

As with any industry, great success brings great change. Macy's has obviously outgrown its "small business" label and has become a major player in the retail world. Its flagship store in my home City of New York has become a shopping destination for Manhattanites and tourists alike. It attracts visitors from across the country and around the world. And yet despite being a multi-billion dollar corporation, Macy's has never forgotten its entrepreneurial roots.

The retailer still strives to support the small business community by purchasing many of its products from small firms. Through its Supplier Diversity Program, the company makes a point of buying from and nurturing women and minority entrepreneurs. In 2007, it held its first diversity supplier fair to target these groups specifically.

Macy's embodies the great American story of a small business that made it big. Roland H. Macy and his legendary venture represent the dream of every entrepreneur. After 150 years, the retailer stands as a shining example of two fundamental American values—hard work and innovation. Those are the values that have driven the department store's achievements throughout the years. And those are the values that we are celebrating this afternoon.

The Macy's story is a great American story. It is based on the premise that any small business owner can become a big business success. After all, Macy's began as a modest dry goods store on the corner of 14th Street and 6th Avenue in Manhattan. Today, it is a multi-billion dollar corporation.

But while Macy's may be a Fortune 500 company, it has not forgotten its small business roots. Its Supplier Diversity Program, for example, nurtures women and minority entrepreneurs. Macy's clearly recognizes the importance of giving back.

In celebrating Macy's, we are applauding its great achievements, and its dedication to invention. The company pioneered many practices and products that have since become American staples. For instance, the store first brought colored bath towels into the mainstream. But perhaps more importantly, we are also applauding Macy's commitment to small business development. It is a commitment to entrepreneurship. It is a commitment to innovation. It is a commitment to the American dream.

I would urge the adoption of this resolution.

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

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

As ranking member of the House Small Business Committee, I rise to support this resolution recognizing the 150th anniversary year of the founding of Macy's, Inc. I'm pleased to be joined by my good friend and distinguished chairwoman of the Small Business Committee, NYDIA VELÁZQUEZ of New York, in offering this legislation.

Mr. Speaker, American small business owners are the entrepreneurs who create the majority of American jobs, export American products, and generate America's economic growth.

Small firms exhibit the best of American values: hard work, innovation, enthusiasm, and determination.

The story of Macy's is one of true entrepreneurship. Roland Hussey Macy started the small dry goods store in New York City in 1858 that would develop into one of the largest department store retailers in the world. It was Mr. Macy's perseverance, ingenuity, and determination that helped to spur that growth.

Many Cincinnatians remember the John Shillito Company—or Shillitos, as we called it—Cincinnati's first department store, which was founded in 1830. In 1929, Shillito's, F.&R. Lazarus in Columbus, Ohio, Brooklyn, New York-based Abraham & Straus and several other family-owned department stores formed a holding company called Federated Department Stores. In 1945, Federated moved its offices to Cincinnati, where Macy's primary headquarters operates today, and in 1994, Federated acquired Macy's.

Today Macy's operates over 810 stores in every major metropolitan area around the entire United States.

Small businesses are known for their ability to respond to the needs of the market. Macy's, which began as a small business, has always been innovative: it was the first American store with escalators, elaborate window displays, and an in-store Santa. Macy's also began what is now the Macy's Thanksgiving Day Parade. Macy's tenets that customers are paramount and that success comes from taking advantage of opportunity are principles that small firms still apply today.

I want to commend Macy's for its commitment to purchasing from small businesses, including women- and minority-owned enterprises, establishing supplier diversity initiatives, and encouraging its vendors to purchase from small firms. Macy's also has a strong history of corporate and foundation giving and encouraging employee community service.

Congratulations to Macy's on 150 years of growth, success, and philanthropy.

Finally, I want to again thank Chairwoman VELÁZQUEZ for working in a bipartisan way on this issue as she has done consistently throughout the last 2 years that she served as the chairwoman of the Small Business Committee. I appreciate her leadership. I think she's done an extraordinarily good job. It's been an honor to work with her over the last 2 years.

At this point, I would like to reserve the balance of my time.

Ms. VELÁZQUEZ. Mr. Speaker, I would like to inquire if the gentleman has any other further speakers.

