

## HOUSE OF REPRESENTATIVES—Thursday, June 30, 1988

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We see so clearly, O God, the things that separate us and all the differences of history and geography and tradition between us and all people. Yet, in this time of prayer, we ask to see more clearly those values that bind us together as one people. As we are all created by Your hand as You have breathed into us the very breath of life, so let us as a united people give You thanks and praise for the precious gift of life. And, O God, as we focus on You and Your grace to us, may we also treat those people about us with a measure of the love that You have already given. Amen.

## THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 3893. An Act to amend the provisions of the Toxic Substances Control Act relating to asbestos in the Nation's schools by providing adequate time for local educational agencies to submit asbestos management plans to State Governors and to begin implementation of those plans; and

H.R. 4288. An Act to designate the Federal Building located at the corner of Locust Street and West Cumberland Avenue in Knoxville, TN, as the "John J. Duncan Federal Building".

## PROTESTING CHINA'S CALLOUS DISREGARD FOR THE IMPLICATIONS OF ITS ARMS TRANSFERS IN THE MIDDLE EAST

(Mr. LEVINE of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVINE of California. Mr. Speaker, I am initiating strong bipartisan protest letters to the Government of the People's Republic of China and to Secretary Shultz that I would urge my colleagues to sign. These letters protest China's callous disregard for the implications of its arms transfers in the Middle East. We and the Chinese, Mr. Speaker, have appropriately

come a long way in improving relations with each other but Congress and the administration cannot stand idly by when the Chinese repeatedly destabilize the Middle East and undermine both America's interests in the region's stability and the regional stability with its dangerous arms transfers. Silkworm missiles have rained death and destruction in the Iran-Iraq War. They continue to threaten international shipping and our ships and personnel in the Persian Gulf.

Despite American efforts, Mr. Speaker, China remains a major weapon supplier to Iran. China has introduced an intermediate range ballistic missile into the Middle East and Saudi Arabia which could have devastating consequences. Now we read that China may sell ballistic missiles to Syria.

Mr. Speaker, we must tell China that their reckless policies will no longer be tolerated by this Government. We must reassess our technology transfers to China, if the Chinese do not choose to act more responsibly.

I urge my colleagues to join in calling on the Chinese to change their dangerous and destabilizing course in this region.

## FEDERAL GOVERNMENT SHOULD NOT TAX INTEREST ON STATE AND LOCAL BONDS

(Mr. COMBEST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COMBEST. Mr. Speaker, today I am introducing a resolution that I hope will put Congress on record opposing Federal intrusions into an area long considered to be within the domain of State and local governments.

Recently, the Supreme Court ruled that the Constitution does not prevent the Federal Government from taxing the interest on State and local bonds. It is important that we respect the special functions of each level of government in our federalist system. In the past, Congress has understood the important role of public purpose bonds and refrained from interfering in the financial matters of our States, cities and counties.

Taking away the tax exemption of State and municipal bonds will be self-defeating. Eliminating the exemption will remove the incentive to purchase these bonds, which fund only local public projects such as schools, bridges, prisons, and water facilities.

Consequently, a major source of revenue for State and local governments will all but disappear and their ability to fund necessary local projects will be drastically impaired.

Because the projects they finance are initiated and funded at the local level, municipal bonds provide an effective and efficient way to address the needs of local constituencies. Providing these services is one of the most important functions of government at these levels.

I ask my colleagues to cosponsor this resolution and preserve the traditional tax exempt status of public purpose municipal bonds.

## THE MONTGOMERY GI BILL—ALIVE AND WELL

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, tomorrow marks the third anniversary of the Montgomery GI bill. Three years ago, new active duty recruits and members of the National Guard and selected reserve were first offered the opportunity to participate in this new educational assistance program for the All Volunteer Force. Since that time, over 514,000 young men and women have signed up for the GI bill-active duty, and over 90,000 members of the selected reserve have gone to school under the program.

As originally enacted in 1984, the GI bill was established as a 3-year test. But for the support and commitment on the part of my colleagues in the Congress and you, Mr. Speaker, today would mark the ending of this program.

The following participation rates for May 1988, clearly demonstrate the popularity of the GI bill: Army, 91.9 percent; Navy, 72.1 percent; Air Force, 75.7 percent; Marine Corps, 74.0 percent; and DOD wide, 80.4 percent. Additionally, I want to point out that the basic pay reductions, which are required under the Montgomery GI bill-active duty, have returned over \$462 million to the Treasury. The program is not free—which proves these young men and women want an education.

