

ECONOMIC EFFECTS OF
SEPTEMBER 11, 2001

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. PENCE) is recognized for 5 minutes.

Mr. PENCE. Mr. Speaker, I rise today to offer a few brief comments about the continuing impact of the events that happened on the calendar 1 month ago today. As we, each of us in our own right, dwell on the devastation of the Pentagon and at ground zero, the World Trade Center, I think it is altogether fitting that we think about the impact that the events of September 11 have had on that part of the American economy where most of Americans get up and go to work every day, and that is small business America.

The largely rural and medium-sized city district that I serve across eastern Indiana is driven by businesses large and small, but truly by businesses that fall in the category of small business. Today I held a hearing in the Subcommittee on Regulatory Reform and Oversight of the Committee on Small Business, where I have the privilege of serving as chairman, where we took a hard look at the impact of September 11 on small businesses. What we found out from witnesses who gathered from as far away as Iowa and Maine was truly disturbing.

The shutdown of aviation facilities known as general aviation facilities and businesses is the first place we looked for impact, and it was not a pretty picture.

A small charter flight that leaves St. Thomas in the United States Virgin Islands for Tortola in the British Virgin Islands, some 40 miles away, and then flies to the Bahamas to return to the Virgin Islands is just one example of the regulatory burdens that are being placed on charter businesses upon which many of the businesses that I serve depend, and many smaller communities around America rely.

Due to restrictions on general aviation in what is known as Class B air space, pilots cannot get their planes to avionic maintenance facilities, flight schools cannot provide flight instruction, and other aviation businesses are simply withering on the vine as we speak.

According to one witness, after the immediate grounding was lifted for general aviation facilities, while business has come back, business remains at 40 percent from levels of a year ago.

Even if the FAA removes restrictions from general aviation, the costs that they face may make it more difficult to continue. One proprietor of a general aviation business was quoted a war-risk insurance annual policy increase from \$2,300 a year to \$57,000 in a single year. In the airline bailout legislation, as the media has described it, wherein we rendered some \$15 billion in assistance to major commercial airlines, we dealt with the issue of insurance for commercial airlines; but general aviation struggles similarly as well.

Of course the problems are not just among general aviation and small charter facilities, but they extend to small businesses that are affected by business travel all over America.

A travel agent from Lewiston, Maine, spoke with great emotion that despite all of the benefits that her creditors have allowed, her landlord giving her free rent for the next 3 months, she was in 3 weeks, according to her estimate, losing \$4,000 a week; she was on track to lose her travel agency of 33 years' business. When I asked her how far in the future are people canceling their travel plans, she simply responded under oath, "I cannot see that far in the future."

Here in Washington, D.C., hotels are facing major losses of business due to the perception that National Airport and the Capital of the United States is not open for business. One small hotel lost \$100,000 due to the cancellation of World Bank events. A hotel operator was one of 25 in the D.C. area that suffered similar losses. The question remains, what will Congress do?

Airport concessionaires also spoke of the fixed rent that they pay these small business operators, most of which come from the minority community, small business operators who have fixed rent payments at arenas and airports; and two of the over 400 airports in the United States have allowed some accommodation in the fixed rent payments of concessionaires.

Mr. Speaker, we are about to lose a plethora of small businesses in America. As we approach an economic stimulus package, let us keep in our hearts and minds small business America, and let us remember that 50 percent of those that file in the top marginal rate are actually small businesses filing as individuals under subchapter S. Let us bring relief to small business as well.

DUTY-FREE STATUS OF CANNED
TUNA PRODUCTS FOR ANDEAN
COUNTRIES SHOULD BE OP-
POSED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from America Samoa (Mr. FALEOMAVAEGA) is recognized for 5 minutes.

Mr. FALEOMAVAEGA. Mr. Speaker, the entire United States tuna industry, with the exception of StarKist, opposes granting duty-free status to capped tuna products from Andean countries as contemplated in the Andean Trade Preference Agreement. Shame on Charlie the Tuna. Shame on StarKist for threatening an American industry, American consumers, and even American workers.

Mr. Speaker, the fact of the matter is there is enough tuna production capacity in Ecuador to supply the entire U.S. market with canned tuna. Put another way, there is enough production capacity in Ecuador to wipe out the U.S. brands of tuna that our Nation has come to love and trust. No more Chick-

en of the Sea. No more Bumble Bee. If canned tuna is not exempted from the Andean trade agreement, the only thing America consumers will know is private-label tuna packed in Ecuador and other Andean countries.

