

The threats of attachment or other judicial process against (i) the Development Fund for Iraq, (ii) Iraqi petroleum and petroleum products, and interests therein, and proceeds, obligations, or any financial instruments of any nature whatsoever arising from or related to the sale or marketing thereof, or (iii) any accounts, assets, investments, or any other property of any kind owned by, belonging to, or held by, on behalf of, or otherwise for the Central Bank of Iraq create obstacles to the orderly reconstruction of Iraq, the restoration and maintenance of peace and security in the country, and the development of political, administrative, and economic institutions in Iraq. Accordingly, these obstacles continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. For these reasons, I have determined that it is necessary to continue the national emergency protecting the Development Fund for Iraq, certain other property in which Iraq has an interest, and the Central Bank of Iraq, and to maintain in force the sanctions to respond to this threat.

GEORGE W. BUSH.
THE WHITE HOUSE, May 18, 2006.

COMMUNICATION FROM THE HON.
STEVEN C. LATOURETTE, MEM-
BER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Honorable STEVEN C. LATOURETTE, Member of Congress:

14TH DISTRICT, OHIO,
CONGRESS OF THE UNITED STATES,
Washington, DC, May 15, 2006.

Hon. J. DENNIS HASTERT,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you, pursuant to Rule VIII of the Rules of the House of Representatives, that I have been served with a civil subpoena for documents and testimony issued by the Cuyahoga County, Ohio Court of Common Pleas.

After consulting with the Office of General Counsel, I will make the determinations required by Rule VIII of the Rules of the House.

Sincerely,

STEVEN C. LATOURETTE.

GULF COAST RENEWAL CAMPAIGN

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

Ms. WATSON. Mr. Speaker, in the months following Hurricanes Katrina and Rita, FEMA sent notices to survivors indicating that they would receive up to 1 year of assistance. FEMA has recently announced that 55,000 families of Katrina survivors currently receiving housing emergency shelter assistance will have their housing assistance terminated or reduced significantly as of this May 31.

Survivors are supposed to apply for assistance under section 408 and, if the application is accepted, they can reasonably expect further assistance up to 18 months from the date of the hurri-

cane. Some reports indicate, however, that the rate of rejection has been as high as 80 percent or four out of five household applicants. Also, section 408 individualized rental assistance required reapplication every 3 months.

Now, how many landlords offer 3-month leases? It has been a sham and a shame, Mr. Speaker. FEMA and this country has to do better to its evacuees.

Mr. Speaker, in the months following Hurricanes Katrina and Rita, FEMA sent notices to survivors indicating that they would receive up to one year of assistance. FEMA has recently announced that 55,000 families of Katrina survivors currently receiving housing "emergency shelter" assistance under Section 403 (Stafford Act) will have their housing assistance terminated or reduced significantly as of May 31, 2006.

Survivors are supposed to apply for assistance under Section 408, and if the application is accepted they can reasonably expect further assistance up to 18 months from the date of the hurricane. Some reports indicate, however, that the rate of rejection has been as high as 80% or 4 out of 5 household applicants. Households who are rejected but are still in distress must rely on the good will of local and state governments, even though they may not be actual constituents in those jurisdictions. Section 408 individualized rental assistance required re-application every 3 months. How many landlords offer 3 month leases? According to FEMA numbers, the reapplication rate is only 30 per cent. These facts raise very serious concerns regarding low income, elderly, disabled and other vulnerable persons among the displaced will find themselves with inadequate assistance, and there are reports of widespread despair, anxiety and lack of faith in the government.

Under FEMA regulations, only one head of household may apply for assistance. But this rule discriminates against low income African-American families from New Orleans, among whom multiple families living in one dwelling unit is common. Additionally, FEMA is telling many survivors whose applications have been refused that the basis for refusal is because their home has been deemed habitable, even when their homes are located in neighborhoods where no public services are available and where widespread destruction and environmental contamination remain. These inaccurate assessments of eligibility should be investigated and re-evaluated.

Section 408 Individualized assistance does not cover utilities. However, section 2501 of the Supplemental Bill now in Conference Committee grants FEMA the authority to provide funds to a state or local entity to pay for utility costs associated with the thousands of leases currently in place. It is essential that the Conference Committee leave this language in place, because without it many Katrina survivor households will be in further jeopardy of being unable to retain current housing leases.

