though we are supposed to be reforming our immigration system in the aftermath of 9/11, Time Magazine has just reported that 3 million illegal aliens will enter this country, adding to the 10 million who are already here. This is the largest number since 2001, the year we were attacked. Is this progress? No.

And now we are allowing these matricula consular cards which are issued as a form of identification in Mexico. We are allowing this form of ID even though the FBI reports that there is no centralized database for issuing these cards, there are no uniform standards for its issuance, and in some cases all an applicant has to do is simply say, I am who I am. The FBI determined that these are not adequate standards and that they are fraught with fraud. I wholeheartedly agree.

Mr. Speaker, I am disappointed that we are allowing these ID cards to be used. I am deeply concerned that their use places our national security at risk.

WASHINGTON RESULTS BODE WELL FOR DEMOCRATS

(Mr. MCDERMOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MCDERMOTT. Mr. Speaker, my home State of Washington is considered a swing State this November. Yesterday, Washington held its fall primary election, the first litmus test between Republicans and Democrats. The results make clear that Washington is going to vote Democratic in a very big way on November 2.

Christine Gregoire is going to make a fine Democratic Governor.

PATTY MURRAY, Senator MURRAY, will remain a U.S. Senator.

Dave Ross is going to make a fine Democratic Congressman from the Eighth Congressional District, one new seat for the Democrats.

Don Barbieri is going to make a fine Democratic Congressman from the Fifth Congressional District. That is another new seat for the Democrats.

People know, Mr. Speaker, what 4 years of Republican control has done to America. People know and they are paying attention.

So, Mr. Speaker, ask the President to keep coming out to Washington and spend all the money he can. It will be good for tourism. It might even create a job or two, more than he has done in the other Washington.

By the way, Mr. Speaker, I got 86 percent, too. We are all coming back and we are going to get our country back in 47 days and a wake-up.

NBC GETS MEDIA BIAS AWARD

(Mr. SMITH of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Texas. Mr. Speaker, last week I announced a weekly award for the worst example of a biased liberal media article. The nominees for the first Media Bias Award are:

NBC's ''Today'' show for interviewing Kitty Kelley for 3 consecutive days about her book on the President's family, filled with second-hand sources, rumors, and falsehoods; Newsweek Magazine for this week's cover story on ''The Secret Money War'' in the Presidential campaign. Newsweek neglected to report that the top five outside money groups all have Democratic Party ties and have spent a combined $91 million attacking President Bush; the New York Times for repeatedly hammering Republicans for their get-out-the-vote efforts among church members while never criticizing Democrats for political speeches in churches; The Washington Post for its coverage of the Democratic and Republican conventions. The day after the Democratic convention, The Post ran three positive front-page stories about the Democratic nominee; but the day after the Republican convention, The Post featured two negative and only one positive front-page story on President Bush.

Mr. Speaker, the winner of the first Media Bias Award is NBC for its decision to feature Bush critic Kitty Kelley on the Today show 3 days in a row. This is the Media Bias Award to NBC.

IN PRAISE OF NORTH CAROLINA SENATOR JOHN EDWARDS

(Mr. ETHERIDGE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ETHERIDGE. Mr. Speaker, I rise today to praise my friend and colleague, North Carolina Senator JOHN EDWARDS. I want to call attention to a specific accomplishment on behalf of ordinary Americans that has earned him the reputation as a people's lawyer.

Valerie Lakey, a 5-year-old girl, was maimed when a swimming pool drain malfunctioned. Her family had nowhere else to turn, and JOHN EDWARDS proved the company that made the drain knew it was dangerous to children, yet did nothing.

Jennifer Campbell was born in 1979 with severe brain damage because, as a jury later determined, her mother's doctor botched the delivery. The hospital covered up the malpractice and Jennifer's parents were forced to turn to JOHN EDWARDS for a measure of justice.

My Republican colleagues talk about what they call ''lawsuit abuse'' as part of their negative ads on JOHN EDWARDS and JOHN KERRY. But let the record be clear: JOHN EDWARDS has spent his entire life fighting for ordinary folks who could not fight for themselves. JOHN EDWARDS and JOHN KERRY have a plan to make North Carolina a stronger home and respected in the world. I am proud of my friend JOHN EDWARDS and know he will make a great Vice President.

LAWSUIT ABUSE REDUCTION ACT

(Mr. BURNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURNS. Mr. Speaker, I rise today to thank my colleagues for passing H.R. 4571, which is the Lawsuit Abuse Reduction Act.

In the NFL, a coach can challenge a referee's call; but if he is wrong, he has to give up a time out. It seems fair. But there is no personal risk for an unscrupulous trial lawyer to file a lawsuit against a company or a person and then offer to settle a dispute for less than the cost to defend the case in court. In the criminal laws, this would be termed extortion. But under the tort laws, it becomes a thriving industry.

Mr. Speaker, when the Senate passes the Lawsuit Abuse Reduction Act, it will be illegal to sue someone for an imaginary offense and cause them to pay thousands of dollars in legal fees in order for a judge to make a final official ruling. When one of these cases is deemed without merit, the attorney filing the suit will be responsible for paying the legal fees of the defendant. It seems like a simple commonsense approach to me.

I urge my colleagues to join me in asking the Senate to take immediate action to pass lawsuit abuse reduction in the United States.

THE NATIONAL DEBT

(Mr. CASE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CASE. Mr. Speaker, it has been 1,215 days since the current administration assumed stewardship over our Federal budget. During that time, our national private debt has increased by 1.733 trillion. According to the Web site for the Bureau of the Public Debt at the U.S. Department of Treasury, yesterday our Nation's outstanding privately held debt alone was $4.343 trillion, an increase of 39 percent in just 3½ years. And foreign holdings of that debt now total $1.79 trillion, an increase of $780 billion since January, 2001, and now 41 percent of all privately held debt.

Total Federal debt at the end of this current fiscal year in just 15 days, including obligations to Social Security and Medicare, is projected to be $7.372 trillion.

It is time to stop the bleeding.

TRANSPORTATION, TREASURY, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 2005

The SPEAKER pro tempore (Mr. BRADLEY of New Hampshire). Pursuant to House Resolution 770 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 5025.

□ 1022

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 5025) making appropriations for the Departments of Transportation and Treasury, and independent agencies for the fiscal year ending September 30, 2005, and for other purposes, with Mr. ISAKSON (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole House rose on Tuesday, September 14, 2004, the amendment by the gentlewoman from New York (Mrs. KELLY) had been disposed of and the bill was open for amendment from page 76, line 8 through Page 166, line 3.

Pursuant to the order of the House of that day, no further amendment to the bill may be offered except:

Pro forma amendments offered at any point by the chairman or ranking minority member of the Committee on Appropriations or their designees for the purpose of debate;

amendment 1;

amendment 2, debatable for 1 hour;

amendment 5, debatable for 40 minutes;

an amendment by the gentleman from Oklahoma (Mr. ISTOOK) regarding GSA;

an amendment by the gentleman from Massachusetts (Mr. OLVER) regarding Federal Motor Vehicle Safety Standards, debatable for 30 minutes;

an amendment by the gentleman from Massachusetts (Mr. OLVER) regarding the IRS or regarding election reform, debatable for 20 minutes;

an amendment by the gentleman from Ohio (Mr. BROWN) regarding the definition of manufacturing;

an amendment by the gentleman from Maryland (Mr. VAN HOLLEN) regarding OMB circular A–76, debatable for 20 minutes;

an amendment by the gentlewoman from West Virginia (Mrs. CAPITO) regarding private collection, debatable for 20 minutes;

an amendment by the gentleman from Arizona (Mr. FLAKE) regarding Cuba, debatable for 1 hour;

an amendment by the gentleman from Massachusetts (Mr. DELAHUNT) regarding Cuba;

an amendment by the gentleman from New York (Mr. RANGEL) regarding Cuba;

an amendment by the gentlewoman from California (Ms. LEE) regarding Cuba;

an amendment by the gentlewoman from California (Ms. WATERS) regarding Cuba;

an amendment by the gentleman from Texas (Mr. STENHOLM) regarding the debt limit, debatable for 20 minutes;

an amendment by the gentleman from Illinois (Mr. GUTIERREZ) regarding the Comptroller of the Currency, debatable for 30 minutes;

an amendment by the gentleman from Virginia (Mr. MORAN) regarding chapter 89 of title 5 of the United States Code, debatable for 20 minutes;

an amendment by the gentleman from North Carolina (Mr. BUTTERFIELD) on disadvantaged business enterprises;

and an amendment by the gentlewoman from the District of Columbia (Ms. NORTON) regarding Federal employee health benefit plans.

Each amendment may be offered only by the Member named in the request or a designee, or the Member who caused it to be printed or a designee; shall be considered as read; shall not be subject to amendment except pro forma amendments offered by the chairman or ranking minority member of the Committee on Appropriations for the purpose of debate; and shall not be subject to a demand for a division of the question.

Except as specified, each amendment shall be debatable for 10 minutes, equally divided and controlled by the proponent and an opponent. An amendment shall be considered to fit the description stated in the request if it addresses in whole or in part the object described.

AMENDMENT OFFERED BY MR. GUTIERREZ

Mr. GUTIERREZ. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore (Mr. ISAKSON). The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. GUTIERREZ:

At the end of the bill before the short title, insert the following new section:

SEC. _____. None of the funds made available in this Act to the Secretary of the Treasury may be used to take any action to enforce the rule submitted by the Comptroller of the Currency relating to bank activities and regulations, published at 69 Fed. Reg. 1895 (2004) or the rule submitted by the Comptroller of the Currency relating to bank activities and regulations, published at 69 Fed. Reg. 1904 (2004).

The CHAIRMAN pro tempore. Pursuant to the order of the House on Tuesday, September 14, the gentleman from Illinois (Mr. GUTIERREZ) and the gentleman from Oklahoma (Mr. ISTOOK) each will control 15 minutes.

The Chair recognizes the gentleman from Illinois (Mr. GUTIERREZ).

Mr. GUTIERREZ. Mr. Chairman, I yield myself such time as I may consume.

I regret having to offer this amendment, which blocks funds to implement and enforce the OCC preemption regulations issued earlier this year. The last time we addressed this issue on the House floor was during consideration of the Commerce, Justice, State appropriations bill. The gentleman from California (Mr. SHERMAN) and the gentleman from Idaho (Mr. OTTER), my able colleagues, offered an amendment at that time that would have prevented any funds in that bill from being used to enforce these preemption regulations.

At that time the opposition did not argue against the substance of our concerns, these ill advised preemption regulations that prevent State attorneys general from protecting their consumers. Instead, those opposed to our amendment merely put forward procedural arguments and indicated that this matter should be taken up under regular order, considered in the Committee on Financial Services.

We strongly agreed with those sentiments. In fact, 10 members of the Committee on Financial Services sent a bipartisan letter to the chairman of the committee as well as to the chairman of the Financial Institutions and Consumer Credit Subcommittee. In this letter, we asked for consideration of legislation to overturn the preemption regulations that I introduced in April of this year. This letter was sent 2 months ago, July 21, 2004, and we have not received the courtesy of an acknowledgment, much less a substantive reply. Therefore, we are forced to once again address this issue on appropriation legislation.

That is truly unfortunate, Mr. Chairman, because many Members on both sides of the aisle believe that these regulations not only represent a drastic expansion of the OCC's power but they also greatly exceed the OCC's congressionally granted preemption authority. Furthermore, the OCC's regulations effectively deny citizens the protections of their States' predatory lending and other consumer protection laws. While the OCC claims that it can provide consumer protection equal to that currently provided by State consumer protection agencies and the State attorneys general, we are concerned that replicating the functions of 50 State consumer protection agencies would require an enormous increase in the budget and the power of the OCC, yet will still deny millions of consumers the same level of protection they currently enjoy today from their State regulatory agencies.

Perhaps the most important question regarding the preemption amendments is whether Congress intended to allow the OCC to preempt all State consumer protection laws applicable to national banks. Clearly it was not the intent of Congress to create a national banking consumer protection agency when it granted the OCC limited preemption authority.

I thank the gentleman from Texas (Mr. PAUL) for his cosponsorship in support on this issue. But there is still time to enact on this legislation before the end of session. After all, we are only asking that we have a subcommittee hearing.

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

Mr. ISTOOK. Mr. Chairman, I yield myself such time as I may consume.

I appreciate the gentleman from Illinois (Mr. GUTIERREZ) and his concerns over this issue; and it is my understanding, and I am sure he will correct me if I am wrong, that after we spend

the time on the debate that the amendment is actually going to be withdrawn.

□ 1030

But it does not mean that the gentleman does not raise important issues.

The conflict between chartering and laws related to State banks and national banks is an ongoing one and, frankly, I have not studied it enough to know whether I would agree or disagree with the gentleman and his comments.

But I do know that this is not the proper forum to have this debate. This is something that probably should be brought up by the authorizing committee, because this goes so much to the heart of the very structure of the banking system in the United States. It should not be decided lightly. It should not be the subject of quick debate and superficial thought by this body. It demands long consideration. It requires hearings, and it requires very, very careful scrutiny.

The regulations which the gentleman mentions have already been in effect for a great number of months. Catastrophe has not happened. I do not believe that it is necessary for this House to adopt this amendment, and certainly, it is not proper for us to decide banking structure of the entire country in a few minutes of superficial debate on this crucial issue.

This is not the bill where we should decide this issue. This is not the time. This is not the place, and I oppose adoption of this amendment.

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

Mr. GUTIERREZ. Mr. Chairman, I yield 4 minutes to the gentleman from California (Mr. SHERMAN).

