

I would like to thank my colleagues for joining me here on the floor today to discuss this important bipartisan legislation. I urge all of my colleagues to support the SUTA Dumping Prevention Act to stop fraud and abuse and make our unemployment compensation system stronger and fairer to all. This is good bipartisan legislation. Let us pass it today.

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

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

Mr. Speaker, as I indicated earlier, this is an important bill. This is a bill that will save millions of dollars for our unemployment trust accounts at the State level and will work to the advantage of workers and businesses that are playing according to the rules so that they pay their fair rates into the unemployment trust accounts. This is important legislation, it is bipartisan legislation, and it is legislation I hope my colleagues will all support.

I do, though, want to underscore the point that the gentleman from Michigan made, and that is there are other issues in regard to the unemployment insurance funds that we should be dealing with. I would hope that we could use this model of working together to deal with the extension of unemployment benefits. Let me just remind my colleagues that we have record amounts of people who have exhausted their State unemployment benefits without finding employment, the highest in the history of keeping these records. Yet, in this downturn in our economy, we provided Federal unemployment benefits for one of the shortest times and for the number of shortest weeks in recent times when we have had problems with our economy. That is wrong. We should have done better. I hope that we will do better.

Secondly, let me point out there are other issues in regard to the unemployment accounts that we need to take a look at. The Department of Labor 3 years ago suggested that 80,000 workers may be denied unemployment benefits every year because they are misclassified as independent contractors. That is another issue that I would hope that we could look at in order to properly preserve these funds. And then let me also suggest that several years ago the stakeholders in our unemployment compensation system came together with certain recommendations that dealt with the tax, that dealt with part-time workers, that dealt with using the most recent earnings quarters. We have not yet acted on those recommendations which could again provide meaningful benefits to people who are entitled to it, who pay into the trust accounts and are being denied benefits today because of the Federal rules.

I would urge my colleagues to support this legislation, but to understand we have a lot more work that needs to be done in regard to our unemployment compensation system, including the

fact that we inappropriately failed to extend benefits to unemployed workers during this economic downturn.

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

Mr. HERGER. Mr. Speaker, I yield myself the balance of my time. Just in response to my good friend from Maryland, thanks to the Republican tax cuts, the economy is strong and getting stronger. The economy recently grew faster than any time in the past 20 years. In the past 4 months, 1 million new jobs were created. The unemployment rate dropped in the last year from 6.3 percent to 5.6 percent. Today's unemployment rate is lower than the average during the 1970s, the 1980s, and the 1990s. Instead of engaging in partisan rhetoric, we should focus on the bipartisan bill before us which will strengthen the unemployment compensation system and make it fairer to all.

In closing, Mr. Speaker, I would like to read from a fax that I just received from the Office of the President of the United States. It is a Statement of Administration Policy in which it states: "The administration strongly supports House passage of H.R. 3463, the SUTA Dumping Prevention Act, which would strengthen the financial integrity of State unemployment insurance (UI) programs. The bill would support the President's management agenda by saving hundreds of millions of dollars in fraudulent UI benefit payments and reduce tax avoidance by employers. The administration urges Congress to act on these commonsense reforms to promote fairness and reduce erroneous payments."

Mr. Speaker, I urge all my colleagues to support this legislation.

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

The SPEAKER pro tempore (Mr. MILLER of Florida). The question is on the motion offered by the gentleman from California (Mr. HERGER) that the House suspend the rules and pass the bill, H.R. 3463, 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.

A motion to reconsider was laid on the table.

URGING THE PRESIDENT TO RESOLVE THE DISPARATE TREATMENT OF TAXES PROVIDED BY THE WORLD TRADE ORGANIZATION

Mr. ENGLISH. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 705) urging the President to resolve the disparate treatment of direct and indirect taxes presently provided by the World Trade Organization.

