

important emerging markets without any competition from U.S. business.

Mr. Speaker, by opening foreign markets to U.S. products, the U.S. economy improves and more American workers have good paying manufacturing jobs. I encourage all Members to vote in favor of this 30 day extension, which will help maintain U.S. based jobs and drive our economic recovery.

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

The SPEAKER pro tempore (Mr. OTTER). The question is on the motion offered by the gentleman from Nebraska (Mr. BEREUTER) that the House suspend the rules and pass the Senate bill, S. 2019.

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

A motion to reconsider was laid on the table.

BUREAU OF ENGRAVING AND PRINTING SECURITY PRINTING AMENDMENTS ACT OF 2002

Mr. BEREUTER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2509) 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 of the United States, or any political subdivision thereof, on a reimbursable basis, as amended.

The Clerk read as follows:

H.R. 2509

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 2002".

SEC. 2. PRODUCTION OF DOCUMENTS.

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 paragraphs:

"(2) ENGRAVING AND PRINTING FOR OTHER GOVERNMENTS.—The Secretary of the Treasury may, if the Secretary determines that it will not interfere with engraving and printing needs of the United States, 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.

"(3) PROCUREMENT GUIDELINES.—Articles, material, and supplies procured for use in the production of currency, postage stamps, and other security documents for foreign governments pursuant to paragraph (2) shall be treated in the same manner as articles, material, and supplies procured for public use within the United States for purposes of title III of the Act of March 3, 1933 (41 U.S.C. 10a et seq.; commonly referred to as the Buy American Act)."

SEC. 3. REIMBURSEMENT.

Section 5143 of title 31, United States Code (relating to payment for services of the Bu-

reau of Engraving and Printing), is amended—

(1) in the first sentence, by inserting "or foreign government" after "agency";

(2) in the second sentence, by inserting "and other" after "administrative"; and

(3) in the last sentence, by inserting "or foreign government" after "agency".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Nebraska (Mr. BEREUTER) and the gentlewoman from New York (Mrs. MALONEY) each will control 20 minutes.

The Chair recognizes the gentleman from Nebraska (Mr. BEREUTER).

GENERAL LEAVE

Mr. BEREUTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on this legislation.

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

There was no objection.

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

Mr. Speaker, I rise in strong support of H.R. 2009, the Bureau of Engraving and Printing Security Printing Amendments Act of 2002. The bill allows the Treasury Department's currency printer, under certain well-defined circumstances, to print currency and other security documents for foreign countries.

One of the bedrocks of a strong, modern economy is a currency in which a country's citizens have faith. Unfortunately for every currency, strong or otherwise, there are people who seek to create counterfeits, either to enrich themselves or to shake faith in the economy and the government, or both.

Counterfeiters have existed as long as there has been money. Mr. Speaker, in fact, the United States Secret Service, which does such a good job of protecting the President and senior government officials, originally was formed as an anticounterfeiting squad. The Secret Service is so impressive at this task that few of us ever look at our paper money to check its authenticity. Sadly, that is not the case in many other countries.

Today, with the increasingly global economy and the advances in technology, the temptation to counterfeit and the means to do so are ever more available. It is difficult enough for the Secret Service and our currency printer, the Bureau of Engraving and Printing, or the BEP, to stay ahead of this threat. That is why, as we know, the Treasury Department is expected to start issuing a newly designed set of currency beginning sometime next year, a mere 6 years after the last redesign.

But if it is hard for us to outwit counterfeiters, imagine the difficulties facing smaller countries, even if they are not in a state of war or undergoing the stress of massive corruption, or are being subjected to an out-of-control drug business.

Good currency security takes constant research and development, and it takes sophisticated printing techniques. This is why smaller countries typically approach other, larger governments instead of private printers to have their currency printed. Australia, England, the United Kingdom, and some of the European countries have been doing this for decades.

