

country remains a prominent part of our national character. I speak for this entire body when I say that words cannot express the gratitude we have for these courageous individuals.

Gold Star Mother's Day was established in respect and recognition of the sacrifices our Gold Star Mothers have made. The Congress designated the last Sunday in September as "Gold Star Mother's Day" in 1936 and authorized and requested the President to issue a proclamation in observance of this day. This day is a fitting public salute of the sympathy and the respect that our Nation holds for its Gold Star Mothers.

Mr. Speaker, I ask that you and my other distinguished colleagues join me in honoring the mothers of the fallen heroes of the First Congressional District. Today, as we enjoy the peace and security our Nation has achieved through the sacrifices of American citizens, Gold Star Mothers can take solace in knowing that their sons and daughters left all humanity a legacy of invaluable meaning. Let us never forget the sacrifices they made to preserve the ideals of freedom and democracy.

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

The SPEAKER pro tempore (Mr. CULBERSON). The question is on the motion offered by the gentleman from Minnesota (Mr. GUTKNECHT) that the House suspend the rules and pass the joint resolution, H.J. Res. 61.

The question was taken.

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

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

The yeas and nays were ordered.

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

PROVIDING FOR CONSIDERATION OF H.R. 250, MANUFACTURING TECHNOLOGY COMPETITIVENESS ACT OF 2005

Mr. GINGREY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 451 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 451

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 250) to establish an interagency committee to coordinate Federal manufacturing research and development efforts in manufacturing, strengthen existing programs to assist manufacturing innovation and education, and expand outreach programs for small and medium-sized manufacturers, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Science. After gen-

eral debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Science now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. All points of order against the committee amendment in the nature of a substitute are waived. Notwithstanding clause 11 of rule XVIII, no amendment to the committee amendment in the nature of a substitute shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Each such amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against such amendments are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Georgia (Mr. GINGREY) is recognized for 1 hour.

Mr. GINGREY. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts (Mr. McGOVERN), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 451 is a structured rule. It provides 1 hour of general debate, equally divided and controlled by the chairman and ranking minority member of the Committee on Science. The rule waives all points of order against consideration of the bill. It provides that the amendment in the nature of a substitute recommended by the Committee on Science and now printed in the bill shall be considered as an original bill for the purpose of amendment, and shall be considered as read.

It waives all points of order against the committee amendment in the nature of a substitute. It makes in order only those amendments printed in the Committee on Rules report accompanying the resolution. It provides that the amendments printed in the report may be offered only in the order printed in the report, may be offered only by the Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a de-

mand for a division of the question in the House or in the Committee of the Whole.

It waives all points of order against the amendments printed in the report, and it provides one motion to recommit, with or without instructions.

Mr. Speaker, I rise today in support of House Resolution 451 and its underlying bill, H.R. 250, the Manufacturing Technology Competitiveness Act of 2005.

Mr. Speaker, I first want to recognize the contributions of the Committee on Science chairman, the gentleman from New York (Mr. BOEHLERT); the gentleman from Tennessee (Ranking Member GORDON); the gentleman from Oregon (Ranking Member WU); and the gentleman from Michigan (Subcommittee Chairman EHLERS), of course, the author of H.R. 250. I thank all of them for this timely piece of legislation.

Today, the House has an opportunity to consider legislation that will make the United States even more competitive in the global economy. Through the establishment of an interagency committee to coordinate Federal manufacturing research and development efforts, H.R. 250 provides many useful tools to keep the United States on the cutting edge of technological and manufacturing innovation.

H.R. 250 would direct the President to establish or designate an interagency committee on manufacturing, research, and development. And in order to ensure sufficient review and diverse input, the committee would also receive assistance from an advisory committee representing nongovernmental interests. This essential component ensures that government efforts are as relevant and responsive as possible to the needs of our manufacturing base.

Without question, Mr. Speaker, some of this country's greatest intellectual and innovative resources rest in the halls of our educational institutions and in the research and development departments of our businesses across the country. Therefore, this bill establishes a pilot grant program within the Department of Commerce's National Institute of Standards and Technology to fund research partnerships between firms, community colleges, universities, research institutions, State agencies, and nonprofits to develop new, cutting-edge manufacturing technologies.

Additionally, through the Manufacturing Extensive Partnerships, the MEP program, there are regional centers across the country that provide States with grants to allow the successful transfer of technology from the Federal Government to the private sector.

Obviously, there is no sense in developing new and innovative technology if it cannot be successfully passed on to the manufacturing sector of our economy, the true engine of economic growth.

□ 1145

H.R. 250 would refine the guidelines and the requirements established through the Manufacturing Extension Program to ensure that these regional centers are fulfilling their duty to keep innovative manufacturing technology flowing.

Mr. Speaker, I can personally speak to the successes of the Manufacturing Extension Program. The Georgia Manufacturing Extension Partnership is led by my alma mater, the Georgia Institute of Technology, Georgia Tech.

Georgia Tech's Economic Development Institute, along with the University of Georgia, Georgia Power, and others coordinate and deploy experts to advise and work with manufacturers throughout the State of Georgia, so they can be more innovative, more productive, and maximize their efficiency.

Mr. Speaker, on a couple of occasions I have had the opportunity to tour facilities in my district that have been assisted through Georgia's MEP program. Specifically, I toured A&L Shielding, Inc., in Rome, Georgia; and I was able to see concrete improvements made to their facility. These improvements enhanced their efficiency, increased their productivity, making A&L Shielding much more competitive.

So, Mr. Speaker, I do not think there is any Member of this House who does not realize the importance of education and fostering new and more efficient technology. Therefore, this act would establish a standards education program at the National Institute of Standards and Technology to award grants on a cost-shared basis to institutions of higher education.

These grants will go a long way to develop top-notch curricula related to engineering, business, science, and economic standards. This investment in educational standards is not only an investment in future development, but it also is an insurance policy for American competitiveness.

In closing, Mr. Speaker, H.R. 250 marks an excellent opportunity for the House to improve this country's manufacturing and technological potential for many years to come. Again, I would like to encourage each of my colleagues to support not only this rule but also the underlying bill.

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

Mr. McGOVERN. Mr. Speaker, I thank the gentleman from Georgia (Mr. GINGREY) for yielding me the customary 30 minutes, and I yield myself such time as I may consume.

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

Mr. McGOVERN. Mr. Speaker, the Bush administration's record on manufacturing is abysmal: 2.8 million manufacturing jobs have been lost since 2001, including 24,000 this year alone. It is clear that they either do not know or do not care about the disappearing manufacturing sector of our economy.