Mr. CHABOT. We have no further speakers.

I yield back.

Ms. VELÁZQUEZ. Mr. Speaker, I yield back.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from New York (Ms.

VELÁZQUEZ) that the House suspend the rules and agree to the resolution, H. Res. 1473.

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.

#### UNITED STATES-REPUBLIC OF KOREA DEFENSE COOPERATION IMPROVEMENT ACT OF 2008

Mr. HIGGINS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5443) to improve defense cooperation between the Republic of Korea and the United States.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5443

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

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "United States-Republic of Korea Defense Cooperation Improvement Act of 2008".

#### SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Close and continuing cooperation in defense between the United States and the Republic of Korea continues to be in the national security interest of the United States.

(2) The Republic of Korea was designated a Major Non-NATO Ally in 1987, the first such designation.

(3) The Republic of Korea has been a major purchaser of United States defense articles and services through the Foreign Military Sales (FMS) program, totaling \$6,900,000,000 in deliveries over the last 10 years.

(4) Purchases of United States defense articles, services, and major defense equipment facilitate and increase the interoperability of Republic of Korea military forces with United States military forces.

(5) Congress has previously enacted important, special defense cooperation arrangements for the Republic of Korea, as in the Act entitled "An Act to authorize the transfer of items in the War Reserves Stockpile for Allies, Korea", approved December 30, 2005 (Public Law 109-159), which authorized the President, notwithstanding section 514 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321h), to transfer to the Republic of Korea certain defense items to be included in a war reserve stockpile for that country.

(6) Such actions by Congress and sales to the Republic of Korea enhance defense ties with that country and ensure favorable consideration by the Government of the Republic of Korea when it considers acquisitions of certain weapons systems.

(7) Enhanced support for defense cooperation with the Republic of Korea is important to the national security of the United States, including through creation of a status in law for the Republic of Korea similar to the countries in the North Atlantic Treaty Organization, Japan, Australia, and New Zealand, with respect to consideration by Congress of foreign military sales to the Republic of Korea.

#### SEC. 3. SENSE OF CONGRESS.

It is the sense of Congress that expeditious consideration of certifications of letters of offer to sell defense articles, defense services, design and construction services, and major defense equipment to the Republic of Korea under section 36(b) of the Arms Export

Control Act (22 U.S.C. 2776(b)) is fully consistent with United States security and foreign policy interests and the objectives of world peace and security.

**SEC. 4. AMENDMENTS TO ARMS EXPORT CONTROL ACT.**

The Arms Export Control Act (22 U.S.C. 2751 et seq.) is amended—

- (1) in section 3 (22 U.S.C. 2753)—  
 (A) in subsection (b)(2), by inserting “the Government of the Republic of Korea,” before “the Government of Australia”; and  
 (B) in subsection (d)—  
 (i) in paragraph (2)(B), by inserting “the Republic of Korea,” before “Japan”;  
 (ii) in paragraph (3)(A)(i), by inserting “the Republic of Korea,” before “Australia”; and  
 (iii) in paragraph (5), by inserting “the Republic of Korea,” before “Australia”;  
 (2) in section 21 (22 U.S.C. 2761)—  
 (A) in subsection (e)(2)(A), by inserting “the Republic of Korea,” before “Japan”; and  
 (B) in subsection (h)—  
 (i) in paragraph (1)(A), by inserting “the Republic of Korea,” before “Australia”; and  
 (ii) in paragraph (2), by striking “or to any member government of that Organization if that Organization or member government” and inserting “, to any member government of that Organization, or to the Governments of the Republic of Korea, Australia, New Zealand, Japan, or Israel if that Organization, member government, or the Governments of the Republic of Korea, Australia, New Zealand, Japan, or Israel”;

(3) in section 36 (22 U.S.C. 2776)—  
 (A) in subsection (b)—  
 (i) in paragraph (1), by inserting “the Republic of Korea,” before “Japan”;  
 (ii) in paragraph (2), by inserting “the Republic of Korea,” before “Japan”; and  
 (iii) in paragraph (6), by inserting “the Republic of Korea,” before “Australia”;  
 (B) in subsection (c), by inserting “the Republic of Korea,” before “Australia” both places it appears; and  
 (C) in subsection (d)(2)(A), by inserting “the Republic of Korea,” before “Australia”;  
 (4) in section 62(c)(1) (22 U.S.C. 2796a(c)(1)), by inserting “the Republic of Korea,” before “Australia”; and  
 (5) in section 63(a)(2) (22 U.S.C. 2796b(a)(2)), by inserting “the Republic of Korea,” before “Australia”.

