

Atlanta market will now be controlled by newly immunized SkyTeam members Delta and KLM.

The Committee on Transportation and Infrastructure received testimony in May 2008, which indicated that domestic competition could be hampered by immunized alliances. Concerns were expressed that U.S. members of immunized alliances could use the profits realized as a result of anticompetitive behavior to subsidize domestic flying.

In addition, fares in markets dominated by alliances have increased. In a summary of its 2005 study on immunized alliances, the Brattle Group noted that “there is evidence that immunized alliances have undertaken actions that raise their rivals’ costs of interlining at certain alliance-dominated hubs. The decline in competition at these hubs is further evidence of market power: immunized alliances have gained market share at their respective European hubs even as their fares have risen.” The Brattle Group also expressed concern that even if “inter-alliance competition is sufficient to discipline fares to destinations that can be served through more than one hub, it cannot do the same for destinations better served through a particular hub. Passengers to those destinations may be ‘captive’ to the dominant alliance at the hub, in the absence of non-alliance competition.”

As early as 1999, the Transportation Research Board (TRB), in its study *Entry and Competition in the U.S. Airline Industry*, expressed concern about the impact that global alliances with antitrust immunity may have on competition. The TRB stated that “although some travelers in connecting markets might benefit from these alliances, the potential gains to travelers in mainline markets—gateway to gateway routes where allied airlines were once main competitors—are not evident, and it is possible that these travelers are losing out.”

The TRB also expressed concern about the long-term impact of alliances on unaffiliated U.S. carriers, noting that the effect of such alliances could be exclusionary and “ultimately forcing some unaffiliated U.S. airlines out of international markets by diverting their feed traffic and weakening their overall route structure to the detriment of domestic competition.”

We cannot afford to be complacent about the threat to competition posed by these immunized airline alliances. To begin the discussion, I am introducing legislation that calls upon the Government Accountability Office, GAO, to study:

(1) The legal requirements and policies followed by the DOT in deciding whether to approve alliances and grant exemptions from the antitrust laws under 49 U.S.C. §§ 41308 and 41309;

(2) Whether there should be any changes to those policies or the legislative authority under which DOT determines whether to grant antitrust immunity; and

(3) Whether the DOT should exercise the right it has reserved to amend, modify or revoke any antitrust immunity previously granted.

Importantly, this legislation would sunset all immunity grants three years after the date of enactment. This is necessary to ensure that if the GAO finds that policy changes are needed, DOT will have the time to examine and implement them. U.S. and foreign air carriers can then reapply for antitrust immunity under any new policies adopted.

The GAO study will focus on the impact of immunized alliances on competition and customer service. It is important to assess whether these immunized alliances have resulted in a reduction of competition, increase in prices or other adverse effects or have used their market power to foreclose rival airlines from competing at alliance dominated hubs. Moreover, the GAO will be tasked with analyzing whether network size plays a role in adversely affecting competition and whether there is sufficient competition among immunized alliances to ensure consumers will receive benefits similar to those conferred by non-immunized alliances.

In addition, the bill directs the GAO to determine whether DOT’s and DOJ’s different regulatory and antitrust responsibilities for international alliances have created any significant conflicting agency recommendations and whether, from an antitrust standpoint, requests for antitrust immunity should be treated as mergers, and subject to a traditional merger analysis by the DOJ.

As the Brattle Group noted, the “move towards alliances has brought increased concentration to the transatlantic market, which highlights the importance of competition among alliances. This argues for caution on the part of regulatory officials in evaluating proposals likely to result in further increases in concentration. At a minimum, any substantial expansion in the scope of antitrust immunity offered to particular alliances (or combinations of alliances) should require compelling evidence that there are economic efficiencies that would justify the expanded immunity and that could not be achieved absent the immunity.”

This bill is an important step forward in determining whether DOT’s antitrust policies are sound and whether the DOT gives appropriate consideration to the impact that the granting of antitrust immunity might have on competition here and abroad.

As the evidence indicates, these immunized alliances hold great market power and have the potential for exercising that power to the exclusion of non-immunized carriers, thereby reducing competition in the international marketplace, as well as disrupting domestic competition. If these immunized mega-alliances are allowed to proceed unchecked, the end result may be trading government control in the public interest for private monopoly control in the interests of the industry.

INTRODUCTION OF THE “HATE CRIMES STATISTICS IMPROVEMENT ACT”

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 2009

Mrs. MALONEY. Madam Speaker, today, along with Representatives RAÚL GRIJALVA, HENRY WAXMAN, BARBARA LEE, LYNN WOOLSEY, FORTNEY PETE STARK, and ELIJAH CUMMINGS, I am reintroducing the “Hate Crimes Statistics Improvement Act” which will ensure that hate crimes motivated by gender are accounted for by the FBI and local law enforcement agencies. With accurate data, local communities can identify gender-based hate crimes in their area, ensure that the prosecution of such crimes is a priority, and chart their progress toward eliminating them.