While our Mint has the authority to make coins for other countries, the Bureau of Printing does not, and it has always had to send the business elsewhere, overseas. Frankly, Mr. Speaker, that has been a loss to this country for several reasons. While under no circumstances would the printing contemplated in this bill be a money-maker, there are some clear foreign policy advantages to being able to accommodate such a request from a friendly nation, especially when there would be no cost to the taxpayers.

There also are advantages to having our topnotch printers and engravers be able to become familiar with cutting-edge currency and security techniques that may be requested by countries, but which may not reasonably be suitable for the massive printing runs that our own country's currency demands.

As the gentleman from Louisiana (Mr. BAKER), a member of the committee, has pointed out, many of the techniques that first appeared in another country's currency printed by the BEP might appear later in a more advanced form in our currency, because the Treasury has estimated the need to redesign our paper money every 6 to 7 years from here on out to keep it secure.

This bill is essentially the same language as that originally introduced last year at the request of the administration by the gentleman from New York (Mr. KING), with the strong support of the gentlewoman from New York (Mrs. MALONEY). In turn, that language was itself similar to language introduced in the previous Congress, at the previous administration's request, by the gentleman from Alabama (Mr. BACHUS) and passed by the subcommittee, the committee, and the full House. The only changes are limitations on the authority to print for foreign governments only.

The original bill also authorizes the printing of security documents for the States of the United States, and the addition of a "buy America" clause. With the exception of the latter, the House passed this language as part of the USA Patriot Act of 2001 last fall.

Three conditions are required before the BEP could print currency for another country: The Secretary of State has to certify that such an effort is consistent with the foreign policy goals of the United States; the job must not interfere with the BEP's main job of printing currency for the U.S.; and all real and imputed costs, administration and capital investments as well as paper, ink, and labor, must be recovered.

Mr. Speaker, in the last decade the BEP has had to turn away requests from Kuwait and more recently Mexico for the U.S. to bid on printing their currency. Without this bill, it would be impossible for the Bureau to print, if asked, new currency for Afghanistan, which desperately needs a secure currency, as at least two different versions of the Afghani now circulate, in addition to suspected counterfeits.

In conclusion, Mr. Speaker, I will include an opinion from the Secret Service on H.R. 2509. I believe we already have that consent. It concludes, "The Secret Service supports the passage of this legislation, as it would serve as a proactive tool against the counterfeiting of U.S. currency."

Mr. Speaker, this country demonstrably benefits by the strengthening of other countries' currency regimes. Plainly said, making counterfeiting harder leads to fewer counterfeiters. Especially if there is no cost to the United States taxpayer, I can think of no reason not to advance the bill immediately, sending it to the other body as quickly as possible.

Mr. Speaker, I ask for its immediate Passage.

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

Mrs. MALONEY of New York. Mr. Speaker, I yield myself such time as I may consume.

I rise in strong support of H.R. 2509, Mr. Speaker, the Bureau of Engraving and Printing Security Printing Amendments Act of 2001.

The subcommittee chairman, the gentleman from New York (Mr. KING), and I introduced this legislation last year. It is the product of bipartisan negotiations and consultation with the administration. It closely tracks legislation that passed last year in the 106th Congress, and I urge its timely enactment.

This noncontroversial legislation gives Treasury the ability to produce security documents, postage stamps, and currency for foreign countries. In the last decade, several countries, including Turkey, South Africa, Mexico, and Kuwait have approached the U.S. about printing security documents on their behalf. This legislation will grant the Bureau of Engraving and Printing this authority.

In no way will printing foreign currency interfere with the production of U.S. currency. Rather, it will benefit our national interests in several ways.

First, there is currently excess capacity at the BEP, and foreign currency will only be printed by the Bureau as long as capacity is available.

This additional work will benefit the BEP, allowing its expert printers to further refine their skills.

Any investments the BEP will make to purchase equipment and materials to produce currency for other countries will be reimbursed.

The entire operation should have a positive effect on the U.S. Treasury, and create U.S. additional jobs.

