. Federal loan guarantees are nothing new; they have been extended to Lockheed Aircraft, Conrail and City of New York.

This legislation allows banks and financial institutions to provide federally guaranteed loans to U.S. steel mills and small oil and gas producers. OMB and CBO have indicted it is fully offset, and the bill's $270 million price tag is modest when compared with the potential losses in the nation's steel mills and factory lines.

I urge my colleagues to stand up for steel in America and support H.R. 1664.

Mr. COYNE. Mr. Speaker, I rise today in support of this emergency loan legislation.

Mr. Speaker, the U.S. steel industry has been devastated by the dumping of foreign steel in this country over the last year. Many U.S. steel companies were hurt, three steel companies filed for bankruptcy, and thousands of American steel workers lost their jobs.

The Commerce Department determined earlier this year that dumping had, in fact, taken place, and the Department subsequently imposed duties on steel imports from a number of countries.

Unfortunately, the procedures that were in place to address dumping took a long time to respond to the surge of foreign steel imports. As a result, this illegal dumping took a terrible toll on our domestic steel industry. Congress needs to act to address the damage that has been done.

Consequently, I support the legislation that the House is considering today. H.R. 1664 would establish a $1 billion loan program for the steel industry and a $500 million loan program for oil and gas producers. These programs would allow loans to be made over the next 2½ years to qualified companies that have strong long term economic prospects but which face short term financial difficulties. This program would provide much-needed assistance to the steel companies that have been imperiled by foreign dumping.

While this legislation is not perfect, I believe that it would provide important relief for our domestic steel industry—an industry whose health is essential for our national security. I urge my colleagues to support this important anti-dumping legislation.

Mr. LEVIN. Mr. Speaker, I rise in support of H.R. 1664, the Emergency Steel, Oil and Gas Guarantee Loan Act of 1999. I want to address my remarks in particular to the part of this bill that concerns the steel industry.

The steel industry took a drubbing in 1998. Global overcapacity, combined with a dramatic drop in world demand for steel due to the Asian financial crisis, led to a surge of steel imports into the United States. Prices dropped dramatically, 10,000 workers were laid off, and three steel companies were forced into bankruptcy.

Earlier this year, we searched for a legislative solution to this crisis. A majority of this body voted for the imposition of quotas on steel imports into the United States. That solution would have violated our WTO obligations and allowed retaliation by our trading partners. For that reason, I opposed the quota bill. It has since been defeated in the Senate.

I have urged a different solution, a more long-term solution that would help not only the steel industry, but also other industries that may be vulnerable to the shifts that are bound to occur in our increasingly globalized economy. The proposal that I favor is reform of the anti-surge provision of our trade laws that will make that provision meaningful as a remedy to the harm or threat that may be caused by suddenly increasing imports.

I will continue to work for reform of the anti-surge law. In the short-to-medium term, I believe that the loan guarantees proposed by this bill will help the U.S. steel industry to recover from the harm it suffered over the past year.

By making guarantees available, this bill will enable companies to obtain financing that might otherwise be out of reach. Obtaining financing on reasonable terms will not fully compensate for the damage done by the surges of 1998. But it will help these companies and their workers a little bit towards getting back on their feet.

Further, this bill contains mechanisms to ensure that the cost to the government will be minimal:

The guarantee program will be administered by a Board consisting of the Secretary of Commerce, the Chairman of the Federal Reserve, and the Chairman of the SEC;

The total amount of outstanding guarantees is limited to $1 billion, the guarantees to any single company are limited to $250 million, and the amount of any guarantee is limited to 85 percent of the loan principal;

The loans guaranteed by this program will have to be secured by property providing reasonable assurance of repayment;

Participants in the program will have to agree to audit by the GAO;

All loans will have to be payable no later than December 31, 2005; and

No guarantees may be extended after December 31, 2001.

As I said before, the long-term response to the steel surge of 1998 must be reform of our anti-surge law. There will be other surges in our future, and we must be prepared. In the short term, loan guarantees are a sound means of lending a hand to an industry that is at the foundation of our economy and that has suffered from a massive surge of low-priced imports.

Accordingly, I will vote "yes" on final passage of H.R. 1664, and I urge my colleagues to do the same.