For example, last year the administration requested \$39 million for the Manufacturing Extension Partnership Program, a severe reduction over the previous year. Fortunately, the Congress provided \$106 million for this important program.

However, the administration was not done in their attempts to kill this program. They opposed efforts to extend the MEP in last year's version of the Manufacturing Technology Competitiveness Act. As if that were not bad enough, Mr. Speaker, this year's \$46.8 million budget request would again have decimated the MEP and punished the small business manufacturers the Republican leadership claims they want to help.

Fortunately, the bill before us today fully authorizes the MEP. Mr. Speaker, let me give you just one MEP success story. In my district, Chase Leather Products of Fall River, Massachusetts, has been manufacturing high-quality leather and synthetic fabric products for nearly a century.

Faced with a 25 percent reduction in business over the past several years, Chase turned to the Massachusetts MEP for help. After training Chase's personnel in lean manufacturing techniques, such as value stream mapping and revising the plant layout, Chase was able to deliver 100 percent on-time delivery to their customers. This improved performance has caused one of Chase's customers, Motorola, to move a \$2 million-plus contract back from India to Massachusetts.

Small improvements in technology helped this company not only make a better product but a better economy for the Fall River community.

Like other State MEPs, the Massachusetts Manufacturing Extension Partnership Program is supported by the National Institute of Standards and Technology and the U.S. Department of Commerce and the State of Massachusetts to help small and medium-sized manufacturers identify and implement advanced manufacturing and management technologies.

Through a network of resources, the MEP links client firms with local and national sources of expertise to address specific problems. By 2004, the MEP program in Massachusetts had created or retained 2,224 jobs that paid a total of \$116.4 million of wages and benefits, increased economic output worth \$365.1 million, and generated or retained over \$46.8 million in additional tax and nontax revenues at the Federal, State and local levels.

There are success stories like this all over the country. But the Bush administration and the Republican leadership refuse to recognize them. Simply, Mr. Speaker, we are not doing what it takes to keep manufacturing jobs in the United States, and part of the problem is that the Bush administration continually drags its feet.

Earlier investments in technology, manufacturing, and education have made the United States economy the

strongest in the world. We must continue investing in these important efforts. With 87,200 manufacturing jobs lost in Massachusetts, 349,000 lost in California, 67,000 lost in Georgia, we cannot continue to sit on our hands. We must make the necessary investments.

Fortunately, Mr. Speaker, the gentleman from New York (Chairman BOEHLERT) and the gentleman from Tennessee (Mr. GORDON) have come together to produce the Manufacturing Technology Competitiveness Act. It includes the reauthorization of the MEP as well as other important job creation programs.

They have fashioned, mostly, a good bill. However, I am extremely disappointed that this bill does not include the reauthorization of the Advanced Technology Program, a program that is widely supported. And I am disappointed that this rule does not make the Honda amendment in order.

The Honda amendment would reauthorize the Advanced Technology Program, and it deserves an up-or-down vote in this House. If it were allowed, I believe it would pass. Therefore, Mr. Speaker, because we have been denied an up-or-down vote on this important issue, and we have not been given a good reason why we cannot have an up-or-down vote on this important issue, I would urge all of my colleagues, Democrats and Republicans, to vote "no" on this rule.

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

Mr. GINGREY. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, I would like to point out that in response to some of the remarks made by my friend, the gentleman from Massachusetts (Mr. McGOVERN), in regard to the funding of this bill, I want to point out to my colleagues that it does create additional competitive grant programs from which the MEP centers can obtain supplemental funding for manufacturing-related projects.

H.R. 250 would also allow MEPs to accept and distribute funds from other Federal agencies without requiring matching funds, and the MEP funding would be authorized at \$110 million in fiscal year 2006, including funds for a competitive grant program. The authorization would actually increase by \$5 million per year to \$120 million in fiscal year 2008.

I want to also, Mr. Speaker, highlight again an outstanding MEP program in my State of Georgia, as I mentioned in my opening remarks, my alma mater, Georgia Tech, and the Economic Development Initiative.

Let me just highlight Georgia's MEP partnership. It is led by Georgia Tech's Economic Development Institute, and it provides technical assistance, management training and other types of assistance intended to increase productivity and help companies become more competitive in the global market.

We know how important that is. This program comprises a team of more than 125 professionals located both at Georgia Tech and throughout regional offices across the State of Georgia. This incredible staff offers a number of vital services and programs to business and industry.

Mr. Speaker, I would like to take this opportunity to name a few of these services and programs to demonstrate the extensive range of assistance that is available: Quality and International Standards, Lean Enterprise, Energy Management, Environmental Management, Information Technology, Trade Adjustment Assistance for Firms, Government Procurement Assistance, B2B Marketing For Manufacturers, Strategic Planning, Economic Development Research, Community Services, Economic Development Training, Tourism, Facilitate, Georgia State-Wide Minority Business Development Center.

While this is not an exhaustive list, it is a long one, and I believe it clearly attests to the important impact MEPs have had on and continue to have on business and industry in Georgia.

The criticism that this administration or this leadership is not doing enough and is not concerned enough about manufacturing job losses is certainly not true. This is a good bill. As I say, I commend the chairman and the ranking member.

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

Mr. MCGOVERN. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, let me just again say to the gentleman from Georgia (Mr. GINGREY), whom I have great respect for, I repeat my claim that this administration has an abysmal record when it comes to protecting manufacturing jobs: 2.8 million manufacturing jobs have been lost since 2001. And that number continues to grow. So they do have an abysmal record.

The gentleman from Georgia (Mr. GINGREY) mentioned all of these wonderful new programs that are going to be authorized in this bill. And it is nice to be able to say all of those things, because we all like to talk about all of these great new programs.

But it is important to note that all of these new programs you talk about, none of them are appropriated. So if they are not appropriated, they are not real. And I would also say to the gentleman from Georgia (Mr. GINGREY) that, again, I was hoping that he would answer the question as to why the advanced technology program was cut out of this bill or why the gentleman from California (Mr. HONDA) cannot have his amendment.

This is about taking our manufacturing base and bringing it from 20th-century technology to 21st-century technology. It is incredibly important, and yet we do not even have the right to be able to vote up or down on it.

Mr. Speaker, I yield 8 minutes to the gentlemen from Tennessee (Mr. GORDON).

Mr. GORDON. Mr. Speaker, I rise today in opposition to the rule for H.R. 250, the Manufacturing Technology Competitiveness Act.

