

Second, we must reorganize and coordinate our approach to homeland security at the Federal, State and local levels.

Third, we must improve the coordination of our law enforcement, intelligence, diplomatic, and military efforts.

The attacks of September 11 could have been avoided. Yet as I look toward the days ahead, I gain both strength and a sense of optimism in recalling the words of Thomas Paine, who wrote: "Those who expect to reap the blessings of liberty must undergo the fatigues of supporting it." Over time, we have shouldered the burden and met the challenges of our calling. We have done this because we had to; and with patience, persistence and faith, I am confident we will continue on this path. Our best days still lie ahead.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

(Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 234

Mr. DELAHUNT. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 234.

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

There was no objection.

EMPLOYEE AND RETIREE RESTORATION ASSISTANCE ACT OF 2002

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today to call upon my colleagues to use the power vested in them as the highest lawmaking body of this Nation to be problem solvers, resolvers of a crisis, and that is the financial crisis that is taking place in Houston, Texas, with the company called Enron and the enormous impact that it is having on both retirees and employees located around this Nation. I believe we can do it.

I think it is important that where the facts point, we will follow, and that we will not ignore the truth. But we must also be reminded that every time this Nation has faced a tragedy, the Federal Government has been there with strength and creativity and solutions. We can do no less now in responding to a crisis that may have both long-range and far-reaching impact.

Today, I will file the Employee and Retiree Restoration and Assistance Act

of 2002, which will prioritize restoring and assisting both the retirees and the laid-off employees of this company, because people have to be our number-one priority. I think Congress has to put as its number-one priority in this debacle to be able to make whole those innocent families who have been impacted. We have heard the stories, particularly from the retirees losing \$2 million, \$1 million, \$700,000, \$800,000, \$200,000, \$8,000; and we have been able to describe this as nothing smaller than a great tragedy.

I believe this Congress has the ability to do several things, and I would call upon them to do so. Cap the amount of company stock that individual employees can put in their retirement funds. That can be done immediately. Pass the Employee and Retirees Restoration and Assistance Act of 2002 to prioritize those individuals as being the first ones to receive reimbursement if and when individuals were found to have perpetrated inappropriate behavior or illegal behavior. Put the employees first.

Then, we should also find a way that the Federal courts can establish a fund in the New York bankruptcy proceeding so that laid-off Enron employees may be able to travel to New York from Houston to be able to watch the bankruptcy proceedings that they had originally asked to be held in Houston, Texas. This is allowed because we have done so under the Federal Judiciary when indigent petitioners are not able to travel long distances. In the alternative, we should try to provide home-based viewing of this particular proceeding for these employees who have been so hurt.

I just wish to make my colleagues aware of one story in the crisis, that of Janice Farmer, who spent 16 years in the natural gas industry, starting as Florida Gas Transmission, which later became a part of Enron, and who worked in the right-of-way department and also at the training center where people were trained to handle natural gas safety.

Janice retired from the Enron Corporation with nearly \$700,000 in Enron stock. This was her life savings. This was to be set aside for her and her grandchildren. She was proud to invest, and she lost her money.

This is just one of the many victims who have suffered because of the losses they have experienced. What I have been asked by those who live in Houston and elsewhere is that we do something for people first. This is where I believe this Congress can show itself well and proud, if the first act we do, the first legislative initiative that we pass will prioritize the needs of those Americans.

We have come through some very troubling times in the last year. Many of us have faced natural disasters, such as Tropical Storm Allison in Texas. Certainly nothing can compare itself to the September 11 tragedy. But America rose to the occasion, and our young

men and women continue to fight for our freedom and justice and equality in places far away. And as I close, Mr. Speaker, we now have another national tragedy, an American tragedy, one that I do not equate to September 11; but I simply say that this Congress has the ability to solve these problems if we work hard and we prioritize and stay focused on helping the people who have been hurt most.

