

There was no objection.

### DEFENSE PRODUCTION ACT EXTENSION

Mr. BACHUS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1715) to extend the expiration date of the Defense Production Act of 1950, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1715

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

#### SECTION 1. EXTENSION AND REAUTHORIZATION OF THE DEFENSE PRODUCTION ACT OF 1950.

(a) EXTENSION OF TERMINATION DATE.—Section 717(a) of the Defense Production Act of 1950 (50 U.S.C. App. 2166(a)) is amended by striking "September 30, 2000" and inserting "September 30, 2001".

(b) EXTENSION OF AUTHORIZATION.—Section 711(b) of the Defense Production Act of 1950 (50 U.S.C. App. 2161(b)) is amended by striking "2000" and inserting "2001".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Alabama (Mr. BACHUS) and the gentlewoman from California (Ms. WATERS) each will control 20 minutes.

The Chair recognizes the gentleman from Alabama (Mr. Bachus).

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

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

Mr. BACHUS. Mr. Speaker, I will say that we intend to take only a very few minutes on this bill. This bill, as amended, is simply a 1-year extension of the Defense Production Act. I am not sure that any other explanation other than that is needed. I think all Members of this House know what that act is. We normally extend it for 3 years, but the reason we are doing it for 1 year is that Chairman GRAMM in the Senate wishes to take up reform of the legislation and has not had an opportunity to do that. It is a very worthy effort on his part.

The House, as soon as we pass this 1-year extension, we expect the Senate to do the same.

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

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

Mr. Speaker, I would like to thank our subcommittee chair for seeing to it again that this bill is on the floor today. The reason reauthorization of this act is necessary is that it contains the basic emergency authorities of the President to obtain needed emergency products for national defense. Annual renewals of this legislation have become quite routine in recent years and there is every expectation the other body will act with speed on this measure due to this tradition.

At some point, a review of some of the details of this legislation may become advisable, such as those permitting minor long-term production of

various goods. However, there has been no outstanding complaints about abuse of these powers in many, many years. Consequently, this side of the aisle supports this measure to renew the act for 1 year.

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

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama (Mr. BACHUS) that the House suspend the rules and pass the bill, H.R. 1715, as amended.

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

The title of the bill was amended so as to read:

"A bill to extend and reauthorize the Defense Production Act of 1950."

A motion to reconsider was laid on the table.

### GENERAL LEAVE

Mr. BACHUS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1715, the bill just considered.

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

There was no objection.

### BUREAU OF ENGRAVING AND PRINTING SECURITY PRINTING AMENDMENTS ACT OF 2000

Mr. BACHUS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4096) to authorize the Secretary of the Treasury to produce currency, postage stamps, and other security documents at the request of foreign governments, and security documents at the request of the individual States or any political subdivision thereof, on a reimbursable basis, and for other purposes.

The Clerk read as follows:

H.R. 4096

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

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Bureau of Engraving and Printing Security Printing Amendments Act of 2000".

#### SEC. 2. PRODUCTION OF DOCUMENTS FOR FOREIGN GOVERNMENTS.

(a) IN GENERAL.—Section 5114(a) of title 31, United States Code (relating to engraving and printing currency and security documents) is amended—

(1) by striking "(a) The Secretary of the Treasury" and inserting:

"(a) AUTHORITY TO ENGRAVE AND PRINT.—

"(1) IN GENERAL.—The Secretary of the Treasury"; and

(2) by adding at the end the following new paragraph:

"(2) ENGRAVING AND PRINTING FOR FOREIGN GOVERNMENTS.—The Secretary of the Treas-

ury may, if the Secretary determines that it will not interfere with engraving and printing needs of the United States—

"(A) produce currency, postage stamps, and other security documents for foreign governments, subject to a determination by the Secretary of State that such production would be consistent with the foreign policy of the United States; and

"(B) produce security documents for States and their political subdivisions."

(b) PAYMENT FOR SERVICES.—Section 5143 of title 31, United States Code (relating to payment for services of the Bureau of Engraving and Printing) is amended—

(1) in the 1st sentence, by inserting ", any foreign government, or any individual state or other political subdivision of any foreign government" after "agency"; and

(2) in the last sentence, by inserting ", foreign government, or individual state or other political subdivision of a foreign government" after "agency".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Alabama (Mr. BACHUS) and the gentlewoman from California (Ms. WATERS) each will control 20 minutes.

The Chair recognizes the gentleman from Alabama (Mr. BACHUS).

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

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

Mr. BACHUS. Mr. Speaker, H.R. 4096 is titled Bureau of Engraving and Printing Security Printing Amendments Act of 2000. It simply grants the Treasury Department's currency printing arm the ability to produce on a reimbursable basis security documents or currency for foreign countries or security documents for States in the United States or their political subdivisions.

Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. PORTER).

Mr. PORTER. Mr. Speaker, I would like to engage the distinguished chairman of the Subcommittee on Domestic and International Monetary Policy, the gentleman from Alabama (Mr. BACHUS), and a member of the subcommittee, the gentlewoman from Illinois (Mrs. BIGGERT), in a colloquy.

The gentleman from Alabama (Mr. BACHUS), the gentlewoman from Illinois (Mrs. BIGGERT), the gentlewoman from California (Ms. WATERS) and other members of the subcommittee have worked diligently on the subcommittee to see that our monetary policy remains strong and sound in an ever-changing global economy, and I applaud them for doing so.

Mr. Speaker, for the first time since World War II, there is a currency developing that could become a significant reserve currency for the world, in competition with the U.S. dollar. This currency is the Euro.

The dominance of the dollar as the world's premier reserve currency has a measurably positive impact on the U.S. Federal budget and on our economy as a whole. That dominance must be protected and preserved.

The dollar's position has been secured in part by high confidence in its

soundness. Our currency handling industry has produced technology to count and flawlessly scan for counterfeits at high speeds.

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But, there is danger of that soundness being challenged because of unfair foreign competition.

In Europe, each country's Central Bank typically permits the European manufacturers of machines that handle currency to also participate in the design and/or production of that currency. As a result, these European companies have advanced knowledge of and make technical contributions to the currency before it is released. Therefore, it can adapt its currency-handling products well in advance of the release and even add characteristics to the currency which favor its technology.

These cooperative relationships between foreign manufacturers and their governments create exclusive home markets. U.S. companies have long been the innovators in currency-scanning technology. If foreign manufacturers were to succeed in driving the last remaining U.S. company out of business, they could then set U.S. prices at their own domestic rates, or higher, with impunity. The United States must begin to consider steps to ensure a level playing field for the one remaining U.S. manufacturer of currency processing equipment.

Therefore, I hope that as the 106th Congress draws to a close and we begin to look forward to the issues we will address in the next Congress, that the chairman of the subcommittee and its members will continue to work on efforts to maintain and enhance the preeminence of the dollar in world trade. I hope we continue to have an open and informative dialogue on these matters, and perhaps have hearings so that all concerned parties have a chance to express their views on this important subject.

Madam Speaker, I would ask the gentlewoman from Illinois (Mrs. BIGGERT) and the chairman of the subcommittee if they would advise me as to their disposition regarding this concern.

Mrs. BIGGERT. Madam Speaker, will the gentleman yield?

Mr. PORTER. I yield to the gentlewoman from Illinois.

Mrs. BIGGERT. Madam Speaker, I want to join my distinguished colleague from Illinois (Mr. PORTER) in applauding the gentleman from Alabama (Mr. BACHUS) for his work on the subcommittee. I would like to associate myself with the comments from the gentleman of Illinois and the important issue that he has raised.

One of the many currency concerns the distinguished chairman has addressed is the importance of maintaining the dollar's preeminence as the currency of choice in world trade. The ability of banks and other commercial entities to handle a given country's currency quickly and accurately is ex-

tremely important. Nearly 60 percent of U.S. currency is held abroad, mainly because of the purchasing power and recognized stability of the dollar. As a result, the dollar is a popular target for counterfeiting. As the gentleman from Illinois stated, without a U.S.-based manufacturer, there is concern that future technology upgrades may not keep pace with more sophisticated counterfeit operators. We, as a country, must remain vigilant in the fight against counterfeiting.

Therefore, I hope that as the 106th Congress draws to a close and we begin to look forward to the issues we will address in the next Congress, that the chairman of the subcommittee will continue to work on efforts to maintain and enhance the preeminence of the dollar in world trade. I hope we continue to have an open and informational dialogue on these matters and perhaps hold hearings so that all concerned parties have a chance to express their views on this important subject.

Mr. BACHUS. Madam Speaker, will the gentleman yield?

Mr. PORTER. I yield to the gentleman from Alabama.

Mr. BACHUS. Madam Speaker, the distinguished gentleman and gentlewoman from Illinois have brought up two very important issues to the continued growth of our economy, and that is the preeminence of the dollar and our ability to detect and to combat counterfeiting. The gentleman and gentlewoman from Illinois are correct in noting that we must remain vigilant to protect the dollar's preeminence as the currency in world trade. Although we have redesigned the dollar with counterfeit-resistant features, the simple fact is that counterfeiting continues. Because of this, we must continually update and improve our currency to ward off that threat.

I can assure the gentlewoman and the gentleman from Illinois that we will continue to endeavor to examine the issues at the committee level. The gentlewoman from Illinois mentioned hearings, and I think that would be appropriate. I will continue to work with both of my colleagues in this dialogue; it is an important dialogue. I will add that the gentlewoman from Illinois (Mrs. BIGGERT) is an important member of both the Committee on Banking and Financial Services and the Subcommittee on Monetary Policy, a very active member, and I can assure her that we will continue to work with all other interested parties to see that the discourse on this important subject continues.