The Clerk read as follows:

H. RES. 705

Whereas the World Trade Organization does not permit direct taxes, such as the corporate income tax, to be rebated or reduced on exports;

Whereas indirect taxes, such as a value added tax, can be and are rebated on exports in other countries;

Whereas the distinction by the World Trade Organization between direct and indirect taxation is arbitrary and may induce economic distortions among nations with disparate tax systems; and

Whereas United States firms pay a high corporate tax rate on their export income and many foreign nations are allowed to rebate their value added taxes, thereby giving exporters in nations imposing value added taxes a competitive advantage over American workers: Now, therefore, be it

Resolved, That the President—

(1) within 120 days after the convening of the 109th Congress, and annually thereafter, should report to Congress on progress in pursuing multilateral and bilateral trade negotiations to eliminate the barriers described in section 2102(b)(15) of the Trade Act of 2002; and

(2) within 120 days after convening the 109th Congress, should report to Congress on—

(A) proposed alternatives to the disparate treatment of direct and indirect taxes presently provided by the World Trade Organization; and

(B) other proposals for redressing the tax disadvantage to United States businesses and workers, either by changes to the United States corporate income tax or by the adoption of an alternative, including—

(i) assessing the impact of corporate tax rates,

(ii) a system based on the principal of territoriality, and

(iii) a border adjustment for exports such as is already allowed by the World Trade Organization for indirect taxes.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania (Mr. ENGLISH) and the gentleman from Michigan (Mr. LEVIN) each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. ENGLISH).

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

I am pleased to bring House Resolution 705 before the House today. It was introduced last week and it is being brought forward with considerable urgency because, Mr. Speaker, while this may not be the first time that we have discussed the issue of competitive trade disadvantage on the floor of the House that U.S. companies are facing, this may be the time that we are most clearly focusing on the contribution to that problem created by the American tax system.

The fact that our trade deficit is more than \$500 billion demonstrates that the economic engine of American exports has experienced a slowdown. In order for us to revive our economy and to have long-term growth, the substantial trade imbalance that we now are experiencing, 5 percent of our economy, representing our trade deficit, has to be corrected.

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Mr. Speaker, Congress and the administration need to push our trading partners to adjust the rules to level the playing field for American workers and American companies; and today's resolution helps do that by focusing on the disadvantage actually built into the

World Trade Organization rules, a disadvantage imposed upon our Tax Code, allowing our competitors what amounts to a \$120 billion advantage over American companies.

For the past 30 years, the WTO has said that, while the EU members and other trading partners can and do exempt from tax their exports to the U.S., we must fully tax our exports to them. As our manufacturers and other critical industries begin to recover from the recession, it is imperative that we address this inequity. Otherwise, we risk undermining one of the key drivers of economic growth, our export sector, and we also put at risk those companies that are competing within our domestic market by fostering upon them a significant competitive disadvantage.

Right now, WTO rules recognize the U.S. corporate income tax to be a so-called direct tax. Under the WTO rules, so-called "indirect taxes," value-added tax or retail sales tax or any other consumption-type tax, can be rebated on exports going out from the home country and imposed on imports coming in from foreign countries, but such adjustments cannot be made for direct taxes when goods and services cross international borders.

This is a distinction that has no grounding in economic reality and simply puts us at a competitive disadvantage. It is a crucial inequity for U.S. taxpayers and producers. Confronting it head on will go a long way to boost American competitiveness in the global market. That is why the resolution before us declares that this distinction is arbitrary and it results in a competitive disadvantage for businesses and works with a border-adjustable system, such as all value-added tax systems.

Looking to the future, this resolution should serve as a roadmap for reforming our international tax rules to allow U.S. products to compete in the global marketplace. This should be done in a way that exports American goods and services, not American jobs.

The resolution asks the President to report to Congress on two matters within 120 days of the convening of the 109th Congress. As required by the Trade Act of 2002, the United States Trade Representative is charged with considering how to eliminate trade barriers put up by the U.S.'s direct tax system in pursuing trade negotiations. Thus, first, the resolution asks for the President to provide a progress report on these barriers and how they can be eliminated. Second, it resolves that the President should report on proposed alternatives to the disparate treatment of the direct/indirect distinction as well as domestic proposals redressing the taxes disadvantage to the U.S.