Mr. SHERMAN. Mr. Chairman, I thank the gentleman from Illinois, the home of the greatest Republican President of the United States, for yielding me this time.

I hearken back to the Grand Old Party that gave us Teddy Roosevelt and reflect on how far that party has fallen in the area of consumer protection, to the point where we now have the most anticonsumer administration in the history of this country, an administration so dedicated to stripping away all protections for consumers, so dedicated to unbridled corporate power, that they would trample on other values they claim to hold dear, all in an effort to expose consumers to some of the worst practices in the home mortgage market.

The Grand Old Party claims to care about States' rights, and then they use the power of renegade regulators to strip away all State authority to protect consumers in home mortgage lending situations, when our land law and our mortgage law has traditionally been a matter of State jurisdiction. They claim to care about democracy, but instead of this major decision being made by the elected representatives of the people, it is made in the bowels of the bureaucracy.

The gentleman from Oklahoma correctly points out that the committee of jurisdiction should be focused on this, but instead, a party dedicated to corporate power does not deal with this in the Committee on Financial Services where the gentleman from Illinois and I both sit.

Mr. Chairman, there is one other value that is trampled on, and that is the value of fair market competition. Because what this OCC regulation does is it says that if you are a national bank, you do not have to abide by any of the State laws. But if you are one of one-half of the banks that is State chartered, well, then, you do. And frankly, some of those laws are rather Draconian. So it provides a very unfair advantage to one-half of the competitors, particularly the largest ones.

Finally, it creates a race to the bottom among bank regulators. Now, the national banks are exempt from consumer regulation, so what do the State regulators do if they want market share, if they want to stay in business, if they want to have any banks to regulate? The pressure is on them: Race to the bottom.

What we need instead is to get rid of this regulation, to return to a democratic process in which States can protect consumers and where, if we are going to have national standards, they are established by a Congress not looking to strip away all consumer protection but rather a Congress looking to provide a reasonable level of consumer protection and a reasonable level of access to credit.

It is time to rein in the renegade regulators. One would have thought that the folks on the other side of the aisle would be saying just that.

Mr. ISTOOK. Mr. Chairman, I reserve the balance of my time.

Mr. GUTIERREZ. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts (Mr. OLVER), the ranking member of the subcommittee.

Mr. OLVER. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, the Comptroller of the Currency's regulations, preemption regulations, are a huge expansion of that office's power. They exceed the OCC's congressionally-granted preemption authority. The rules effectively deny citizens the protections of their State's predatory lending and other consumer protection laws.

The OCC claims that it can provide the consumers protection equal to that currently provided by State consumer protection agencies. However, replicating the functions of 50 State consumer protection agencies will require an enormous increase in their budget and power. Congress did not grant, in any understanding of mine, the OCC unlimited preemption authority so the OCC could preempt all State consumer laws applicable to the national banks and, thus, become a national consumer protection agency.

Even supporters of this expansion should be concerned when such changes in policy are undertaken without the explicit consent of Congress. Expanding OCC's preemption authority should come only after a full debate and a vote by the people's representatives in this Congress, not by the agency's unilateral action.

This amendment, which is a limitation amendment, a limitation on funds, is the only opportunity to have this debate. Since stand-alone legislation is not likely to be considered by Congress this year, despite the efforts of the opponents of OCC's preemption to work with the Committee on Financial Services to advance legislation dealing with this issue.

Because it is a limitation amendment, while I agree with the chairman of my subcommittee that the issue ought to be taken up at the authorizing level, it is entirely appropriate to be brought up here as a limitation amendment by the gentleman from Illinois, and I support the amendment as a limitation amendment as entirely legitimate in controlling this abuse of power and this grab of power that, it seems to me, is not authorized by the legislation as it sits.

Mr. GUTIERREZ. Mr. Chairman, I yield myself such time as I may consume.

Let me just say that we wrote this letter on July 21, after we had the appropriations markup here on the House Floor. And it was stated by the gentleman from Alabama (Mr. BACHUS) that we should go back to our committee.

Well, 10 Members, bipartisan, sent the letter and said, Let us have that markup; let us look at the OCC.

I just want everyone to understand that they have said continuously that local government, State government at the local level are the incubators of democracy, and we should let local governments do it because they do it best, and we should get the Federal bureaucracy less and less out of people's lives. Well, guess what the OCC, the big Federal bureaucracy has just done to every Attorney General across this country? It said, Step aside, we are in charge of consumer protection. That is wrong.

Lastly, just so that my colleagues know, you only can call them Monday through Thursday, Monday through Thursday if you have a complaint. I have checked all the 50 States and all of the attorneys general of all the 50 States. Fortunately, they work 5 days a week, some of them more than 5 days a week, with local offices closely accessible.

So I am going to withdraw the amendment but suggest that we are going to continue to have these debates until we have a vote up or down on the OCC and whether it can or cannot do this.

Mrs. MALONEY. Mr. Chairman, I rise in support of the Gutierrez amendment barring the use of funds to enforce the OCC preemption regulations. This amendment is supported by a bipartisan group of members of the Financial Services Committee who have been

frustrated in our efforts to bring legislation on this important issue before the Committee for full debate and action. We are concerned that the recently issued OCC preemption and visitatorial regulations deny our constituents the benefits of State predatory lending and other consumer protection laws.

The OCC's assertions that it will provide the same level of consumer protection are simply not realistic. To duplicate the State regulatory apparatus would require a huge increase in the size and budget of the OCC—and more to the point, a huge increase in regional experience and intelligence that the agency simply does not have. Recent crises such as the Riggs Bank fiasco have put in doubt whether the OCC can do the job it has now, let alone taking over the job of the 50 State banking regulators.

Legislation has been introduced to address this issue. Ten members of the Financial Services Committee, including myself, signed a letter asking that it be brought up under regular order. But there has been no action to allow members of the Committee to debate and vote on it, and to bring it to the floor.

This matter is urgent, and it is not appropriate to simply bury it by inaction. Thus, we are forced to offer this amendment as a way to arrest the regulations so that we can have the appropriate process to debate and vote on this important issue. It is a regrettable, but, unfortunately necessary, step.

I ask for your support for the Gutierrez amendment so that this body can all have a chance to examine the OCC preemption regulations before they take effects and damage our State regulatory systems.

Mr. OXLEY. Mr. Chairman, I rise in strong opposition to the amendment.

By seeking to undo regulations governing the proper application of State laws to national banks, this amendment goes to the heart of the Financial Services Committee's jurisdiction over banking matters. During this Congress, the Financial Services Committee has held two hearings addressing the OCC's regulations. The hearings revealed deep divisions between those who, like the proponents of this amendment, are critical of the OCC's regulations, and those who believe they represent a thoughtful codification of long-standing statutory and judicial precedents. I fall into the latter camp.

Based on the Committee's hearings, it is clear that there is no consensus at the present time on the merits of the OCC's regulations. Legislation introduced by Mr. GUTIERREZ to invalidate the regulations under the Congressional Review Act has received little support. To attempt to legislate a resolution to this highly contentious issue in an appropriations bill—over the strong objection of the leadership of the Committee with jurisdiction over the substantive issue and with no opportunity for input from that Committee—subverts the regular order of this House.

The rules that Mr. GUTIERREZ disagrees with were finalized earlier this year, after a lengthy period for public notice and comment. The rules have been in full force and effect for most of the year, and the dire consequences predicted by Mr. GUTIERREZ have simply not materialized. National banks continue to be closely monitored for compliance with applicable consumer protection laws, and the State banking system remains strong. Two Federal judges have recently dismissed legal challenges to the OCC regulations filed by States against national banks, upholding the OCC's exclusive authority to regulate the lending activities of national banks and their operating subsidiaries.

Finally, it is unclear what effect—if any—this amendment might have. Given that the OCC is self-funded, and any litigation to enforce the regulation would be undertaken by the Department of Justice and not the Department of the Treasury, I am unclear about what effect this amendment might have.

For all of these reasons, I urge Members—regardless of their views on the underlying OCC regulations at issue—to strongly oppose this amendment.

Mr. GUTIERREG. Mr. Chairman, I ask unanimous consent that my amendment be withdrawn.

The CHAIRMAN pro tempore (Mr. ISAKSON). Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN pro tempore. The amendment is withdrawn.

Mr. ISTOOK. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I just wanted to use this as an opportunity to notify Members who are listening: We are here on the floor. We have entered into time agreements for discussion on amendments, but the Members who are to present those amendments are not here on the floor. We need them to come to the floor to present their amendments so that we may move forward and resolve the consideration of this bill.

We know that we are not going to be able to complete bill consideration today because we have a short day so that Members can be home for Rosh Hashana observances later today, but I want to make sure that Members who have amendments are notified that they need to be coming to the floor. They need to be coming to the floor right now if they expect to present their amendments. Otherwise, they would lose the opportunity, of course, to do so.

Mr. Speaker, at this time, I am not aware of any amendments that are ready with Members here on the floor to present them.

So I have nothing further to add to my remarks at this time if the Chair wants us to wait a few minutes for Members to arrive. But I wanted to give that information.

The CHAIRMAN pro tempore. The Committee will wait for Members offering amendments.

Mr. OLVER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to take this opportunity to say that the chairman has already indicated that we have a list of about 20 people who supposedly have amendments. And some of these have been planned for specific times, but some of them are open and have been planned for today. And if they have their amendments and they have been planned for today, then they should be here at this time.

But, in the meantime, I think it is worth spending just a few minutes in reviewing the situation that we found ourselves in last night. The legislation that we have before us is the yearly appropriations bill for the Subcommittee on Transportation, Treasury, and Independent Agencies appropriations. Year after year, this committee operates within the authorization by the Committee on Transportation and Infrastructure, and now, in this particular year, we do not have an authorization for at least 11-plus months of the year. And the authorization for most of the major transportation issues, which include the Federal Highway Administration, the Federal Transit Administration and the Federal Rail Administration, are all included in that bill which has not yet been passed. The authorization for even the extensions of authorization are only until September 24, just a matter of a week or so away, a little bit more than a week away, and do not extend into the fiscal year for which we are passing legislation.

So the Committee on Transportation and Infrastructure, which obviously has been trying to get an authorization bill through, and there has been tension between the House and the other body and with the President, with the administration, over what that bill should look like, have clearly not been able to make a bill that can be passed by the House and the other body and passed into law so that we could operate within our normal authorization process.

So, I think, while I am not sure of this, but in order to get to that point where they can get a bill passed, they felt it necessary to essentially eliminate all of the sections, all of the money sections, a total of $50 billion in expenditures which have to do with transportation procedures, and to eliminate essentially all of that last night, through points of order which, under our rules, were sustained, and therefore, $50 billion of expenditure for all of our important transportation programs got held up, taken out of the bill.

□ 1045

Construction dollars are worth 40 to 45,000 jobs per billion dollars of construction moneys. Not all of that was construction dollars, but a great portion of it was construction dollars; and so that has a very major effect upon the whole economy of the country.

So in the process, we have now a situation where we will not be able to do an authorization bill within the time frame of the fiscal year apparently; and, therefore, we will be stuck in a process where this appropriations bill itself cannot be completed, maybe it was not going to be completed, until some time in November; but it may not now be possible to complete it until some time into next year. Probably will not be possible to complete it until there is an authorization bill, whenever that happens to be.

So it has been a really horrendous kind of a process, a real failure of the

legislative process. It has been impossible to get an authorization bill prior to the appropriation legislation.

AMENDMENT OFFERED BY MR. BUTTERFIELD

Mr. BUTTERFIELD. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore (Mr. ISAKSON). The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. BUTTERFIELD:

At the end of the bill before the short title, insert the following:

SEC. 647. None of the funds made available in this Act shall be used to pay administrative expenses to State and local departments of transportation that the Secretary of Transportation determines do not recognize a certification of a disadvantaged business enterprise by any other State (as defined in section 401 of title 23, United States Code).

Mr. ISTOOK. Mr. Chairman, I reserve a point of order.

The CHAIRMAN pro tempore. Pursuant to the order of the House of Tuesday, September 14, 2004, the gentleman from North Carolina (Mr. BUTTERFIELD) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. BUTTERFIELD).

Mr. BUTTERFIELD. Mr. Chairman, I yield myself such time as I may consume.

I thank the Chair for the opportunity to offer this amendment. I want to speak on this briefly, and then I will withdraw it.

The Federal Government has a stated goal of supporting small businesses and, in particular, minority-and women-owned small businesses. One way the Federal Government promotes these businesses owned by minorities and women is through the Department of Transportation's Disadvantaged Business Enterprise Program. This program has been shown to be effective when implemented properly.

In order to become certified as a DBE, the business must go through a long and rigorous approval process of interviews, audits, reviews, and visits so as to ensure that a company and its owners are who they claim to be. However, once certified, a business is forced to go through the process all over again if it wishes to conduct business in another State. The forms and criteria do not change from region to region, as they are all clearly standardized by the Department of Transportation. The two inches of paperwork and the approval process is so time consuming that companies can miss deadlines and thus lose contracts while waiting for a certification.

Since construction projects frequently cross political boundaries, these bureaucratic delays are frequent. This amendment, if signed into law, would prohibit the use of funds from this bill to be spent on administrative expenses and public agencies that do not recognize DBE certifications by other State or local DOTs.

Mr. Chairman, I ask unanimous consent to withdraw this amendment.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

AMENDMENT NO. 1 OFFERED BY MR. HEFLEY

Mr. HEFLEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. HEFLEY:

At the end of the bill (before the short title), insert the following:

SEC. _____. Each amount appropriated or otherwise made available by this Act that is not required to be appropriated or otherwise made available by a provision of law is hereby reduced by 1 percent.