Mr. Speaker, I ask that we pass immediately the Employees and Retirees Restoration Assistance Act of 2002.

ENRON DEBACLE

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

Mr. GEORGE MILLER of California. Mr. Speaker, the Congress and the public have been struggling with the issues surrounding the Enron debacle, the meltdown of this company and its impact on employees and on pension plans of people who were locked into their plans and could not escape at the time that insiders within the company were selling stock.

A whole range of reasons have been given as to why this was the rule; but in point of fact, a corporation simply made a decision that workers were going to be treated differently than management; that while the management could sell stock at any time, somehow the employee who chose to sell his or her stock would disrupt the market. The fact is probably that management sold much more stock than the employees hold, and it never disrupted the market. The reason for the disruption of the market around Enron is different than the sale of those stocks.

Today, we learned that Kmart employees suffer from the same handicap. While Kmart has been heading toward Chapter 11 bankruptcy for the last month or so, we find out that Kmart again has a provision very much like Enron, and that is that employees cannot sell their stock. In Enron, you could not sell the stock until you were 50. At Kmart, you could not sell it until you were 55. But if you chose to sell it, you would have to pay a very substantial, a very substantial penalty for the withdrawal of the employee contributions. This is even for vested individuals.

□ 1445

In spite of that, thousands of individuals are cashing in. They are paying a penalty when they sell their stock. Management is not paying a penalty when they sell their stock.

It is clear that we need for vested employees in a pension plan to have complete control over their assets. The idea of management contributing corporate stock is not a bad idea. The idea of corporations matching is not a bad idea. But for the vested employees, the bad idea is that they cannot control their holdings.

Mr. Speaker, I have introduced legislation that will provide employee control over their assets of their pension plans once they are vested. It is important that this happen. As we see again today with the Kmart employees, had they had control over their plans, if they were not required to pay a penalty, they could have exercised the independent judgment that so many people say retirees must be able to exercise. One of the reasons we say we want Americans to have 401(k) plans, the supporters do, as opposed to Social Security, is they can exercise their judgment. But if these plans are prohibited, if pension plans are out of the control of workers, and they have no way of knowing what is happening within the corporation, then they really do not have the exercise of power over the assets that have been put away for them.

In the situation of Enron, not only do we have a corporation engaging in fraud and inside dealing, but the entity that was supposed to certify it to employees and other investors was engaging in the same fraud, the deceptions and the criminal behavior, I believe. So where does the employee go? Yet those employees were trapped in that pension system.

The same is true in Kmart. Kmart looks more like a classic bankruptcy case. They made a series of bad business judgments, lost market share, their competitors outfoxed them, and now they are having trouble and seeking protection of the bankruptcy courts. Yet they locked their employees in, or at least locked them in where the employee would have to consider, because once the employee in Kmart exercised their judgment to sell the stock that was contributed by the employer, they would pay a very hefty penalty, and then they would be prohibited from having any further contributions by the employer. That is not a system which puts value on the ability of the employee in a vested plan to make these decisions.

Mr. Speaker, it is also reported today that Sears requires their employees to hold on to their stock, although apparently not 100 percent of the stock, but to hold on to the stock. We see now that they are impacted in the same way in terms of their ability. What we are talking about here is the ability of individuals to rescue their retirement. As we saw in Enron, we have seen families and individuals and couples who have had their retirement destroyed by the criminal behavior of Enron and Arthur Andersen. They should not have that retirement destroyed by the bad business decisions of Kmart when they are in a vested plan.

Mr. Speaker, I urge support of our legislation to make sure that Americans have control over their pension plans and they cannot be locked down by their employer.

RATHER BE CALLED CHICKEN THAN MORON

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

Mr. FOLEY. Mr. Speaker, I want to start off the second session of the 107th Congress on a positive note, and take a moment to remind those listening when anthrax first hit our Capitol, there was a decision made by the gentleman from Illinois (Mr. HASTERT), the Speaker, in conjunction with the gentleman from Missouri (Mr. GEPHARDT), the minority leader, to move our employees out and close the House for a couple of days to see the difficulty that we faced and the problems with anthrax spores in the Capitol. I commend both gentlemen because they were concerned about the safety of the employees and the health and welfare of the people in their charge.