**SEC. 5. AMENDMENT TO FOREIGN ASSISTANCE ACT OF 1961.**

Section 656(a)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2416(a)(2)) by inserting “Republic of Korea,” before “Australia”.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. HIGGINS) and the gentleman from Florida (Ms. ROS-LEHTINEN) each will control 20 minutes.

The Chair recognizes the gentleman from New York.

**GENERAL LEAVE**

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

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

There was no objection.

Mr. HIGGINS. Mr. Speaker, I rise in strong support of this resolution and yield myself such time as I may consume.

I would first like to thank our distinguished colleague, Mr. ROYCE from

California, for introducing this important piece of legislation.

For over 50 years, the United States and the Republic of Korea have enjoyed a strong security partnership and a close friendship. Our alliance helped check the spread of communism in Asia throughout the Cold War, and in the post-Cold War era, our relationship has continued to serve as a backbone of maintaining peace and security throughout the region.

As hosts to 28,000 United States military personnel that work side-by-side with the South Korean military, South Korea is a key element in the security presence of our Nation in Asia. We have continued to work closely with Seoul in Six Party Talks aimed at the denuclearization of the Korean Peninsula.

The bill before us strengthens the vital security relationship with our close friend by adding South Korea to the list of countries in the Arms Export and Control Act that receive expedited congressional review of armed sales of 15 instead of 30 days.

South Korea will now rightly be listed among our closest allies, including the NATO countries, Australia, New Zealand, and Japan, with respect to foreign military sales.

This is a significant symbolic recognition of the critical importance of South Korea to the United States' national security and peace and stability throughout east Asia.

I strongly support this legislation and urge my colleagues to do the same. I reserve the balance of my time.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 5443, a bill to upgrade the status of South Korea's foreign military sales to that of the countries of NATO, Australia, New Zealand, and Japan.

I would like to thank Chairman HOWARD BERMAN for helping to schedule consideration of this legislation before us today and to also recognize the important work of our Foreign Affairs colleague, Mr. ROYCE of California, in introducing this timely and important bill which I am pleased to cosponsor.

Mr. Speaker, this bill appropriately accords South Korea the same treatment provided to other key partners of the United States in the foreign military sales process, such as higher dollar thresholds and expedited time frames for congressional notifications. This upgrade is a powerful symbol of a renewed and transformed U.S.-South Korea alliance. It forcefully reaffirms that South Korea has been and will continue to be a close and valued strategic ally of the United States—a relationship that has long served as a bedrock of stability for northeast Asia.

Mr. Speaker, this legislation is strongly supported by our Departments of State and Defense, and its passage will help advance a new strategic framework for the alliance but not only for the purpose of managing a

range of increasingly complex contingencies related to North Korea, but also to cement a common Democratic partnership for the next century.

I urge its adoption.

With that, I reserve the balance of my time.

The SPEAKER pro tempore. Without objection, the gentleman from Georgia will control the remaining time.

There was no objection.

Mr. SCOTT of Georgia. Mr. Speaker, I have no further requests for time at this time, and I reserve the balance of my time.

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to yield such time as he may consume to the gentleman from California (Mr. ROYCE), the ranking member of the Subcommittee on Terrorism, Nonproliferation, and Trade and the author of this important legislation.

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Mr. ROYCE. Mr. Speaker, let me just start by thanking ILEANA ROS-LEHTINEN, who's the ranking member, for her work and Chairman BERMAN's work in bringing this legislation to the floor.

I am in support, of course, of this bill. I authored this bill. But I wanted to share with you that today the House really has an opportunity to strengthen the relationship that we have had historically between the United States and Korea. That alliance is a very important one to us and to our soldiers.