On behalf of the hundreds of thousands of young men and women who are now able to further their education under the GI bill, I want to thank all of my colleagues for ensuring that the program is still alive and well.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

### MONTGOMERY PEACETIME GI BILL—A SUCCESS STORY

(Mr. SOLOMON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SOLOMON. Mr. Speaker, I also would like to speak on the success of the Sonny Montgomery peacetime GI bill. The previous speaker, Congressman MONTGOMERY, is a little modest because he did not mention that he is the father of the peacetime GI bill which is really the reason why we have a successful all-voluntary military today.

Ladies and gentlemen, you would be so proud of the young men and women who are enlisting in record numbers in the military today. One of the reasons they are is because of the success of the peacetime GI bill that SONNY MONTGOMERY has just talked about. Not only has it been a great incentive for young men and women with rising educational costs today to enlist in the military but it has also been a great retention because many young men and women who were staying in the military for just a short time now are making careers out of the military.

So I want to commend the gentleman from Mississippi for his fantastic work in developing this program which really is making our military today such a fine success.

### SPENTAGON REPLACES PENTAGON

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, if Willie Sutton were alive today, he would be a Pentagon consultant. Why? Because that's where the money is. The Spentagon has replaced the Pentagon.

During his lifetime, Sutton made a career of robbing banks. He assaulted some 20 banks for a total haul of around \$1 million. When asked why he robbed banks, he replied, "Because that's where the money is." But Sutton's lifetime earnings were pocket-change compared to what is available from the public treasury.

The Pentagon spends \$300,000 every minute of every day, 7 days a week, 365 days a year. A 4-minute Spentagon spree totals more than Willie Sutton earned in his entire lifetime.

No wonder the Willie Suttons of the 1980's are prowling the halls of the Pentagon. That's where the money is.

The Pentagon does not need more ethics laws. I will settle for armed guards and K-9 patrols.

### OUTRAGE AT MEXICAN GOVERNMENT'S DECISION TO FREE CONVICTED TERRORIST

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, as a regular participant in the Mexico-United States interparliamentary conferences, I am shocked and outraged by the Mexican Government's decision to free a convicted terrorist wanted in the United States.

The Mexican decision to send William Morales to Cuba instead of returning him to the United States is an inexcusable, calculated offense that can only be interpreted as a deliberate slap in the face by the Mexican Government. It threatens to make a complete mockery of any professed cooperation between our two nations to combat international terrorism.

That the Mexicans would release this particular individual is doubly outrageous because he was personally linked with a plot to bomb the meeting of Mexican and United States Congressmen in Puebla, Mexico, in 1983, a meeting that a number of us were scheduled to attend.

Apparently there are certain members of the Mexican Government whose hostility for the United States cannot be disguised. I hold those individuals personally responsible for this offense directed against the United States.

### UPDATE ON TRADE IMBALANCE

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, since Ronald Reagan took office, imports have skyrocketed. West Germany had an increase of 850 percent; England 430 percent; France 380 percent; Taiwan 270 percent; and good old Japan 230 percent.

But the President said, "Don't panic." He would drive the value of the dollar down and that would do it all. He drove it down to dangerously low levels and the best that could happen is we had a 1 month deficit of just \$10 billion.

Ladies and gentlemen, we need a trade bill. Our trading partners keep laughing at us all the way to the bank and the American workers keep hurting and keep crying. What is wrong with us?

The sad truth is if Ronald Reagan would have coupled a good trade policy with some of his other economic measures we would not have this problem today.

One other thing I would say: we should also give the American workers the courtesy of a plant closing notice. Otherwise I could not blame them for

giving every politician in DC a job service notice on election day.

### ACID RAIN IS SECOND LARGEST KILLER OF ESTUARIES IN THE CAROLINAS

(Mr. RAVENEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RAVENEL. Mr. Speaker, we in the Carolinas have been blessed with some of the most beautiful, natural areas in this country. Our coastal estuaries are a sportsman's paradise and our Blue Ridge Mountains harbor a diversity of life almost unique in a temperate zone. Yet, both are threatened with devastation by a killer known as acid rain. A recent environmental defense fund study concluded that acid rain is the second largest contributor of deadly quantities of nitrogen into our estuaries. Upon visiting Mount Mitchell, I was appalled to see the forests ravaged by what looked like a great forest fire. Unquestionably, the cause of this tragic destruction is a killing fog estimated to be as much as 1,000 times as acidic as normal rainfall. I urge my Democrat colleagues to bring legislation to the floor of this House that will control this despoiler of our environment—acid rain. The time is late and the need is getting desperate.