FEMA has failed to submit its plan for permanent and transitional housing to Congress, which was due in January of 2006. Thus FEMA continues to operate without an overall plan, instituting more rolling deadlines and bureaucratic bungling which has brought additional hardship to survivors and their families.

FEMA has wasted hundreds of millions of dollars on mobile homes that have never been relocated to a place where survivors can use

them, and on trailers that cost as much as \$120,000 per unit after transport costs are paid, sometimes exceeding the cost of producing the unit. With FEMA set to receive \$9 billion or more from the Supplemental Bill now in Conference Committee, FEMA could use the housing envelope to simply purchase apartment buildings at a unit cost that would be less than trailers. This would allow for permanent, not temporary housing and would avert the jeopardy of returning residents being caught in trailers during hurricane season, which is only weeks away.

The President has the authority to institute alternative, comprehensive provisions for all Katrina survivors under the Stafford Act, and thus to ensure that no survivor is left homeless as a result of the disaster and subsequent evacuation.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. FITZPATRICK of Pennsylvania). Under the Speaker's announced policy of January 4, 2005, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

THE TRUTH ABOUT OIL PRICES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

Mr. DEFAZIO. Mr. Speaker, well, we heard some interesting debate on the floor today. There are those who allege, well, if only, if only we opened up our most sensitive coastal areas, areas that are critical, for instance, for our fisheries, that we could drill our way out of this crisis. We could drill our way out of high prices for oil and gas.

But as one gentleman from the Republican side pointed out, actually, that is far from the truth, because even if additional significant finds are made, they would be sold into a market which does not reflect the costs of the production of the oil or its origins. It is essentially a market controlled by OPEC, the cartel mostly based in the Middle East, that is violating international trade laws by colluding to restrict supply and drive up the price of crude oil. And the Bush administration, who are great fans of free trade, the World Trade Organization, and rules-based trade, refuses to file a complaint against OPEC. I guess they are scared of OPEC and their clout.

But the point is, even if these finds were made, for instance, today it costs about 28 bucks on average for a barrel of Texas crude. But guess what? It sells for \$70 a barrel.

Now, where does that other \$42 go, one wonders. Well, it goes, in good part, to speculators. It turns out that the trade in crude oil in the United States of America, only a quarter of that market is regulated and controlled by the government under the rules for commodities, Commodities

Futures Trading Commission. The rest of it is traded off the books. There is a lot of self-dealing going on, trades that would be illegal. One dealer sits next to another dealer and says trade, \$5. Trade you back, \$5. Trade you back, \$5; trade you back \$5, and suddenly we have jacked up the price to \$70 a barrel.

Experts say that if we merely took the step, totally within the authority of this administration and the Congress to bring crude oil under the regulation of the Commodity Futures Trading Commission, we would see an immediate 20 to 25 percent drop. That is not free-market oil. And then, if we took on OPEC and filed trade complaints against OPEC, we could further drive down the price.

Yes, there is a long-term problem with the availability of oil. Yes, we need to wean ourselves and become more energy efficient. But in the short-term, we don't need to allow the American consumers to be price gouged by the likes of ExxonMobil. Oh, they are not price gouging. They only made \$100 million a day last year. And they handed their retiring CEO a \$400 million pension. That is 4 days of gouging at the pump for ExxonMobil. That was no big skin off their backs. \$400 million extracted from American consumers unfairly. Price gouging.

So if we were to regulate the markets and, secondarily, tax the windfall profits. Now some say, oh, we tried that in the Carter administration. It won't work. No, we say, okay, we are going to tax your windfall profits unless you invest that money in new refinery capacity, unless you invest that in new production. Unless you invest it in alternate fuels, we will tax the heck out of it. We are not going to allow you to give 400 million bucks to your retiring CEO or the next retiring CEO. We are not going to allow you to price gouge consumers and buy back your stock to drive up the value of the stock options of all the people sitting on the board of directors. But if you put it to productive uses, then it won't be taxed away from you. So we could take those two steps and provide some immediate price relief to the American people.

And then we need to begin investing in alternate fuels. You know, it would be nice if instead of buying our oil from the Mid East and that incredibly volatile region, supporting many countries who are, you know, working with the terrorists against the United States of America with our dollars, if we became energy efficient like Brazil did. They had a vision 30 years ago. They decided they were not going to import oil anymore. It took them 30 years. Tell me we can't do that in the United States of America; that we can't move it toward biofuels and alternative fuels and more efficient and alternative technology.

