

Pushed further a reporter asked him if the leaker should be fired. And he answered, "If a source leaked information of this nature, yes."

Republican National Committee Chairman Ed Gillespie said, I do not believe it would be hard for President Bush to ask the person to walk the plank. The fact that Karl Rove remains at the White House speaks volumes. It is certainly not the way the White House should operate.

The White House should not aid and abet those within it in exposing CIA agents who work for this country and defend it to danger, and therefore it is time for Karl Rove to walk the plank.

DISCOURAGING JOB NUMBERS

(Mrs. MALONEY asked and was given permission to address the House for 1 minute.)

Mrs. MALONEY. Mr. Speaker, last Friday we got another employment report showing that American workers are losing out. Payroll employment growth was disappointing once again. Only 146,000 jobs were added in June, when market forecasters were expecting between 175,000 and 200,000.

Though the unemployment rate edged down, it was not because people are reentering the labor force. There still seems to be a great deal of hidden unemployment. Compared to the start of the recession in early 2001, participation in the labor force now is actually 1.2 percent lower.

A smaller proportion of the working age population has a job now compared to then. Worst of all, inflation is still outpacing wages, and the distribution of earnings is increasingly imbalanced.

The signs are clear, workers are being shortchanged in this economic recovery, but this administration is standing idly by.

RESTORE VETERANS HEALTH FUNDING

(Mr. EDWARDS asked and was given permission to address the House for 1 minute.)

Mr. EDWARDS. Mr. Speaker, the House should not recess this week until we have addressed the VA health care crisis. As we speak, health care services for veterans all across America are either being delayed or cut because of a billion dollar plus shortfall in VA health care programs.

Cutting veterans health care during a time of war is inexcusable and wrong. Unfortunately, 12 days ago the House leadership refused to support the billion and a half emergency funding bill passed by the Senate 96 to 0 on a bipartisan basis.

We could have had help already on its way to our veterans. It has been 8 days since Members of Congress gave patriotic speeches on July 4 honoring the service of our veterans. Those speeches are fine. Veterans deserve our support with our deeds not just our words.

Given the House leadership caused the VA health care crisis in the first

place by underfunding, seriously underfunding health care programs for veterans over the last 2 years, they have a moral obligation to bring and pass through this House and send to the President this week an emergency funding bill for veterans. Our veterans deserve no less.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. FOLEY). Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Record votes on postponed questions will be taken later today.

TREATMENT OF CERTAIN PAYMENTS UNDER NATIONAL FLOOD INSURANCE PROGRAM

Mr. BAKER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 804) to exclude from consideration as income certain payments under the national flood insurance program, as amended.

The Clerk read as follows:

H.R. 804

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TREATMENT OF CERTAIN PAYMENTS UNDER NATIONAL FLOOD INSURANCE PROGRAM.

Chapter I of the National Flood Insurance Act of 1968 (42 U.S.C. 4011 et seq.) is amended by adding at the end the following new section:

"TREATMENT OF CERTAIN PAYMENTS

"SEC. 1324. Assistance provided under a program under this title for flood mitigation activities (including any assistance provided under the mitigation pilot program under section 1361A, any assistance provided under the mitigation assistance program under section 1366, and any funding provided under section 1323) with respect to a property shall not be considered income or a resource of the owner of the property when determining eligibility for or benefit levels under any income assistance or resource-tested program that is funded in whole or in part by an agency of the United States or by appropriated funds of the United States."

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Louisiana (Mr. BAKER) and the gentleman from Massachusetts (Mr. FRANK) each will control 20 minutes.

The Chair recognizes the gentleman from Louisiana (Mr. BAKER).

GENERAL LEAVE

Mr. BAKER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BAKER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it was just last year that the United States Congress acted to reform the flood assistance programs of this country to ensure that those who engaged in abusive practices and thereby were over assessing the program for repetitive flood losses would no longer avail themselves of that inappropriate opportunity.

Accordingly, as the House passed legislation, there was an unintended consequence, however, pursuant to a ruling by the IRS which found that there was no technical or legislative basis on which to exempt payments made from the flood assistance program for the purposes of an individual qualifying for additional governmental assistance.

I will translate that into something that is more appropriate. If, for example, a person were to accept an assistance mitigation payment to reduce the probability of future flooding, that income could then be counted and disqualify that person from receiving food stamps, aid to dependent children, perhaps Social Security, other health care assistance. And that, of course, was not the intent of the legislation as passed.

In fact, under the provisions of the Stafford Act, all other emergency assistance granted by FEMA does not count toward qualifying individuals for governmental assistance, or for that matter, as income qualifying under the IRS for taxable liability.

The reason for this policy position is quite clear, the whole goal of the effort was to incent people to make changes necessary to their property so they would no longer call on the Federal Government for flood mitigation assistance.

In one instance, an individual who was to receive significant mitigation funding, had he accepted it, would have put him far over the qualifying limits for even his Social Security benefits. That is not the outcome that one would want to see as a result of trying to assist a person with flooding problems.

Coming on the heels of Hurricane Dennis and many events across the Gulf Coast of the past few months, it is now clear this action is not only appropriate but necessary and does not violate precedent nor other actions of the Congress with regard to other assistance programs.

For these reasons, I feel the adoption of H.R. 804 is highly appropriate and responsive to the needs of our constituents.

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

Mr. FRANK of Massachusetts. Mr. Speaker, I yield myself such time as I might consume.

Mr. Speaker, I agree that this is a very important improvement to what was a very important piece of legislation.

At a time when people wonder about whether or not we are able to go forward, it ought to be noted clearly there