□ 1015

### INITIAL HASC HEARING ON PENTAGON PROCUREMENT SCANDAL PROVIDES A BLEAK PICTURE OF MANAGEMENT PRACTICES

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

Mr. BRENNAN. Mr. Speaker, yesterday the House Armed Services Committee began a series of hearings on the Pentagon procurement scandal. The information provided by Under Secretary Costello was disappointing.

In what has been described as the "biggest Pentagon procurement scandal" in history, there has not yet been one single person suspended or fired from their current job at the Pentagon. This is absolutely amazing after 2 years of investigation.

This sends absolutely the wrong signal to the American taxpayer and to the honest civil servant at the Pentagon. The business-as-usual management practice by Pentagon officials indicates a real lack of aggressiveness concerning this scandal.

If a member of my staff were stealing typewriters and I had reasonable grounds to believe they were, they would be fired. We would not wait until there is a trial and the appeals are all exhausted.

I, and I think, all Americans would like to see more aggressive action by Pentagon officials to deal with this scandal.

Mr. Speaker, I urge Secretary Carlucci to take action to remove from Pentagon payrolls those against whom they have strong evidence of corruption.

#### D.C. RESIDENCY REQUIREMENT FOUND WANTING AGAIN

(Mr. PARRIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PARRIS. Mr. Speaker, 48 hours ago Congress in its wisdom, and consistent with its constitutional responsibilities, adopted my amendment to eliminate the residency requirement in personnel practices in this city. That action elicited a fairly strong reaction in some quarters, particularly from the city's leadership.

During that debate I informed my colleagues that the D.C. Director of Personnel, Mr. Theodore Thornton, actually lived in Columbia, MD, even though he is responsible for enforcing the District's residency requirement itself. The next day the Mayor indicated that in his opinion Thornton was in compliance with the requirement, even though 40 policemen and firemen had been threatened with actions against their job security because they had the same living arrangements as he did.

This morning the city newspaper reported that Thornton is resigning his position as D.C. Director of Personnel and is simultaneously being hired by the city as a consultant, with the same duties, with the same office, and with the same compensation. This is nothing more than a public admission that he does not in fact meet the residency requirement.

This has happened before with the Director of Labor and others. There is no change in status. It is a paperwork exercise. It reflects one of the fundamental problems with the residency requirement.

It is simply not being evenhandedly applied, it is unfair and it ought to be eliminated, and soon.

#### REAGAN APPROVES CONCEPT OF WAITING PERIOD FOR PURCHASE OF HANDGUNS

(Mr. FAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FAZIO. Mr. Speaker, the other day at his press conference in Toronto, President Reagan endorsed the concept of a uniform, national waiting period for the purchase of handguns. This is a law that has been on the books in California for many years.

The 15-day waiting period allows the State of California to determine whether a prospective purchaser of a handgun has a history of mental illness, has a felony in his background, or perhaps is not a citizen.

The President's support gives new impetus to legislation that is before the Congress in this session. Coming from a President who has traditionally given his unequivocal support to the National Rifle Association's views, I am hopeful that despite the opposition of some groups like the NRA, the President's wisdom can be compelling and the Congress can report out that bill. Members of Congress need to express their will on what is a very rational way to prevent some of the carnage that occurs when the wrong people—people who have no right to bear arms in many of our States—are allowed to own them. Quickie, over-the-counter handgun sales, when allowed in certain jurisdictions, undermine the laws of other States where waiting periods are in effect. Yet, waiting periods do not take away the right of handgun ownership for those who are legally entitled to own them.

A national waiting period—a delay of a few days—is small enough price to pay to curb the unnecessary and senseless violence caused by handguns. It is time for Congress to say no to those who reject the arguments of law enforcement agencies across the land—the NRA first and foremost—and enact this bill.

#### A BILL TO ISSUE A SILVER COIN IN COMMEMORATION OF THE 100TH ANNIVERSARY OF STATEHOOD FOR IDAHO, MONTANA, NORTH AND SOUTH DAKOTA, WASHINGTON, AND WYOMING

(Mr. CRAIG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CRAIG. Mr. Speaker, I rise today to introduce an important bill to several States in the West and Midwest and to my own State of Idaho. This measure would create a commemorative silver coin to mark the 100th anniversaries of the States of Idaho, Montana, North and South Dakota, Washington, and Wyoming. These States will be celebrating their centennials through 1989. I believe this measure is the ideal way to recognize and to celebrate the centennials of these six States.