Under the resolution, the President is asked to consider the impact of reducing the corporate rate, of implementing a territorial tax system, as well as the impact of a border-adjustable system as already allowed under the WTO rules. A comprehensive report

on the issues would be an enormous help to the Congress and to any administration in putting into bold relief the improvements needed to international tax rules as well as our tax system as it stacks up against the systems of the rest of the world.

The reason we must look at this issue more deeply is because it impacts on our economy in such a fundamental way. While we are certainly in a period of robust economic recovery, there is more we can do to sustain long-term growth. As evidenced by the \$550 billion trade deficit I referenced earlier, we have become a Nation of importers. We need once again become a Nation of exporters; and as a Nation of exporters, we would see a thriving job market and a thriving manufacturing sector.

In the absence of some kind of border tax adjustments for exports of American-made goods to correspond to the export rebates under VAT systems, there will continue to be a disincentive to produce goods in the United States. In effect, our tax system is creating all of the incentives to send our good-paying jobs offshore. This must be corrected, and this resolution is a step in the right direction.

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

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

Mr. Speaker, I rise in support of this resolution. It cannot do any harm. But I am not at all sure how much good it can possibly do.

I want to review very briefly what has happened with this issue over the years. We had a system in place. It was ruled illegal under GATT. We then decided we would replace it with what became known as FSC, a famous term now. That resulted from a series of negotiations or discussions with the Europeans, and we thought everybody understood that, that new system that we had incorporated would go without challenge. And it did so for a number of years. Then the European Union decided to challenge our FSC system, I think contrary to the mutual understanding that we had.

I had always believed, and there is some evidence to support, that the reason they did so was really to gain leverage on other issues. But, be that as it may, the FSC system, as we all know, was ruled contrary to the rules of the WTO, and then they authorized sanctions, and those are now in effect.

When the WTO ruling came up, it was the feeling of many of us, actually, before that, that the best answer to this was to have negotiations within the WTO. And we urged the USTR Rep, our Ambassador, to try to resolve this through WTO negotiations rather than the litigation that occurred. I am not sure that effort ever was taken very seriously, and the WTO ruling and the sanctions did occur.

We also urged the USTR on several occasions, as I remember it, to try to put forth a proposal for discussion in the Doha Round that would resolve

this issue, and there seemed to be some resistance to this. Eventually, the U.S. Government did table a provision, a proposal, within the WTO. As far as I have read, it has not been very vigorously pursued, and it is essentially, as I understand, if not dormant, not very much on the front burner.

So here we are. I think there has been a failure of sufficient aggressiveness by the USTR over these years to really try to adequately protect the FSC system. Now it said let us have a report. Let us have a report with a mandated time for submission. And I guess, as I said at the beginning, that cannot do any harm and maybe will do a bit of good.

However, I want it to be clear that in supporting this resolution that we are not giving our imprimatur to any particular alternative that is named in this resolution. The assessment of the impact of corporate tax rates, I am all in favor of that. I do not want any implication as to what we might do. A system based on the principle of territoriality, the administration has had over 3 years to propose such a system. It is very controversial, and they never have formally come up with this, although there have been hints of this. And a border adjustment for exports such as already allowed by the WTO for indirect taxes, I think that is worthy of study.

So, in a word, I think support of this is okay. I think, though, what we are going to need in the days and years ahead is not simply reports but some real action.

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

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

First of all, I want to thank the gentleman for his statement because I can associate myself honestly with a good bit of the analysis that he has provided, and I also want to congratulate the gentleman because I know that he understands to an extent that many people who have not debated trade policy do understand that one of the reasons why we are in a competitive disadvantage is the design of our tax system, and I quite agree with him.

What we are putting forward in this resolution is not an endorsement of a particular tax system. What we are doing is putting the WTO on record that we want to change the standard, that we are going to insist on changing the standard. We are also putting the WTO on record that we are determined to make our tax system internationally competitive once more.

Through all of the debates on our trade deficit and the problems that we have had in the current international trading system, too little of the focus has been put on the disadvantages that we impose on ourselves, on our workers and our producers, because of the design and the level of American taxes. I will in my closing remarks give some specific examples.

But I again want to congratulate the gentleman for getting the gist of what

we are doing and supporting it and giving it a strong bipartisan push, because I think it is important for our trading partners in the WTO to see that this resolution is coming out of the House with strong support.