The CHAIRMAN pro tempore. Pursuant to the order of the House on Tuesday, September 14, 2004, the gentleman from Colorado (Mr. HEFLEY) and the gentleman from Oklahoma (Mr. ISTOOK) each will control 5 minutes.

The Chair recognizes the gentleman from Colorado (Mr. HEFLEY).

Mr. HEFLEY. Mr. Chairman, I yield myself such time as I may consume.

I rise today to offer an amendment that would reduce this appropriations bill by 1 percent, which would have been $899 million at what we started out. I am not sure what it will be now, 1.25 maybe if it continues like it was last night; but I am sure that this money will come back into the bill as we go along. So I would like to offer this 1 percent amendment.

My amendment is not intended in any way to slight the chairman or the ranking member. I know this has been a difficult task to draft this bill, and it is still difficult to try to put it together and make it come out like it should, and they are doing a good job of that. The chairman has worked with me very closely on some of this effort.

However, I again today offer the amendment to cut the level of funding in this appropriations bill. As most Members are aware, I have offered a series of these amendments over the last weeks as we have dealt with the appropriations bills. If we had adopted these amendments, Congress would have saved $3.2 billion for the American taxpayer. Currently, the projected deficit is over $422 billion for just the next fiscal year, and I do not believe it is too much to ask that we tighten our belt just a bit; and by just a bit, I mean we tight our belt by 1 cent on the dollar.

We have to draw the line somewhere. The budget we have is too large. We can do something about the deficit right now. By voting for my amendment, my colleagues are stating to the American taxpayers that they should not have to pay higher taxes in the future because we cannot control our spending today.

Mr. Chairman, I encourage support for this amendment.

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

Mr. ISTOOK. Mr. Chairman, I yield myself such time as I may consume, and I rise in opposition to the amendment.

With all due respect to my good friend from Colorado, I do rise in opposition to his amendment not because I oppose reducing spending. I wish the budget that we have adopted for this year was spending less money than we are overall. However, at some point, we make decisions, we develop a group consensus and we have to go ahead with that.

We made those decisions, Mr. Chairman, when we adopted the budget earlier this year. There were proposals for lower spending limits along the lines of what the gentleman from Colorado (Mr. HEFLEY) is talking about. I believe I supported those efforts, but we did reach a decision on what is the total amount of spending in this year's budget. We made the allocation to the individual subcommittees, and now we need to work within that particular framework.

If we adopted a revisiting of the amount today on one bill, then we do on other bills and so forth, that is fine; but we could do it at the next stage and next stage and so forth. We have to have a concept of finality. We have reached conclusions on the overall spending level for this year. Once we have done those, we need to work within those guidelines.

Secondly, when my colleagues want to reduce spending, as I do want to reduce Federal spending, it is much better to take a thoughtful approach and go through bills and say if we are not going to spend as much, this is where we cut because it is not as high a priority as some other things that we are doing in that piece of legislation.

The gentleman from Colorado's (Mr. HEFLEY) approach is not as good as that. It is an across-the-board approach. It reduces high-priority programs by the same amount that it reduces low-priority programs. That is not the best approach that we should be taking.

Again, we have made the decision on the overall spending for this year, and we should accept that decision and move forward with the appropriations process.

Mr. HEFLEY. Mr. Chairman, will the gentleman yield?

Mr. ISTOOK. I yield to the gentleman from Colorado.

Mr. HEFLEY. Mr. Chairman, let me correct just one thing.

The gentleman makes a very good argument. By the way, we should have dealt with this at budget time; there is no question about that. The way this amendment is crafted, it does not reduce high-priority programs as well as low-. It allows the administration to determine where the 1 percent comes from; and, hopefully, they have got the good sense to not take it out of the high-priority programs.

I thank the gentleman for yielding.

Mr. ISTOOK. Mr. Chairman, I appreciate the gentleman's comments. I have a lot of faith in this administration. However, when we are deciding

what is high priority and what is a lower priority and, therefore, where our reductions should be made, I want to make sure that this Congress is involved in exercising our judgment, not only the administration.

Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts (Mr. OLVER).

Mr. OLVER. Mr. Chairman, I thank the gentleman for yielding me time.

I, too, oppose this amendment. This is a bill which I had already indicated last night is very underfunded. Every one of the transportation programs in the bill, even before last night's activities of striking out parts of the bill, had been underfunded, and that includes, at least in terms of an inflationary increase, even the Highway Administration; but the Federal Aviation Administration and the Federal Rail Administration and the Federal Transit Administration are all below last year's 2004 enacted numbers in their totality, as well as the Treasury being in a similar situation.

They are in a situation where even before the things that had been removed last night had been done, the Rail Administration was $365 million below the enacted 2004 number. Under the Federal Transit Administration, the New Starts was $130 million below last year's enacted amount. The FAA's facilities and equipment program was $362 million below the enacted amount. The Secretary of the Treasury and the Department were $120 million below last year's enacted amounts, and the Internal Revenue Service was $107 million below last year's enacted amount.

All of these throughout the bill, there are those kinds of things which are already considerably more than 1 percent kinds of cuts from the previous year, and so I think that we are far from where we ought to be with this bill at the moment, and I am hoping the gentleman's amendment is not adopted.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Colorado (Mr. HEFLEY).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mr. HEFLEY. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Colorado (Mr. HEFLEY) will be postponed.

AMENDMENT NO. 10 OFFERED BY MRS. CAPITO

Mrs. CAPITO. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 10 offered by Mrs. CAPITO:

Page 166, after 3, insert the following new section:

SEC. 647. None of the funds appropriated by the Act may be used to plan, enter into, implement, or provide oversight of contracts between the Secretary of the Treasury, or his designee, and any private collection agency.

The CHAIRMAN pro tempore. Pursuant to the order of the House on Tuesday, September 14, 2004, the gentlewoman from West Virginia (Mrs. CAPITO) and the gentleman from Oklahoma (Mr. ISTOOK) each will control 10 minutes.

The Chair recognizes the gentlewoman from West Virginia (Mrs. CAPITO).

Mrs. CAPITO. Mr. Chairman, I yield myself such time as I may consume.

My amendment to H.R. 5025 seeks to keep the collection of taxes in the IRS and not to a private debt collector. I wish to make it clear today that I am in complete support of efficient and effective enforcement of tax collection activities at all levels of the Federal Government. I also realize that we must recover the billions and billions of dollars in uncollected and delinquent tax revenue, but at what cost.

If we authorize the Treasury to allow the IRS to contract with private companies to collect delinquent Federal taxes, I am extremely concerned that harm could result from handing over sensitive personal and financial tax information to private sector businesses to carry out what OMB and IRS have officially characterized as an inherently governmental function.

Allowing for private debt collection contracts could create a multitude of problems. For instance, any negligent or criminal disclosure of sensitive taxpayer data by private sector tax collectors could result in fraudulent charges through identity theft and ruined credit histories for innocent taxpayers.

Moreover, the potential for harassment by debt collectors is compounded by the private sector tax collection practice of using incentive-based commission compensation. In other words, the more aggressive one is in their collection practices, through misrepresentations or threatening to take actions a person should not take, the more money they can personally make as a private sector tax collector. This system could encourage much more confrontational and abusive tactics that could violate the Fair Debt Collection Practices Act.

Additionally, the Federal Government has tested this concept of private sector tax collection in the past. In 1996, a pilot program provided $13 million to examine the impact of private tax collection. The General Accounting Office reported that private companies collected $3.1 million in revenue while incurring expenses to the Federal Government in the exact same amount. Moreover, the GAO found that the pilot program caused the Internal Revenue Service to lose as much as $17 million in lost collection opportunities. We cannot afford to implement this type of inefficiency.

Mr. Chairman, the Reagan administration rejected private sector tax collection in 1986; and they stated: ''The public must be assured at all times that the person collecting taxes derives no personal benefits from that activity and that the integrity of the tax system will not be compromised.''

□ 1100

I urge my colleagues to support this amendment so that we can continue to ensure the integrity of our tax system and the American taxpayers are protected.

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

Mr. ISTOOK. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I appreciate Mrs. CAPITO's amendment and the seriousness of this issue. When we talk about private collection of debts, we should understand that the Federal Government is already using private debt collectors in other areas. One significant example is student loans. I have certainly visited facilities where private companies are handling the confidential information involved. They are handling it with responsibility. They are handling it in compliance with all legal standards, and they are doing a very good job for the Government, not only getting revenue that we would lose otherwise if we did not collect on the debts but collecting on debts that the Federal Government was having difficulty being able to collect upon.

Not only is this happening in the Federal Government, it is happening in State government. We have a number of States that already use private vendors to collect delinquent taxes on behalf of their State government. Again, they manage to handle these issues of confidentiality in a very responsible manner. There is no reason to believe that a private entity is unable to do this.

There is reason to believe, however, that we have to do some serious things about improving the collection process. There is some $16 billion that the IRS says is not only owed but is collectible. However, it is not always efficient for the IRS to be the entity that does so. We need to have a mix of the people that are working directly for the IRS and those that are working for a private entity to collect these debts.

And for those that are concerned about our shifting jobs away from a particular area where debt collectors may be located, remember those same people can be hired in that area just as easily, in fact, sometimes more easily than they can in another. It is not a job loss issue for local communities. We have seen so often, when we make a transition to try to involve private enterprise, that often they will be in the same area as the public enterprise was located to collect these.

This is an issue that is, frankly, premature, however, because even though there are good reasons to go to this, we do not have legislation that now permits it. Mrs. CAPITO's amendment says: Do not do this. Well, guess what? Under

the current law, we cannot do it anyway. So it is not necessary to adopt an amendment to say do not do something that the law currently does not permit you to do.

I would like us to move in that direction. I will certainly acknowledge that, but we are not there yet, and it is unnecessary to have an amendment that stops us from doing something we cannot do at the current time. For these reasons, I oppose the gentlewoman's amendment.

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

Mrs. CAPITO. Mr. Chairman, I yield 4 minutes to my colleague, the gentleman from Maryland (Mr. VAN HOLLEN).

Mr. VAN HOLLEN. Mr. Chairman, I commend my colleague, the gentlewoman from West Virginia (Mrs. CAPITO), for offering this very important amendment to ensure the fair treatment of the American taxpayer.

Mr. Chairman, it was just back in 1998, in response to concerns over overly-aggressive IRS collection tactics against individual taxpayers, that the Congress passed the IRS Restructuring and Reform Act. That act specifically prevents IRS agents and their supervisors from being evaluated or rewarded based on the amount of tax revenues they bring in or that they collect.

And the reason for that was very simple and straightforward: We want to make sure that IRS agents treat taxpayers fairly and with respect and that they look at each situation objectively. We wanted to make sure they did not have a personal financial stake in the outcome of one of their disputes for the taxpayer. We should not turn IRS agents into bounty hunters for their own personal profit.

Well, now let us fast forward to this year. In the corporate tax legislation that we considered earlier this year, the FSC/ETI bill, there was tucked in a provision that would authorize private contractors to take up these collection efforts and directly benefit on a commission basis by how much they collect. How quickly we forget. This is a direct contradiction to the policy this Congress took back in 1998 when we said we are not going to allow our Federal civil servants to do this. But, hey, it is okay to turn it over to private contractors and turn them into bounty hunters.

Now, it is true, as the chairman of the subcommittee said, that that is not current law yet. But that bill is in the conference committee right now with that provision that this House passed. I do not think many Members of this House realized, who voted for that bill, when they passed that corporate tax bill, they passed a provision that would empower private collection agents to go out and collect taxes and personally profit based on the amount of taxes they collect, these same individuals who, in 1998, voted to prevent public civil servants at the IRS from doing it.

This Congress was right back in 1998 when it passed that measure to ensure objective and fair treatment of the American taxpayer, and it is amazing to me that this Congress would try to reverse that policy and turn some private collection agents into vigilantes to go out and try to collect this money.

I offered a resolution last year, H. Con. Resolution 213, on exactly this issue. We have many cosponsors on that legislation. I am pleased to hear today we have additional recruits to that very important cause. We have a system that works now. We need to do better and be more efficient at the collection of taxes and revenues in order to be fair to those people paying their taxes in a regular and fair manner.

But it makes no sense to reverse the policy this Congress took in 1998 when it tried to prevent overly-aggressive and abusive tax collection by the IRS and say we are going to allow these private contractors to do what we will not allow our public servants to do. We were right then; we should stick to that policy. I commend my colleague for offering this very important amendment, and I urge adoption.

Mr. ISTOOK. Mr. Chairman, how much time remains on either side?

The CHAIRMAN pro tempore (Mr. ISAKSON). The gentleman from Oklahoma (Mr. ISTOOK) has 7 minutes remaining, and the gentlewoman from West Virginia (Mrs. CAPITO) has 4 minutes remaining.

Mr. ISTOOK. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts (Mr. OLVER).

Mr. OLVER. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I must admit that I find the idea of putting private, sensitive information in the hands of debt collectors very troubling, and tax collection is a fundamental responsibility of government.

However, in this instance, this program is limited to the effort, the proposal at least. And there is, as the chairman has pointed out, there is no legislation yet allowing this to be done. The proposal that has been put forward is only to use private collectors to go after what monies have already been adjudicated but not collected, that have just not been paid in after the judgments have been reached and the determinations by the normal staff of the IRS as to what was owed has been determined.

