

the Buy American Act protects the interests of American workers. However, because of a series of Memorandums of Understanding, MOUs, signed years ago between the Pentagon and other foreign defense agencies, a product can be made completely in Europe and be considered as if made in America and thus compliant with the Buy American Act. In return, U.S. defense articles are supposed to be considered by European procurement officials on the same grounds as European products. However, Europe protected its economic interests in these agreements by including European defense industrial base protections as one criterion in their source selection process. This didn't used to be a problem in the past. However, with the consolidation of major prime defense contractors in the United States and the relatively recent creation of the European Aeronautic Defense and Space Company, EADS, there has been more and more conflict in major U.S. defense procurements.

Section 805 of H.R. 5658 seeks to copy Europe's example. It simply allows the Pentagon to consider impacts on the U.S. industrial base during source selection for major defense acquisition programs. This section also authorizes defense acquisition officials to impose penalties on a contractor who misleads the Government regarding potential domestic industrial base impacts.

The bill also asks the Secretary of Defense to notify congressional defense committees at least 30 days before requesting a proposal for any major defense acquisition program that will not use a domestic industrial base evaluation factor during the source selection process. It also includes second and third level suppliers as part of the defense industrial base because the health of this sector of the economy cannot be measured solely by looking at the stock price of the large prime defense contractors.

As someone who voted for every free trade agreement since being elected to Congress in 1992, this section is not protectionism. Back in 1776, Adam Smith argued in his celebrated "Wealth of Nations"; that "(i)t is of importance that the kingdom should depend as little as possible upon its neighbors for the manufactures necessary for its defense." He supported a bounty—or a tax—on the export of British sailcloth and gunpowder to prevent other nations and potential enemies from benefiting from Great Britain's advantage in these products. If the founder of modern-day capitalism and free trade supported an exception to the free flow of trade in defense goods, then domestic sourcing preferences to protect our national security and defense industrial base must be considered consistent with the very foundation of free trade and capitalism.

Congress has a duty to be concerned with our nation's ability to build the weapons and equipment necessary to defend itself. Any argument founded merely on shopping for the best value without considering the larger defense industrial base will leave our great nation exposed and vulnerable. A nation that cannot produce the materials necessary for its defense will eventually become a second-rate power.

Now, some analysts have argued that we should not press for more domestic sourcing of defense articles because Europe and other nations buy more U.S. defense technology that we buy from them. These statistics, however, fail to account for the offsets in defense

sales required by other governments, including our friends in Europe.

According to a 2007 report entitled Offsets in Defense Trade prepared by the Bureau of Industry and Security of the Department of Commerce, over 98 percent of all U.S. defense sales to Europe were "offset" from 1993 to 2006. In other words, for every dollar a European government spent on U.S. defense equipment, the U.S. prime defense contractors had to provide 98 cents in industrial compensation arrangements to that government. These compensation arrangements range from requiring re-locating a share of the production of that defense item to that country to marketing that country's goods in the United States. However, the United States is prohibited by law to require of a foreign defense contractor to "offset" part of the cost of the proposed acquisition. Thus, our two-way defense trade with Europe is already heavily weighted in their favor.

Finally, Section 805 of H.R. 5658 will not launch a trade war because there have been several occasions in the past when European governments refused to buy from American companies because of their own defense industrial base concerns. In 2003, Pratt & Whitney lost a bid to EuroProp International (EPI) to supply the engine for the A400M European military troop transport plane despite the fact that their initial bid was 20 percent lower, they had a higher quality engine, and they committed to build a new assembly line in Europe and include 75 percent European content in the engine. According to the Financial Times on June 13, 2003, Airbus effectively declared Pratt & Whitney the winner until European governments intervened and promised financial support to EPI so it could drop its price and clinch the deal with a redesigned engine in order to keep all the work in Europe.

Similarly, in 2003, when Italy wanted to build a new fleet of search and rescue helicopters, Sikorsky and MD Helicopters were interested in bidding on the contract but were not even given the opportunity. The Italian government decided instead to award the contract without any competition to their national helicopter company—Augusta/Westland—on the grounds of "homeland security."

Mr. Chairman, encouraging the Pentagon to consider the defense industrial base as one factor in their contract decision-making process will help us safeguard over the long-term the knowledge and innovation that make our defense industry the best in the world. I urge my colleagues to support H.R. 5658 and, in particular, Section 805, throughout the legislative process.

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

The Acting CHAIRMAN. All time for general debate has expired.

Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. MURPHY of Connecticut) having assumed the chair, Mr. ELLISON, Acting Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H.R. 5658) to authorize appropriations for fiscal year 2009 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2009, and for other purposes, had come to no resolution thereon.

