

Finally, China's accumulation of large amounts of foreign exchange reserves in order to maintain the currency peg could be better spent on investment in infrastructure and development of poor regions in their country.

Recently, the Treasury Department issued a strongly worded report warning China over its pegging its currency to the dollar. The report called the Chinese currency peg highly distortionary, but the report stops short of designating China as manipulating its currency for a trade advantage. This designation would have triggered formal negotiations between the Bush administration and Chinese officials that potentially could end this peg.

The administration has taken the right steps in taking a harder line against China. While I welcome the tough language in the Treasury Department report regarding China, Mr. Speaker, the time has come for China to act, which will result in freer, fairer trade for both countries.

WE ARE HEADED TOWARDS A THIRD RATE ECONOMY

The SPEAKER pro tempore. Pursuant to the order of the House of January 4, 2005, the gentleman from Kansas (Mr. TIAHRT) is recognized during morning hour debates for 5 minutes.

Mr. TIAHRT. Mr. Speaker, last year our trade deficit was \$670 billion, our Federal budget deficit was about \$300 billion, and our government made it more and more difficult last year to keep and create jobs here in America. Barriers have been created and erected by Congress, and the results have been the wrong environment for the current day economy.

The world is changing. The world is getting more and more technical, and we, as a country, are not measuring up, and we are headed towards a third rate economy.

What a third rate economy means to our national security, to the future of our children is rather startling, and it is something we need to start preparing today to change. We must change the environment for keeping and creating jobs here.

In 10 to 20 years from now, we are looking at countries like China, currently with 1.3 billion people, India with 1 billion people, add that to Southeast Asia, and they get a group of about 3 billion people. Currently, they are in talks with trying to create an Asian Union, similar to the European Union, with the yuan as the currency of choice. This would be a very strong economy. It would be very difficult for America, who currently has the strongest economy in the world and the envy of the world, to compete with that.

Last year, China graduated 350,000 engineers. India graduated 80,000 software engineers alone. They are preparing for the future.

Today, a columnist for MSNBC wrote an article called, "Can China build its

own Silicon Valley? Beijing's recipe for technological success." In this article, China lays out what China's doing in their Zhongguancun district to create an environment to develop new technological businesses. They have already quite a few small high-tech companies in that area, and they also have the prestigious Tsinghua University, which is creating a lot of research and development to go along with this world-class technology incubator.

They are also providing business support, venture capital, legal services, property management and health care. It is a total package, a culture, if you will, to try to develop new ideas.

Dr. Meng Mei at the university said, "We need a culture that gives small companies the confidence to succeed." It sounds like something we need to do here in America. What they are giving them is an infrastructure, an entrepreneurial infrastructure, so that they can go out and create new technology, driving the leading edge, something that America has been doing for the last several decades. In China, the amount of money they spend on research and development has tripled between 1991 and 2001, according to the article.

In the meantime, what have we been doing here in America over the last generation? Well, starting in the 1960s, Congress started writing more rules and regulations and passing laws with good intent but terrible consequences.

We have come up with burdensome regulations that keeps new companies from starting up. We have a litigation system that works against success. We have health care costs that are rising faster than small employers can keep up with. We have got a tax policy that punishes success instead of rewarding success. We have an energy policy that is dependent on foreign sources. We have a trade policy that too often goes unenforced, and our research and development sometimes gets spent in wasteful ways instead of looking forward to the future. Our education system, sadly, is lagging behind, especially in math, science and engineering.

At the end of this article, it says, "While the number of U.S. science and engineering graduates declines, year after year, China's numbers are surging. China already graduates more English-speaking electrical engineers than does the U.S. Last month the U.S. came in 17th in an annual international collegiate programming contest; a team from Shanghai University came in first. And U.S. middle school math and science scores continue to lag behind those of other developed Nations."

We are on a path to a third rate economy that has worldwide implications for our future, for our kids, for our national security, and we have to change that environment.