So there is out there for years people who have just avoided doing that. And it is not our business, necessarily, to go after them and waste a lot of time on the part of our staff in the IRS to go after that, nor is it necessary that there be any particular information, sensitive information, that has to be involved in that kind of process. The collection agency, as proposed, would merely go out and take what record is there of the determination of the tax case and try to negotiate a payment so that that record could be cleared. There are billions of dollars of that sort.

Now, that has nothing to do with the $300 billion of unpaid tax monies each year that are essentially evaded year by year, people who just are not paying what is owed under the tax laws in the normal process on a year-by-year basis. That kind of money is not involved in this whatsoever.

It is also true that the process has been tried a couple of times in a pilot form and has not been particularly successful. So it needs to be looked at rather carefully. I do not, as the chairman has said, think that we really have a problem, but I do not think we should eliminate the possibility of having that arrangement as a way that we can collect the delinquent, long-time unpaid judgments that the IRS has obtained over time.

It is my understanding, at least in the proposal that had been put forward, that there would be no effect upon the number of employees that were the regular employees of the Internal Revenue Service. So it is quite apart, but it has not been authorized and really does not require this. The amendment is not really needed.

Mrs. CAPITO. Mr. Chairman, I yield 1 minute to the gentleman from Connecticut (Mr. SIMMONS).

Mr. SIMMONS. Mr. Chairman, I thank the gentlewoman from West Virginia for yielding me this time, and I rise in support of her amendment.

Essentially, what her amendment does is prevent the privatizing of tax collection, and I think this is really very important. My overriding objection to privatizing tax collection is that it has always been treated as an inherently governmental function. And I think that the Federal employees who do this do a great job, and we should be proud of them. Speaking for myself, I am a Federal employee, and I have spent many years of my life as a Federal employee. I think the Federal employees do a great job.

I have met in my congressional district with IRS employees who work on these important tasks, and they themselves have expressed to me serious concerns about the proposal that this amendment will correct.

I think that, in this era of electronic information sharing, we have to be very careful with how we outsource or privatize some of these tasks. On that basis, I support the gentlewoman's amendment and thank her for it.

Mr. ISTOOK. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota (Mr. RAMSTAD).

Mr. RAMSTAD. Mr. Chairman, I thank the chairman for yielding me this time, and I rise in opposition to the amendment by my colleague and friend from West Virginia.

Preventing the IRS from using the professional services of private collection agencies to help collect past-due income taxes is bad policy for taxpayers, and it is bad for IRS collection efforts. It is fundamentally unfair, Mr.

Chairman, to people who pay their taxes for those who do not pay their taxes, the deadbeats, to get off scot-free. And right now, we are losing millions and millions of dollars because of deadbeat taxpayers. In fact, the backlog for the IRS is at $280 billion; that is billion with a ''b'' and growing every year.

The concerns raised by my friend and colleague can be dispelled by objective study of the IRS proposal. The Subcommittee on Oversight of the Committee on Ways and Means has examined the issue extensively, and we have solid evidence of the success of private collection agencies in collecting other debts for the Federal Government and the more than 40 States that also use them to help collect State income taxes.

First, the security and privacy of sensitive taxpayer information is absolutely essential. Nobody doubts that. That is why IRS employees, anyone performing work under contract with the IRS, would be subject to heavy, heavy criminal penalties for violations of security and privacy.

In addition, a taxpayer could bring a civil suit under the Fair Debt Collection Practices Act against private collection agency employees for any unauthorized disclosure of taxpayer information. So there are protections to guarantee against the type of abuses that have been cited.

Second, private collection agencies would not be compensated solely based on dollars collected. The IRS has developed a set of criteria, including quality of service, taxpayer satisfaction and case resolution, in addition to collection results. These would all be components, elements in determining how PCAs would be paid for the work performed for the IRS.

Third, Mr. Chairman, more than 40 States already use private collection agencies to assist with their State tax collection efforts.

□ 1115

In the last fiscal year, total collections by these private collection agencies for the Department of Education, the Department of Health and Human Services and Treasury were $546 million, up 23 percent from the previous year.

Mr. Chairman, let us get real. Disturbing allegations raised regarding the practices of one contractor should not taint the quality work done by many other collection contractors who are serving the States and Federal Government well. It is important to remember these collection contracts would only involve cases in which the tax liability is not in dispute because taxpayers have admitted to the liability. They have admitted they owe the tax. The more complex cases where liability is disputed would remain with the professional employees at IRS. I urge my colleagues to support taxpayer equity and vote no on this amendment.

Mrs. CAPITO. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey (Mr. FERGUSON).

Mr. FERGUSON. Mr. Chairman, I rise in support of the Capito amendment to H.R. 5025. The attempt to significantly change the policy of Federal tax collections without serious discussion or debate among Members of Congress is extremely short-sighted. Federal tax collection is currently and should remain an inherently governmental function. Shifting the responsibility from the Federal Government to third-party entities has proven disastrous.

The IRS attempted private tax collection in the past with dismal results. The 1996 pilot program for private collection was so unsuccessful it was cancelled after 12 months, despite the fact it was authorized and scheduled to operate for 2 years. A review by the IRS Office of Inspector General found that contractors participating in the pilot programs regularly violated the Fair Debt Collection Practices Act, did not adequately protect the security of personal taxpayer information, and even failed to bring in a net increase in revenue. In fact, the IRS had a net loss of $17 million for the failed pilot program.

When privatizing tax collection was proposed in 1986 during the Reagan administration, then-Treasury Secretary James Baker opposed the concept. The department's then general counsel in a letter to the House Committee on the Judiciary wrote, ''The Department strongly opposes contracting out of the collection of taxes because it is likely to result in considerable adverse public reaction. The public must be assured at all times that the person collecting taxes derives no personal benefits from that activity and the integrity of the tax system will not be compromised.''

The Federal tax collection system must retain the highest level of confidence among our constituents. While no one enjoys paying taxes, they at least want assurance that their personal information is protected by the government and used only for legitimate purposes in determining individual tax liability. Wrongful disclosure of tax information will do irreparable harm to the entire system. I urge my colleagues to support the Capito amendment.

Mrs. CAPITO. Mr. Chairman, I yield 1 minute to the gentleman from Michigan (Mr. ROGERS).

Mr. ROGERS of Michigan. Mr. Chairman, I rise to support the Capito amendment.

As a former FBI agent, we would be asked to get a subpoena to get the records contained in a tax filer's information, even as a Federal law enforcement agent in an agency right next door. Why, because it is the most invasive information the government asks of its citizens. And not only asks, but tells us we must submit. This is information worth protecting.

Any slip, any slide that takes away the faith and comfort and belief in the Federal Government to protect that information is wrong. They have not clearly shown in any way that they can protect this information.

I would strongly urge that we all stand together on this. For those of us who disagree with positions of the IRS or do not disagree, the information does not belong to the government, it belongs to the people. We should do everything in our power to keep it, including keeping inherently governmental functions within the government. At least there is accountability.

Mrs. CAPITO. Mr. Chairman, I yield the balance of my time to the gentleman from South Carolina (Mr. WILSON).

(Mr. WILSON of South Carolina asked and was given permission to revise and extend his remarks.)

Mr. WILSON of South Carolina. Mr. Chairman, I congratulate the gentlewoman from West Virginia (Mrs. CAPITO) for her leadership on this amendment, and include my prepared remarks for the RECORD.

I would like to point out that we appreciate the expertise and competence of the employees of the IRS, and I am happy to be here to support the gentlewoman's amendment which reaffirms our faith in these Federal employees.

Mr. Chairman, I rise in support of the Capito amendment to H.R. 5025. Under the proposed authority granted to the IRS in the FSC/ETI legislation to ''contract out'' Federal tax collections, the Federal Government is held harmless for any violations committed by contractors. Specifically, the legislation states:

''No Federal Liability.—The United States shall not be liable for any act or omission of any person performing services under a qualified collection contract.'' (section 6306(d) of H.R. 4520)

While the government can write contracts prescribing certain actions by contractors or their employees, the IRS does not have adequate contract oversight capabilities to ensure compliance. The Treasury Inspector General for Tax Administration (TIGTA) as recently as March, 2004 found that ''. . . a contractor's employees committed numerous security violations that placed IRS equipment and taxpayer data at risk. In some cases, contractors blatantly circumvented IRS policies and procedures even when security personnel identified inappropriate practices.'' (TIGTA Audit No. 200320010)

Currently, IRS employees are the only personnel who may contact taxpayers and collect Federal income tax. These individuals are thoroughly trained in all laws and regulations governing the collection of taxes and are held accountable to the people. If IRS personnel commit violations, they are disciplined or terminated and taxpayers may take legal action against the IRS for such abuse.

Under this proposal, the accountability shifts to third-party contractors whose employees may or may not have any specific training and who are motivated by an economic incentive, through a commission based payment, to ''push the envelope''.

Because this proposal was contained in a very complex international tax bill, Members did not have the opportunity to directly consider this significant policy change. The Capito amendment provides Members with the opportunity and I urge all my colleagues to support the amendment.

Mr. ISTOOK. Mr. Chairman, I yield myself the balance of my time.

I want to repeat my opposition to this amendment. I think Members recognize that private debt collectors sometimes behave in an abusive manner. I think we also realize that sometimes government debt collectors sometimes behave in an abusive manner. It is not a question of whether that person is employed by the government or in the private sector, it is the question of whether that person is a responsible individual that is well-trained and is handling themselves with integrity. That can be just as true in the private sector as in the public sector.

Many States already use private debt collection and have seen their rate of collections increase because of that. The Federal Government already employs private debt collectors to assist in collecting other Federal debts. For example, student loans that involve sensitive personal and financial information, that is done successfully as well.

The amendment is not only something that opposes something which I think is a promising opportunity, but it is also unnecessary because current law does not permit the IRS to hire private debt collectors. Therefore, the amendment really accomplishes no change from the current law and is unnecessary. I oppose the amendment.

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

The CHAIRMAN pro tempore (Mr. ISAKSON). The question is on the amendment offered by the gentlewoman from West Virginia (Mrs. CAPITO).

The amendment was agreed to.

Mr. ISTOOK. Mr. Chairman, I move to strike the last word.

Mr. FLAKE. Mr. Chairman, will the gentleman yield?

Mr. ISTOOK. I yield to the gentleman from Arizona.

Mr. FLAKE. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I have stood to offer this same amendment, an amendment to restore the basic right of Americans to travel to Cuba. The Flake amendment has, for the past 3 years, enjoyed broad bipartisan support in Congress, and for good reason.

For the last 45 years, we have attempted to bring about regime change in Cuba, only to see Fidel Castro outlast nine U.S. Presidents, all the while his countrymen have been denied their most basic human rights. A compelling case could be made that our policy of isolating Cuba made sense during the Cold War. As a part of the Soviet Union, Cuba was actively exporting revolution with its troops around the world, but we are more than a decade removed from the Cold War. We now face new challenges, challenges that it can be safely said do not include the spread of Cuban-style communism.

Our challenge is to export freedom to Cuba, and for this cause our current policy is as outdated as the cars that ply the highways of Havana. How can we promote liberty in Cuba with a policy that denies our own citizens the right to travel to the island? How can we foster respect for basic human dignity when we tell Cuban Americans they can no longer send soap and toothpaste to their long-suffering relatives in Cuba? Have we failed to see the long-term consequences of our policy? In a word, yes.

I should note that this blindness does not only inflict the Republican Party; the Democratic leadership has not offered a vision that is much clearer. Unfortunately, neither party can see past Florida when trying to decide what to do about Cuba.

With this bill today, and in other bills this year, we will appropriate tens of millions of dollars relating to Cuba. It is fitting that we ask for what purpose. So the think tanks in Miami can churn out more reports telling the Congress, unsurprisingly, that we ought to continue the current policy which includes giving them more money; so that daily television programs can be produced in Miami that Cubans will never see; so that a Little League team in Arizona will not be able to play baseball with their peers in Cuba; so that faith-based groups in Indiana distributing Bibles in Cuba can be fined for their evangelical zeal; or so a grieving daughter in South Carolina will not be able to attend her mother's funeral in Cuba?

As a Republican, I fail to see anything conservative about these policies. There is a saying no man is an island, yet our policy assumes that Fidel Castro is Cuba's only resident. The people of Cuba have suffered decades under his rule. Our policies, particularly those enacted just months ago, which limit family charity, have only added to their burdens.

Unfortunately, the timing of this legislation this year does not lend itself to a reasoned and thoughtful debate about our policy toward Cuba. Our efforts in this area have always been bipartisan in nature, but with elections so close and politics so raw, this debate would not receive the thoughtful deliberation it deserves.

I would like to thank those Members of Congress on both sides of the aisle who are working so hard for a more effective and reasonable Cuban policy, those who believe that promoting freedom in Cuba is best achieved by giving Americans more freedom. Our efforts will resume as soon as the electoral smoke clears.

It is my understanding that the gentleman from Florida (Mr. DAVIS) will offer an amendment to roll back the new restrictions on family travel by Cuban Americans to Cuba. My colleagues and I look forward to helping the gentleman with his worthy efforts.

Mr. ISTOOK. Mr. Chairman, I would like to be clear for the record and inquire of the gentleman from Arizona (Mr. FLAKE), this means the gentleman is not offering the Flake amendment either at this time or at any later time?

Mr. FLAKE. Mr. Chairman, if the gentleman would continue to yield, that is correct.

Mr. ISTOOK. Mr. Chairman, I ask unanimous consent that the pertinent portion of the existing unanimous consent agreement be amended accordingly to indicate the Flake amendment will not be considered.