How safe is it? Consider this: Ecuador and Colombia incurred more than 706 fishing violations in the years 1998 and 1999 and still counting. Of those violations, only three actions were taken. In other words, Ecuador goes unchecked. Ecuador keeps fishing beyond the closure of the fisheries, past the quota, and breaks the rules; but America lives by the rules, Mr. Speaker.

Our U.S. purse seining fleet, which conducts tuna fishing operations, also plays by the rules, our rules. Chicken of the Sea lives by the rules. Bumble Bee lives by the rules, but StarKist wants us to ignore the rules. I say to Charlie the Tuna, sorry, rules are important.

The Andean pact countries are not up to the same standards utilized by the U.S. canned tuna processors. How safe will canned tuna be if Ecuador is allowed to dump its products in the United States? What does this mean for the American consumer?

The fact of the matter is that canned tuna represents the third fastest moving product category in the entire U.S. grocery business. Canned tuna provides a high-quality affordable source of protein for 96 percent of U.S. families. Shame on Charlie the Tuna. Shame on StarKist and H.J. Heinz for putting the American consumers at risk and for putting Americans out of work.

Mr. Speaker, I wish to reiterate that the entire U.S. tuna industry with the exception of Heinz and its subsidiary, StarKist, is opposed to the inclusion of canned tuna in the Andean trade agreement. Every U.S. processor, with the exception of StarKist, is about the business of protecting America's tuna industry. I also wish to note that Bumble Bee is the only American company that has invested in the Andean pact region. Yet despite its presence in Ecuador, Bumble Bee does not support the inclusion of canned tuna in the Andean trade agreement. Chicken of the Sea does not support the inclusion of canned tuna in the Andean trade agreement. The U.S. fishing fleet does not support the inclusion of canned tuna in the Andean trade agreement.

Today, the Andean pact nations have the largest fleet in the eastern Pacific region controlling more than 35 percent of the total catch, growing from about 20 obsolete fishing vessels now to 87 large fishing vessels.

Mr. Speaker, Ecuador and others fail to adequately cooperate with international conservation and abide by the Inter-American Tuna Commission regulations. Elimination of duties will result in product dumping, threatening American consumers and American industry. The U.S. International Trade Commission conducted studies of the tuna industry for 5 years, verifying canned tuna is an import-sensitive product.

Mr. Speaker, if Ecuador is allowed to send its tuna into America duty free, canned tuna will become a foreign-controlled commodity instead of a branded product U.S. consumers have trusted for over 95 years. If Ecuador is allowed to send its tuna into the U.S. duty free, U.S. tuna operations in California, Puerto Rico, and American Samoa will be forced to close. I am talking about American workers losing 10,000 jobs if this industry closes.

Mr. Speaker, I say respectfully shame on Charlie the Tuna. Shame on StarKist. Shame on H.J. Heinz for threatening an American industry in a time of national crisis.

REVISIONS TO ALLOCATION FOR HOUSE COMMITTEE ON APPROPRIATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. NUSSLE) is recognized for 5 minutes.

Mr. NUSSLE. Mr. Speaker, pursuant to Sec. 314 of the Congressional Budget Act and Sec. 221(c) of H. Con. Res. 83, the concurrent resolution on the budget for fiscal year 2002, I submit for printing in the CONGRESSIONAL RECORD revisions to the allocations for the House Committee on Appropriations.

As reported to the House, H.R. 3061, the bill making appropriations for the Department of Labor, Health and Human Services, and Education, and Related Agencies for fiscal year 2002, includes an emergency-designated appropriation providing \$300,000,000 in new budget authority for the Low Income Home Energy Assistance Program. Outlays totaling \$75,000,000 are expected to flow from that budget authority in fiscal year 2002. Under the provisions of both the Budget Act and the budget resolution, I must adjust the 302(a) allocations and budgetary aggregates upon the reporting of a bill containing emergency appropriations.

In addition, the bill contains appropriations for continuing disability reviews (CDRs) and adoption assistance payments. The CDR appropriation provides \$433,000,000 in new budget authority and \$381,000,000 in outlays in fiscal year 2002. The adoption assistance appropriation provides \$20,000,000 in new budget authority and \$3,000,000 in outlays this year. I also must adjust the 302(a) allocations and budgetary aggregates upon the reporting of a bill containing appropriations for those purposes, up to the limits contained in the Budget Act. The amounts provided by the appropriations bill are within those limits.