This is the debate that we should be having today on the floor of the United States House of Representatives. This is how we are going to create the environment, by changing these rules and

regulations, so that we can create new jobs, create new technology and prepare for the oncoming challenges of the future.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until 2 p.m. today.

Accordingly (at 12 o'clock and 43 minutes p.m.), the House stood in recess until 2 p.m. today.

□ 1400

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. RADANOVICH) at 2 p.m.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord God, when Your servant Moses came down from Mount Sinai, he carried the two stone tablets of Your commands. Struck by Your awesome presence, he bowed down to the ground in worship. Then he said: "If I find favor with you, O Lord, do come along and be in our company. Indeed, this is a stiff-necked people; yet pardon our wickedness and our sins and take us as Your very own."

Today, in America, O Lord, facing the image of Moses before us in this Chamber, we are again struck by Your presence. We pray that You be in our company now. Pardon our sins, because we too can be a stiff-necked people. Truly take us as Your own. Make of us a strong and virtuous Nation, a people truly set apart to be Your hallmark of justice for all peoples and an instrument of peace in the world.

"For You are gracious and merciful, slow to anger, rich in kindness and fidelity" both now and forever.

Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Michigan (Mr. KNOLLENBERG) come forward and lead the House in the Pledge of Allegiance.

Mr. KNOLLENBERG led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Monahan, one of its clerks, announced

that the Senate has agreed to a concurrent resolution of the following titles:

S. Con. Res. 35. Concurrent resolution expressing the sense of Congress that the Government of the Russian Federation should issue a clear and unambiguous statement of admission and condemnation of the illegal occupation and annexation by the Soviet Union from 1940 to 1991 of the Baltic countries of Estonia, Latvia, and Lithuania.

The message also announced that pursuant to section 1928a-1928d of title 22, United States Code, as amended, the Chair, on behalf of the Vice President, appoints the following Senators to the Senate Delegation to the NATO Parliamentary Assembly during the One Hundred Ninth Congress:

the Senator from Alabama (Mr. SESSIONS).

the Senator from Wyoming (Mr. ENZI).

the Senator from Kentucky (Mr. BUNNING).

the Senator from Minnesota (Mr. COLEMAN).

TRIBUTE TO DR. BETTY SIEGEL

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

Mr. PRICE of Georgia. Mr. Speaker, today I rise in honor of Dr. Betty Siegel, president of Kennesaw State University in Georgia. After 25 years of service to the University, Dr. Siegel will be retiring at the end of the year, and what an amazing 25 years it has been for her and for the students of Kennesaw State.

Back in 1981, Betty Siegel made headlines and chose the path less traveled when she became the first woman ever to serve as president in the 34-school university system of Georgia. Today, she makes headlines for all she has accomplished.

Under her leadership, KSU has grown tremendously, from a 4,000-student college offering 15 bachelor's degree programs and no graduate programs to today, with 18,000 students choosing from over 55 undergraduate and graduate programs.

The KSU slogan, "Dare to Dream," is epitomized by Dr. Betty Siegel in every imaginable way. Not only does she lead by example, but she instills every student with that motto.

So today I say thank you to Dr. Siegel. Thank you for daring to dream and thank you for daring to do all you have done to improve the lives of your students.

IT IS TIME FOR VOTES ON JUDICIAL NOMINEES

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

Mr. WILSON of South Carolina. Mr. Speaker, Senator JIM DEMINT published an excellent op-ed in The State newspaper yesterday that the Senate

has an obligation to ensure timely up-and-down votes for all nominees, regardless of who is President or which party is in power.

Ensuring that our courthouses are filled with well-qualified judges is one of the most important responsibilities of the U.S. Senate. As Senator DEMINT notes, the majority of Americans trust the Senate's judgment on judicial nominees, and it is unfair for a minority of Senators to ignore the will of the American people. If the minority's case against these nominees is so strong, they should be able to convince other Senators to oppose the nominees during a fair up-and-down vote.