Now, the President has talked about it, which is nice. It is a change. It is a big change. He is talking about it. But his budget doesn't contain any money to get us there. If you invested the

same amount of money into energy independence and efficiency that the President has proposed, if JFK had invested the same amount in getting us to the Moon, we wouldn't have gotten to the Moon yet. So he isn't following up on his rhetoric; might have something to do with his history with the oil industry and DICK CHENEY's history with the oil industry and every other member of the administration's history with the oil industry.

We can become energy independent and efficient and have a greater future for the American people.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

(Mr. JONES of North Carolina addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

FISCAL DISCIPLINE

Mr. MCHENRY. Mr. Speaker, I ask unanimous consent to take Mr. JONES' time.

The SPEAKER pro tempore. Without objection, the gentleman from North Carolina is recognized for 5 minutes.

There was no objection.

Mr. MCHENRY. Mr. Speaker, tonight I rise to talk about fiscal discipline. This House proudly passed a conservative budget last night with not a single vote from the opposition party. We passed a good budget last night that brings our Nation in the right direction.

Ronald Reagan correctly stated it, that we don't have deficits because people are taxed too little; we have deficits because big government spends too much. And our House budget that we passed last night, in essence, freezes non-defense discretionary spending, which is a strong thing to do, especially when we have government that is so out of control.

We have stopped the excesses that have been put in place over previous generations. Beyond that, we have put in place \$6.8 billion worth of entitlement reforms that are going to move our budget in the right direction.

It also prevents tax increases which the opposition party wants to put in place. Tax increases on capital gains, on dividends, on income, all the income tax cuts President Bush put in place over the last 5 years. Beyond that, it reforms AMT for another year, which is a good thing.

□ 2230

But beyond that it extends the tax reforms we put in place in 2001, 2003, and President Bush is responsible for, again with no votes from the Democrats.

Let us talk about what this version of tax simplification has done that this President has put in place. It has benefited every American who pays taxes.

Now, Mr. Speaker, there are some on the other side of the aisle, some Democrats, who say that President Bush gave a sop to the wealthy. Well, Mr. Speaker, I am happy to say that if you pay taxes in this country, you received a tax cut because of President Bush and the Republican Congress. However, if you do not pay taxes, if you do not pay taxes, you did not receive a tax cut.

Now, Mr. Speaker, I know there may be people in America who hear that and say that is ridiculous. If you do not pay taxes, you cannot receive a tax cut. But, indeed, that is what the Democrats and the liberals in this body are fighting for is giving a tax cut to those people who do not even pay taxes. I know it is nutty sounding. That is liberal lunacy for you. But these tax cuts put in place over the last 5 years have created 5.2 million new jobs and 138,000 new jobs were created in April alone, indeed moving in the right direction. And the budget we passed actually reduces the deficit, cuts it in half by 2011. That is a very good thing over the next 5 years, cutting it in half.

Beyond that, Mr. Speaker, I am proud to say that I voted for the Republican Study Committee, the conservatives in the House, and our version of budget reform. It was called the Contract with America Renewed. And a dear friend of mine, a good friend of mine, MIKE PENCE of Indiana, helped craft this budget along with JEB HENSARLING of Texas, and I am very proud and honored to have voted with them and to be a cosponsor of this conservative budget alternative.

And do you know what that budget did? Unfortunately, it had zero votes from the opposition on the other side of this body, but what it did was eliminate our budget deficit over the next 5 years and bring us to balance. That is what we need to have a debate on. How do we bring our budget back to balance? We on this side of the aisle want to cut excessive government spending, put some bureaucrats out of work, and let the American people keep more of what they earn. The Democrats' alternative is to raise your taxes. And I say that to every taxpaying American, Mr. Speaker.

But let me tell you this Republican Congress is getting ahold of the fiscal excesses of the past here in Washington, DC. For 40 years, Mr. Speaker, for 40 years, Washington, DC was governed with the mindset of more government is good, and we as the Republican Congress have to get ahold of this out-of-control bureaucracy, out of this out-of-control government excesses and bring us back to balance. And that is what this Republican Congress is doing, and I am proud to be fighting alongside my conservative brethren, the men and women in this House that want fiscal sanity.