Our States have a great deal in common, not only in geographical placement, but in the ways of life of our citizens. For example, each of these States places a high priority on natural resources; we live with them and by them. From North Dakota who leads the Nation in the production of wheat, to the State of Washington

who leads in lumber, to my own State of Idaho who mines roughly 40 percent of U.S. silver, we depend upon our natural resources.

Mr. Speaker, I am aware of similar legislation in the Senate which would strike a commemorative coin from the metal palladium. While I respect the efforts of this legislation, I believe a coin struck in silver would be the preferred one for the centennial celebrations.

It is an important fact that most of these six States, particularly my State of Idaho, devote much effort to the mining of silver. Thus, a silver coin is the most fitting alternative. In addition, a silver coin would serve to help our mining industries in the recovery now underway.

Mr. Speaker, a silver coin is the appropriate metal to be used in the striking of a commemorative coin for our centennial celebrations. It would be consistent with the history and economy of the region.

#### PERSONAL EXPLANATION

(Mr. HAYES of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYES of Illinois. Mr. Speaker, due to personal family concerns, I was unable to be in attendance for the official business of the House on yesterday. Had I been in attendance, I would have voted in support of the final passage of H.R. 1158, the Fair Housing Amendments Act of 1988, and would have opposed all weakening amendments.

Mr. Speaker, I ask unanimous consent that my statement in support of this legislation, of which I am a sponsor, be inserted in the permanent Record.

THE SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

#### DEPLORING MEXICO'S DECISION TO FREE TERRORIST WILLIAM MORALES

(Mr. KOLBE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOLBE. Mr. Speaker, I consider myself a friend of Mexico and have through the years applauded the efforts of both the United States and Mexico to improve their economic and political relationships. But friends must also express their dismay, and today I do express my dismay at Mexico's decision this week to free convicted terrorist William Morales.

The leader of a radical Puerto Rican separatist group, Morales has been implicated in more than 50 terrorist at-

tacks in the United States. These include a 1975 bombing in New York that killed 4 people and injured 60 others.

In 1979, Morales escaped from detention at New York's Bellevue Hospital. He fled to Mexico, where a Mexican judge convicted him in connection with the murder of a Mexican federal law enforcement officer and sent him to prison. Since 1983, the United States has sought to extradite Morales here to complete his sentence. Incredibly, the Mexican Government not only refused this request but on Friday they freed Morales from detention without officially notifying the United States.

Morales was allowed to get on a plane and leave for Cuba, where presumably he is now plotting more terrorist bombings against American citizens.

Implicit in this decision to release Morales is Mexico's official support for Puerto Rican separatists, who advocate the overthrow of the Puerto Rican Government by force. This is clearly at odds with the Puerto Rican people, who voted overwhelmingly in free elections to remain part of the United States.

Mr. Speaker, William Morales' acts are criminal, not political. His preferred instrument of political change is not the ballot but the bomb. I urge Mexico to join with the United States in reaffirming our joint commitment to fighting international terrorism.

#### A SALUTE AND A COMMENDATION TO SPEAKER WRIGHT

(Mr. GRAY of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GRAY of Illinois. Mr. Speaker, I rise to salute and to commend our distinguished Speaker for doing a superb job.

This morning, at 9:30 a press conference was held in the Rayburn Room, pointing out that not since 1960—and, Mr. Speaker, you and I were both here 28 years ago—have all 13 appropriation bills been passed by June 30. In addition to that, Mr. Speaker, you pointed out, rightly so, that this Congress has accepted leadership, and that seven major areas have been addressed by this House of Representatives before June 20—a Clean Water Act, a highway bill, a trade bill, a housing bill, an education bill, a farm credit bill, and a Civil Rights Restoration Act.

I think that is a superb job, Mr. Speaker, and I take my hat off to you.

#### PERMISSION FOR COMMITTEE ON RULES TO FILE REPORT ON RULE PROVIDING FOR CONSIDERATION OF H.R. 4174, SMALL BUSINESS ADMINISTRATION REAUTHORIZATION AMENDMENT ACT OF 1988

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the Committee on Rules have until 5 p.m. today, June 30, 1988, to file a privileged report on a rule providing for the consideration of H.R. 4174, Small Business Administration Reauthorization Amendment Act of 1988.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

Mr. WALKER. Reserving the right to object, Mr. Speaker, I would just ask the gentleman, do we expect this to be an open rule?

Mr. FOLEY. Yes, Mr. Speaker, if the gentleman will yield, I would inform the gentleman that I expect this to be an open rule, and this request has been approved by the leadership on the Republican side.