I had requested the Rules Committee to allow the bill to come to the floor under an open rule. As we continue to lose manufacturing jobs, which used to be the bulk of middle-class jobs, all Members should be allowed to offer their best ideas on the floor to reverse this trend.

I am especially disappointed that the Rules Committee did not allow the gentleman from California's amendment authorizing funding for the Advanced Technology Program.

H.R. 250 is essentially a complete authorization of the programs of the National Institute of Standards and Technology except ATP. We keep saying that we need to maintain our innovative edge to remain competitive in the ever-increasing global market. The ATP is designed to do just that, to bring research results to proof of concept so they can be commercialized by industry.

The ATP program is not some experimental program or a gamble. First funded during the first Bush administration, ATP is a successful program with a proven track record. It has the stamp of approval of the National Academy of Science, it has the strong support of the business community, including the National Association of Manufacturers, the Industrial Research Institute, the Information Technology Association of America, and the National Governors Association.

All of these groups believe ATP plays an important role in maintaining our lead in innovation. Even the administration's own analysis of the program shows that it is highly successful and has generated millions of dollars and the creation of new technologies.

During the past 3 years, the Science Committee has held numerous committees on nanotechnology, innovation and technology development. The one recurring theme of the witnesses has become clear: fund the advanced technology program.

There were other amendments not allowed by this rule, which would have also improved H.R. 250. Frankly, I just do not know why we cannot openly debate the merits of any good idea that is going to help us create more jobs and be more competitive.

□ 1200

As China, India, and other countries increase not only the amount of scientists and engineers they graduate, but also their research and technology and development funding, we need to support proven programs and effective programs like the ATP.

Now, I would like to ask my friend from Georgia who also sits on the Committee on Science, who sits through all of these hearings, heard witness after witness, the Governors Association and others, said the ATP program is important.

Mr. Speaker, I yield to my friend to explain why the ATP amendment was not allowed in this rule.

Mr. GINGREY. I thank the gentleman from Tennessee for yielding to me.

I want to point out to him that of the amendments that were made in order, other than the manager's amendment, these were all, all four amendments made in order were Democratic amendments.

Mr. GORDON. Were all the amendments that were left out also Democratic amendments?

Mr. GINGREY. No, I think there were probably some Republican amendments that were left out as well.

If the gentleman will continue to yield, the Udall amendment is the one I particularly wanted to reference. The gentleman from Colorado (Mr. UDALL) has an amendment that will be thoroughly discussed here this morning, which actually increases the authorization level of the National Science Foundation's Advanced Technology Education Program.

Mr. GORDON. Reclaiming my time, I will sort of refocus the question. The question was after sitting through all the hearings, with everyone saying that the ATP program was good, and with job losses in Georgia and Tennessee and all across the country, when we could have improved this bill with a program that President Bush's father started, I would just like to ask why were we not allowed an amendment to continue this program?

Mr. GINGREY. Let me again say the gentleman, as ranking member of the Committee on Science, knows that I was not there for subcommittee markup or whole committee markup to debate these amendments that came through committee. I am not a member of that committee, as the gentleman knows.

All I can say is in this rule we are giving the minority side an opportunity to bring this issue in the form of an amendment to the floor so we can have a fair and open debate and we can have an up-or-down vote on it. And I am not going to discuss the merits of the amendment. We will let the Member presenting the amendment, the gentleman from Colorado (Mr. UDALL), do that, and then we will vote on it.

Mr. GORDON. Reclaiming my time, I do not want to discuss the merits right now. I want to know why the ATP program, started by the Bush administration, supported by a bipartisan group of Governors, every other manufacturing group that came before our committee, I assume these same arguments were made. As the gentleman sat through the Committee on Rules, I am sure you did not hear anyone say that the ATP program would not create jobs and be good for this country. I just want to know why we are not allowed to do that.

The gentleman said we were going to have an open debate. We do not have an open debate. This is not an open rule.

It would seem to me, and we are appreciative of three or four Democratic amendments, but I do not care if they are Democratic or Republican amendments, I want good ideas from anybody that has got them, how to create jobs in this country and be more competitive.

We ought to have an open rule. I am sure Republicans have good ideas. Let them come in here. Let us have an open rule on having more and better jobs in this country. We do not have that, obviously, which is a shame. But I would be happy to yield once again to my friend to explain to me why the ATP program, which was endorsed by all these folks, why we are not allowed to let that go forward, a program that President Bush started himself. Also, the other question is why should we not get all the good ideas possible?

Mr. GINGREY. Again, in response to the gentleman from Tennessee, I am not going to stand here in presenting the rule and try to discuss the merits of the amendments that were made in order.

I would just say to the gentleman that the Committee on Rules, I think in an abundance of fairness, looked at these amendments. There were other amendments submitted, probably on both sides of the aisle, that were not made in order; but these four amendments submitted by Members of the gentleman from Tennessee's party, and that means that we felt these should be discussed and that these are reasonable amendments. They are germane to the issue. And the gentleman will have an opportunity to do that.

Mr. GORDON. Reclaiming my time, I come from a part of Tennessee where, and I do not think it is unique, that we are losing jobs every day. They are going overseas. They are going to Mexico. My constituents, and I would assume most everyone's here constituents, are saying we need more ideas, we do not like what is going on, bring us some ideas, let us have some changes.

So we are limiting ourselves now to four amendments? Four ways to try to bring jobs back into this country?

Why in the world do we not have an open rule and find all the ideas, Democrats, Republicans? We have an independent in this body. If he has some ideas, bring it on. If they are bad ones, vote them down. If they are not, then let us vote for them. We need more and better jobs in this country. This is the way to do it.

I am really shocked and, I would have to say, offended that we are not given the opportunity to try to find more and better ways to bring jobs to this country.

Mr. GINGREY. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. EHLERS), the subcommittee chairman and author of the bill.

Mr. EHLERS. Mr. Speaker, I rise today in strong support of the rule to bring up H.R. 250, the Manufacturing Technology Competitiveness Act.

I believe this rule is fair and balanced. The main goal of H.R. 250 is to authorize manufacturing programs at the National Institute of Standards and Technology that help small- and medium-sized manufacturers innovate so that they can remain competitive in the global marketplace. One of these programs is a highly successful manufacturing extension partnership program, better known as the MEP program. This program has roughly 60 centers and 350 satellite offices throughout the country. These centers provide small manufacturers with tools and assistance on how to increase productivity and efficiency. They do many things. For example, they might help to redesign a factory floor or help to train workers on how to use the latest technology or equipment.

This legislation also creates a collaborative grant pilot program to support research partnerships between academia, industry, nonprofits, and other entities to develop innovative technologies and solutions to scientific problems in manufacturing.

