

significantly improve our economy. We should not allow this important tax credit to expire. Congress must act quickly now to renew the first-time homebuyer tax credit.

**WE ARE OUR BROTHERS' AND
SISTERS' KEEPER**

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Thank you, Mr. Speaker, for your kindness and generosity.

I rise today for a number of thank yous and acknowledgments.

First of all, I think it is very important to acknowledge, when tragedy occurs, how important it is that this country, as it has often done, rallies around those around the world to help them in their time of need.

I want to pay tribute to one of our colleagues—to the delegate from American Samoa, Congressman FALEOMAVAEGA—who has in the last couple of weeks been subjected to terrible tragedies at home, for on September 29, 2009, American Samoa and other areas in the surrounding areas were impacted by an 8.3 earthquake, 8.3 on the Richter scale, which was recognized as the world's largest earthquake of 2009. Out of that earthquake came a terrible tsunami, one that struck American Samoa, Samoa and neighboring Tonga, sweeping people and cars out to sea as survivors fled to high ground.

We remember the tsunami of some years ago that impacted Sri Lanka, Indonesia and India in parts. I traveled to Sri Lanka, and realized that the devastation was enormous. So, when there was a tsunami with waves that reached up to 20 feet in height and that penetrated 1 mile inland, we knew how devastating that had to be. It caused death and destruction of a nearly unprecedented amount. The death toll as of October 7 is estimated at 32 in American Samoa and 135 in the independent state of Samoa.

Many individuals and families have suffered and are impacted, now lacking basic survival necessities, and they remain at risk of additional death due to the shortage of clean water and of adequate shelter and food. My colleague who represents the area has been working without ceasing, but the deep human disaster is evident.

So I rise today to thank the 300 responders from FEMA; the American Red Cross; the U.S. Army Corps of Engineers; the Department of Health and Human Services; and from other Federal agencies which rushed forward to help our fellow world citizens: The United States Navy; the United States Coast Guard; the Hawaii Air and National Guard; the U.S. Army Reserve; American Samoa under the leadership of Admiral Timothy J. Keating, commander of the U.S. Pacific Command; many, many others; and the foreign governments who came to their aid.

So it is important that we recognize that we are, in fact, our brothers' and sisters' keeper, and we thank those who have already come forward, but we look forward in this Congress to continue to work, as we have worked before, to ensure that they are re-stabilized. We must recognize the humanitarian response that is currently underway. We are, in essence, commending them, but it is important that we continue to encourage donors and other relief agencies to work with these vulnerable organizations in stricken areas because we know, having experience in the United States with the fires in California, with the floods in the Midwest, and with the terrible hurricanes in Florida, Louisiana and Texas, and we understand disaster. We are grateful for those who have helped, but we want and we need continued help.

We commend the over 100,000 Samoan residents in the United States from American Samoa and Samoa for coming to the aid of their fellow brothers and sisters. It is important for this Congress to not only pay tribute but to recognize that people are still hurting.

Let me end this by again thanking our American Representative—our delegate from American Samoa—and by thanking him for his strength.

Just for a moment, Mr. Speaker, I turn very briefly to join with my colleague who spoke earlier, Congresswoman KAPTUR, to say this point: Americans are still suffering. Foreclosures are still happening. Small businesses are still not getting access to capital. I beseech those who have received the larger part of the bailout because it was necessary to restore capital markets in a capitalistic system. None of us adhere to socialism, but we do adhere to helping ourselves and helping our brothers and sisters across America.

It is crucial for the banks of America to lend to Americans—to taxpayers, to homeowners, to business owners. Let them expand. Let them add new employees. Let them keep their homes. The tight credit market is choking us. It is killing hardworking Americans who, as I said, are the beneficiaries but yet the benefactors of those who are in need around the world, and it is important for our banks to listen. They were bailed out. They'd better listen to the American people.

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**IRAN'S NUCLEAR PROGRAM MUST
BE STOPPED**

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

Mr. BURTON of Indiana. I appreciated what my colleague just said about the banks, and one of the things that I think we ought to focus on in addition to that is that we are not energy independent and we're not allowed the

drill off the Continental Shelf or in the ANWR in Alaska or do other exploration for a number of reasons, not the least of which is, quote-unquote, environmental.