The CHAIRMAN pro tempore. The Chair would advise the gentleman from Oklahoma (Mr. ISTOOK) his unanimous consent request must be made in the whole House.

AMENDMENT OFFERED BY MR. MORAN OF VIRGINIA

Mr. MORAN of Virginia. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. MORAN of Virginia:

Page 166, after line 3, insert the following:

SEC. 647. None of the funds made available in this Act may be used to carry out, enter into, or renew any contract under chapter 89 of title 5, United States Code, which provides for a health savings account or a health reimbursement account.

The CHAIRMAN pro tempore. Pursuant to the order of the House on Tuesday, September 14, 2004, the gentleman from Virginia (Mr. MORAN) and the gentleman from Oklahoma (Mr. ISTOOK) each will control 10 minutes.

The Chair recognizes the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this amendment would prohibit the Office of Personnel Management from being able to offer or administer health savings accounts or health reimbursement accounts as part of the Federal Employee Health Benefits Plan.

Just yesterday, the Office of Personnel Management announced that starting on January 1, the Federal Employee Health Benefits Plan will include the option of Federal employees to enroll in high deductible health plans which offer health savings accounts or health reimbursement accounts.

A bipartisan group of Members in both the House and Senate have expressed very strong concern that these plans are untested in either the public or the private sector. For that reason, they should be viewed very cautiously in terms of whether or not they should be included in the Federal Employee Health Benefits Plan.

As Members know, Mr. Chairman, the Medicare prescription drug bill which was enacted this past December included a provision unrelated to either Medicare or to prescription drug coverage. It expanded and renamed medical savings accounts as health savings accounts. They are the same thing. Because there was so much controversy surrounding medical savings accounts, I guess they felt renaming it,

they will have a better chance of getting it through, but the same objections apply.

□ 1130

Health savings accounts are plans that combine a high-deductible, catastrophic insurance policy with a tax-exempt savings account dedicated for health care expenses. Health reimbursement accounts are similar to these HSAs except that they are not tax-exempt and the plan account credits may only be used for health care expenses.

The general concern is that health savings accounts and health reimbursement accounts circumvent the fundamental principles of group health insurance by dividing healthy people from sick people, putting them into different coverage options. Healthier enrollees tend to gravitate to the health savings accounts and other so-called consumer-driven financing schemes because low health care users, those who are younger and healthier, oftentimes more affluent, they are rewarded with unspent balances or credits at the end of each year. But the less healthy enrollees, the older enrollees, the poorer enrollees, they avoid health savings accounts and these so-called consumer-driven plans because they could pay out-of-pocket costs in the thousands of dollars. They are almost sure to use up the entire deductible, so it becomes prohibitively expensive for older people to use these kinds of plans. As a result, higher health care users use the traditional comprehensive plans. The phenomenon is called adverse selection. And it forces insurance carriers to raise premiums, to cut benefits, in fact, to squeeze the people who need health insurance coverage out of the market. They are not going to be able to afford the kind of health insurance cost that they need because they are reducing the risk pool.

Adverse selection occurred when these health savings accounts as similar plans were offered to public employees in Ada County, Idaho and in Jersey City, New Jersey. As a result, the county and city stopped offering these plans to their employees. They did not work. We have that empirical experience. The nonpartisan Congressional Budget Office says that legislation introduced in the 105th Congress to make medical savings accounts available to the Federal Employees Health Benefits Program would have cost taxpayers $1 billion over 5 years. This plan will cost taxpayers $1 billion over 5 years and there is no offset in this bill for that additional cost. It is also projected that enrollee costs would skyrocket above the average annual premium increases. Obviously they are going to skyrocket because as you reduce the pool to the older, the sicker, the less affluent, it is a much higher risk pool and the insurance premiums are going to go through the roof.

Mr. Chairman, the Federal Employee Health Benefits Program has long been heralded as the model health care plan. However, the inclusion of these health savings accounts or health reimbursement accounts will jeopardize the quality and it will raise the cost, the FEHBP program will not be as successful as it has been in the past, and many people will suffer as a result. We should not proceed with implementing these untested plans without knowing the impact of these very high deductible health plans, what impact they will have on the future of the Federal Employees Health Benefits Plan.

That is why this amendment is absolutely necessary. It is essential for the future viability of the Federal Employee Health Benefits Plan. We should not be making Federal employees a Petri dish for these ideological ideas, Mr. Chairman. They have not been tested. In the few places where they have been tested they have not worked.

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

Mr. ISTOOK. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin (Mr. RYAN).

Mr. RYAN of Wisconsin. I thank the gentleman for yielding time.

Mr. Chairman, I want to address just the main criticism the gentleman from Virginia just mentioned. Two things. He says adverse selection, which means healthy and wealthy people will leave other health care plans and premiums will go up for everybody else. Point number one. The Office of Personnel Management took this concern very seriously. So when they constructed this new health savings account option within the Federal Employee Health Benefit Plan, an additional option for Federal employees, they designed the premium so that that would not happen. Specifically, Federal employees would pay $42.25 every 2 weeks for the Mail Handlers high deductible plan compared to $45.16 for the standard coverage, an insignificant difference of $2.81 for every 2 weeks. For family coverage, the difference would be 11 cents. These very small differences in premiums will ensure that healthy employees are not attracted to HSAs by their premium. So the concern of the gentleman, which is a concern, was already addressed by the OPM.

But one more point and the second point is this. All of the data on adverse selection has been coming back and none of it has been true. This was a concern that we were very concerned about. We want to make sure that the healthy and wealthy were not fleeing traditional health care plans, leaving them in jeopardy, raising premiums for other people.

Since these plans have been offered since January and believe me, Mr. Chairman, they have been really proliferating, the data is showing us the opposite has occurred. The data is showing us that sicker, older people are being more attracted to health savings accounts.

A couple of statistics. Assurant Health Care Plan, the leading provider of these in America, happens to be located in Milwaukee; 43 percent of their HSA applicants did not have any prior coverage at all. Forty-three percent of the people who bought these HSAs were uninsured. Thirty-two percent of HSA applicants had not had coverage for at least 6 months prior to enrollment. Half of all HSA applicants had incomes under $35,000. That is from eHealthInsurance, the major clearinghouse of all HSA products, the big Web site you go to to buy an HSA. Half of all their applicants earned under $35,000. EHealthInsurance again, the clearinghouse, 46 percent of HSA purchasers have family incomes less than 50 grand.

We are seeing that lower income workers and families are going toward HSAs and older, less healthy people are going toward HSAs. So the data is showing that that is not true.

Mr. MORAN of Virginia. Mr. Chairman, I yield myself 30 seconds.

I would say to my very bright friend who I know feels very strongly about this, but the statistics that he cites are not with regard to public employees nor does it apply to the Federal Employees Health Benefits Plan, a very successful plan, one of the most successful in the country, where every Federal employee participates.

I would say to my friend that I do not know any Federal employee that has asked for this. Every Federal employee wants the system the way it is working now. I know thousands of Federal employees who are opposed to this.

Mr. Chairman, I yield 3 minutes to the gentlewoman from the District of Columbia (Ms. NORTON).

Ms. NORTON. Mr. Chairman, I thank the gentleman for his amendment because what he is trying to do is to save the FEHBP from a catastrophic illness of its own. This plan is trumpeted as the model for the country. It will not be that way much longer.

I buy the gentleman's notion, my friend on the other side, that sicker and older people and even poorer people are sometimes trying to use these health savings accounts. The reason they are trying to do so is they are trying to reduce the rising cost of health care. What they do not know, of course, is what we already know, and that is that what occurs in the existing health care plan where people have comprehensive coverage is adverse selection that drives up premiums. I do not know if we have to go through the catastrophe ourselves. We have already had the most populous county in Idaho to go through it. They withdrew from the very same kind of plan that we have here in our system because of a huge rise in health care premiums as some employees got out, leaving those employees who were in the system in Idaho with a greatly elevated health care premium.

I do not know how many Idahos you have to have before it gets to the FEHBP. I do know this. Idaho pulled out, this county in Idaho, the largest

county in Idaho, with the most people, and one of the few public employers who in fact has used health savings accounts, they pulled out before the year was out because the escalation was immediate.

We have had a 7 percent rise in the Federal Employees Health Benefit Plan this year. This is the first time we have not been in double digits. It had nothing to do with health savings accounts. As we all know, it has had to do with the wild fluctuations in these accounts. What the gentleman offers is so important that if in our wisdom we do not in fact act now to prevent what I will call the Idaho catastrophe, where this public employer came out after less than a year of experience, that I put the House on notice that I will have an amendment that will keep people from gaming the system, because what Idaho found was that people will come into the system and when they recognize that their health services will go up in the next year they get out in time to go back into the comprehensive system, leaving, of course, people who are in that system all the time with the problem of continuing escalated coverage. I will have a fallback amendment if the House does not approve the Moran amendment.

I very much thank him for offering his amendment because his amendment is the right answer.

Mr. ISTOOK. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota (Mr. GUTKNECHT).

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

Mr. GUTKNECHT. Mr. Chairman, the gentleman from Virginia, whose opinion I respect on many issues, I think is just wrong on this. He mentioned a few minutes ago that he knows of no other Federal employees who would like to have this option. I cannot speak for all of the Federal employees, but I can speak for over a quarter of a million Minnesota public employee union members who want to have access to health savings accounts. Will they all choose them? I do not know. But I have letters here from the Minneapolis Police Relief Association thanking me and encouraging me to make certain that they have access to health savings accounts. I have a letter here from Teamsters Local 320 that represents public and law enforcement employees in the State of Minnesota both at the State and local level. They are encouraging me to make certain that they have access to health savings accounts. I have a letter here from the Minneapolis Firefighters' Relief Association. They want access to health savings accounts. I have a letter here from the Public Employees Retirement Association of Minnesota representing over 150,000 Minnesotans who want access to health savings accounts. I have a letter here from the Minnesota State Retirement System.

Mr. Chairman, what we have here is a conflict of visions. This is an important and very critical debate in where we go with health care reform. The question is whether or not we are smart enough to make all of these decisions on behalf of these folks or if we allow them to make more decisions on their own behalf. I can only say that we have gone out and visited with representatives of public employee unions in the State of Minnesota, we have shown them the facts, we have shown them how these programs work, we have allowed them to make the decision, and the answer is almost unanimous, they at least want to have access to this option.

No one says that Federal employees or State employees have to choose this option. But if the Moran amendment passes, you will take that option away from them. Please do not do that. Please listen to the employees themselves.

MINNEAPOLIS POLICE
RELIEF ASSOCIATION,
Minneapolis, MN, June 30, 2004.

Congressman GIL GUTKNECHT,
Cannon House Office Building,
Washington, DC.

DEAR CONGRESSMAN GUTKNECHT: We are writing to you seeking your continued leadership in addressing Health Savings Accounts (HSA's). As you are well aware, in the 2003 Medicare Act, individuals over the age of 65 were excluded from participating in the newly created HSA's.

It is important that not only do the changes to the Medicare Reform Act of 2003 include participation for those over age 65 in the HSA's but the language which ties Medicare ineligibility to HSA participation must also be removed. HSA participation would provide a very modest way in which our over 65 retiree's could tax defer some of their financial resources.

Our public safety retirees put in their time and duty and had planned on living out their retirement years with not having to face financial difficulties. However, health care costs for those over 65 years of age have increased dramatically over the last decade. Supplemental insurance to Medicare can cost a retired couple up to $8,000 per year.

We strongly encourage you to work with other members of Congress and the Bush Administration to correct his discrimination against our retirees.

Again, thank you for all your support and past leadership in the HSA's. Please continue to assist us in this battle for affordable health care.

Sincerely,

RICHARD M. NELSON,
Vice President.

MINNESOTA STATE RETIREMENT
SYSTEM,
St. Paul, MN, July 26, 2004.

Congressman GIL GUTKNECHT,
Cannon House Office Building,
Washington, DC.

DEAR CONGRESSMAN GUTKNECHT: I want to thank you for your leadership in establishing Health Savings Accounts for those under age 65. I strongly encourage you to support similar accounts that would be valuable for retirees age 65 and over.

As you know, rising health care costs and prescription drug costs have made it difficult, if not impossible, for many people to afford adequate health care coverage. Health Savings Accounts would provide a modest and extremely effective way to help pay for these costs.

On behalf of the 50,000 state employees and 23,000 benefit recipients covered by the Minnesota State Retirement System (MSRS), I encourage you to work with members of Congress and the Bush Administration to provide Health Savings Accounts to all retirees.

Again, thank your for your support and leadership on this and your attempts to lower prescription drug costs.

Sincerely,

DAVID BERGSTROM,
Executive Director.

PUBLIC EMPLOYEES RETIREMENT
ASSOCIATION OF MINNESOTA,
Saint Paul, MN, July 20, 2004.

Hon. GIL GUTKNECHT,
House of Representatives, Cannon House Office Building, Washington, DC.

DEAR CONGRESSMAN GUTKNECHT: The Public Employees Retirement Association (PERA) of Minnesota is seeking your continued leadership in addressing the issues associated with the Healthcare Savings Accounts (HSA). As you are well aware, with the enactment of the 2003 Medicare Act, individuals over the age of 65 were not included for participation in the newly created accounts.

Important to our participants—150,000 of whom are currently working local government employees and about 60,000 of whom receive monthly benefits from PERA—is ensuring not only a change in the Medicare Reform Act of 2003 to include the availability of the HSA to individuals over the age of 65, but also removing the language which ties Medicare ineligibility to HSA participation. HSA participation would provide a very modest way in which our over-age-65 retirees could defer taxes on some of their financial resources.