In states with gender-based hate crimes laws, prosecutors typically must present concrete evidence that the criminal act was committed due to gender bias. Because not all crimes against women are gender-based crimes, prosecutors should have discretion in identifying what constitutes a gender-based hate crime. By collecting data on gender-based hate crimes, we send the message that we will not tolerate the violence targeted toward women throughout our country.

I urge my colleagues to support this important legislation.

HONORING MR. GERALD BORDERS

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 2009

Ms. EDDIE BERNICE JOHNSON of Texas. Madam Speaker, today I rise to celebrate the milestone of a long time friend of mine, Mr. Gerald Borders. On January 20, 2009 Gerald Borders of Dallas, Texas retired, completing a 44 year career with Texas Instruments. Mr. Borders’ career spanned a remarkable amount of change. In 1963, when he began his career as a contractor, Dallas suffered from segregated schools, public accommodations and facilities—including within Texas Instrument plant sites. He choose to coincide his retirement on the day of the Inauguration of Barak Obama, our Nation’s first African-American President.

I know that Mr. Borders thoroughly enjoyed his opportunities with Texas Instruments, in particular the time he spent as a full-time loaned executive to Paul Quinn College, a historically black college in the southern sector of Dallas. His time with Paul Quinn lead to a passion that would define the later phase of his career: education and economic development in the within that same southern sector in Dallas. One of Mr. Borders many projects mobilized tens of thousands of volunteer tutoring in Dallas’s public schools. Mr. Borders was a tireless advocate of the Dallas Together Forum, which leveraged the purchasing power of major corporations toward economic inclusion for minority and women owned businesses. He conceived of and administered the Texas Instruments Community Involvement Team, which commits philanthropic resources to diversity initiatives for investment in neighborhood non-profits. He is a tireless volunteer for the United Way of Metropolitan Dallas and among other roles, serves as chairman of their African American Leaders Society.

Mr. Borders’ knowledge, communications skills and leadership ability made him a highly sought after business leader by elected officials. For the past 15 years, I have requested that he host my Brain Trust Summit in Washington DC with the Congressional Black Caucus—an event that highlights the challenges and opportunities of science, engineering and math education within the African American community nationwide.

Madam Speaker, please join me in wishing Mr. Gerald Borders a well deserved retirement and a joyful and fulfilling future.

CONGRATULATIONS MRS.
BEATRICE ELLIOTT

HON. LYNN A. WESTMORELAND

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 2009

Mr. WESTMORELAND. Madam Speaker, I rise today to congratulate Mrs. Beatrice Elliott from the Third District of Georgia on her 104th birthday, a truly remarkable achievement meriting acknowledgement.

Mrs. Elliott, or "Mrs. Be" as she is most commonly known, celebrated this milestone on Jan. 8.

I want to commend Mrs. Be not only on reaching her extraordinary age but also on what she has managed to achieve over the years as an upstanding member of her community. Mrs. Be worked for more than 40 years as a teacher in Carroll and Coweta county school systems. The longevity of her tenure in the school system is a testament to her nurturing and caring attitude toward students and her commitment to the future generations of this country. Mrs. Be has played a significant role in expanding students' horizons and in building the stepping stones to academic and professional success for hundreds if not thousands of students.

Past students, family and friends hold Mrs. Be in high regard and have sincere respect for her character. It is no surprise that, after 104 years, Mrs. Be has amassed a large group of friends and a family that extends across four generations.

Mrs. Be's parents, the late Rev. and Mrs. William Parks, introduced her to the church at a young age. Her religious faith has played a central role throughout her long life. Mrs. Be now worships at Resurrection Baptist Church after spending many years as a member of Mt. Vernon Baptist.

Madam Speaker, I call on the U.S. House of Representatives to join me, Mrs. Be's family and the people of Georgia's Third Congressional District in celebrating Mrs. Be's significant milestone and wishing her a happy birthday. She is an inspiration to those who know her.

FEDERAL RESERVE BOARD
ABOLITION ACT

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 2009

Mr. PAUL. Madam Speaker, I rise to introduce legislation to restore financial stability to America's economy by abolishing the Federal Reserve. Since the creation of the Federal Reserve, middle and working-class Americans have been victimized by a boom-and-bust monetary policy. In addition, most Americans have suffered a steadily eroding purchasing power because of the Federal Reserve's inflationary policies. This represents a real, if hidden, tax imposed on the American people.

From the Great Depression, to the stagflation of the seventies, to the current economic crisis caused by the housing bubble, every economic downturn suffered by this country over the past century can be traced to Federal Reserve policy. The Fed has followed a con-

sistent policy of flooding the economy with easy money, leading to a misallocation of resources and an artificial "boom" followed by a recession or depression when the Fed-created bubble bursts.