The headlines screamed chicken, and blamed the Speaker of the House for Congress abandoning our responsibilities. I call attention to today's headlines in USA Today, "Anthrax at Senate offices deadlier than first thought." My colleagues may remember that in the other Chamber there was bravado saying we are going to stay and work. We cannot believe the House Members would leave and run for cover. Let me repeat the headline. "Anthrax at Senate offices deadlier than first thought."

Mr. Speaker, let me read from the same paper. Greg Martin, Bethesda Naval Hospital, took samples from Congressional aides and used them to grow cultures in the lab. He is a medical professional working for the U.S. Government.

The words "weaponized" and "highly concentrated spores" were still days away from making their way into the headlines. But Greg Martin, a physician in the hospital's medical corps, became so alarmed that morning that he asked for beds to be reserved at Bethesda. He was expecting staffers to become ill from their exposure to anthrax.

Let me read more on why the gentleman from Illinois (Mr. HASTERT) was so concerned for the employees of the Federal Government, the children of American families who work in our Nation's Capitol.

Nasal swabs from the Daschle aides had been incubating overnight in the laboratory. Not enough hours had passed by usual research standards for cultures to grow. Martin did not expect to see anything out of the ordinary, but he was shocked. "I was horrified to see there was heavy growth on numerous plates. That is when it all hit home that we had an extensive exposure."

Mr. Speaker, the House made the right decision, and I said days later I would rather be called a chicken than a moron for staying and leaving the citizens of this Capitol city exposed to deadly bacteria until we were able to find out whether it was in our offices.

Let me take a moment, though, to commend the senior Senator from Massachusetts for saying to the Press Club, I want to raise taxes. He said what was

on the mind of many Democrats, but they were afraid to utter. They went on national talk shows and said, We think the President needs to figure out a solution for the recession. We think the President brought us to a recession, blaming the chief executive of this country for the recession but not offering their own solutions. But the Senator said it clearly. Let us raise taxes. Let us reverse the tax cuts, the same thing. Everyone now agrees.

Mr. Speaker, I have to commend him for his courage. I have to commend him for saying it like it is on the record, for people to compare and contrast the political parties and what their intents are for the future of this debate. American families are struggling. Businesses are struggling. People are frightened. Consumer confidence is down. The last thing we should do is raise taxes in a recession.

John Fitzgerald Kennedy in 1961 decided when the recession looked bleak and our economy was teetering, he boldly suggested tax cuts, remarkably successful in those years. Today, a relative suggests that is not such a smart economic principle. That is great reflection.

I will stick with our course any day of the week. As a member of the Committee on Ways and Means, I salute the gentleman from California (Mr. THOMAS) for addressing the economic needs of this country. We can throw fear into the hearts of citizens and make them scared with talk of gloom and doom. I hope one party stands on this high hill above the city and suggests a way for Americans to have confidence in their country, which we have displayed in our war against terrorism, and give this President the same kind of confidence and backing that he will need to bring us to an economic certainty, to bring us to a time when people feel good about the direction of this country.

ENRON/ANDERSEN SCANDAL

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

Mr. DOGGETT. Mr. Speaker, I hope that we can begin this session of Congress in a spirit of cooperation by tackling some of the very serious domestic problems that face our country. I believe that we can learn from the repeated failures of last year when this Congress was unable to resolve with so many important issues, and from the several unproductive congressional sessions over the last several years. We can also learn from a rare and significant bipartisan success, namely was the completion of action on the new education law, just before the holidays, where members of both parties working together, developed a bill that offers great promise for improving the quality of American public education.

One of the issues which we should devote our energies now, and we should