This week, Majority Leader BILL FRIST will lead the Senate to vote on the constitutional option, which will restore a 200-year tradition to ensure that each nominee receives a fair vote. After years of debate on this topic, it is time for the Senate to follow the will of the American people.

In conclusion, God bless our troops and we will never forget September 11.

FISCAL LEADERSHIP

(Ms. FOXX asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. FOXX. Mr. Speaker, I rise to praise the President and Republicans in this Congress for working to strengthen the economy and cut unnecessary spending. This is not rocket science or advanced economics. When we leave more money in the hands of citizens, the economy thrives.

Case in point: 274,000 new jobs were created in April. We have seen steady job gains for each of the last 23 months, and more Americans are working than ever before. In addition, our Federal deficit is forecast to be \$50 billion lower than expected.

Clearly, the economy's growth is a direct result of the pro-growth agenda of the President and this Congress. By holding the line on fiscal responsibility in the budget and passing pro-growth bills such as the death tax repeal and the energy bill, Republican Members continue to show their commitment to America's economy.

The House has begun the appropriation season with Republicans working hard to display fiscal responsibility, just as we have been doing through out the session. We have reformulated the allocation process for Homeland Security funding so we can make sure these funds are not wasted and are used properly.

This Congress and this President are working hard and doing great work. Unfortunately, not enough focus is being put on the positive things happening in the world and in our country.

Let us not squander this opportunity to keep stepping in the right direction.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair

will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Record votes on postponed questions will be taken after 6:30 p.m. today.

STOP COUNTERFEITING IN MANUFACTURED GOODS ACT

Mr. GOODLATTE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 32) to amend title 18, United States Code, to provide criminal penalties for trafficking in counterfeit marks, as amended.

The Clerk read as follows:

H.R. 32

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

SECTION 1. SHORT TITLE; FINDINGS.

(a) SHORT TITLE.—This Act may be cited as the "Stop Counterfeiting in Manufactured Goods Act".

(b) FINDINGS.—The Congress finds that—

(1) the United States economy is losing millions of dollars in tax revenue and tens of thousands of jobs because of the manufacture, distribution, and sale of counterfeit goods;

(2) the Bureau of Customs and Border Protection estimates that counterfeiting costs the United States \$200 billion annually;

(3) counterfeit automobile parts, including brake pads, cost the auto industry alone billions of dollars in lost sales each year;

(4) counterfeit products have invaded numerous industries, including those producing auto parts, electrical appliances, medicines, tools, toys, office equipment, clothing, and many other products;

(5) ties have been established between counterfeiting and terrorist organizations that use the sale of counterfeit goods to raise and launder money;

(6) ongoing counterfeiting of manufactured goods poses a widespread threat to public health and safety; and

(7) strong domestic criminal remedies against counterfeiting will permit the United States to seek stronger anticounterfeiting provisions in bilateral and international agreements with trading partners.

SEC. 2. TRAFFICKING IN COUNTERFEIT MARKS.

Section 2320 of title 18, United States Code, is amended as follows:

(1) Subsection (a) is amended by inserting after "such goods or services" the following: " , or intentionally traffics or attempts to traffic in labels, patches, stickers, wrappers, badges, emblems, medallions, charms, boxes, containers, cans, cases, hangtags, documentation, or packaging of any type or nature, knowing that a counterfeit mark has been applied thereto, the use of which is likely to cause confusion, to cause mistake, or to deceive,".

(2) Subsection (b) is amended to read as follows:

"(b)(1) The following property shall be subject to forfeiture to the United States and no property right shall exist in such property:

"(A) Any article bearing or consisting of a counterfeit mark used in committing a violation of subsection (a).

"(B) Any property used, in any manner or part, to commit or to facilitate the commission of a violation of subsection (a).

"(2) The provisions of chapter 46 of this title relating to civil forfeitures shall extend