To truly help the manufacturers, we must have a bill that can be passed into law. Therefore, I want to keep this legislation focused on these specific programs that have strong bipartisan support. However, others have wanted to add extraneous provisions that, while well intentioned, take away from the focus of the bill. This is why I oppose some of the amendments made in order, because I believe they will detract from the bill.

This rule largely helps ensure the debate will remain on the manufacturing programs at NIST. I think that is fair and is in the best interest of our manufacturing community.

I urge my colleagues to support this fair and balanced rule.

Mr. MCGOVERN. Mr. Speaker, I yield 1 minute to the gentleman from Tennessee (Mr. GORDON).

Mr. GORDON. Mr. Speaker, my friend from Michigan (Mr. EHLERS), who does a wonderful job on our Committee on Science, I think did a very good job there in talking about a lot of good things in this bill. And there are a lot of good things in this bill. But I want to yield some additional time to him so he can explain why the ATP program, another good idea, why we cannot even have a vote on putting it in this bill today?

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

Mr. GORDON. I yield to the gentleman from Michigan.

Mr. EHLERS. Mr. Speaker, the gentleman from Tennessee raises a valid question.

I understand the gentleman's concern about the actions of the Committee on Rules; I have served in the minority at the State and Federal level myself. But I also want to tell the gentleman that members in the majority upon occasion are also disappointed by the decisions of the Committee on Rules. I recently jested, during the famous annual ice

cream socials that committee has, that my ice cream was the first thing I had received from the Committee on Rules. But I must add that they have been very kind to me.

In response to the gentleman's question, the ATP program is, by and large, a good program. But it needs improvement. And I am willing to put in the time and energy to try to improve that program and to have it be accepted by all.

Mr. MCGOVERN. Mr. Speaker, I want to thank the gentleman for acknowledging the unfairness of the Committee on Rules.

Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina (Mr. MILLER).

Mr. MILLER of North Carolina. Mr. Speaker, I also rise to oppose this rule because it does not allow this Congress to consider the amendments offered by the gentleman from California (Mr. HONDA) to authorize or reauthorize the advanced technology program.

Mr. Speaker, in the almost 3 years that I have served in the House of Representatives, I am not sure that I have heard any words spoken on this floor with which I have disagreed more strongly than with the statement of the gentleman from Georgia (Mr. GINGREY) just a few minutes ago that we were doing enough already to address the problem of manufacturing job loss. I think his exact words were it is simply not true that we are not doing enough, that Congress and the President are not doing enough to address manufacturing job loss.

If the gentleman from Georgia (Mr. GINGREY) thinks this, if any Member of Congress thinks that, I invite them to come and visit my district. I want to introduce them to some of the people who have lost their jobs. My State has lost almost 200,000 manufacturing jobs in the last 4 years. They are in industries that have been the backbone of my State's economy: tobacco, textiles, furniture. And those were jobs that people depended upon to build their lives around, to support themselves and to support their families, and they are gone.

It is not that they have laid off a shift until the economy turns around. The plants are closed. The equipment is sold. The jobs are gone forever.

What to do about that was part of the debate about CAFTA, about any kind of trade agreement that we have. And I voted against CAFTA, but I also agree that that is not the entire answer because it cannot possibly be our Nation's economic future to build our economy around low-skilled jobs and labor-intensive industries.

We have got to be the most innovative economy in the world. When I meet with the workers who have lost their jobs, they do not say, What are you going to do to make the plant reopen? They do ask, Where are the new jobs going to come from and what is Congress doing about it?

I certainly do not tell them what the gentleman from Georgia said. I do not

say we are already doing everything that can be done. I say we are doing not nearly enough, but I am working hard to do more.

We have got to be the most innovative economy in the world. We have got to be where every new research, where all the new research happens first, and where we turn that research into a commercial application to create jobs.

Mr. Speaker, the advanced technology program, ATP, works with industry in this very, very competitive world market, to work with industry to create new technologies, to get them up, to get them running, to get patents, to do a proof of concept. It is about the only source of patient capital for many high-tech small companies in areas like nanotechnology where we really need to be at the forefront.

Most of the debate about jobs, Mr. Speaker, is what are we going to do about jobs between now and the next election. The ATP should be a debate about what are we going to do about jobs for the next generation.

Mr. Speaker, I oppose this rule without the Honda amendment.

Mr. GINGREY. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. GILLMOR), a member of the Committee on Energy and Commerce.

Mr. GILLMOR. Mr. Speaker, I thank the gentleman for yielding me time.

I rise in support of the rule and in support of H.R. 250. I would like to commend the gentleman from New York (Mr. BOEHLERT) and also my colleague, the gentleman from Michigan (Mr. EHLERS), for their leadership on this very important issue.

On August 1, I had the opportunity to host the Manufacturing Roundtable in my district with assistant secretaries from the Departments of Commerce and Labor, Al Frink and Emily DeRocco. During this event we listened to the concerns of a wide variety of manufacturers, large and small, about the future of their industry. Among their main interests was the role that technology will play in keeping America competitive in the global marketplace.

This industry remains vital to our standing in the world and necessitates a continued and sincere investment in the future of manufacturing. Through H.R. 250, we begin to manage a problem facing manufacturers of all sizes: the use of emerging technologies.

Mr. Speaker, the government does not create jobs or grow the economy. Instead, the government can produce an environment conducive to economic growth and job creation.

□ 1215

Thanks to sound public policy decisions such as H.R. 250, we are now able to effectively address the problems facing the manufacturing community and create the environment in which manufacturers can grow and flourish.

By passing H.R. 250, Congress is producing a climate in the manufacturing

industry that can yield more jobs, improve productivity, and increase our competitive advantage in the global economy.

I would urge all our colleagues to support this positive and pro-growth legislation. Let us support our country's manufacturers and pass this important legislation.

Mr. McGOVERN. Mr. Speaker, I yield 1 additional minute to the gentleman from Tennessee (Mr. GORDON).

Mr. GORDON. Mr. Speaker, I have asked a member of the Committee on Rules to explain why we did not have an opportunity to vote on the ATP program to bring more jobs to this country, and I did not get a satisfactory answer.

I asked a very informed member of the Committee on Science to explain why we could not get a vote on the ATP program, which is so important.

Now we have a member of the Committee on Energy and Commerce, the gentleman from Ohio (Mr. GILLMOR) here. Before the gentleman leaves, let us give the Committee on Energy and Commerce an opportunity to explain why we should not have a vote on the ATP program to bring more and better jobs to this country.