To reflect these required adjustments, I hereby increase the 302(a) allocation to the House Committee on Appropriations to \$663,499,000,000 for budget authority and \$683,378,000,000 for outlays. The increase in the allocation also requires an increase in the budgetary aggregates to \$1,628,687,000,000 for budget authority and \$1,591,076,000,000 for outlays.

These adjustments apply while the legislation is under consideration and take effect upon final enactment of such legislation. Questions may be directed to Dan Kowalski at 67270.

AIRLINE BAGGAGE SCREENING

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Washington (Mr. INSLEE) is recognized for 60 minutes as the designee of the minority leader.

Mr. INSLEE. Mr. Speaker, several of us have come to the well of the House to address what is the most pressing national issue of the moment that unfortunately the U.S. Congress has not dealt with adequately, and that is the security of our families and our communities.

We just heard the President of the United States talking about the existence of threats in this regard, that it is appropriate to be on high alert for these particular threats. We have come to the House tonight with a message that basically the House needs to act and act quickly on measures designed to enhance our national security in our homeland.

Unfortunately, although we are now a month past this terrible attack, this Chamber has not had a significant vote on bringing a security package for adoption by the U.S. Congress. We are very disappointed by that. We think that the threat is real, that we have the ability to respond to these threats, but to date we have not had the House deal with these issues in a satisfactory fashion. We would like to talk about a few of those issues tonight.

First, an issue that was brought to my attention about a week and a half ago, Americans realize the threat we are under with airlines. We Americans have an expectation, for instance, that the luggage that goes into airlines will be screened for explosive devices. We in America have the technology, fortunately, and this is good news, we have very, very good technology that is available to screen 100 percent of the luggage that goes into the belly of our airplanes.

Unfortunately, that is not happening. In fact, the truth is the vast majority of bags that go into the luggage compartment of jets is not screened, is not screened by X-ray, CAT scan, sniffing, human eye or otherwise. A small percentage is.

□ 2045

Clearly, given the nature of the threat, this Chamber needs to adopt a law that will require 100 percent screening of our baggage that goes into the baggage compartment of airplanes. We do this now fortunately for carry-on baggage and we do it relatively effectively. But we have equipment that will screen very, very effectively for the baggage that goes into our aircraft. We need to make sure those are used with 100 percent of the baggage that goes into the aircraft.

I have introduced the Baggage Screening Act, with others, some of whom are here tonight to address this issue. Unfortunately, we have not had a vote on this. We have had votes on birth control issues, we have had votes

on gay partners' rights, but we have not had a vote on security issues. We have come here tonight to urge the leadership of the House to bring to the floor, amongst others, the Baggage Screening Act so hopefully we can increase the security.

With that, I would like to yield to the gentleman from Ohio (Mr. STRICKLAND), a cosponsor of the Baggage Screening Act who has been very active in this regard.

Mr. STRICKLAND. I thank my friend from Washington for yielding. I think most Americans believe that when they go to an airport and they check their luggage, that that luggage will be screened for explosives before it is loaded on the plane that they are going to be flying on, with their families perhaps. I thought that was the case until a couple of years ago when one of my constituents, a young woman, went to Jamaica with two friends for a week's vacation. On the way back as they were screening her luggage in Jamaica, they discovered a handgun in that luggage and she was thrown in jail and remained in a Jamaican jail for several days. It cost her family a lot of money for legal help and so on to get her back to this country. As I was discussing this with her, I said, "Why did you take a gun with you to Jamaica?" She said, "I had no idea the gun was in the luggage. I borrowed the luggage from my mother," her mother who had gone on a camping trip the summer before. And I wondered how did this luggage get out of the airport in Columbus, Ohio with a handgun without that being recognized, and that is when I first discovered that luggage is not routinely examined for contraband and weapons and explosives when you check it.

As you know, only about, I think, 5 percent of the luggage is even checked today. The theory has always been, well, if someone checks luggage and then gets on the plane and is a passenger, that they certainly would not have put an explosive on the plane, otherwise they would end up killing themselves. We now know after September 11 that there are people who are willing to kill themselves in order to kill Americans. But even the theory that if you check your luggage and you are getting on the plane that it is not likely to have an explosive does not hold up because we do not even follow that procedure well.

Two weeks ago in Denver, I had some friends who were flying from Denver to Columbus, Ohio, a young man and his wife and a young child. They went to the Denver airport and they checked their luggage, and they waited to get on their plane. As they were waiting to get on the plane, they became increasingly nervous about flying. At the last minute they decided not to fly but to drive to Columbus, Ohio. But their luggage remained on that plane and a relative picked it up in Columbus, Ohio.

So even the procedures that we are supposed to have in place now are not