Our public safety retirees typically retire earlier than other public employees due to the physical and emotional stresses associated with their positions. Due to the earlier retirement, many begin paying their health insurance at younger ages, hoping to live out their retirement years without having to face financial difficulties. The HSA will help these early retirees until age 65, but as you know health care costs for those over the age of 65 are rising at a significant rate. Supplemental insurance to Medicare can cost a retired couple up to $8,000 a year. Losing the availability of the HSA at age 65 will prove ever more burdensome to individuals on limited retirement incomes.

We strongly encourage you to work with other members of Congress and the Bush Administration to advance legislation that is fair to retirees of all ages.

Again, thank you for all of your support and the leadership you have demonstrated in enacting the HSA legislation thus far. We look forward to your continuing assistance in this battle for affordable health care.

Sincerely,

MARY MOST VANEK,
PERA Executive Director.

MINNEAPOLIS FIREFIGHTERS'
RELIEF ASSOCIATION,
Minneapolis, MN, July 6, 2004.

Congressman GIL GUTKNECHT,
Cannon House Office Building,
Washington, DC.

DEAR CONGRESSMAN GUTKNECHT: We are writing to you seeking your continued leadership in addressing Health Savings Accounts (HSA's). As you are well aware, in the 2003 Medicare Act, individuals over the age of 65 were excluded from participating in the newly created HSA's.

It is important that not only do the changes to the Medicare Reform Act of 2003 include participation for those over age 65 in the HSA's but the language which ties Medicare ineligibility to HSA participation must also be removed. HSA participation would provide a very modest way in which our over

65 retirees could tax defer some of their financial resources.

Our Firefighter retirees have dedicated their lives to serving the public and planned on living out their retirement years with not having to face financial difficulties. However, health care costs for those over 65 years of age have increased dramatically over the last decade. Supplemental insurance to Medicare can cost a retired couple up to $8,000 per year.

We strongly encourage you to work with other members of Congress and the Bush Administration to correct this discrimination against our retirees.

Again, thank you for all your support and past leadership in the HSA's. Please continue to assist us in the battle for affordable health care.

Sincerely,

WALTER C. SCHIRMER,
Executive Secretary.

MINNESOTA TEAMSTERS PUBLIC & LAW ENFORCEMENT EMPLOYEES' UNION, LOCAL NO. 320,
Minneapolis, MN, July 1, 2004.

Congressman GIL GUTKNECHT,
Cannon House Office Bldg.,
Washington, DC.

DEAR CONGRESSMAN GUTKNECHT: We are writing to you seeking your continued leadership in addressing Health Savings Accounts (HSA's). As you are well aware, in the 2003 Medicare Act, individuals over the age of 65 were excluded from participating in the newly created HSA's.

It is important that not only do the changes to the Medicare Reform Act of 2003 include participation for those over age 65 in the HSA's but the language which ties Medicare ineligibility to HSA participation must also be removed. HSA participation would provide a very modest way in which our over 65 retiree's could tax defer some of their financial resources.

Our public safety retirees put in their time and duty and had planned on living out their retirement years with not having to face financial difficulties. However, health care costs for those over 65 years of age have increased dramatically over the last decade. Supplemental insurance to Medicare can cost a retired couple up to $8,000 per year.

We strongly encourage you to work with other members of Congress and the Bush Administration to correct his discrimination against our retirees.

Again, thank you for all your support and past leadership in the HSA's. Please continue to assist us in this battle for affordable health car.

Sincerely,

SUE MAUREN,
Secretary-Treasurer.

Mr. MORAN of Virginia. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN pro tempore (Mr. ISAKSON). The gentleman from Virginia is recognized for 1 minute.

Mr. MORAN of Virginia. Mr. Chairman, I appreciate the information we were just provided by the gentleman from Minnesota, but the fact is that none of the employees that he cites would be affected by this amendment. This amendment only affects Federal employees, and every Federal employee organization is in favor of my amendment and opposes putting health savings accounts, the same thing as MSAs, into the Federal Employees Health Benefits Plan. I have a letter from the National Association of Retired Federal Employees. This is their biggest issue. Don't do this to us. More than a million people are saying, don't do this. I have a letter from the National Treasury Employees Union supporting my amendment, opposing what this bill would do. The American Federation of Government Employees opposes it.

The gentleman from Wisconsin cited some other employees apparently that said it was a good thing, but they are not members of the Federal Employees Health Benefits Plan. Those who would be affected do not want it.

Support this amendment.

□ 1145

Mr. ISTOOK. Mr. Chairman, I yield myself 1 minute.

I fail to understand how anybody is threatened by opportunity. When people say I want to keep the type of health plan I already have, they still have that option. They are not hurt by saying they have the options they have already and they have a new option; if they do not want it, do not take it. If somebody else wants it, let them take it. Why do we want to shut it off?

That is what the Moran amendment is all about, shutting off opportunity, telling people that if they do not like any of their current options, too bad, they do not get any other choices. The Office of Personnel Management has acted in a responsible manner to expand choices for people. We should let it happen. We should not have a kneejerk reaction from people who feel threatened, for what reason I do not know; but there is no reason to fear what is going on here. We should reject the Moran amendment accordingly.

Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. SAM JOHNSON).

(Mr. SAM JOHNSON of Texas asked and was given permission to revise and extend his remarks.)

Mr. SAM JOHNSON of Texas. Mr. Chairman, I could not agree with the chairman more. This amendment provides us with an interesting twist on the norm. Usually, when we talk about Federal employees' health benefits, we hear arguments that other people deserve the benefits that Federal employees enjoy. Is it that you do not want the employees to enjoy the benefits that we are trying to get for the general public?

In today's debate, the landscape is different. I am astounded that the gentleman from Virginia is keeping something that the public enjoys out of the Federal system. He is telling us that HSAs are good enough for the American public, but not good enough for Federal employees.

I do not buy that. Let us take a look at the facts. HSAs put consumers back in the driver's seat. And Federal employees deserve that choice as well. A high-deductible plan means lower premiums, and lower premiums mean more cash to put away in an account to save for medical expenses as they arise. And contrary to critics' claims that HSAs are untested, HSAs have seen astonishing success since their enactment in the Medicare bill. Tens of thousands of people have opened accounts. A host of insurers are offering plans, including Aetna, Cigna, and Assurant. HSAs have reduced the number of uninsured Americans, are working for people and their families from all backgrounds and ages. And, quite frankly, they belong in the Federal employee health benefit plan.

I think that we need to make all America equal; and, therefore, we should reject this amendment.

Mr. ISTOOK. Mr. Chairman, I yield 2 minutes to the gentlewoman from Connecticut (Mrs. JOHNSON).

Mrs. JOHNSON of Connecticut. Mr. Chairman, I thank the chairman for yielding me this time, for this opportunity to speak in opposition to the Moran amendment.

It is important to know that nationwide, 49 percent of HSAs are being sold to families with children. That makes perfect sense. There are many years when young families do not have many medical expenses; but often during those years they have very expensive dental bills for braces. Does it not make absolute sense to let that family spend less money on premiums and have more money in their HSA so they can cover braces, which practically no employer plan covers?

That is why in this Nation we need to dedicate fewer dollars to the premium portion of health care and have more dollars in our consumer accounts because they can spend those dollars on anything under the Tax Code. That is broader than any employer-provided health plan in the Nation.

So of course families want HSAs. They can pay for braces. They can pay for glasses. If they have a child with a hearing deficit, and we know how many more children there are in America that need very significant and expensive health care in our special ed programs, they can pay for those kinds of costs out of their HSA.

Their HSA dollars can be employer-provided 100 percent. They can be employer-provided or pretax dollars from them. It is flexible. It is better health care coverage than any other employer-provided plan. And every Federal employee deserves the right, deserves the right, to dedicate fewer dollars to the insurance component of health and offer him or herself, frankly, the opportunity to buy with employer-provided or pretax dollars the full range of health and welfare benefits that those plans can afford. So I urge opposition to this amendment.

Mr. ISTOOK. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin (Mr. RYAN).

Mr. RYAN of Wisconsin. Mr. Chairman, just three points need to be made about this amendment.

Point number one, this is an option from which Federal employees can choose. Why deprive them of this additional choice? They do not want the

product, they do not have to have it. Why take it away from them?

Point number two, just in case these adverse selection concerns are valid, that is why OPM designed this product with identical premiums so it does not occur. So they already addressed the concern just in case there is any adverse selection that occurs out there.

But now what we are seeing from the data is that adverse selection not only is not happening. The opposite is happening. Lower-income, older, sicker people are buying health savings accounts. The data we get every day is disproving this notion of adverse selection. But just in case OPM designed this so that the premium is virtually identical to the rest of the premiums so that there is a safety valve, an insurance policy, to make sure that those concerns are not validated, do not manifest themselves.

Do not take this option away from 8 million families. I urge a vote ''no'' on this amendment.

Mr. OLVER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I yield to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Chairman, I thank the gentleman from Massachusetts for yielding to me and for his leadership on this bill.

Mr. Chairman, there are several things that have been said that need to be clarified. First of all, this concept of medical savings accounts, health savings accounts, that is the same thing, has, in fact, not been shown to be successful. It has not even been tested. It just passed in December with the Medicare prescription drug bill. I mentioned two situations where they tried it out in Ada County, Idaho, and in Jersey City, New Jersey; and it was so unsuccessful, they had to terminate it. This does not work.

The gentlewoman from Connecticut talked about the need to be able to buy eyeglasses and dentures and so on. That is flexible spending accounts. We are in favor of flexible spending accounts. There is no problem with flexible spending accounts. That is not what we are talking about. We are talking about introducing a relatively radical new concept and using Federal employees as the guinea pigs.

The Federal employees health benefits plan has 249 different options, 249 different plans. This is not a problem with choice. The gentleman from Minnesota (Mr. GUTKNECHT), I believe it was, mentioned several public employees. They may not have the options. I am quite confident they do not have the options that Federal employees have. But the Federal employees health benefits plan is working. It is working better than any other health plan in the country, as far as I can see.

And now what do we want to do and why is this amendment so important? People who for ideological reasons, I think, more than any, perhaps to save some money, they are offering to young people, people who are the least likely to get sick, people whose priorities are buying a home, providing for their start-up family, any number of things, purchasing an automobile and so on, health care costs are not a big priority because they are young and they are healthy. And relative to the rest of the country, they are relatively affluent.

So it makes sense for them to purchase these HSAs. Some will because there will be a lot of aggressive marketing telling them how much they will save. But the deductibles are enormous. If they do get sick, if there is an accident, then they are in tough shape. But a lot of young people are willing to take the chance. I would have taken the chance. Most of us, when we were in our 20s and early 30s, take the chance. But that chance is not availability to older and sicker people. That is why the National Association of Retired Federal Employees has this as their number one priority. Because what happens when these younger healthier people choose these HSAs, MSAs, they pull out of the risk pool. They are no longer insured. And as a result, we have two different classes. We have the young and the healthy who are insured by these HSAs, and we are going to have the older and the sicker who are in the traditional comprehensive plans because health care is a much greater priority for them.

So what happens to these traditional plans for the older, the less healthy, to some extent the less affluent people, what happens? The risk pool is reduced. It is more exclusively the people who are most likely to have serious illnesses, and so the premiums go through the roof. They skyrocket. What we have done is to divide up the health benefits plans between the young and healthy and the older and the sicker, and it is the older and the sicker who will not be able to afford the medical care they need.

What happens to the medical profession? We are going to start squeezing. The same thing is going to happen to Medicare. We will start squeezing reimbursement because we cannot afford the kinds of premiums. We cannot afford to pay 72 percent of the average cost of premiums. The Federal Government cannot; so we will be cutting back. So doctors will have their reimbursement back. Everyone is going to suffer except those folks who are willing to take the risk. And one day, 20 or 30 years from that decision-making point, they are going to wish that they were part of the larger pool.

This is terribly dangerous, Mr. Chairman. We cannot let this happen. Do not do this to Federal employees. Do not do it to the Federal employees' health benefits plan. Support this amendment.

The CHAIRMAN pro tempore (Mr. ISAKSON). The question is on the amendment offered by the gentleman from Virginia (Mr. MORAN).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mr. MORAN of Virginia. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Virginia (Mr. MORAN) will be postponed.

AMENDMENT OFFERED BY MR. ISTOOK

Mr. ISTOOK. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. ISTOOK:

At the end of title VI (before the short title), insert the following:

SEC. . The amount otherwise provided by this Act for deposit in the Federal Buildings Fund is hereby reduced by $152,979,000, and, notwithstanding any other provision of this Act, the amount available from revenues and collections deposited into the Fund shall be available for necessary expenses of real property management and related activities not otherwise provided for in the aggregate amount of $8,619,023,000.

The CHAIRMAN pro tempore. Pursuant to the order of the House of Tuesday, September 14, 2004, the gentleman from Oklahoma (Mr. ISTOOK) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Oklahoma (Mr. ISTOOK).

Mr. ISTOOK. Mr. Chairman, I yield myself such time as I may consume.

This is a simple housekeeping amendment. As we noted yesterday, the various points of order that were raised would have the effect of increasing the amount of spending in the bill beyond our subcommittee's allocation. This amendment simply brings the bill back within our allocation pursuant to our 302(b) allocation and with what we told the House before.

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

Mr. OLVER. Mr. Chairman, I do not seek time in opposition. I rise merely to accept the amendment.

The CHAIRMAN pro tempore. No one seeks time in opposition.

The question is on the amendment offered by the gentleman from Oklahoma (Mr. ISTOOK).