With a stable currency, American exporters will no longer be held hostage to an erratic monetary policy. Stabilizing the currency will also give Americans new incentives to save as they will no longer have to fear inflation eroding their savings. Those members concerned about increasing America's exports or the low rate of savings should be enthusiastic supporters of this legislation.

Though the Federal Reserve policy harms the average American, it benefits those in a position to take advantage of the cycles in monetary policy. The main beneficiaries are those who receive access to artificially inflated money and/or credit before the inflationary effects of the policy impact the entire economy. Federal Reserve policies also benefit big spending politicians who use the inflated currency created by the Fed to hide the true costs of the welfare-warfare state. It is time for Congress to put the interests of the American people ahead of special interests and their own appetite for big government.

Abolishing the Federal Reserve will allow Congress to reassert its constitutional authority over monetary policy. The United States Constitution grants to Congress the authority to coin money and regulate the value of the currency. The Constitution does not give Congress the authority to delegate control over monetary policy to a central bank. Furthermore, the Constitution certainly does not empower the federal government to erode the American standard of living via an inflationary monetary policy.

In fact, Congress' constitutional mandate regarding monetary policy should only permit currency backed by stable commodities such as silver and gold to be used as legal tender. Therefore, abolishing the Federal Reserve and returning to a constitutional system will enable America to return to the type of monetary system envisioned by our nation's founders: one where the value of money is consistent because it is tied to a commodity such as gold. Such a monetary system is the basis of a true free-market economy.

In conclusion, Madam Speaker, I urge my colleagues to stand up for working Americans by putting an end to the manipulation of the money supply which erodes Americans' standard of living, enlarges big government, and enriches well-connected elites, by cosponsoring my legislation to abolish the Federal Reserve.

INTRODUCTION OF THE DISTRICT
OF COLUMBIA BUDGET AUTON-
OMY ACT OF 2009

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 3, 2009

Ms. NORTON. Madam Speaker, As we approach a vote on the D.C. House Voting Rights Act of 2009, it is not too early in the session to begin the next steps necessary to make the residents of the District of Columbia genuinely free and equal citizens. Other than to voting rights, the highest priority for District of Columbia residents in the 111th Congress

is their right to control the funds they themselves raise to support their city. Budget control is essential to the right to self-government. Therefore, today, I am introducing the District of Columbia Budget Autonomy Act of 2009 to give the District the right to enact its local budget without annual congressional oversight.

As a practical matter, permitting the city's budget to become law without coming to Congress would have multiple and immediate benefits for both the city and Congress. For the city, a timely budget means: eliminating the uncertainty of the congressional process that has a negative effect of the city's bond rating, which adds unnecessary interest costs for local taxpayers to pick up; significantly increasing the District's ability to make accurate revenue forecasts; and reducing the countless operational problems, large and small, that result because the city's budget cannot be implemented when enacted by the city. Of the many problems that would be eliminated, none is more important than aligning the school year with the typical state government July 1st fiscal year, instead of the congressional fiscal year, which starts in October, after the school year has begun.

Leaving the local enactment to the District would bring benefits to Congress as well. The D.C. budget often has had to come to the floor repeatedly before it passes because of controversial attachments, often of interest only to a few members who sue the D.C. appropriations to promote their pet ideological issues. Members then complain about the time and effort spent on the smallest appropriations that affect no other members. No budget autonomy bill can eliminate the possibility of riders because there are countless ways to attach riders, but our bill reduces the likelihood that unrelated riders will hold the city's local budget hostage and sometimes the appropriations process itself.

I am gratified that Congress itself has moved toward the position embodied in this bill. Congressional experience with the District's budget has matured, and neither party has made changes in recent years. At the same time, increasing recognition of the hardship and delays that the annual appropriations process causes has led Congress to begin freeing the city from the congressional appropriations network. In 2006, Congress approved the Mid-year Budget Autonomy bill, offering the first freedom from the federal appropriations process, the most important structural change for the city since passage of the Home Rule Act 36 years ago. As a result, the District can now spend its local funds all year without congressional approval instead of having to return mid-year to become a part of the federal supplemental appropriation in order to spend funds collected since the annual appropriations bill. Moreover, during the past few years, appropriators have responded to our concern about the hardships resulting from delays in enacting the D.C. appropriation. I appreciate our agreement that has allowed the local D.C. budget to be in the first continuing resolution, permitting the city, uniquely, to spend its local funds at the next year's level, even though the budgets for federal agencies are often delayed for months. This approach has ended the lengthy delay of the budget of a big city until an omnibus appropriations bill is filed, often months after October 1st.

There is no risk to the Congress passing the District of Columbia Budget Autonomy Act. By