This is, in my view, an extremely strong resolution. This is a strong statement of policy. And I think that, although the gentleman makes I think a credible point, that there has been a need for stronger leadership on this point. It has not been specifically this administration but actually a series of administrations that have not been willing to take on this very difficult challenge directly. We need fundamental international tax reform if we are going to remain competitive.

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

Mr. LEVIN. Mr. Speaker, I yield myself such time as I may consume. I will close briefly.

This is the third bill in a row where there has been talk again about bipartisanship, and I suppose that is supposed to be the mantra of the day. As I said earlier on those two bills, the problem in this institution has been bipartisanship if it suited the majority and they felt we would agree with their proposal. But when it comes to issues where there is some legitimate disagreement or different points of view, that bipartisanship does not prevail.

Mr. Speaker, on this issue there was a bipartisan effort to address the FSC issue. The gentleman from Illinois (Mr. CRANE), who is on the floor; the gentleman from Illinois (Mr. MANZULLO); the gentleman from New York Mr. RANGEL; and I had a bipartisan proposal. And here we are many, many months later. All that this House has done is to pass a bill that really was not a bipartisan bill, and many of us had many objections to it. So there we had a wonderful chance to be bipartisan to address a problem in our tax structure and to do it to try to help manufacturing in this country.

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Instead, that opportunity was squandered; and here we are many, many months later without a bill that will replace FSC.

So in a word, I just want to say words of bipartisanship are fine. Concrete efforts to achieve it are really what is necessary, and this resolution is not going to have much impact unless we try to rebuild the bipartisan basis for trade policy that has been undermined these last 3 years.

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

Mr. ENGLISH. Mr. Speaker, it is now a great privilege to yield 2 minutes to the distinguished gentlewoman from Connecticut (Mrs. JOHNSON), a strong advocate of fair trade for American workers.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I thank the gentleman for yielding me time, and I thank the gentleman for bringing this resolution to the House floor.

Direct and indirect subsidies are an extreme problem in creating not only a free trading community across the world but a fair trading community. And while we have struggled mightily to comply with the World Trade Organization's requirement that we repeal a good and significant piece of the tax law governing American companies' earnings abroad, we have found that very difficult to do because there are so many ways in which our competitors do help support their companies and effectively reduce their companies' costs in the world trading community through their tax structures.

So while this resolution focuses on tax issues between the United States of America and particularly the European Union in a way that I think is very productive and needed to set the stage for the next round of reform, I also want to mention just a few of the kinds of subsidies that the Europeans particularly are using and that for some reason are not being attacked by either our Trade Representative or seen as a problem under the World Trading Organization.

If you listen to the Europeans, they directly set out to increase their market share of the aerospace industry. They have done so by buying themselves a more competitive position. There are many, many little things they do that are together, powerful. For example, they provide very generous loans to their aerospace producers, that only have to be repaid as planes were sold; and if the right number of planes were not sold, then, of course, the loan was never repaid, and it was effectively a grant, which is illegal under the GATT arrangements.

So this effort to look at both direct and indirect subsidies and the complexity of the tax subsidies different parts of the world are providing to their manufacturers in a very competitive global economy is something I commend, and I thank the gentleman for his leadership.

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

Mr. Speaker, I will just say something briefly. Look, I am all in favor of this study, but I do not want to make this unduly complicated. We had a chance going back many, many months to pass some legislation here that would address the specific problem facing us because of the WTO decision on FSC. We had the concrete opportunity to do something very specific on a bipartisan basis. That never was given a really fair chance on the floor of this House. I do not think that this resolution should mask the fact that here we are so many, many months later and that issue is not resolved.

We have an obligation not only to ask for studies, but to act, and this institution has not acted. The President had a chance very early on to come out in support of the bill that the four of us introduced that would have resolved the FSC problem within WTO rules and would have assisted manufacturing in

the United States of America. That opportunity was lost, and we are just now in the quagmire of a bill that does not cost \$4 billion a year, but has a price tag of, what, \$150 billion over the time period.

So, let us study. Let us also act.