The interoperability of U.S. and Korean soldiers in the Korean peninsula can be secured and, frankly, can be strengthened for years to come, and I think is important because our own Secretary of State, Condi Rice, wrote a letter recently to Chairman BERMAN, and she said in that letter that this “will serve as an important symbol of the renewed strength of the U.S.-Korea alliance.”

With this legislation in law, foreign military sales with Korea would be treated just as we treat those sales that we have today with NATO or what we call NATO+3, NATO plus Australia, New Zealand and Japan. So the NATO+3 list would become NATO+4. And the upgrade in South Korea's military procurement status would mean a streamlined process; the monetary thresholds that trigger congressional review would be raised and congressional review time would be reduced.

Mr. Speaker, the Republic of Korea, as we all know, is a vital, strategic, and enduring ally to this country; 29,000 U.S. troops stand side by side with the Korean Army, and they've helped keep the peace there in northeast Asia for nearly 60 years.

We had testimony to the United States Congress earlier this year. We had General Bell, a four-star general. He was commander of the U.S. Forces Korea, and he called it “bizarre and strange” that Korea did not have this status in U.S. law, and he urged the adoption of this very measure that we're discussing today.

Furthermore, the U.S.-South Korean alliance is distinct. With a mutual defense treaty dating back to 1953, Korea and the U.S. form perhaps the most integrated alliance of interoperable forces I think that exist in the world. On the Korean peninsula, interoperability is not just a buzz word. It is a real-life practice that passage of this legislation would help cement. U.S. and Korean soldiers need to be operating, frankly, on American equipment.

South Korea is a larger foreign military sales partner than any of the NATO+3 members. Last year, Seoul purchased \$3.7 billion worth of American defense equipment, making it one of the largest partners in U.S. foreign military sales. And this has led South Korea to formally request this preferential status through its Foreign Ministry and its Defense Ministry. Indeed, South Korean President Lee Myung-Bak raised this legislation when he met with congressional leaders here last spring.

As our alliance has matured, the Koreans are rightly on the path towards assuming the lead for their own defense. With that, Korea plans to invest \$290 billion in military hardware over the next dozen years. Without updating our laws to reflect the strategic nature of our relationship, we run the risk of South Korea looking to other suppliers as it continues its defense transformation, perhaps jeopardizing interoperability of our U.S. forces that work with the Korean forces. So today, we can help prevent that from happening, while at the same time benefiting the strength of this alliance.

I urge adoption of the legislation. I thank the chairman and ranking member for their support in bringing it to the floor.

Mr. SCOTT of Georgia. Mr. Speaker, I have no further speakers. I yield back the balance of my time.

Ms. ROS-LEHTINEN. Mr. Speaker, I have no further requests for time, and I yield back the balance of our time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. HIGGINS) that the House suspend the rules and pass the bill, H.R. 5443.

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

A motion to reconsider was laid on the table.

#### REQUIRING CONSULTATIONS ON U.S.-TAIWAN ARMS SALES TALKS

Mr. SCOTT of Georgia. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6646) to require the Secretary of State, in consultation with the Secretary of Defense, to provide detailed briefings to Congress on any recent discussions conducted between United States Government and the Government of Taiwan and any potential transfer of defense articles or defense services to the Government of Taiwan, as amended.

The Clerk read the title of the bill. The text of the bill is as follows:

H.R. 6646

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

#### SECTION 1. FINDINGS.

Congress finds the following:

(1) Relations between the United States and Taiwan are governed by the Taiwan Relations Act (22 U.S.C. 3301 et seq.; Public Law 96-8), three joint communiques, and the Six Assurances.

(2) The Taiwan Relations Act has governed United States arms sales to Taiwan since 1979, when the United States extended diplomatic recognition to the People's Republic of China.

(3) The Taiwan Relations Act specifies that it is United States policy, among other things, to consider any nonpeaceful means to determine Taiwan's future "a threat" to the peace and security of the Western Pacific and of "grave concern" to the United States, "to provide Taiwan with arms of a defensive character", and "to maintain the capacity of the United States to resist any resort to force or other forms of coercion" jeopardizing the security or social or economic system of Taiwan's people.