Mr. WALKER. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

#### COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON VETERANS' AFFAIRS

The SPEAKER laid before the House the following communication from the chairman of the Committee on Veterans' Affairs, which was read and referred to the Committee on Appropriations:

COMMITTEE ON VETERANS' AFFAIRS,  
Washington, DC, June 28, 1988.

HON. JIM WRIGHT,  
The Speaker, House of Representatives,  
Washington, DC.

DEAR MR. SPEAKER: Section 5004 of title 38, United States Code, requires that the Committees on Veterans' Affairs adopt a resolution approving major medical construction projects and leases of \$500,000 or more proposed by the Veterans' Administration for each fiscal year. The House Committee on Veterans Affairs met on June 28, 1988, and authorized the construction of various projects in Fiscal Year 1989 by unanimous voice vote.

A copy of the Resolution adopted by the Committee and a listing of the projects authorized are enclosed.

Sincerely yours,  
G.V. (SONNY) MONTGOMERY,  
Chairman.

#### GENERAL LEAVE

Mr. BEVILL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on H.R. 4567, making appropriations for energy and

water development for the fiscal year ending September 30, 1989, as well as the Senate amendments reported in disagreement, and that I may include extraneous material and tables.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

#### CONFERENCE REPORT ON H.R. 4567, ENERGY AND WATER DEVELOPMENT APPROPRIATION, 1988

Mr. BEVILL. Mr. Speaker, I call up the conference report on the bill (H.R. 4567) making appropriations for energy and water development for the fiscal year ending September 30, 1989, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of June 22, 1988, at page H 4617.)

The SPEAKER. The gentleman from Alabama [Mr. BEVILL] will be recognized for 30 minutes and the gentleman from Indiana [Mr. MYERS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Alabama [Mr. BEVILL].

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

Mr. Speaker, I am pleased to present the conference report on the fiscal year 1989 energy and water development appropriation bill for your favorable consideration. Our colleagues will recall that debate on this bill occurred in the House on May 17. The bill was passed by 384 to 20 in the House and 92 to 5 in the Senate.

Mr. Speaker, our conference committee meeting was held on Wednesday, June 22. I wish to compliment our friends from the other body, particularly the Senator from Louisiana [Mr. JOHNSTON] the chairman of the Senate Subcommittee, and the Senator from Oregon [Mr. HATFIELD] the ranking minority member, for the fine spirit of compromise displayed in the conference meeting. I also wish to thank my colleagues, the House conferees, for their support and their valuable contributions during the conference deliberations.

Now I would like to comment on various aspects of the conference agreement.

Mr. Speaker, this bill is one that will be signed by the President. It is below the subcommittee's section 302(b) allocation for budget authority and is \$313 million below the budget request.

Mr. Speaker, for the various agencies and programs under the jurisdiction of the Energy and Water Development Subcommittee, the committee of conference recommends

\$17,831,995,000 in new budget authority. This amount is \$312,552,000 less than the budget request, \$44,495,000 over the House bill and \$124,906,000 less than the Senate bill.

The conference agreement we present to you today is the culmination of an intense 4 months of effort on the part of the House committee and the same review by the Senate committee. During this period we have heard testimony from hundreds of witnesses—contained in eight hearing volumes of thousands of pages. This is the first appropriation bill conferred for fiscal year 1989. Bringing it up at this time and at this level, is an indication that Congress is serious about deficit reduction and attempting to avoid a comprehensive continuing resolution.

The House considered the energy and water development appropriation bill on the floor in 1 day. The Senate had a total of 45 numbered amendments to the bill. But, within those 45 amendments, there are nearly 400 individual items in disagreement. The conference agreement represents the best efforts of the House and Senate conferees to achieve consensus on those 400 items. Many items had to be reduced or changed to accomplish agreement with the Senate. In addition, we had to keep in mind the need to have a bill that was acceptable to the administration.

Your House conferees did their best to maintain the House position. However, to bring back a conference report that is within the budget allocation for the energy and water development programs, a great many items had to be compromised.

We would like more money for energy, for the weapons program, and for the water projects. But if we stayed within the 302(b) allocation and comply with the budget summit agreement, we could not provide all of the funds for all of the programs and projects to the extent we would have liked.

With regard to the provision in the House bill dealing with a drug free workplace, the Senate-passed version strikes this provision. The conferees strongly agreed with the intent of the House provision; however, many had problems with the wording and satisfactory modification of the wording was not achievable within the limitations of the conference. The Senate conferees indicated that there would be a provision included in one of the Senate-passed appropriation bills. This provision will have Government-wide application. With this assurance, the House conferees receded to the Senate position.