The amendment was agreed to.

□ 1200

AMENDMENT OFFERED BY MR. BROWN OF OHIO

Mr. BROWN of Ohio. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore (Mr. ISAKSON). The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. BROWN of Ohio:

At the end of the bill (before the short title), insert the following:

SEC. _____. None of the funds made available in this Act may be used by the Council of Economic Advisers to produce an Economic Report of the President regarding the inclusion of employment at a retail fast food restaurant as part of the definition of manufacturing employment.

The CHAIRMAN pro tempore. Pursuant to the order of the House of Tuesday, September 14, the gentleman from

Ohio (Mr. BROWN) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Chairman, I yield myself such time as I may consume.

When it comes to jobs, President Bush has a credibility problem, not just the White House applauding the offshore outsourcing of American jobs as a ''good thing'' then trying to explain that a good thing does not really mean a good thing; not just his Labor Department issuing guidelines to help companies avoid paying overtime to middle-class and low-income workers then insisting that they did not really mean for employers to actually use that guidance to avoid paying overtime; not just the fact that George Bush promised 6 million jobs with his tax cuts and has fallen 7 million short of that goal; not just that President Bush, in a 63-minute speech at the Republican Convention, mentioned the word ''jobs'' one time.

The particular credibility problem I am talking about can be summed up in one word: McManufacturing.

In the President's Economic Report, this is put out every year, signed by the President of the United States, by George Bush, this report referred to, in trying to answer the problem of lost manufacturing jobs in our country, and my State alone has lost 170,000, my State of Ohio alone has lost 170,000 manufacturing jobs, 150 jobs every single day since George Bush was sworn in 3½ years ago. So to deflect that, they have talked about changing the definition of manufacturing, and here is what they said. This is on page 73 of the President's economic report: ''The definition of a manufactured product is not straightforward. When a fast food restaurant sells a hamburger, is it providing a service, or is it combining inputs to manufacture products?''

So here is what we got, according to the Bush administration, who knows they have a problem with the loss of manufacturing jobs, we got the kid in the restaurant at McDonald's or Burger King, whatever. He is setting up an assembly line. He unwraps the package, and then he puts the bun out. And then they chemically treat the beef. We call it cooking, but in George Bush administration legalese, I guess they call it chemically treat the beef. They put that on the bun. And then they take the lettuce, and they put that on and slice the tomato, part of the manufacturing process, and put that on. Then they chemically treat the cheese. We would call it melting the cheese. And then they get a foreign component. They bring french fries in and make some kind of happy meal of some sort.

I am not making this up. This is in this economic report.

My point is, Mr. Chairman, that we know what manufacturing is. We know what manufacturing is not, and these are the kinds of games the Bush administration plays to try to deflect attention away from what they have done with American manufacturing.

In my State of Ohio, we have lost one out of every six, one out of every six manufacturing jobs since George Bush took office. And his answer every time is more tax cuts for the richest people. If you are making $1 million, you get a $123,000 tax cut. That is not creating jobs in Ohio and across the Midwest in this country.

His other response is more trade agreements that continue to ship jobs overseas. It is clear, Mr. Chairman, we need a different direction. That different direction is to extend unemployment benefits to the 60,000 or 70,000 Ohioans who are looking for jobs but have lost their benefits; they have expired. This Congress will not extend unemployment benefits.

We also need to quit giving incentives to companies that send their jobs overseas. We continue to give them tax breaks instead of passing the bipartisan Crane-Rangel bill, which will give those companies that manufacture domestically, give them incentives. We need to stop those tax breaks, as I said, that ship jobs overseas and stop those tax breaks for those companies, in giving those companies contracts with the Government, like Halliburton and other companies, that continue to violate so much of what we stand for in our country.

Then the President wants to pass the Central American Free Trade Agreement which will, again, be more of the same. We need to stop these kinds of trade agreements. We need to pass unemployment compensation. We need to pass bipartisan legislation to give incentives to those companies who manufacture in America.

This amendment, while modest in its goals, I believe at least is honest in its goals and honest in deciding what really is manufacturing, what is not manufacturing. It stops the games. This Congress needs to stay in session and pass legislation that really will create jobs.

Mr. Chairman, I yield back the balance of my time and ask support of the amendment.

Mr. ISTOOK. Mr. Chairman, I claim the time in opposition, and I yield myself such time as I may consume.

I will be brief on this because I do not think this amendment does any damage, and I will not oppose its adoption to our bill.

However, I think it is a mistake to pretend that it accomplishes anything. I know of no serious effort to change the definition of manufacturing that the gentleman from Ohio (Mr. BROWN) wants to make sure that we do not. But I do think it is important to address some of the other things that he mentioned.

For example, if we look at the fast food sector, typically, most of us see the counter. And maybe we get a glimpse into the kitchen behind it. Maybe, sometimes, we are there when a large semi truck pulls up to deliver some of the product that is involved in there. But there is a lot more that we do not see.

For example, let me tell you about Lopez Foods, a minority-owned business in Oklahoma City. Lopez Foods is one of the principal suppliers to McDonald's. It is a part of the fast food industry, but we do not see it when we are in the restaurant. If one visits their facility, one will see that it is a large, modern, clean facility, and it is filled with high-tech. You would not believe the kind of computer systems and mechanical systems that are necessary for the quality control to make sure the ingredients are in the same universal proportion for the product that is going to be shipped to McDonald's all over the country.

We do not see that in the fast food sector. It is a very different image from that of the smiling, young person or perhaps senior citizen that may be waiting on you on the other side of the counter. We need to understand that every sector, fast food included, has a supply chain. It has a logistics chain that is a part of that industry the same as the person who waits on you is a part of it. We need to understand that and realize that there are a lot of contributions to the economy of the United States of America that come from the restaurants that are sometimes demeaned with the term fast food, but it should not be considered a term of lightness at all.

So we will not oppose the amendment, but I certainly do oppose some of the characterizations that we heard earlier on it.

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

The CHAIRMAN pro tempore (Mr. LATOURETTE). The question is on the amendment offered by the gentleman from Ohio (Mr. BROWN).

The amendment was agreed to.

Mr. OLVER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I yield to the gentlewoman from Texas (Ms. JACKSON-LEE) for purposes of a colloquy with the chairman and myself.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the distinguished gentleman for yielding to me. I thank the chairman and Ranking Member OLVER. I thank my colleagues for the opportunity to discuss the issue of rail security in the context of H.R. 5025 and the urgent need for the House to work for new measures to be introduced by the conferees to address this issue.

While the committee members have made provisions in the Federal Transit Administration's Transit Planning and Research Account for initiatives like rural transportation assistance, metropolitan planning, and State planning, there is no specific outlay made for increasing rail security. I understand that the leading subcommittee of jurisdiction on this issue has been placed in the hands of the Subcommittee on Homeland Security of the Committee

on Appropriations. However, I am sure that my colleagues will agree that the urgency of this matter should at least warrant some level of attention in conference for this bill.

Might I just finish by saying additionally, I sit on the Select Committee on Homeland Security, the authorizing committee, and am well aware of the jurisdictional combining that we have. I in no way am attempting to negate that structure. I think it is very, very important. However, I also think it is important for the Subcommittee on Transportation, Treasury, and Independent Agencies to coalesce and allude to this very important issue.

Mr. OLVER. Mr. Chairman, reclaiming my time, in response to those comments, I would address the chairman, that I agree that it is appropriate for the conferees on the Subcommittee on Transportation, Treasury, and Independent Agencies to be concerned about security, security for rail operations, which operate actually under the jurisdiction of our subcommittee, but as to the security on them, the primary jurisdiction does fall within the Subcommittee on Homeland Security of the Committee on Appropriations.

Ms. JACKSON-LEE of Texas. Mr. Chairman, if the gentleman will yield, let me just cite why I think this is important. Again, I want to always qualify that we are not here on the floor taking away jurisdiction; we are adding a collaborative aspect because of the importance of rail security.

On March 11, 2004, an al Qaeda bombing of commuter trains in Madrid, Spain, killed nearly 200 people and wounded more than 1,500. A minor fire incident in a Washington, D.C., subway system recently gave us a glimpse of the potential for disruption to our public transit system. Failure to invest in the security of passenger rail and public transit could leave these critical systems vulnerable to terrorist attack.

Millions of Americans rely on mass transit systems on a daily basis. Making these systems as safe as they can be from terrorist attacks must be a high priority whenever appropriations are made for transportation-related matters as well as for the Department of Homeland Security. It is, I think, an issue both of the Subcommittee on Homeland Security of the Committee on Appropriations but also some collaborative efforts with the Subcommittee on Transportation, Treasury, and Independent Agencies.

Let us be reminded that, in our own Nation, these rail systems run through our neighborhoods, our rural communities, near our schools, our churches, our homes. They are a part of our neighborhood, and it is an important question.

Mr. OLVER. Mr. Chairman, reclaiming my time, I, again, agree with the urgency of the issue that has come up in terrorism, and I think it does appropriately ask for collaboration. I think is the word that the gentlewoman has used, collaboration with the other committee, and I hope that the gentleman from Oklahoma (Mr. ISTOOK), within that context, that the gentleman and I might be able to work together as this subcommittee goes to conference since, probably, the Subcommittee on Homeland Security will be part of the same overall omnibus conference in that process and to make certain that rail somehow is not left out and that the security on rail is to our liking as well.

Mr. ISTOOK. Mr. Chairman, if the gentleman will yield, as the gentleman is well aware and the gentlewoman is also, of course, the Department of Transportation, which is within the jurisdiction of our subcommittee, no longer has jurisdiction over transportation security issues. That is with the subcommittee that oversees the Department of Homeland Security.

I know that the gentleman from Kentucky (Chairman ROGERS) is diligently reviewing this issue with the Transportation Security Administration and will be attentive to the comments that need to be referred, as the gentleman mentioned, to him.

The gentleman opines that perhaps we might be a part of the same package bill. I do not know that that will be the case, but I do know we will be in communication with the gentleman from Kentucky (Chairman ROGERS).

Mr. GONZALEZ. Mr. Chairman, I would like to bring the House's attention to the important issue of election reform funding in H.R. 5025, the fiscal year 2005 appropriations bill for the Departments of Transportation and Treasury, and independent agencies.

Late last year, the four members of the U.S. Election Assistance Commission were finally confirmed and able to begin their work to provide election assistance grants and guidelines to the states. Since they assumed office and the Commission began its work in earnest, it has provided over $1.5 billion to the states to meet the requirements of the Help America vote Act (HAVA) for the development of innovative election technology, pilot programs to test election technology, and programs to promote youth involvement in elections.

I am very pleased that in the past two years, we in Congress have provided most of the funds promised for implementing the Help America vote Act. There remains, however, an unpaid balance of $800 million. I am disappointed that this bill does not pay off that balance. While some may say that the funds we have already appropriated for election reform grants has not been spent, and therefore more funds are not necessary at this time, I would argue that now that we have a functioning EAC, we can expect the pace of grants provided to the states to increase sharply.

I am very encouraged that this bill contains funding needed by the EAC to become fully operational. In particular, I support the bill's appropriation of $10 million for the EAC's operating expenses and $5 million for research authorized by HAVA. I hope that these funding provisions will receive wide support from my colleagues and remain intact as this bill works its way through the legislative process.

The EAC is currently understaffed and stretched thin to fulfill its mission. With the funds provided by this bill, the EAC will be able to more quickly provide states with their election assistance grants, and fulfill other mandates of the Help America Vote Act. These are critical to restoring the trust in our elections that was so greatly damaged by the deficiencies in our electoral system exposed by the 2000 general election. One of the most important functions of the EAC that this bill will fund is the development of voting system guidelines that states are waiting for in order to make important decisions about which voting systems to acquire. These guidelines will be developed in consultation with the National Institute of Standards and Technology and the technical Guidelines Development Committee, and will also result in a national program to test, certify, and decertify voting system.

HAVA created many new requirements in election administration, and many states are looking toward the EAC for guidance on how to implement these requirements, such as provisional voting, voting information requirements, implementation of identification provisions, and implementation the statewide computerized voter registration databases. With the operating funds included in this bill, the EAC will be able to provide such guidance and states will in turn be able to appropriately spend the election assistance grants they have received so far.

Other important EAC functions that this bill funds are audit and oversight responsibilities to ensure that states are appropriately administering their grants and submitting relevant reports required by HAVA.

Finally, the EAC's research funds included in this bill will be used to study and report on best practices and other matters relevant to the effective administration of federal elections.

In summary, Mr. Chairman, this bill provides the funding necessary to make the Election Assistance Commission an effective tool in helping states restore the public's confidence in our voting process. If we are to remain the world's greatest democracy, we cannot hesitate to make this investment.

Mrs. MALONEY. Mr. Chairman, this bill funds many good projects and will be a welcome relief to many communities. Unfortunately, the current version is woefully deficient because it provides no funding whatsoever for a project that is one of the best in the Nation—the Second Avenue Subway. The Second Avenue Subway is recommended by the Federal Transit Administration and was included in President Bush's FY2005 budget.

On day one, the Second Avenue Subway will move more people than any other project currently planned anywhere in the country. It will (i) relieve overcrowding on the most overcrowded subway in the nation, (ii) add capacity to a subway system that has not added capacity in 60 years and (iii) reach areas of New York City that currently are not served by any subway system. A report released by the Regional Plan Association December 2003 shows that Second Avenue Subway can create 156,000 jobs, boost business creation and retention, improve air quality, save travel time and create alternative routes to the city's business centers—something 9/11 proved is essential to New York's security.