But at the same time we won't allow offshore drilling here, we just gave Brazil \$2 billion so they can drill off their shores. It just doesn't make any sense to me. We ought to be spending that money here at home exploring for oil so we can move towards energy independence. We have a 400- or 500-year supply of natural gas and we have plenty of oil if we just could go get it, and we can do it in an environmentally safe way.

Now the reason I bring that up is because one of the big problems we face is we get 35 to 40 percent of our oil from the Middle East, and one of the big problems facing the United States and the world right now is Iran. Iran has been developing a nuclear program, a nuclear weapons program for some time, and our position in the United States now, under the new administration, is to try to work with them, to talk with them to stop them with their nuclear development program. And if they don't, we're going to try to get a sanctions bill passed.

Now, we have a bill sponsored by the chairman of the International Relations Committee, Mr. BERMAN, that has over 300 cosponsors—I happen to be one of them—and we believe we ought to bring that bill to the floor as quickly as possible to try to put pressure on Iran to stop the development of the nuclear weapons program.

But the administration, I think, has suggested we should wait. They were trying to bring China and Russia on board, and China and Russia are not going to be on board. So we should do it by ourselves and we should do it expeditiously.

Let me tell you why I think it's so important. If Iran continues down this path, Israel—whom Iran has said they want to destroy—will have no choice but to defend itself. They cannot let Iran develop a nuclear bomb and a delivery system. If they do that, they will be able to destroy Israel and millions of Jews in Israel in a very short period of time. It will be another Holocaust.

So what will happen? If they get too far down the path, if we don't put pressure on them to stop—and they don't stop—I believe Israel will have no choice but to attack Iran. And if they attack Iran, that could end up in being a major conflagration in the entire Persian Gulf area.

Now, why is that important to us? We get 35 to 40 percent of our energy from the Persian Gulf area. If that goes up in smoke, we will lose 35 to 40 percent of the energy that we have in this country because we're not energy independent.

The lights that we have, the gasoline in our cars, the fuel we use to heat our houses, everything that needs energy will suffer, and we will have severe economic problems if this problem isn't

dealt with before a tragedy occurs over there.

This really bothers me. We tried to work with North Korea some time ago during the Clinton administration. We even had an agreement with them that they would stop their nuclear development program if we gave them some things, and we did. And what did they do? They lied and they went ahead with their program, and they are a nuclear power. They're using missiles that would be intercontinental in scope, testing them over the sea of Japan right now. And they've done that a number of times.

So we have to worry about them. We have to worry about North Korea and what they're going to do next. Can you imagine what it will be like once Iran develops a nuclear weapons program? They are committed to destroying Israel. They are committed to forcing their view of religion and religious beliefs on much of the rest of the world, and it could be a real problem for us. They don't like America very much either. And so we have a myriad of problems facing us if we don't get on with putting as much pressure as possible on Iran and doing it right now.

As we speak, they're developing their nuclear weapons program. They said they're going to let U.N. nuclear experts come in and police the area and see what they're doing. I don't believe that. I believe they will let us see one or two spots, but they're going to go on with their nuclear development program.

We must put pressure on them now. We must put pressure on them immediately, because if we don't, we're toying with a major problem, a major economic problem for America as well as a possible holocaust in that part of the world in the very near future.

IMPORTANCE OF INDUSTRY CLUSTERS TO A NATION

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

Mr. SOUDER. Mr. Speaker, I'm going to make a number of comments here that will be in the RECORD tomorrow. We'll also have the things I refer to—because I'm going to make a number of points—on our Web site in the next hour.

President Obama made his first visit after the stimulus package passed to Elkhart, Indiana, to Concord High School for a town hall meeting that straddles Congressman DONNELLY's and my district. Unemployment was 15.3 percent when he visited. It went higher, up to close to 20 percent. It's now at 16.5, I believe. In other words, we've gone backwards.

What he said that day—referring to a previous campaign visit there—"I promised you back then that, if elected, I'd do everything I could to help this community recover and that's why I come back today because I intend to keep my promise."

Now, some interesting things have been happening. We've heard about blaming the banks. You know, business, to invest, has to have an idea that a recovery is coming. It has to request the money. And part of the challenge here if they're uncertain whether they're going to get taxed in a small business tax, if they're uncertain whether they are going to be taxed in health care, if they're uncertain of what the energy costs are going to be in Indiana—because ours are projected to get hit harder than any other congressional district in America, and I have the number one manufacturing district—they aren't asking to borrow and the banks don't know how to value the assets.