#### NATIONAL PUBLIC WORKS WEEK

The SPEAKER pro tempore (Mr. ELLISON). The unfinished business is the question on suspending the rules and agreeing to the resolution, H. Res. 1137.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Hawaii (Ms. HIRONO) that the House suspend the rules and agree to the resolution, H. Res. 1137.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

#### AUTHORIZING THE USE OF THE CAPITOL GROUNDS FOR THE DISTRICT OF COLUMBIA SPECIAL OLYMPICS LAW ENFORCEMENT TORCH RUN

The SPEAKER pro tempore. The unfinished business is the question on suspending the rules and agreeing to the concurrent resolution, H. Con. Res. 309.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Hawaii (Ms. HIRONO) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 309.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

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#### MOTORCYCLE SAFETY AWARENESS MONTH

The SPEAKER pro tempore. The unfinished business is the question on suspending the rules and agreeing to the resolution, H. Res. 339, as amended.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Hawaii (Ms. HIRONO) that the House suspend the rules and agree to the resolution, H. Res. 339, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the resolution, as amended, was agreed to.

A motion to reconsider was laid on the table.

#### RECOGNIZING THE IMPORTANCE OF BICYCLING IN TRANSPORTATION AND RECREATION

The SPEAKER pro tempore. The unfinished business is the question on

suspending the rules and agreeing to the concurrent resolution, H. Con. Res. 305.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Hawaii (Ms. HIRONO) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 305.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

#### LET OUR VETERANS REST IN PEACE ACT OF 2008

The SPEAKER pro tempore. The unfinished business is the question on suspending the rules and passing the bill, H.R. 3480, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Virginia (Mr. SCOTT) that the House suspend the rules and pass the bill, H.R. 3480, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to direct the United States Sentencing Commission to assure appropriate punishment enhancements for those involved in receiving stolen property where that property consists of grave markers of veterans, and for other purposes."

A motion to reconsider was laid on the table.

#### MAKING TECHNICAL CORRECTIONS TO PROVISION GRANTING SPECIAL IMMIGRANT STATUS FOR CERTAIN IRAQIS

The SPEAKER pro tempore. The unfinished business is the question on suspending the rules and passing the Senate bill, S. 2829.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Virginia (Mr. SCOTT) that the House suspend the rules and pass the Senate bill, S. 2829.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

#### EXTENDING PROGRAM RELATING TO WAIVER OF FOREIGN COUNTRY RESIDENCE REQUIREMENT WITH RESPECT TO INTER- NATIONAL MEDICAL GRADUATES

The SPEAKER pro tempore. The unfinished business is the question on

suspending the rules and passing the bill, H.R. 5571, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Virginia (Mr. SCOTT) that the House suspend the rules and pass the bill, H.R. 5571, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to extend for 5 years the program relating to waiver of the foreign country residence requirement with respect to international medical graduates, and for other purposes."

A motion to reconsider was laid on the table.

#### NATIONAL AUTISM AWARENESS MONTH

The SPEAKER pro tempore. The unfinished business is the question on suspending the rules and agreeing to the resolution, H. Res. 1106.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Maryland (Mr. WYNN) that the House suspend the rules and agree to the resolution, H. Res. 1106.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

#### REPORT ON RESOLUTION PRO- VIDING FOR FURTHER CONSID- ERATION OF H.R. 5658, DUNCAN HUNTER NATIONAL DEFENSE AUTHORIZATION ACT FOR FIS- CAL YEAR 2009

Mr. MCGOVERN, from the Committee on Rules, submitted a privileged report (Rept. No. 110-666) on the resolution (H. Res. 1218) providing for further consideration of the bill (H.R. 5658) to authorize appropriations for fiscal year 2009 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 2009, and for other purposes, which was referred to the House Calendar and ordered to be printed.

#### SENSE OF HOUSE REGARDING ES- TABLISHMENT OF A NATIONAL BRAIN TUMOR AWARENESS MONTH

The SPEAKER pro tempore. The unfinished business is the question on suspending the rules and agreeing to the resolution, H. Res. 1124, as amended.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by

the gentlewoman from Illinois (Ms. SCHAKOWSKY) that the House suspend the rules and agree to the resolution, H. Res. 1124, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the resolution, as amended, was agreed to.

A motion to reconsider was laid on the table.

#### REDUCING MATERNAL MORTALITY BOTH AT HOME AND ABROAD

The SPEAKER pro tempore. The unfinished business is the question on suspending the rules and agreeing to the resolution, H. Res. 1022, as amended.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Illinois (Ms. SCHAKOWSKY) that the House suspend the rules and agree to the resolution, H. Res. 1022, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the resolution, as amended, was agreed to.

A motion to reconsider was laid on the table.

#### SENSE OF CONGRESS REGARDING ESTABLISHMENT OF A BEBE MOORE CAMPBELL NATIONAL MINORITY MENTAL HEALTH AWARENESS MONTH

The SPEAKER pro tempore. The unfinished business is the question on suspending the rules and agreeing to the concurrent resolution, H. Con. Res. 134, as amended.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Maryland (Mr. WYNN) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 134, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the concurrent resolution, as amended, was agreed to.

A motion to reconsider was laid on the table.

#### NATIONAL OSTEOPOROSIS AWARE- NESS AND PREVENTION MONTH

The SPEAKER pro tempore. The unfinished business is the question on suspending the rules and agreeing to the resolution, H. Res. 369, as amended.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Illinois (Ms. SCHAKOWSKY) that the House suspend the rules and agree to the resolution, H. Res. 369, as amended.

The question was taken; and (two-thirds being in the affirmative) the