There is already a strong market for mass transit in New York. Because 70–75 percent of all the people commuting to jobs along the route of the subway use mass transit to get to work, the highest proportion of mass transit use anywhere in the United States. There are

1.2 million jobs and nearly 650,000 residents along the proposed route of the Second Avenue Subway.

This project is moving ahead in a timely fashion. It received a record of decision from the FTA in July and is expected to go into Final Design and Engineering shortly.

The Second Avenue Subway, a sure mass transit success, should be among the earmarks included in this appropriation bill. The Second Avenue Subway was funded in the last four appropriations bills and, thanks to the efforts of Senators SCHUMER and CLINTON, is included in the Senate bill. I hope that the conferees will accept the Senate language and that the Second Avenue Subway will receive funding in the final bill.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: amendment No. 1 offered by Mr. HEFLEY of Colorado and an amendment offered by Mr. MORAN of Virginia.

The Chair will reduce to 5 minutes the time for the second electronic vote in this series.

AMENDMENT NO. 1 OFFERED BY MR. HEFLEY

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Colorado (Mr. HEFLEY) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 15-minute vote followed by a second 5-minute vote.

The vote was taken by electronic device, and there were—ayes 69, noes 333, not voting 31, as follows:

[Roll No. 455]

AYES—69

Akin	Franks (AZ)	Pence
Barrett (SC)	Gibbons	Petri
Bartlett (MD)	Graves	Pitts
Barton (TX)	Gutknecht	Ramstad
Bass	Hayworth	Reynolds
Beauprez	Hefley	Rogers (MI)
Blackburn	Herger	Rohrabacher
Brady (TX)	Hoekstra	Royce
Burton (IN)	Hostettler	Ryan (WI)
Buyer	Isakson	Sensenbrenner
Chabot	Jenkins	Sessions
Chocola	Jones (NC)	Shadegg
Coble	Kaptur	Shimkus
Collins	Keller	Shuster
Cox	King (IA)	Smith (MI)
Davis (TN)	Lewis (KY)	Stearns
Davis, Jo Ann	Linder	Tancredo
Deal (GA)	Mica	Tanner
DeMint	Musgrave	Taylor (NC)
Diaz-Balart, M.	Myrick	Terry
Feeney	Norwood	Toomey
Flake	Otter	Wamp
Fossella	Paul	Wilson (SC)

NOES—333

Abercrombie	Allen	Baca
Aderholt	Andrews	Baird
Baldwin	Gonzalez	Meeks (NY)
Becerra	Goode	Menendez
Bell	Goodlatte	Michaud
Berman	Gordon	Millender-McDonald
Berry	Goss	Miller (MI)
Biggert	Granger	Miller (NC)
Bilirakis	Green (TX)	Miller, Gary
Bishop (GA)	Green (WI)	Miller, George
Bishop (NY)	Greenwood	Mollohan
Bishop (UT)	Grijalva	Moore
Blumenauer	Gutierrez	Moran (KS)
Blunt	Hall	Moran (VA)
Boehner	Harman	Murphy
Bonilla	Harris	Murtha
Bono	Hart	Nadler
Boozman	Hastings (FL)	Napolitano
Boswell	Hastings (WA)	Neal (MA)
Boucher	Hayes	Neugebauer
Boyd	Herseth	Ney
Bradley (NH)	Hill	Northup
Brady (PA)	Hinchey	Nussle
Brown (OH)	Hinojosa	Oberstar
Brown (SC)	Hobson	Olver
Brown, Corrine	Hoeffel	Ortiz
Brown-Waite, Ginny	Holden	Osborne
Burgess	Holt	Ose
Burns	Honda	Owens
Burr	Hooley (OR)	Oxley
Butterfield	Houghton	Pallone
Calvert	Hoyer	Pascrell
Camp	Hulshof	Pastor
Cantor	Hunter	Payne
Capito	Hyde	Pearce
Capps	Inslee	Pelosi
Capuano	Israel	Peterson (MN)
Cardin	Issa	Peterson (PA)
Cardoza	Istook	Pickering
Carson (IN)	Jackson (IL)	Platts
Carson (OK)	Jackson-Lee (TX)	Pombo
Carter	Jefferson	Pomeroy
Case	Johnson (CT)	Porter
Castle	Johnson (IL)	Portman
Chandler	Johnson, Sam	Price (NC)
Clay	Jones (OH)	Pryce (OH)
Clyburn	Kanjorski	Putnam
Cole	Kelly	Quinn
Cooper	Kennedy (MN)	Radanovich
Costello	Kennedy (RI)	Rahall
Cramer	Kildee	Rangel
Crane	Kilpatrick	Regula
Crenshaw	Kind	Rehberg
Cubin	King (NY)	Renzi
Culberson	Kingston	Reyes
Cummings	Kirk	Rodriguez
Cunningham	Kleczka	Rogers (AL)
Davis (AL)	Kline	Rogers (KY)
Davis (CA)	Knollenberg	Ros-Lehtinen
Davis (FL)	Kolbe	Ross
Davis (IL)	Kucinich	Rothman
Davis, Tom	LaHood	Roybal-Allard
DeFazio	Lampson	Ruppersberger
DeGette	Lantos	Rush
Delahunt	Larsen (WA)	Ryan (OH)
DeLauro	Larson (CT)	Ryun (KS)
DeLay	Latham	Sabo
Deutsch	LaTourette	Sánchez, Linda T.
Diaz-Balart, L.	Leach	Sanchez, Loretta
Dicks	Lee	Sanders
Dingell	Levin	Sandlin
Doggett	Lewis (CA)	Saxton
Dooley (CA)	Lewis (GA)	Schakowsky
Doolittle	Lipinski	Schiff
Doyle	LoBiondo	Scott (GA)
Dreier	Lofgren	Scott (VA)
Dunn	Lowey	Shaw
Edwards	Lucas (KY)	Shays
Ehlers	Lucas (OK)	Sherman
Emanuel	Lynch	Sherwood
Emerson	Majette	Simmons
English	Maloney	Simpson
Eshoo	Manzullo	Skelton
Etheridge	Markey	Smith (NJ)
Evans	Marshall	Smith (TX)
Farr	Matheson	Smith (WA)
Fattah	Matsui	Snyder
Ferguson	McCarthy (MO)	Solis
Filner	McCarthy (NY)	Souder
Foley	McCollum	Spratt
Forbes	McCotter	Stark
Ford	McCrery	Stenholm
Frank (MA)	McDermott	Strickland
Frelinghuysen	McGovern	Stupak
Frost	McHugh	Sullivan
Gephardt	McIntyre	Sweeney
Gerlach	McKeon	Tauscher
Gilchrest	McNulty	Thomas
Gillmor	Meehan	Thompson (CA)
Gingrey	Meek (FL)	Thompson (MS)
		Thornberry
		Tiahrt
		Tiberi
		Tierney
		Towns
		Turner (OH)
		Turner (TX)
		Udall (CO)
		Udall (NM)
		Upton
		Van Hollen
		Velázquez
		Visclosky
		Vitter
		Walden (OR)
		Walsh
		Waters
		Watson
		Watt
		Waxman
		Weiner
		Weldon (FL)
		Weldon (PA)
		Weller
		Wexler
		Whitfield
		Wicker
		Wolf
		Woolsey
		Wu
		Wynn
		Young (AK)
		Young (FL)

NOT VOTING—31

Ackerman	Duncan	Nethercutt
Alexander	Engel	Nunes
Bachus	Everett	Obey
Baker	Gallegly	Schrock
Ballenger	Garrett (NJ)	Serrano
Berkley	Hensarling	Slaughter
Boehlert	John	Tauzin
Bonner	Johnson, E. B.	Taylor (MS)
Cannon	Langevin	Wilson (NM)
Conyers	McInnis	
Crowley	Miller (FL)	

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. LATOURETTE) (during the vote). There are 2 minutes remaining in this vote.

□ 1238

Ms. LINDA T. SÁNCHEZ of California, Messrs. SMITH of Washington, PUTNAM, SHERWOOD, DICKS, RANGEL, Mrs. EMERSON, and Ms. HARRIS changed their vote from ''aye'' to ''no.''

Mr. GUTKNECHT and Mr. TAYLOR of North Carolina changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated against:

Mrs. WILSON of New Mexico. Mr. Chairman, on rollcall No. 455 I was unavoidably detained. Had I been present, I would have voted "no."

AMENDMENT OFFERED BY MR. MORAN OF VIRGINIA

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Virginia (Mr. MORAN) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 181, noes 223, not voting 29, as follows:

[Roll No. 456]

AYES—181

Abercrombie	Blumenauer	Carson (OK)
Allen	Boswell	Chandler
Andrews	Boucher	Clay
Baca	Brady (PA)	Clyburn
Baird	Brown (OH)	Costello
Baldwin	Brown, Corrine	Cummings
Becerra	Butterfield	Davis (AL)
Bell	Capps	Davis (CA)
Berman	Capuano	Davis (FL)
Berry	Cardin	Davis (IL)
Bishop (NY)	Carson (IN)	Davis (TN)

Davis, Tom
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Doyle
Edwards
Emanuel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gephardt
Goode
Gordon
Green (TX)
Grijalva
Gutierrez
Hall
Harman
Hastings (FL)
Herseth
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Lynch
Maloney
Markey
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McHugh
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Sherman
Simmons
Skelton
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Wexler
Wolf
Woolsey
Wu
Wynn

NOES—223

Aderholt
Akin
Bachus
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilirakis
Bishop (GA)
Bishop (UT)
Blackburn
Blunt
Boehner
Bonilla
Bono
Boozman
Boyd
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cantor
Capito
Cardoza
Carter
Case
Castle
Chabot
Chocola
Coble
Cole
Collins
Cooper
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
DeFazio
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Dooley (CA)
Doolittle
Dreier
Duncan
Ehlers
Emerson
English
Feeney
Ferguson
Flake
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gonzalez
Goodlatte
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hobson
Hoekstra
Hooley (OR)
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (KY)
Lucas (OK)
Majette
Manzullo
Marshall
Matheson
McCotter
McCrery
McKeon
Mica
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Rothman
Royce
Ryan (WI)
Ryun (KS)
Saxton
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Velázquez
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Young (AK)
Young (FL)

NOT VOTING—29

Ackerman
Alexander
Baker
Ballenger
Berkley
Boehlert
Bonner
Cannon
Conyers
Crowley
Deal (GA)
Dunn
Engel
Everett
Gallegly
Hensarling
John
Johnson, E. B.
Kennedy (RI)
Langevin
McInnis
Miller (FL)
Nethercutt
Obey
Schrock
Serrano
Slaughter
Tauzin
Taylor (MS)

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (during the vote). There are 2 minutes remaining in this vote.

□ 1253

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. NETHERCUTT. Mr. Chairman, I was unavoidably detained due to a prior obligation and missed the following votes. Had I been present I would have voted "yea" on rollcall vote No. 454 on agreeing to the Kelly amendment to H.R. 5025; "yea" on rollcall vote No. 453 on agreeing to the DeLauro amendment to H.R. 5025; "nay" on rollcall vote No. 455 on agreeing to the Hefley amendment to H.R. 5025; "nay" on rollcall vote No. 456 on agreeing to the Moran amendment to H.R. 5025.

PERSONAL EXPLANATION

Ms. SLAUGHTER. Mr. Chairman, I was unable to be present for rollcall votes 452, 453, 454, 455, and 456. Had I been present, I would have voted "aye" on rollcall votes 452, 453, 454, and 456. I would have voted "nay" on rollcall vote 455.

PERSONAL EXPLANATION

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, on Tuesday, September 14, 2004, I was granted an official leave of absence as a result of my illness. Therefore, I was unable to make rollcall votes 455 to 456. I ask unanimous consent that my statement appear in the RECORD that had I been here, I would have voted "no" for rollcall No. 455, the Hefley Amendment; "yes" for rollcall No. 456, the Moran Amendment.

Mr. ISTOOK. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. KLINE) having assumed the chair, Mr. LATOURETTE, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 5025) making appropriations for the Departments of Transportation and Treasury, and independent agencies for the fiscal year ending September 30, 2005, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. ISTOOK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the further consideration of H.R. 5025, and that I may include tabular material on the same.

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

There was no objection.

AMENDING LIMITATION ON AMENDMENTS DURING FURTHER CONSIDERATION OF H.R. 5025, DEPARTMENTS OF TRANSPORTATION AND TREASURY AND INDEPENDENT AGENCIES APPROPRIATIONS ACT

Mr. ISTOOK. Mr. Speaker, I ask unanimous consent that the order of the House of yesterday regarding further consideration of H.R. 5025 in the Committee of the Whole be amended to strike any provision for the amendment by the gentleman from Arizona (Mr. FLAKE) regarding Cuba.

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

There was no objection.

LEGISLATIVE PROGRAM

(Mr. HOYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOYER. Mr. Speaker, I rise for the purpose of inquiring of the distinguished minority whip the schedule for the week to come.

Mr. BLUNT. Mr. Speaker, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Missouri.

Mr. BLUNT. Mr. Speaker, next week the House will convene on Tuesday at 12:30 for morning hour debates and 2 p.m. for legislative business. We will consider several matters under the suspension of the rules. A final list of those bills will be sent to Members' offices by the end of this week. Any votes we have on Tuesday will be after 6:30 p.m. We also expect to complete consideration of H.R. 5025, the Transportation-Treasury appropriations bill, on Tuesday afternoon.

In addition, next week we expect to consider H.R. 2028, the Pledge Protection Act; and finally, as we approach