(4) Section 3(a) of the Taiwan Relations Act states that "the United States will make available to Taiwan such defense articles and defense services in such quantity as may be necessary to enable Taiwan to maintain a sufficient self-defense capability".

(5) Section 3(b) of the Taiwan Relations Act stipulates that both the President and the Congress shall determine the nature and quantity of such defense articles and services "based solely" upon their judgment of the needs of Taiwan.

(6) Taiwan has recently reversed a downward trend in defense spending with a \$2.2 billion increase in 2007 to \$9.8 billion and the Defense Ministry has requested and the Executive Yuan approved a 2008 budget of \$10.6 billion, an increase of 15 percent.

(7) According to the Congressional Research Service, the executive branch has yet to send any arms transfer notifications to Congress during calendar year 2008, including notifications on at least seven pending arms sales programs with a total value of about \$11 billion that encompass programs on a submarine design, Patriot PAC-3 missile defense systems, and Apache and Blackhawk helicopters.

(8) Taiwanese President Ma Ying-jeou stated on July 12, 2008, that the island needs to secure defensive weapons from the United States, despite a warming of relations with mainland China.

(9) On July 16, 2008, Admiral Timothy Keating, Commander of the Hawaii-based United States Pacific Command, acknowledged that the executive branch had imposed a "freeze" on arms sales to Taiwan, a decision that is in contradiction to longstanding United States law and policy.

#### SEC. 2. MANDATORY CONGRESSIONAL BRIEFINGS.

(a) BRIEFINGS.—Not later than 90 days after the date of enactment of this Act, and not later than 120 days thereafter, the Secretary of State, in consultation with the Secretary of Defense, shall provide detailed briefings to Congress on—

(1) any discussions conducted between any executive branch agency and the Government of Taiwan during the covered period; and

(2) any potential transfer of defense articles or defense services to the Government of Taiwan.

(b) DEFINITIONS.—In this section:

(1) COVERED PERIOD.—The term "covered period" means—

(A) with respect to the initial briefings required under subsection (a), the period beginning on the date of the enactment of this Act and ending on the date of the initial briefings; and

(B) with respect to the subsequent briefings required under subsection (a), the period beginning on the day after the date of the initial briefings required under subsection (a) and ending on the date of the subsequent briefings.

(2) EXECUTIVE BRANCH AGENCY.—The term "executive branch agency" has the meaning given the term "agency" in section 551(1) of title 5, United States Code.

(3) DEFENSE ARTICLE.—The term "defense article" has the meaning given the term in section 47 of the Arms Export Control Act (22 U.S.C. 2794 note).

(4) DEFENSE SERVICE.—The term "defense service" has the meaning given the term in section 47 of the Arms Export Control Act (22 U.S.C. 2794 note).

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Georgia (Mr. SCOTT) and the gentleman from Florida (Ms. ROS-LEHTINEN) each will control 20 minutes.

The Chair recognizes the gentleman from Georgia.

#### GENERAL LEAVE

Mr. SCOTT of Georgia. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on the resolution under consideration.

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

There was no objection.

Mr. SCOTT of Georgia. Mr. Speaker, I rise in strong support of this resolution, and I yield myself as much time as I may consume.

I would like to first thank my distinguished colleague, the ranking member of the Foreign Affairs Committee, ILEANA ROS-LEHTINEN, for introducing this very, very important legislation.

When it comes to arms sales to Taiwan, U.S. policy is clear. We must ensure that the thriving democracy of Taiwan has the military capability necessary to defend itself from outside threats.

The United States is obligated to provide defensive military equipment to Taiwan, not just because it is right to aid our democratic friends, but also because it is the law of the land under the Taiwan Relations Act.

This act, which has been at the core of our policy towards Taiwan for almost three decades, clearly states that the United States should base its decision whether to supply defensive military equipment to Taiwan solely on the security needs of the Taiwanese military.

The Taiwan Relations Act is also clear that it is the President and Congress that determine what military equipment shall be sold to Taiwan. Apparently, the White House does not understand the Taiwan Relations Act.

As we speak, the administration is refusing to move forward with \$11 billion worth of arms to Taiwan, arms which the administration has already