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

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

Mr. Speaker, let me say that I agree with the gentleman that there is a great need for bipartisanship right now in our trade policy if, in fact, we are going to reverse the tide and put American companies and American workers on a competitive level playing field that will allow us to build the 21st-century economy we need to create good-paying jobs for young people.

That is something that should not be a partisan issue. That is something that should unite us, because many of its components cut across philosophical lines.

As we will see today in some of the later trade votes, there is a great deal of bipartisanship still in the approach to trade policy. The gentleman is raising an important point that perhaps there should be more bipartisanship. But the fact is, the fact that we have had genuine philosophical disagreements on the FSC bill should not mask the fact that this resolution is enormously significant for American workers and for American companies.

I would like to demonstrate to the American public how dramatic an impact this is. I come from Erie County, Pennsylvania; and we make things for a living. We have the biggest concentration of manufacturing jobs still in the State. Much of what we make is actually for export. As a result of that, any small competitive disadvantage puts our workers and our companies at a significant disadvantage in the global marketplace. We cannot be dealing ourselves these sorts of large, substantial disadvantages.

Let us understand exactly what kind of disadvantage is being dealt to our producers as a result of a trading system which is not adjustable. This is a study that was done by the U.S. Council For International Business. It demonstrates on balance the comparative disadvantage of American products, both in our market and in foreign markets, as a result of not having a border-adjustable tax system.

In the United States, because in the U.S. we have the price of our tax system built into products, a product that has that price in it may, for argument's sake, cost \$100. The same product, if it is produced to cost \$100 in China, because there is a rebatable VAT tax, comes into our market costing only \$88.89, plus the cost of transportation. All things being equal, if it is the same price there and the same price here, we are at a significant competitive disadvantage just because of the taxes.

At the same time, a product coming in from Germany that would cost \$100

in Germany comes into the United States without the VAT included, without the price of their tax system included, lands in the United States, and it amounts to \$86.21, competing with the product in the United States that costs \$100. That is a significant wedge when it comes to manufactured products, where small price differences and small profit margins are what govern.

But what happens if we try to export from the United States to Germany? A product that costs \$100 in the United States and \$100 in Germany goes out of the United States with the price of our tax system built in, and then has imposed on it that additional VAT in Germany. So it costs \$116 in Germany, competing with the same product that costs \$100 in Germany. In that respect, Germany has a big advantage in competing with American products that they import. Their domestic producers have, in effect, a tax subsidy.

Look at what happens if we try to sell the same product in Germany and compete with the same product coming in from China. We send it in, it costs \$116, but the Chinese export it to Germany, and it only costs \$100.87. Why is it? It is because in their market, our pricing of our product has to include not only the price of our tax system, but theirs. It is double taxation.

When their product comes into our market, our product still carries the price of our tax system, but theirs has been rebated away. So, in effect, it is a tax subsidy, a standing tax subsidy that double taxes our products in foreign markets and frees imports from carrying their fair share of the tax burden. That is not fair. That is a tax differential that we can no longer afford to look the other way at.

This has been a disadvantage that we dealt ourselves back in the 1940s, and it has taken us this long. It is not this administration; it has taken us this long to come head to head with this problem.

The time has come for us to put the World Trade Organization on notice that we are going to insist on tax fairness, that we are going to insist on a level playing field. And that is not the only thing we need to do. There is no single silver bullet in leveling the playing field for fair trade, but this is one thing that has to happen. This needs to be the beginning of a much broader trade agenda that allows us to level the playing field, to insist on fairness, and to insist on apples-to-apples competition if we are going to have a strong international trading system.

I urge my colleagues, in the bipartisan spirit that my colleague raised, to support the resolution, to support this legislation, to put America on record as moving forward in this area and insisting on a change in terms of trade.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I rise today in support of the resolution by Mr. ENGLISH that would direct the President to report to Congress on the progress he is making

at the WTO to ensure other nations do not dictate the American tax system.

We have had a long debate over the repeal of the FSC-ETI tax rules because the WTO determined that tax system to be an "illegal export subsidy."

I disagree with this characterization and have worked hard to find an acceptable alternative tax system.