I yield to the gentleman from Ohio (Mr. GILLMOR).

Mr. GILLMOR. Mr. Speaker, I yield back.

Mr. GORDON. Mr. Speaker, it is beyond me why we do not bring the best of ideas, Democrat, Republican, Independent, in here to try and create more and better jobs. I am really startled and shocked.

Mr. McGOVERN. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. HONDA).

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

Mr. HONDA. Mr. Speaker, I rise today in opposition to the rule for consideration of H.R. 250, the Manufacturing Technology Competitiveness Act.

I oppose this rule because it does not make in order a very reasonable amendment which would have added a 1-year authorization for the Advanced Technology Program at the National Institute of Standards and Technology.

There is no real logical reason for not allowing me to offer the amendment, and I think the gentleman from Tennessee (Mr. GORDON) has proven that over and over again when we provide opportunities for the other side to respond to the question. I think I have the answer.

In our subcommittee meeting, we had a conversation when we were dealing with ATP, my amendment; and when I asked the question, why has this not been supported, the chairman said a little bit hesitantly, and I think he was a little embarrassed, he said that the President does not want to see this in the bill, and I will be just straightforward; that is what he said.

It seems to me that the President proposes, as the saying goes, and Con-

gress disposes. It is our job to put things into the bill. It is his job to either sign the bill or not sign the bill. If he does not like this, he should veto it; but at least we should have the opportunity to debate this on the floor, because we did not have that opportunity in subcommittee.

It seems to me that if we understand that small business is 70 percent of the economic machine of this country, and if the President himself has said that he adores and he embraces small business in this country, his words seem to ring very hollow if he is not willing to fund ATP.

There are no problems with ATP. It is a program that has been going for years, since the first Bush administration. It has been supported bipartisanly. What is happening is the funding is being cut slowly over and over and over again, so that what we do is end up starving the beast.

Mr. Speaker, I urge that we allow this to be heard. It is an egregious abuse of power.

Mr. GINGREY. Mr. Speaker, I continue to reserve the balance of my time.

Mr. McGOVERN. Mr. Speaker, I yield 2½ minutes to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Speaker, I thank my friend from Massachusetts for the time.

H.R. 250 should have been a good idea. It makes sense to encourage ties between manufacturers and academic institutions; but as the gentleman from Tennessee (Mr. GORDON) and the gentleman from California (Mr. HONDA) said, the restrictive rule prevented consideration of a number of amendments that would have improved the bill, especially amendments to strengthen the Advanced Technology Program, which is especially important in manufacturing-intensive States like the gentleman from Ohio's (Mr. GILLMOR) and mine, which struggles with ever-increasing energy costs.

We also missed an opportunity today to dramatically increase funding for MEP and to target increased Federal assistance to States that have suffered especially high manufacturing job-loss rates.

The story of this bill is a story of missed opportunity. This Congress has no manufacturing policy. We pass trade bill after trade bill. Our trade deficit has gone from \$38 billion my first year when I ran for Congress 12 years, 13 years ago, to \$617 billion, from \$38 billion to \$617 billion in a dozen years. Job loss has become more and more prevalent.

Whether it is Tennessee or Michigan or California or Massachusetts or my State of Ohio, we have lost almost a quarter million manufacturing jobs in the last 5 years; and as the gentleman from New York (Mr. RANGEL) and the gentleman from Michigan (Mr. LEVIN) know, we continue passing tax legislation that gives incentives to companies, the large manufacturers that

outsource to India and China, rather than giving incentives to companies that manufacture in this country.

Mr. Speaker, we need a manufacturing policy. What the gentleman from California (Mr. HONDA) and the gentleman from Tennessee (Mr. GORDON) have advocated will move us in that direction. We should defeat the rule. We should start again and do it right.

Mr. McGOVERN. Mr. Speaker, I yield 2½ minutes to the gentleman from Massachusetts (Mr. FRANK).

(Mr. FRANK of Massachusetts asked and was given permission to revise and extend his remarks, and include extraneous material.)

Mr. FRANK of Massachusetts. Mr. Speaker, the senior Democrat on the committee, the gentleman from Tennessee, has tried very hard to get an answer as to why a very straightforward amendment could not be voted on, and he could not get an answer.

I will tell him he could not get an answer because the real answer is embarrassing. We have got now increasing unhappiness on the conservative wing of the Republican Party, its dominant wing, about the notion that we should have democracy on the floor of the House of Representatives.

We had a bill that was voted out of the Committee on Financial Services 65 to 5. It is being held off the floor despite the urgings of the chairman of the committee and the two relevant subcommittee chairmen because the conservatives think the House might vote wrong, and they have now acknowledged this.

In the September 19 Washington Times, talking about the hate crimes amendment which was adopted because we had an open rule, here is what the gentleman from Indiana (Mr. PENCE), the chairman of the Republican Study Committee, says: "Our side lets this hate-crimes amendment get into a children's protection bill because we let it come to the floor on an open rule, a vehicle made for liberals to use."

So that is the problem. Apparently the right wing has gotten so little confidence in its ability to win votes on the floor that they now consider openness a liberal plot.

The gentleman from North Carolina (Mr. McHENRY), according to the article, says he does not know how or why the House leadership allowed the children's safety bill to come to the floor under an open rule, meaning unlimited amendments could be proposed and voted on.

To quote the gentleman from North Carolina (Mr. McHENRY): "As members of the majority party, we're asking: How could we allow this to happen? Why did we give the opposition an easy route to victory?"

Well, it used to be called democracy and open procedures. So what we have is an acknowledgment by this very conservative wing that their position could not sustain itself in open debate and vote on the floor of the House, and

so they are insisting that the House Committee on Rules not let things come up.

That is the answer to the gentleman from Tennessee. His amendment was not allowed in order because it would have won. I guarantee him, if they were convinced they could have beat it, they would have let it come in.

I have to repeat, with this now open repudiation of the notion that the House should be allowed to work its will, and I know we do not address people watching on television, I will say this to my colleagues, Mr. Speaker, if there are people in the newly elected parliament of Afghanistan or the constituent assembly in Iraq are watching, as we preach to them democracy, as we tell them as members of a legislative body they should express the will of the people, if they understand this new opposition on the part of the conservatives who dominate the Republican Party, the openness on the floor of the House, please do not try this at home.

[From the Washington Times, Sept. 19, 2005]

HATE-CRIME ADD-ON TO CHILD SAFETY BILL

IRKS HOUSE GOP

(By Ralph Z. Hallow)

The chairman of the 100-member House Republican Study Committee says conservative lawmakers, already angry about what they see as out-of-control spending, are furious over passage last week of a bill that included an amendment expanding federal hate-crimes protections.