I only wish that I could be working next session with the gentleman from Illinois (Mr. PORTER). Our distinguished colleague is retiring. We are all saddened by that, but I want him to know that he will be missed and all of his efforts will be missed.

Mr. PORTER. Madam Speaker, I thank the chairman of the subcommittee for his very kind words. I thank the gentlewoman from Illinois,

and I hope that she will continue to be there and address this issue.

Mr. BACHUS. Madam Speaker, I want to take this opportunity to also say that on Thursday, the gentleman from Illinois (Mr. PORTER) will be recognized for his efforts in fighting and finding a cure for cancer, just one of the many awards that he has been given and will be given for his work on medical research and combating disease and bringing comfort and support to those who do suffer from illness in this country.

Ms. WATERS. Madam Speaker, I yield myself such time as I may consume.

I would like to thank the chairman of the subcommittee and my colleagues on the other side of the aisle for their interest that they have shown in this issue and their concern about monetary policy.

Today, the House takes up H.R. 4096, this bill that would allow the Treasury's Bureau of Engraving and Printing to produce currency, postage stamps and other security documents for foreign countries on a fully reimbursable basis. The bill would also provide the BEP with the authority to produce security documents for the States and their political subdivisions, also on a fully reimbursable basis.

Madam Speaker, I strongly support this bill; and I urge its adoption.

The new authority to print currency for foreign countries is being sought by the Treasury Department and the BEP, and the Treasury Secretary has strongly endorsed this bill.

Madam Speaker, H.R. 4096 is a non-controversial piece of legislation that will help foreign countries in the printing of reliable, secure currency that will contribute to the stability of their monetary systems and the facilitation of international trade. The new authority will also allow States in the U.S. to come to the BEP for its help in producing security documents such as fish and game stamps, automobile titles, property deeds, birth and death certificates, and bond or special stock certificates. This bill will enable BEP to even out its work schedules and operate more efficiently, particularly during times when it faces excess capacity.

In addition, performing work for foreign countries will allow the Bureau to test without cost to United States taxpayers how technologies and anticounterfeiting techniques can be incorporated into future design of U.S. currency.

The bill will enable the Bureau of Engraving and Printing to fully utilize and hone the skills of its workforce, particularly craft employees such as portrait and letter engravers. In the last decade, countries such as Turkey, South Africa, Eritrea and Kuwait have approached the BEP to print security documents on their behalf, but the BEP could not provide the service because it lacked the statutory authority. This will do it.

Madam Speaker, I urge swift passage of this bill.

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

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

I think that the ranking member from California pointed out something very important. This legislation, which was made at the request of the administration, will allow the Bureau and the engravers there to develop their expertise, which is already considerable, to develop that expertise even more in producing cutting edge, anticounterfeiting and security features that might eventually find their way on to United States currency, but they can do that by basically developing it on another currency and seeing if it, in fact, is a benefit.

As the gentlewoman from California (Ms. WATERS) also said, there is excess capacity at the Bureau. We will be reimbursed in full not only for our costs, but our capital investment, so this should have a net positive effect on the Treasury, in the benefit of the U.S. taxpayers. I will submit a full statement in the RECORD, but the gentlewoman from California basically has covered everything that I would cover in my oral statement. I will submit my written statement for the RECORD.

H.R. 4096, the "Bureau of Engraving and Printing Security Printing Amendments Act of 2000," grants the Treasury Department's currency-printing arm the authority to produce, on a reimbursable basis, security documents or currency for foreign countries, or security documents for states of the United States or their political subdivisions.

Currently, the Bureau of Engraving and Printing may only print security products for Federal entities. It produces currency for the Federal Reserve and postage stamps for the United States Postal Service.

Passage of this legislation would permit the United States to assist developing nations in the deployment of stable currency systems, and to produce security products to facilitate international commerce. Those activities would allow the Bureau of Engraving and Printing to realize production efficiencies by providing additional work for the Bureau's superb engravers and printers.

The legislation stipulates that all such printing for foreign nations be done on a strictly reimbursable basis. By law, the Bureau must recover all actual costs as well as imputed long-term capital costs, so there would be no taxpayer cost for this effort. Additionally, there is a non-cash benefit to taxpayers in that depending on the type of currency or security documents printed for foreign nations, the Bureau should be able to develop an expertise in producing cutting-edge anti-counterfeiting and security features that might eventually find their way into United States currency.