Mr. Speaker, the conference agreement contains \$3,236,261,000 in title I for the Army Corps of Engineers. This is \$22,071,000 less than the bill as passed by the House and \$186,000 less than the Senate-passed bill. These funds will finance 337 water resources projects in the planning or construction phase.

For title II, the Bureau of Reclamation, the conferees recommend a total of \$993,621,000 which is \$138,000 more than the House-passed bill and the same as the Senate-passed bill. This will fund 121 water resources projects in the planning or construction phase.

In my view, the conference agreement provides for a financially prudent and environmentally sound Water Resources Development Program.

The conference agreement contains \$13,156,112,000 for the Department of Energy programs in title III. This includes \$2,142,326,000 for energy supply, research and development activities; \$325,743,000 for power marketing administrations; \$369,832,000 for the nuclear waste disposal fund; and \$922,116,000 for general science and research activities. The energy accounts include \$148,789,000 for solar, geothermal, and electric energy systems and storage; \$610,468,000 for nuclear energy; and \$351,500,000 for magnetic fusion. The conference

agreement provides a total of \$8,100,000,000 for atomic energy defense activities. This is an increase of \$350,636,000 over the fiscal year 1988 level and equal to the President's budget request.

Mr. Speaker, the conference agreement includes \$446,001,000 for six independent agencies and commissions in title IV, including \$110,700,000 for the Appalachian Regional Commission, \$231,000,000 for the Nuclear Regulatory Commission, and \$103,000,000 is provided for the Tennessee Valley Authority.

I will insert a table in the RECORD at this point which summarizes the financial aspects of the conference agreement.

I would like to call Members' attention to several minor typographical errors in the conference report printed in the June 22, 1988, CONGRESSIONAL RECORD. In the portion of the report dealing with amendment No. 10, the amended amendment contains the word "previous." It should be "previously." In the paragraph dealing with amendment No. 11, the first number should be \$1,370,714,000 rather than \$1,379,714,000. In this same paragraph, the second number should be \$1,378,833,000 rather than \$1,378,333. In the portion of the report dealing with amendment No. 12, the period at the end of the amended amendment typed in italics should be stricken. In the paragraph dealing with amendment No. 17, the first number should be \$14,250,000 instead of \$14,150,000. In the portion of the report dealing with amendment No. 24, the amended amendment in italics contains the word "Administration." It should be "Administrative." In the paragraph dealing with amendment No. 31, the second number should be \$8,092,100,000 instead of \$8,092,000,000. In the portion of the report dealing with amendment No. 34, the third paragraph should be in italics.

## COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY

	Fiscal year 1988 enacted	Fiscal year 1989 estimates	House	Senate	Conference
<b>TITLE I - DEPARTMENT OF DEFENSE - CIVIL</b>					
<b>DEPARTMENT OF THE ARMY</b>					
<b>Corps of Engineers - Civil</b>					
General investigations.....	138,767,000	129,271,000	142,405,000	140,411,000	142,405,000
Construction, general.....	1,200,175,000	1,227,570,000	1,193,687,000	1,184,735,000	1,184,735,000
Flood control and coastal emergencies.....	20,000,000	25,000,000	25,000,000	20,000,000	20,000,000
Flood control, Mississippi River and tributaries, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee.....	317,704,000	334,297,000	337,980,000	337,980,000	337,980,000
Operation and maintenance, general 1/.....	1,400,000,000	1,372,894,000	1,378,833,000	1,362,894,000	1,370,714,000
General Regulatory Functions.....	55,262,000	60,427,000	60,427,000	60,427,000	60,427,000
Revolving Fund.....	---	35,174,000	---	10,000,000	---
General expenses.....	115,200,000	123,465,000	120,000,000	120,000,000	120,000,000
<b>Total, title I, Department of Defense - Civil: New budget (obligational) authority.....</b>	<b>3,247,108,000</b>	<b>3,308,098,000</b>	<b>3,258,332,000</b>	<b>3,236,447,000</b>	<b>3,236,261,000</b>
<b>TITLE II - DEPARTMENT OF THE INTERIOR</b>					
<b>Bureau of Reclamation</b>					
General investigations.....	16,590,000	12,286,000	13,761,000	14,250,000	14,250,000
Construction program.....	703,716,000	698,236,000	709,332,000	712,905,000	712,305,000
Operation and maintenance.....	151,000,000	183,231,000	192,331,000	183,231,000	187,731,000
Loan program.....	32,309,000	19,022,000	29,022,000	26,022,000	26,022,000
(Limitation on direct loans).....	(31,972,000)	(17,766,000)	(27,766,000)	(24,766,000)	(27,766,000)
General administrative expenses.....	51,690,000	50,313,000	48,313,000	48,313,000	48,313,000
Emergency fund.....	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Working Capital fund.....	---	7,900,000	---	7,900,000	4,000,000
Colorado River Dam fund (by transfer, permanent authority).....	(-7,003,000)	(-2,485,000)	(-2,485,000)	(-2,485,000)	(-2,485,000)
<b>Total, Bureau of Reclamation.....</b>	<b>956,305,000</b>	<b>971,988,000</b>	<b>993,759,000</b>	<b>993,621,000</b>	<b>993,621,000</b>
<b>Total, title II, Department of the Interior: New budget (obligational) authority.....</b>	<b>956,305,000</b>	<b>971,988,000</b>	<b>993,759,000</b>	<b>993,621,000</b>	<b>993,621,000</b>
(Limitation on direct loans).....	(31,972,000)	(17,766,000)	(27,766,000)	(24,766,000)	(27,766,000)
(By transfer).....	(-7,003,000)	(-2,485,000)	(-2,485,000)	(-2,485,000)	(-2,485,000)
<b>TITLE III - DEPARTMENT OF ENERGY</b>					
<b>Energy Supply, Research and Development Activities:</b>					
Operating Expenses.....	1,646,724,000	1,732,118,000	1,811,190,000	1,895,594,000	1,828,394,000
Plant and Capital Equipment.....	341,633,000	237,642,000	261,432,000	312,832,000	313,932,000
(By transfer).....	(104,000,000)	---	---	---	---
<b>Subtotal.....</b>	<b>1,988,357,000</b>	<b>1,969,760,000</b>	<b>2,072,622,000</b>	<b>2,208,426,000</b>	<b>2,142,326,000</b>
Isotope production and distribution fund.....	---	16,243,000	---	---	---
<b>Uranium Supply and Enrichment Activities:</b>					
Operating Expenses.....	916,000,000	1,103,300,000	1,060,680,000	1,106,600,000	1,063,080,000
Plant and Capital Equipment.....	34,000,000	80,700,000	72,400,000	75,000,000	70,000,000
<b>Total.....</b>	<b>950,000,000</b>	<b>1,184,000,000</b>	<b>1,133,080,000</b>	<b>1,181,600,000</b>	<b>1,133,080,000</b>
Gross revenues.....	(-1,301,000,000)	(-1,276,000,000)	(-1,276,000,000)	(-1,276,000,000)	(-1,276,000,000)
<b>General Science and Research Activities:</b>					
Operating Expenses.....	627,423,000	266,254,000	737,916,000	716,916,000	714,916,000
Plant and Capital Equipment.....	177,075,000	98,732,000	191,200,000	217,700,000	207,200,000
<b>Subtotal.....</b>	<b>804,498,000</b>	<b>364,986,000</b>	<b>929,116,000</b>	<b>934,616,000</b>	<b>922,116,000</b>
Basic research user facilities.....	---	972,613,000	---	---	---
Nuclear Waste Disposal Fund.....	360,000,000	448,832,000	369,832,000	369,832,000	369,832,000
<b>Atomic Energy Defense Activities:</b>					
Operating Expenses.....	6,253,465,000	6,632,025,000	6,627,025,000	6,657,025,000	6,660,925,000
Plant and Capital Equipment.....	1,495,899,000	1,467,975,000	1,472,975,000	1,435,075,000	1,439,075,000
<b>Subtotal.....</b>	<b>7,749,364,000</b>	<b>8,100,000,000</b>	<b>8,100,000,000</b>	<b>8,092,100,000</b>	<b>8,100,000,000</b>
<b>Departmental Administration:</b>					
Operating Expenses.....	389,536,000	394,925,000	396,503,000	396,503,000	396,503,000
Plant and Capital Equipment.....	5,977,000	7,162,000	7,162,000	7,162,000	7,162,000
<b>Subtotal.....</b>	<b>395,513,000</b>	<b>402,087,000</b>	<b>403,665,000</b>	<b>403,665,000</b>	<b>403,665,000</b>
Miscellaneous revenues.....	-233,896,000	-224,273,000	-240,725,000	-240,725,000	-240,725,000
<b>Net appropriation.....</b>	<b>161,617,000</b>	<b>177,814,000</b>	<b>162,940,000</b>	<b>162,940,000</b>	<b>162,940,000</b>