Mr. SKEEN. Mr. Speaker, I rise to lend my support to H.R. 1664, as amended by the United States Senate. I know this legislation as the Emergency Oil and Gas/Steel Loan guarantee program of 1999. This legislation is supported by the 7,000 domestic crude oil and natural gas producers represented by some 32 national, regional and state associations. Hundreds of New Mexico businesses support this legislation. They are small producers, they are oil industry service companies and they are the countless businesses that provide goods and services to the people who work in this important industry.

The oil and gas producers that would benefit from this program are small independents. They are not the big companies. They are the small producers who have seen the loss of over $25 billion and over 50,000 jobs since 1997. Today, when adversity hits our citizens and our small businesses, there are numerous "disaster" programs to help them through the tough times. When a flood strikes, a hurricane hits or a drought settles across a region the federal government moves quickly. However, when an economic disaster hits "Oil Patch," the nation turns its back.

In many of the communities in my Congressional District, citizens would have been better off if their businesses would have been hit by a tornado. Then they would have been eligible for assistance. Some businesses in foreign countries have better access to economic assistance than our small independent oil industry. This legislation starts correcting this deficiency. Our domestic industry has suffered through a 19 month price crash. This legislation will provide them with the cash flow that they need to get back on their feet.

The fact that oil prices are up today does not negate the losses that our small producers have suffered nor does it delay the payments that are past due at the financial institutions. This will lead to putting Oil Patch back to work and let Carlsbad, Hobbs, Lovington, Roswell, and several other communities in New Mexico join the prosperity that most of the rest of America has enjoyed during this decade. Our country needs a strong domestic oil industry to maintain our national security. Congress has a long record of creating working loan guaranteed programs which provided needed support to key U.S. industries. I would remind people that this legislation, as constructed, is fully offset.

The oil loan program would provide a two-year, $500 million guaranteed loan program to back loans provided by financial institutions to qualified oil and gas producers and service companies. The maximum loan would be $10 million and the government would guarantee no more than 85 percent of each loan. This is a good bill; it is a fair bill; it is a bill that follows the rules; and it is a bill that will ensure American energy continues to be provided at a fair price.

Mr. KUCINICH. Mr. Speaker, more than ten thousand American steel workers have lost their jobs.

Steel workers are not losing their jobs because the American steel industry is inefficient. In fact, the American steel industry is the world's most efficient. The reason American steel workers are losing their jobs is that the price of foreign steel, though more inefficient, is so much cheaper due to the devaluation of the currencies of those countries. Steel workers are not the only workers losing their jobs to cheap imports.

This loan guarantee will help steel companies bridge the difficult market conditions caused by the devaluation of foreign currencies.

I urge my colleagues to vote ''yes'' on H.R. 1664.

The SPEAKER pro tempore. All time for debate has expired.

Pursuant to the order of the House of Tuesday, August 3, 1999, the previous question is ordered.

The question is on the motion offered by the gentleman from Ohio (Mr. REGULA).

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

RECORDED VOTE

Mr. LEACH. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 246, noes 176, answered ''present'' 1, not voting 11, as follows:

[Roll No. 375]

AYES—246

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Bachus
Baird
Baldacci
Baldwin
Barcia
Barton
Becerra
Berkley
Berry
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Bonilla
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Burton
Buyer
Callahan
Cannon
Capuano
Cardin
Carson
Clay
Clement
Clyburn
Combest
Conyers
Cook
Cooksey
Costello
Coyne
Cramer
Crowley
Cubin
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doyle
Edwards
Ehrlich
Emerson
Engel
English
Etheridge
Evans
Everett
Fattah
Filner
Forbes
Ford
Frost
Gejdenson
Gekas
Gephardt
Gibbons
Gillmor
Gilman
Gonzalez
Goode
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hayworth
Hefley
Hill (IN)
Hill (MT)
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Hooley
Horn
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E.B.
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy
Kildee
Kilpatrick
King (NY)
Kleczka
Klink
Kucinich
Kuykendall
LaHood
Lampson
Larson
LaTourette
Levin
Lewis (GA)
Lewis (KY)
Lipinski
Lowey
Lucas (KY)
Lucas (OK)
Maloney (CT)
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCrery
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKinney
McNulty
Menendez
Millender-McDonald
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Murtha
Napolitano
Neal
Ney
Oberstar
Olver
Ortiz
Ose
Owens
Pallone
Pascrell
Pastor
Payne
Pease
Pelosi
Peterson (MN)
Phelps
Pickering
Pickett
Pomeroy
Price (NC)
Quinn
Rahall
Rangel
Regula
Riley
Rivers
Rodriguez
Roemer
Rogers
Ros-Lehtinen
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Scott
Serrano
Shimkus
Shows
Sisisky
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Spratt
Stabenow
Stark
Stenholm
Strickland
Stupak
Sweeney
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Thomas
Thompson (MS)
Thornberry
Thurman
Tiahrt
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Velazquez
Visclosky
Vitter
Walsh
Watkins
Watts (OK)
Waxman
Weiner
Weller
Wexler
Weygand
Wilson
Wise
Woolsey
Wu
Wynn
Young (AK)