Beyond the economic benefits, the legislation will further U.S. interests around the world. No printing for a foreign government will take place without the express approval of the Secretary of State, who will ensure that all approved work is in the national interest.

Perhaps most importantly, passage of this bill will allow the BEP to share its anticounterfeiting expertise with the countries whose currency it will produce.

In the aftermath of the attacks on New York City and Washington, we have learned more than we ever wanted to know about the inner workings of terror cells. We now know that in many ways Terror, Incorporated, works like every other business, and requires money to operate.

This legislation will allow the U.S. to help foreign countries prevent counterfeiting of their currency, and allow the BEP to continue to develop expertise it can use domestically.

This legislation has tangible benefits to U.S. taxpayers and foreign policy. I urge its adoption.

Mr. KOLBE. Mr. Speaker, I rise in support of the Bureau of Engraving and Printing Security Printing Amendments Act, H.R. 2509, to authorize the Bureau of Engraving and Printing 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 of the United States on a reimbursable basis. The U.S. Mint already has similar authority. This legislation makes sense. We need to modernize our legal tender and H.R. 2509 is a positive step in this direction.

I introduced legislation to comprehensively modernize our money system—the Legal Tender Modernization Act (H.R. 2528). We need to modernize our money to improve the convenience and effectiveness of its daily use. Legal tender should not add to market inefficiencies. I believe it is better to spend taxpayer money on education, health care, national security, and other important national needs rather than on an inefficient legal tender system.

The Legal Tender Modernization Act essentially accomplishes five objectives. It establishes a five year commemorative \$2 bill program similar to the 50 state quarter program, requires cash sales to be rounded up or down to the nearest five cent increment to reduce the circulation of the penny, authorizes the Department of Treasury to produce currency for foreign governments, as does H.R. 3509, clarifies that seigniorage (the difference between the face value of money and the cost to produce it) is part of the federal budget, and makes permanent current law prohibiting the redesign of the \$1 bill.

Since there has been so much attention given to this issue, let me explain in more detail the rounding system I am proposing to reduce the use of the penny. The penny would continue to be legal tender, but would not be necessary in cash transactions. The total value of any cash transaction would be rounded up or down so that no pennies would be required. Again, let me stress that the rounding would be applied to the total transaction costs, after taxes, and only for cash transactions.

Here's how it would work:

If the final amount contains 1 or 2 cents, the amount would be rounded to 0 cents.

If the final amount contains 3, 4, 6, or 7 cents, the amount would be rounded to 5 cents.

If the final amount contains 8 or 9 cents, the amount would be rounded to 10 cents.

Rounding will not occur if the total amount is 2 cents or less or if the payment is made by a negotiable instrument, electronic fund transfer, money order, or credit card. Also, the rounding occurs after discounts and taxes so state or municipalities will receive the exact amount of any tax imposed.

This system favors neither the consumer nor the retailer because the probability of rounding up or down is 50 percent either way. For example, if you wanted to purchase some frozen lemonade mix that costs 98 cents, you would pay \$1.00. However, if you chose to buy two frozen lemonade mixes for \$1.96, you would pay \$1.95. The calculation becomes more complicated by factoring in any taxes on the final sales amount. And if you are shopping at a grocery store, you must factor in the weight of produce and recognize that some items are taxable and others are non-taxable. As you can see, there would be no way for businesses to establish a pricing structure so that they could make an extra 2 cents on every transaction or that would cause price increases. It is important to note also that a similar rounding technique is used at overseas US military bases and in Australia and New Zealand, and gasoline is priced in nine-tenths of a cent and rounded up.

The rounding system has several advantages. First, it would save the taxpayer money. The penny has very low or no profit margin for the Mint. In fact, the General Accounting Office reported in 1997 that the penny is unprofitable. Secondly, it would save businesses and customers money by reducing transaction time (some estimate up to 2.5 seconds/transaction) and time spent waiting in lines, reducing the need for rolled coins (there are costs associated with wrapping and transporting pennies), and reducing errors when employees spend time counting pennies.