"House conservatives barraged me with their frustration and concern over this bill," said Indiana Rep. Mike Pence, the RSC chairman. "Our guys are starting to spoil for a fight after this bill."

The bill, which passed 223-199, would federalize local crimes if the suspected motive is animosity toward homosexuals or "transgender" persons. Existing federal hate-crimes laws already cover women and minorities.

With the help of 30 mostly liberal Republicans, Democrats succeeded in making the measure part of a children's safety bill in a move that took conservatives by surprise.

"First, we have \$50 billion in new spending for Hurricane Katrina relief, with no offsets in other spending," Mr. Pence said. "Next thing, our side lets this hate-crimes amendment get into a children's protection bill because we let it come to the floor on an open rule—a vehicle made for liberals to use."

North Carolina Rep. Patrick T. McHenry, another conservative Republican, says he doesn't know how or why the House Republican leadership allowed the children's safety bill to come to the floor under an open rule, meaning unlimited amendments could be proposed and voted on.

"We gave the far left a ripe opportunity for success," Mr. McHenry said. "As members of the majority party, we're asking: How could we allow this to happen? Why did we give the opposition an easy route to victory?"

Conservatives in Congress have fought hate-crimes measures, saying such legislation bestows on government the power to presume to know and to punish criminal motives, rather than the crimes themselves.

Rep. John Conyers Jr., Michigan Democrat, presented the hate-crimes legislation in the form of an amendment to House Judiciary Chairman F. James Sensenbrenner Jr.'s children's safety bill, which strengthens the monitoring of child sex offenders and increases penalties for molestation.

Co-sponsors of the hate-crimes amendment included Massachusetts Rep. Barney Frank and Wisconsin Rep. Tammy Baldwin, both Democrats, and Connecticut Rep. Christopher Shays and Florida Rep. Ileana Ros-Lehtinen, both Republicans.

Mr. Pence says House Republicans voted to pass the child-safety bill—it sailed through on a 371-52 vote—with the Conyers hate-crimes amendment attached because they wanted the children's protection portion and thought the Conyers amendment would not survive joint House-Senate conference re-working of the bill.

"I voted for [the measure] thinking it would be fixed in conference," Mr. Pence said. "I hope it will, but there are rumblings that the Senate may take the bill as is and pass it and send it to the president, which would be very frustrating to a lot of us."

"But I have enough confidence in Chairman Sensenbrenner that he will clean this bill up."

Mr. McGOVERN. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. LEVIN).

Mr. LEVIN. Mr. Speaker, I simply want to say, listening to this debate, to the gentleman from Georgia; to my friend from Michigan; to the gentleman from California (Mr. DREIER), the chairman of the Committee on Rules; and to the Speaker of the House; and to the gentleman from Texas (Mr. DELAY), this is outrageous. You have no excuse. Three million manufacturing jobs lost in the last 4 years or so, another 110,000 the first 8 months, and you will not allow a debate on an amendment that relates to manufacturing, the ATP amendment of Mr. HONDA's.

This shows two things: number one, an abuse of power. This is no longer the House of the people. This is the House of people who mistake autocracy for democracy. Secondly, do not stand up with your platitudes about caring about manufacturing when you will not even allow us to debate a bill that relates to an instrumentality. What has ATP done? Oh, not industrial policy. It has funded path-finding research in composites, high temperature superconductors, next-generation liquid crystal displays, and low-cost manufacturing for digital mammography which is in the news every day now. And you will not even debate it. It is a shame.

Mr. McGOVERN. Mr. Speaker, I yield 1 minute to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Speaker, I come from the State of Ohio where any debate over manufacturing technology is taken to heart because Ohio is one of those States which has had heavy job losses in manufacturing; but I look at this bill and this restrictive rule, and it really does not address some of the underlying issues.

How can we advance manufacturing technology competitiveness in this country if we really do not have a national strategy to do so? We are legislating piecemeal here and often missing the mark. We cannot have a manufacturing strategy if it does not take into account manufacturing job losses that come because of our trade practices.

So what has happened here is that Congress is called upon to take action in areas that are only piecemeal; that are not going to protect existing industries; that will not surely provide opportunities for the future. We are already being overtaken by China and other countries. This bill falls short. The rule is restrictive, and I join my colleagues in raising objections.

Mr. MCGOVERN. Mr. Speaker, I yield 30 seconds to the gentleman from Tennessee (Mr. GORDON).

Mr. GORDON. Mr. Speaker, let me just first say I do not want to offend anyone personally here today, and this is not a personal argument. It is just that because I know the Republicans here just like myself work hard, they care about their country and they go home most every weekend like I do. I want to go home again this weekend. I will meet somebody else with tears in their eyes saying I have lost my job, help me.

We have a chance to help them today. Why in the world can we not have an open rule, bring every idea, Democrat, Republican, Independent, before us and try to create more and better jobs?

I am going to vote against this rule so that we can have an open debate and bring more and better jobs to this country.

Mr. MCGOVERN. Mr. Speaker, I yield myself the remaining time.

Let me close by again urging all my colleagues to vote “no” on this rule. The Committee on Rules used to be a tool to manage debate. It is now used as a weapon to stifle debate.

There is no excuse whatsoever why the gentleman from California’s (Mr. HONDA) amendment was not made in order, and no one on the other side has been able to even defend the omission of the gentleman from California’s (Mr. HONDA) amendment.

Yesterday, when Democrats balked at an amendment to the Head Start reauthorization bill that would allow religious institutions to discriminate, the other side, the Republicans, said, no, well, let the House work its will; that is what the House of Representatives is there for. Why is it okay for the House to work its will on that amendment, but not on the gentleman from California’s (Mr. HONDA) amendment?

The fact of the matter is this economy under Bush has performed abysmally when it has come to manufacturing. We have lost millions and millions and millions of jobs. We need to do more. The administration needs to do more, but Congress needs to do more as well.

Another 7,000 manufacturing jobs were lost in May. The manufacturing sector in this country continues to suffer. They do not want reauthorization bills with new programs that are not funded. They want us to actually put our money where our rhetoric is.

Mr. Speaker, I urge a “no” vote on the rule.

□ 1230

Mr. GINGREY. Mr. Speaker, I yield myself the balance of my time. I rise again in support of House Resolution 451 and the underlying bill.