NOES—176

Archer
Armey
Baker
Ballenger
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Bass
Bateman
Bentsen
Bereuter
Biggert
Bliley
Boehner
Bono
Brady (TX)
Bryant
Burr
Calvert
Camp
Campbell
Canady
Capps
Castle
Chabot
Chambliss
Chenoweth
Clayton
Coble
Coburn
Collins
Condit
Cox
Crane
Cunningham
Davis (VA)
Deal
DeLay
DeMint
Deutsch
Doggett
Doolittle
Dreier
Duncan
Dunn
Ehlers
Eshoo
Ewing
Farr
Fletcher
Foley
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gilchrest
Goodlatte
Goodling
Goss
Graham
Granger
Green (WI)
Greenwood
Gutknecht
Hastert
Hastings (WA)
Hayes
Herger
Hilleary
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones (NC)
Kasich
Kind (WI)
Kingston
Knollenberg
Kolbe
LaFalce
Largent
Latham
Lazio
Leach
Lee
Lewis (CA)
Linder
LoBiondo
Lofgren
Luther
Maloney (NY)
Manzullo
Markey
McCollum
McKeon
Meehan
Meek (FL)
Meeks (NY)
Metcalf
Mica
Miller (FL)
Miller, Gary
Miller, George
Moran (VA)
Morella
Myrick
Nadler
Nethercutt
Northup
Norwood
Nussle
Obey
Packard
Paul
Petri
Pitts
Pombo
Porter
Portman
Pryce (OH)
Radanovich
Ramstad
Reynolds
Rogan
Rohrabacher
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Saxton
Scarborough
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Simpson
Smith (MI)
Spence
Stearns
Stump
Sununu
Tancredo
Taylor (NC)
Terry
Thompson (CA)
Thune
Tierney
Toomey
Upton
Vento
Walden
Wamp
Waters
Watt (NC)
Weldon (FL)
Whitfield
Wicker
Wolf
Young (FL)

ANSWERED ''PRESENT''—1

Souder

NOT VOTING—11

Berman
Bilbray
Frank (MA)
Houghton
Lantos
McDermott
Oxley
Peterson (PA)
Reyes
Shuster
Weldon (PA)

☐ 1034

Messrs. METCALF, LUTHER, DOGGETT, NADLER, HILLEARY and MARKEY and Mrs. MEEK of Florida and Ms. WATERS changed their vote from ''yea'' to ''nay.''

Mr. ROTHMAN and Mr. BURTON of Indiana changed their vote from ''nay'' to ''yea.''

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 1905, LEGISLATIVE BRANCH APPROPRIATIONS ACT, 2000

Mr. YOUNG of Florida. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight, Wednesday, August 4, 1999, to file a conference report on the bill (H.R. 1905) making appropriations for the legislative branch for the fiscal year ending September 30, 2000, and for other purposes.

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

There was no objection.

MOTION TO INSTRUCT CONFEREES ON H.R. 1905, LEGISLATIVE BRANCH APPROPRIATIONS ACT, 2000

Mr. TOOMEY. Mr. Speaker, pursuant to section 7(c) of House rule XXII, I offer a motion to instruct House conferees on the bill (H.R. 1905), making appropriations for the Legislative Branch for the fiscal year ending September 30, 2000, and for other purposes.

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

The Clerk read as follows:

Mr. TOOMEY moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendments to the bill H.R. 1905 be instructed to insist upon—

(1) the House provisions for the funding of the House of Representatives under title I of the bill;