It is past time for our legal tender system to be improved, and I understand concerns about changing this system. Change is always met with resistance. New area codes were not welcomed by people, but I think a greater good is achieved by allowing our telecommunications infrastructure to address growth. Changing or introducing new coinage or currency is no different. In 1914, England went from a coin to a note, even though the public opinion did not support this change. Canada went the other direction from a note to a coin against the wishes of the public, but the public now accepts this coin.

I urge my colleagues to support this legislation. It moves us one step closer to a comprehensive modernization of our legal tender.

Mr. OXLEY. Mr. Speaker, the problem of counterfeiting of currency is serious and getting worse in a number of places throughout the world.

Terrorists, rebels and drug traders seek more money with which to ply their deadly trades. Some seek to destabilize economies or governments, or merely to get something for nothing. And with the rapidly improving computer technology—scanners, color printers and powerful PC's available very inexpensively—it isn't even necessary anymore for

counterfeiters to know how to run a complicated printing press.

Recognizing this trend, the Committee on Financial Services, and then the House last fall, included two items aimed at strengthening anti-counterfeiting efforts around the world as part of the anti-money laundering portion of the USA PATRIOT Act, the first major Congressional reaction to the terror attacks of September 11.

One of the pieces of legislative language was aimed at helping our Secret Service, the government's anti-counterfeiting agency, help arrest and more severely punish people who counterfeit U.S. currency, or people who counterfeit foreign currency while on U.S. soil. The other sought to allow the Treasury Department's currency printing arm, the Bureau of Engraving and Printing, to print currency for foreign governments on request.

One of the two provisions survived conference with the other body, Mr. Speaker, and the Secret Service has been using those authorities aggressively to pursue and incarcerate counterfeiters in this country and, in some cases, to assist foreign governments in tracking down those who would counterfeit U.S. currency overseas.

We are here today to again pass the other provision, Mr. Speaker, and I urge strong support for this bill both here and in the other chamber. I should note that the House has passed this legislation now three times—this will be the fourth—but that for reasons of timing as much as anything else the Senate has not yet acted on the bill. I hope that by sending H.R. 2509 across the Rotunda early enough in this legislative session there will be adequate time for them to act, and that there will be a renewed appetite to pass this bill that manifestly helps the United States, as well as those whose currency we may end up printing in a more secure fashion.

Mr. Speaker, counterfeiters are clever and determined, because the payoff if they are successful is so great. Imagine the level of profit in a country in, say, South America, with a standard of living much lower than ours, if one can produce high-denomination banknotes for a few pennies' worth of materials.

Many countries simply lack the printing capability, or the research-and-development skills, to design and produce currency that is difficult to counterfeit even at a time they most need a strong currency. Mr. Speaker, passage of this bill will allow, if a set of very carefully defined conditions are met, countries to ask the BEP to print their currency. The bill stipulates that there be no cost to U.S. taxpayers, no interference with the production of U.S. banknotes and that such work be in harmony with U.S. foreign policy goals.

Passage of H.R. 2509 would create benefits to the United States beyond strengthening the currency and economies of our friends, although the value of that should not be underestimated. The sheer number of banknotes printed for the U.S. economy is so great that security features used in each note must be foolproof and uniform. However, gaining the expertise to produce those features in high volumes is often a long, tedious process. Printing the much smaller volumes of currency for smaller countries would allow our top-notch printers and engravers to work with cutting-edge techniques that, as Mr. BAKER of Louisiana points out, may someday end up in use in our own money.

This is important because the Secret Service and the Bureau of Engraving have told Congress that it will be necessary to redesign U.S. banknotes regularly every six or seven years from here on out to keep them secure. Indeed, while the first redesign of U.S. currency since the 1920s began in 1996, the next new series is expected to be issued starting next year.