I want to thank my colleagues for a very productive discussion on this very important piece of legislation. Additionally, I would again like to recognize the chairman of the Committee on Science, the gentleman from New York (Mr. BOEHLERT), and the subcommittee chairman, the gentleman from Michigan (Mr. EHLERS), for all of their work on the committee and the final result, H.R. 250.

Mr. Speaker, despite the fact that this economy has added over 4 million jobs in less than 2 years, we should not limit our potential growth or fail to protect against any future threats to our economic base. For this reason, H.R. 250 epitomizes innovative thinking in an ever-competitive global marketplace. From the establishment of an Interagency Committee on Manufacturing Research and Development, to the reauthorization of the Manufacturing Extension Partnership program, this bill goes a long way to ensure that our manufacturers are partnered with the resources they need to retool for more efficient production and to be innovative in the future.

I want to point out to my colleagues on the other side that this bill in the last Congress was killed in the Senate over disagreement regarding ATP, the Advanced Technology Program. One of Abraham Lincoln’s famous quotes was this: “When it is not possible to achieve the best, it is best to achieve the possible.” And these manufacturers need this MEP program and they need this bill, and that is what we are doing here today.

Mr. Speaker, I wholeheartedly believe American manufacturers should be allowed to compete openly and fairly in this global marketplace. This Congress must ensure that our manufacturers have every tool available to grow and to sell in any and all markets. Therefore, let us pass this bill and make sure that we are untying the hands of our manufacturers so they can fight and win in a global market. Mr. Speaker, I encourage my colleagues to support the rule and the underlying bill.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I am disappointed that despite the fact that the Manufacturing Technology Competitiveness Act of 2005 represents an important piece of legislation for this Congress as it did previously in the Science Committee and it is because of that I hoped this body would have taken into account all points of view. Unfortunately, four key Democratic amendments were rejected by the Rules Committee.

Mr. HONDA’s amendment would have authorized \$140 million for the vitally important Advanced Technology Program for Fiscal Year 2006. Mr. STUPAK’s amendment would have also authorized \$20 million for the Advanced Technology Program to hold a competition and issue awards for research to improve energy efficient and reduce domestic depend-

ence on gasoline and heating oil. Clearly, this kind of amendment is desperately needed at a time when people can barely afford to heat their homes and still have money left over to buy food. Mr. COSTELLO’s amendment would have required the Department of Commerce to release all staff reports done by Technology Administration staff relating to the off-shoring of American jobs, an issue that has never been fully addressed. Finally, Mr. CARNAHAN’s amendment would have struck the current language creating an Advisory Committee and established a Presidential Council on Manufacturing. It would have directed the Council to issue reports on selected topic areas and within 18 months issue a National Manufacturing Strategy. Clearly, these four amendments would have provided a more comprehensive approach to solving our manufacturing crisis.

In essence H.R. 250 is simply an authorization bill for all of the programs at the National Institute of Standards and Technology, NIST, except for the NIST’s Advanced Technology Program, ATP. H.R. 250 does authorize full funding for the Manufacturing Extension Partnership, MEP, which is also a NIST program. With the exception of ATP funding, H.R. 250 is an acceptable NIST authorization bill. However, it purports to be a manufacturing competitiveness and innovation bill—in these goals it falls far short.

Clearly, some of the provisions of this bill are positive in their intent, but they can be expanded without interfering with the core of the legislation. My Democratic colleagues have offered a number of good Amendments which should have been allowed through the Rules Committee in order to take in all points of view. Together this body could have truly enhanced the Manufacturing Technology Competitiveness Act of 2005.

Mr. UDALL of Colorado. Mr. Speaker, I rise in opposition of this rule, though there are some positive aspects to highlight.

I am pleased that the Rules Committee made several amendments in order, specifically my own amendment increasing funding to the Advance Technological Education program and Mr. GORDON’s amendment requesting a three-year programmatic and operational plan for the Manufacturing Extension Partnership.

However, I feel this rule would have been improved by making in order Mr. HONDA’s amendment authorizing the Advanced Technology Program. This legislation has been described as a means to create jobs and support manufacturing. ATP does just this. This program has proven results and is an effective investment for our manufacturing and technological industries. The Committee’s decisions seem short-sighted, especially since the manufacturing sector is still suffering. Mr. HONDA’s amendment deserves debate on the floor and I feel the Rules Committee has missed an opportunity to improve this bill.

In the end I did not feel that the good outweighed the bad in this rule. So I will be voting against the rule and I urge members to do the same.

Mr. GINGREY. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore (Mr. SHIMKUS). The question is on ordering the previous question.

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

Mr. GINGREY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

PROVIDING FOR CONCURRENCE BY HOUSE WITH AMENDMENT IN SENATE AMENDMENT TO H.R. 3768, KATRINA EMERGENCY TAX RELIEF ACT OF 2005

Mr. MCCRERY. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 454) providing for the concurrence by the House with an amendment in the amendment of the Senate to H.R. 3768.

The Clerk read as follows:

H. RES. 454

Resolved, That, upon the adoption of this resolution, the House shall be considered to have taken from the Speaker's table the bill H.R. 3768, with the Senate amendment thereto, and to have concurred in the Senate amendment to the bill with the following amendment:

In lieu of the matter proposed to be inserted by the amendment of the Senate to the bill, insert the following:

SECTION 1. SHORT TITLE, ETC.

(a) **SHORT TITLE.**—This Act may be cited as the “Katrina Emergency Tax Relief Act of 2005”.

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

Sec. 1. Short title, etc.

Sec. 2. Hurricane Katrina disaster area.

TITLE I—SPECIAL RULES FOR USE OF RETIREMENT FUNDS FOR RELIEF RELATING TO HURRICANE KATRINA

Sec. 101. Tax-favored withdrawals from retirement plans for relief relating to Hurricane Katrina.

Sec. 102. Recontributions of withdrawals for home purchases cancelled due to Hurricane Katrina.

Sec. 103. Loans from qualified plans for relief relating to Hurricane Katrina.

Sec. 104. Provisions relating to plan amendments.

TITLE II—EMPLOYMENT RELIEF

Sec. 201. Work opportunity tax credit for Hurricane Katrina employees.

Sec. 202. Employee retention credit for employers affected by Hurricane Katrina.

TITLE III—CHARITABLE GIVING INCENTIVES

Sec. 301. Temporary suspension of limitations on charitable contributions.

Sec. 302. Additional exemption for housing Hurricane Katrina displaced individuals.

Sec. 303. Increase in standard mileage rate for charitable use of vehicles.

Sec. 304. Mileage reimbursements to charitable volunteers excluded from gross income.

Sec. 305. Charitable deduction for contributions of food inventory.