We have to have a recovery, not taxes and pressures on industry. There's a classic book, "Competitive Advantage of Nations" by Michael Porter. He's written a lot of books since then, including one on health care I don't particularly agree with. But he's a very reflective man, and these are the basic principles of how you develop clusters.

He says, "Creating competitive advantage in sophisticated industries demands improvement and innovation—finding better ways to complete and exploiting them globally, and relentlessly upgrading the firm's products and processes."

In another section of the book he says, We "must create new advantages at least as fast as competitors can replicate old ones."

He also points out the United Kingdom, in their R&D, is among the highest compared to GDP of any nations, but top heavy government R&D. They don't have the private sector R&D, so they don't have the growth, and the growth they have is in the wrong areas.

Now, why do I bring this up? In a newsletter of "ORTHOKNOW, Strategic Insights Into the Orthopedic Industry," John Engelhardt reports the 10 to 30 percent tax in the Senate Finance Committee's bill that was passed yesterday would lead to roughly a tax of 50 percent of the R&D that the orthopedics industry does. For example, Zimmer—based in my district—in the orthopedics cluster, Zimmer would be taxed \$94.7 million and their R&D is \$194 million. They're the biggest orthopedic company.

Biomet—which I believe is the fourth or fifth biggest orthopedic company—would be taxed \$60.9 million. R&D estimate for 2008 was 82.2, and they had a loss.

Now, Michael Porter points out when you lose one or two, you lose that competitive pressure, that you cannot sustain R&D with the new taxes, especially if at the margins the cost of the tax is greater than the profits of the firm, let alone the R&D.

I also refer to a USA Today article of this morning that says, "Orthopedic Industry Has Enjoyed Fine Health." And it goes to Warsaw, Indiana in my district where three of the five biggest

of the orthopedic companies, plus Medtronic, plus Orthopediatric, plus 6,000 direct feeding, plus as you move to South Bend and over to Fort Wayne and down to Indianapolis—and in fact throughout the Midwest—and then if you look at the whole industry of the United States, it's a cluster.

We had this theory in America that we were going to move up the ladder. And as other countries beat us on labor, we would do things like pharmaceuticals, like orthopedics, like biotechnology. We'd be the cutting edge, except now we're going to tax them to death.

So guess what this article says? They're looking at going overseas. I've already heard this. Why won't they go offshore if they can get cheaper labor? They can get engineering research, they can get government subsidies to some degree, but most importantly, they're going to go where they can do R&D and the combination cheaper than they can do it in the United States. A tax won't bring in revenue, a tax will drive our clusters away. To put the taxes on the most innovative clusters is unbelievable. I just don't understand, particularly in a State where the President said not 30 miles away from the center of the orthopedic industry where many of these parts people are, "I promise you it will improve."

The maverick CEO, Dane Miller, and the story of Biomet illustrates another myth that these are some sort of rich billionaires. It talks how he put a titanium hip in his own body because initially they wouldn't believe it, then it worked, and that's partly how we got the innovation today.

I encourage people to read this bio of Dane Miller.

[From Orthoknow, Oct. 2009]

SUCCESS FEES FOR ORTHOPAEDICS?

(By John A. Engelhardt)

In the Senate Finance Committee's healthcare reform bill, partial financing will come from "fees" imposed on the manufacturers of medical devices. As I review what is being proposed, I am (nearly) at a loss for words. The total cost to medical device companies will be \$40 billion over ten years. That's \$4 billion a year. Here is how it shakes down.

The U.S. medical device industry in 2009 is projected to be valued at \$91.3 billion. Orthopaedic revenues generated in the U.S. in 2008 reached \$21.7 billion. Assuming flat growth from 2008 to 2009, orthopaedics would then comprise 23.7% of the total medical device industry in the U.S. in 2009.

America's Healthy Future Act of 2009, "Annual Fee on Manufacturers and Importers of Medical Devices," would impose an aggregate fee of \$4 billion on the medical device industry, payable annually, beginning in 2010. Each company's fee would be calculated based on its relative market share of U.S. sales for the prior year with covered domestic sales taken into account as follows:

- 0% of sales up to \$5 million
- 50% of sales over \$5 million and up to \$25 million
- 100% of sales over \$25 million

According to our calculations, if orthopaedics represents 23.7% of the total medical device industry, then its portion of