Mr. Speaker, H.R. 2509 would, if enacted, have an added advantage: if counterfeiting of world currencies becomes too difficult, it will be more difficult for counterfeiters to fund their lethal schemes. That, in turn, means not only fewer attacks on the integrity of foreign currency but, as the Secret Service notes, fewer attacks on the integrity of U.S. currency as well.

Mr. Speaker, the United States Secret Service does a terrific job of policing counterfeiting of U.S. banknotes—so good that although we should really pay more attention to the money in our pocket, few if any of us actually examine it for fakes, because we know there aren't going to be any. Passing this legislation and allowing the Treasury Department and the Department of State to work with other countries to move their own currencies in the direction of similar security—all at no cost to the taxpayer—seems to me to be such an easy call that I cannot imagine any serious opposition.

I urge immediate passage of this legislation. Mrs. MALONEY of New York. Mr. Speaker, I yield back the balance of my time.

Mr. BEREUTER. Mr. Speaker, I urge support for the legislation, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Nebraska (Mr. BEREUTER) that the House suspend the rules and pass the bill, H.R. 2509, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. BEREUTER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

EXTENDING UNEMPLOYMENT ASSISTANCE FOR VICTIMS OF SEPTEMBER 11, 2001 TERRORIST ATTACKS

Mr. COOKSEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3986) to extend the period of availability of unemployment assistance under the Robert T. Stafford Disaster Relief and Emergency Assistance Act in the case of victims of the terrorist attacks of September 11, 2001.

The Clerk read as follows:

H.R. 3986

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

SECTION 1. EXTENSION OF UNEMPLOYMENT ASSISTANCE.

Notwithstanding section 410(a) of the Robert T. Stafford Disaster Relief and Emer-

gency Assistance Act (42 U.S.C. 5177(a)), in the case of any individual eligible to receive unemployment assistance under section 410(a) of that Act as a result of the terrorist attacks of September 11, 2001, the President shall make such assistance available for 39 weeks after the major disaster is declared.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Louisiana (Mr. COOKSEY) and the gentleman from New York (Mr. NADLER) each will control 20 minutes.

The Chair recognizes the gentleman from Louisiana (Mr. COOKSEY).

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

Mr. Speaker, H.R. 3986 amends the Robert T. Stafford Emergency Assistance and Disaster Relief Act to extend the period of eligibility for disaster unemployment assistance for the Presidential disaster declared as a result of the terrorist attacks on September 11, 2001, at the World Trade Center and the Pentagon.

H.R. 3986 extends the provision of disaster unemployment assistance from 26 weeks to 39 weeks for those workers who lost their jobs at the World Trade Center in New York and at the Pentagon in the Washington metropolitan area as a direct result of the September 11 attacks.

Under the Stafford act, the disaster unemployment assistance program is for persons who become unemployed as a direct result of a disaster and who are not eligible for State insurance or any other unemployment benefits.

The New York State Department of Labor administers the Disaster Unemployment Assistance Program on behalf of the Federal Emergency Management Agency. Disaster unemployment assistance is only payable during the disaster assistance period, and this legislation will extend that period until June 15, 2002.

The bill does not amend section 410 of the Stafford act to permanently extend disaster unemployment assistance payments; it merely creates an extension only for the disaster declaration stemming from the September 11 attacks.

This bill provides much needed assistance to displaced individuals for a sufficient period of time. I commend the bipartisan effort by the committee leadership, and especially the work of the New York delegation, for their hard work in bringing this bill to the floor. I support the bill.

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

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

Mr. Speaker, I want to thank the gentleman from Alaska (Mr. YOUNG), the gentleman from Minnesota (Mr. OBERSTAR), the gentleman from Ohio (Mr. LATOURETTE), and the gentleman from Illinois (Mr. COSTELLO) for shuttling this bill through committee and to the floor. I also want to thank the gentleman from New York (Mr. QUINN) for working with me to bring this bill to the floor.