Sec. 306. Charitable deduction for contributions of book inventories to public schools.

TITLE IV—ADDITIONAL TAX RELIEF PROVISIONS

Sec. 401. Exclusions of certain cancellations of indebtedness by reason of Hurricane Katrina.

Sec. 402. Suspension of certain limitations on personal casualty losses.

Sec. 403. Required exercise of authority under section 7508A for tax relief relating to Hurricane Katrina.

Sec. 404. Special rules for mortgage revenue bonds.

Sec. 405. Extension of replacement period for nonrecognition of gain for property located in Hurricane Katrina disaster area.

Sec. 406. Special rule for determining earned income.

Sec. 407. Secretarial authority to make adjustments regarding taxpayer and dependency status.

TITLE V—EMERGENCY REQUIREMENT

Sec. 501. Emergency requirement.

SEC. 2. HURRICANE KATRINA DISASTER AREA.

For purposes of this Act—

(1) **HURRICANE KATRINA DISASTER AREA.**—The term “Hurricane Katrina disaster area” means an area with respect to which a major disaster has been declared by the President before September 14, 2005, under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act by reason of Hurricane Katrina.

(2) **CORE DISASTER AREA.**—The term “core disaster area” means that portion of the Hurricane Katrina disaster area determined by the President to warrant individual or individual and public assistance from the Federal Government under such Act.

TITLE I—SPECIAL RULES FOR USE OF RETIREMENT FUNDS FOR RELIEF RELATING TO HURRICANE KATRINA

SEC. 101. TAX-FAVORED WITHDRAWALS FROM RETIREMENT PLANS FOR RELIEF RELATING TO HURRICANE KATRINA.

(a) **IN GENERAL.**—Section 72(t) of the Internal Revenue Code of 1986 shall not apply to any qualified Hurricane Katrina distribution.

(b) **AGGREGATE DOLLAR LIMITATION.**—

(1) **IN GENERAL.**—For purposes of this section, the aggregate amount of distributions received by an individual which may be treated as qualified Hurricane Katrina distributions for any taxable year shall not exceed the excess (if any) of—

(A) \$100,000, over

(B) the aggregate amounts treated as qualified Hurricane Katrina distributions received by such individual for all prior taxable years.

(2) **TREATMENT OF PLAN DISTRIBUTIONS.**—If a distribution to an individual would (without regard to paragraph (1)) be a qualified Hurricane Katrina distribution, a plan shall not be treated as violating any requirement of the Internal Revenue Code of 1986 merely because the plan treats such distribution as a qualified Hurricane Katrina distribution, unless the aggregate amount of such distributions from all plans maintained by the employer (and any member of any controlled group which includes the employer) to such individual exceeds \$100,000.

(3) **CONTROLLED GROUP.**—For purposes of paragraph (2), the term “controlled group” means any group treated as a single employer under subsection (b), (c), (m), or (o) of section 414 of such Code.

(c) **AMOUNT DISTRIBUTED MAY BE REPAYED.**—

(1) **IN GENERAL.**—Any individual who receives a qualified Hurricane Katrina dis-

tribution may, at any time during the 3-year period beginning on the day after the date on which such distribution was received, make one or more contributions in an aggregate amount not to exceed the amount of such distribution to an eligible retirement plan of which such individual is a beneficiary and to which a rollover contribution of such distribution could be made under section 402(c), 403(a)(4), 403(b)(8), 408(d)(3), or 457(e)(16) of such Code, as the case may be.

(2) **TREATMENT OF REPAYMENTS OF DISTRIBUTIONS FROM ELIGIBLE RETIREMENT PLANS OTHER THAN IRAS.**—For purposes of such Code, if a contribution is made pursuant to paragraph (1) with respect to a qualified Hurricane Katrina distribution from an eligible retirement plan other than an individual retirement plan, then the taxpayer shall, to the extent of the amount of the contribution, be treated as having received the qualified Hurricane Katrina distribution in an eligible rollover distribution (as defined in section 402(c)(4) of such Code) and as having transferred the amount to the eligible retirement plan in a direct trustee to trustee transfer within 60 days of the distribution.

(3) **TREATMENT OF REPAYMENTS FOR DISTRIBUTIONS FROM IRAS.**—For purposes of such Code, if a contribution is made pursuant to paragraph (1) with respect to a qualified Hurricane Katrina distribution from an individual retirement plan (as defined by section 7701(a)(37) of such Code), then, to the extent of the amount of the contribution, the qualified Hurricane Katrina distribution shall be treated as a distribution described in section 408(d)(3) of such Code and as having been transferred to the eligible retirement plan in a direct trustee to trustee transfer within 60 days of the distribution.

(d) **DEFINITIONS.**—For purposes of this section—

(1) **QUALIFIED HURRICANE KATRINA DISTRIBUTION.**—Except as provided in subsection (b), the term “qualified Hurricane Katrina distribution” means any distribution from an eligible retirement plan made on or after August 25, 2005, and before January 1, 2007, to an individual whose principal place of abode on August 28, 2005, is located in the Hurricane Katrina disaster area and who has sustained an economic loss by reason of Hurricane Katrina.

(2) **ELIGIBLE RETIREMENT PLAN.**—The term “eligible retirement plan” shall have the meaning given such term by section 402(c)(8)(B) of such Code.

(e) **INCOME INCLUSION SPREAD OVER 3 YEAR PERIOD FOR QUALIFIED HURRICANE KATRINA DISTRIBUTIONS.**—

(1) **IN GENERAL.**—In the case of any qualified Hurricane Katrina distribution, unless the taxpayer elects not to have this subsection apply for any taxable year, any amount required to be included in gross income for such taxable year shall be so included ratably over the 3-taxable year period beginning with such taxable year.

(2) **SPECIAL RULE.**—For purposes of paragraph (1), rules similar to the rules of subparagraph (E) of section 408A(d)(3) of such Code shall apply.

(f) **SPECIAL RULES.**—

(1) **EXEMPTION OF DISTRIBUTIONS FROM TRUSTEE TO TRUSTEE TRANSFER AND WITHHOLDING RULES.**—For purposes of sections 401(a)(31), 402(f), and 3405 of such Code, qualified Hurricane Katrina distributions shall not be treated as eligible rollover distributions.

(2) **QUALIFIED HURRICANE KATRINA DISTRIBUTIONS TREATED AS MEETING PLAN DISTRIBUTION REQUIREMENTS.**—For purposes of such Code, a qualified Hurricane Katrina distribution shall be treated as meeting the requirements of sections 401(k)(2)(B)(i),