Additionally, the bill stipulates that no printing for a foreign nation be undertaken without a determination by the Secretary of State that it is consistent with the foreign policy of the United States; and that printing for either developing countries, or for states, would be limited to times when demand for U.S. currency, postage stamps or other security products is below the Bureau's production capacity.

This bill was introduced "by request" in March, and was passed out of subcommittee

and the full Banking Committee on voice votes.

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

The SPEAKER pro tempore (Mrs. MORELLA). The question is on the motion offered by the gentleman from Alabama (Mr. BACHUS) that the House suspend the rules and pass the bill, H.R. 4096.

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

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. BACHUS. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 4096, the bill just considered.

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

There was no objection.

#### DEBT RELIEF LOCK-BOX RECONCILIATION ACT FOR FISCAL YEAR 2001

Mr. HERGER. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 5173) to provide for reconciliation pursuant to sections 103(b)(2) and 213(b)(2)(C) of the concurrent resolution on the budget for fiscal year 2001 to reduce the public debt and to decrease the statutory limit on the public debt, as amended.

The Clerk read as follows:

H.R. 5173

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

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Debt Relief Lock-box Reconciliation Act for Fiscal Year 2001".

#### SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) fiscal discipline, resulting from the Balanced Budget Act of 1997, and strong economic growth have ended decades of deficit spending and have produced budget surpluses without using the social security surplus;

(2) fiscal pressures will mount in the future as the aging of the population increases budget obligations;

(3) until Congress and the President agree to legislation that saves social security and medicare, the social security and medicare surpluses should be used to reduce the debt held by the public;

(4) until Congress and the President agree on significant tax reductions, amounts dedicated for that purpose shall be used to reduce the debt held by the public;

(5) strengthening the Government's fiscal position through public debt reduction increases national savings, promotes economic growth, reduces interest costs, and is a constructive way to prepare for the Government's future budget obligations; and

(6) it is fiscally responsible and in the long-term national economic interest to use a portion of the nonsocial security and non-medicare surpluses to reduce the debt held by the public.

(b) PURPOSE.—It is the purpose of this Act to—

(1) reduce the debt held by the public by \$240,000,000,000 in fiscal year 2001 with the goal of eliminating this debt by 2012;

(2) decrease the statutory limit on the public debt; and

(3) ensure that the social security and hospital insurance trust funds shall not be used for other purposes.

#### TITLE I—DEBT REDUCTION LOCK-BOX

#### SEC. 101. ESTABLISHMENT OF PUBLIC DEBT REDUCTION PAYMENT ACCOUNT.

(a) IN GENERAL.—Subchapter I of chapter 31 of title 31, United States Code, is amended by adding at the end the following new section:

#### "§3114. Public debt reduction payment account

"(a) There is established in the Treasury of the United States an account to be known as the Public Debt Reduction Payment Account (hereinafter in this section referred to as the 'account').

"(b) The Secretary of the Treasury shall use amounts in the account to pay at maturity, or to redeem or buy before maturity, any obligation of the Government held by the public and included in the public debt. Any obligation which is paid, redeemed, or bought with amounts from the account shall be canceled and retired and may not be re-issued. Amounts deposited in the account are appropriated and may only be expended to carry out this section.

"(c) There is hereby appropriated into the account on October 1, 2000, or the date of enactment of this Act, whichever is later, out of any money in the Treasury not otherwise appropriated, \$42,000,000,000 for the fiscal year ending September 30, 2001. The funds appropriated to this account shall remain available until expended.

"(d) The appropriation made under subsection (c) shall not be considered direct spending for purposes of section 252 of Balanced Budget and Emergency Deficit Control Act of 1985.

"(e) Establishment of and appropriations to the account shall not affect trust fund transfers that may be authorized under any other provision of law.

"(f) The Secretary of the Treasury and the Director of the Office of Management and Budget shall each take such actions as may be necessary to promptly carry out this section in accordance with sound debt management policies.

"(g) Reducing the debt pursuant to this section shall not interfere with the debt management policies or goals of the Secretary of the Treasury."

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 31 of title 31, United States Code, is amended by inserting after the item relating to section 3113 the following:

"3114. Public debt reduction payment account."

#### SEC. 102. REDUCTION OF STATUTORY LIMIT ON THE PUBLIC DEBT.

Section 3101(b) of title 31, United States Code, is amended by inserting "minus the amount appropriated into the Public Debt Reduction Payment Account pursuant to section 3114(c)" after "\$5,950,000,000,000".

#### SEC. 103. OFF-BUDGET STATUS OF PUBLIC DEBT REDUCTION PAYMENT ACCOUNT.

Notwithstanding any other provision of law, the receipts and disbursements of the Public Debt Reduction Payment Account established by section 3114 of title 31, United States Code, shall not be counted as new budget authority, outlays, receipts, or deficit or surplus for purposes of—

(1) the budget of the United States Government as submitted by the President,