In the trade act of 2002 we directed the President to begin these discussions and I want to see some results soon or at least, as this resolution calls for, to hear a report on the status of those efforts.

The "ways and means" of taxing Americans is primarily within the jurisdiction of this body of Congress and should not be forced on us by a few foreign bureaucrats based in Brussels.

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

The SPEAKER pro tempore (Mr. PUTNAM). The question is on the motion offered by the gentleman from Pennsylvania (Mr. ENGLISH) that the House suspend the rules and agree to the resolution, H. Res. 705.

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. ENGLISH. 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.

GENERAL LEAVE

Mr. ENGLISH. 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 H. Res. 705.

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

There was no objection.

CUSTOMS BORDER SECURITY AND TRADE AGENCIES AUTHORIZATION ACT OF 2004

Mr. THOMAS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4418) to authorize appropriations for fiscal years 2005 and 2006 for the Bureau of Customs and Border Protection and the Bureau of Immigration and Customs Enforcement of the Department of Homeland Security, for the Office of the United States Trade Representative, for the United States International Trade Commission, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4418

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) *SHORT TITLE.*—This Act may be cited as the "Customs Border Security and Trade Agencies Authorization Act of 2004".

(b) *TABLE OF CONTENTS.*—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—BUREAU OF CUSTOMS AND BORDER PROTECTION AND BUREAU OF IMMIGRATION AND CUSTOMS ENFORCEMENT

Subtitle A—Authorization of appropriations; related provisions

Sec. 101. Authorization of appropriations.

Sec. 102. Establishment and implementation of cost accounting system; reports.

Sec. 103. Study and report relating to customs user fees.

Sec. 104. Report relating to One Face at the Border Initiative.

Subtitle B—Technical amendments relating to entry and protest

Sec. 111. Entry of merchandise.

Sec. 112. Limitation on liquidations.

Sec. 113. Protests.

Sec. 114. Review of protests.

Sec. 115. Refunds and errors.

Sec. 116. Definitions and miscellaneous provisions.

Sec. 117. Voluntary reliquidations.

Sec. 118. Effective date.

Subtitle C—Miscellaneous provisions

Sec. 121. Designation of San Antonio International Airport for Customs processing of certain private aircraft arriving in the United States.

Sec. 122. Authority for the establishment of Integrated Border Inspection Areas at the United States-Canada border.

Sec. 123. Designation of foreign law enforcement officers.

Sec. 124. Customs services.

Sec. 125. Sense of Congress on interpretation of textile and apparel provisions.

Sec. 126. Technical amendments.

TITLE II—OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Sec. 201. Authorization of appropriations.

TITLE III—UNITED STATES

INTERNATIONAL TRADE COMMISSION

Sec. 301. Authorization of appropriations.

TITLE I—BUREAU OF CUSTOMS AND BORDER PROTECTION AND BUREAU OF IMMIGRATION AND CUSTOMS ENFORCEMENT

Subtitle A—Authorization of Appropriations; Related Provisions

SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

(a) *IN GENERAL.*—Subsection (a) of section 301 of the Customs Procedural Reform and Simplification Act of 1978 (19 U.S.C. 2075) is amended—

(1) in paragraph (1), to read as follows:

"(1) For the fiscal year beginning October 1, 2004, and each fiscal year thereafter, there are authorized to be appropriated to the Department of Homeland Security for the Bureau of Customs and Border Protection and the Bureau of Immigration and Customs Enforcement only such sums as may hereafter be authorized by law.";

(2) by striking paragraph (2);

(3) by redesignating paragraph (3) as paragraph (2); and

(4) in paragraph (2) (as redesignated)—

(A) by inserting "and the Assistant Secretary for United States Immigration and Customs Enforcement, respectively," after "Commissioner of Customs"; and

(B) by striking "Customs Service" and inserting "Bureau of Customs and Border Protection and the Bureau of Immigration and Customs Enforcement".

(b) *SALARIES AND EXPENSES.*—Subsection (b) of such section is amended to read as follows:

"(b) *AUTHORIZATION OF APPROPRIATIONS.*—

"(1) **BUREAU OF CUSTOMS AND BORDER PROTECTION.**—