1/ Reflects transfer of \$55,262,000 to "General Regulatory Functions" in FY88 Enacted.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY—Continued

	Fiscal year 1988 enacted	Fiscal year 1989 estimates	House	Senate	Conference
<b>Power Marketing Administrations</b>					
Operation and maintenance, Alaska Power Administration	3,026,000	3,159,000	3,159,000	3,159,000	3,159,000
Operation and maintenance, Southeastern Power Administration	27,400,000	36,267,000	36,267,000	36,267,000	36,267,000
Operation and maintenance, Southwestern Power Administration	16,648,000	15,389,000	15,389,000	15,389,000	15,389,000
Construction, rehabilitation, operation and maintenance, Western Area Power Administration	242,512,000	295,928,000	270,928,000	270,928,000	270,928,000
(By transfer, permanent authority)	(7,003,000)	(2,485,000)	(2,485,000)	(2,485,000)	(2,485,000)
<b>Subtotal</b>	<b>289,586,000</b>	<b>350,743,000</b>	<b>325,743,000</b>	<b>325,743,000</b>	<b>325,743,000</b>
<b>Federal Energy Regulatory Commission</b>					
Salaries and expenses	100,000,000	106,760,000	108,760,000	108,760,000	108,760,000
Revenues Applied	-100,000,000	-106,760,000	-108,760,000	-108,760,000	-108,760,000
<b>Subtotal</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>
<b>Geothermal Resources Development Fund</b>					
Geothermal loan guarantee and interest assistance program	72,000	75,000	75,000	75,000	75,000
<b>Total, title III, Department of Energy:</b>					
New budget (obligational) authority	12,303,494,000	13,585,066,000	13,093,408,000	13,275,332,000	13,156,112,000
Operating Expenses	(10,248,910,000)	(11,692,855,000)	(11,088,239,000)	(11,227,563,000)	(11,118,743,000)
Plant and Capital Equipment	(2,054,584,000)	(1,892,211,000)	(2,005,169,000)	(2,047,769,000)	(2,037,369,000)
(By transfer)	(111,003,000)	(2,485,000)	(2,485,000)	(2,485,000)	(2,485,000)
<b>TITLE IV - INDEPENDENT AGENCIES</b>					
<b>Appalachian Regional Commission:</b>					
Appalachian regional development programs	107,000,000	---	107,000,000	110,700,000	110,700,000
<b>Delaware River Basin Commission:</b>					
Salaries and expenses	203,000	205,000	205,000	205,000	205,000
Contribution to Delaware River Basin Commission	263,000	263,000	263,000	263,000	263,000
<b>Total, Delaware River Basin Commission</b>	<b>466,000</b>	<b>468,000</b>	<b>468,000</b>	<b>468,000</b>	<b>468,000</b>
<b>Interstate Commission on the Potomac River Basin:</b>					
Contribution to Interstate Commission on the Potomac River Basin	379,000	---	79,000	379,000	379,000
<b>Nuclear Regulatory Commission:</b>					
Salaries and expenses	392,800,000	450,000,000	420,000,000	430,000,000	420,000,000
Revenues	-196,400,000	-247,500,000	-189,000,000	-193,500,000	-189,000,000
<b>Total, Nuclear Regulatory Commission</b>	<b>196,400,000</b>	<b>202,500,000</b>	<b>231,000,000</b>	<b>236,500,000</b>	<b>231,000,000</b>
<b>Susquehanna River Basin Commission:</b>					
Salaries and expenses	197,000	192,000	192,000	192,000	192,000
Contribution to Susquehanna River Basin Commission	249,000	262,000	262,000	262,000	262,000
<b>Total, Susquehanna River Basin Commission</b>	<b>446,000</b>	<b>454,000</b>	<b>454,000</b>	<b>454,000</b>	<b>454,000</b>
<b>Tennessee Valley Authority:</b>					
Tennessee Valley Authority Fund	103,000,000	75,973,000	103,000,000	103,000,000	103,000,000
<b>Total, title IV, Independent agencies:</b>					
New budget (obligational) authority	407,691,000	279,395,000	442,001,000	451,501,000	446,001,000
<b>Grand total, all titles:</b>					
New budget (obligational) authority	16,914,598,000	18,144,547,000	17,787,500,000	17,956,901,000	17,831,995,000
(Limitation on direct loans)	(31,972,000)	(17,766,000)	(27,766,000)	(24,766,000)	(27,766,000)
(By transfer)	(104,000,000)	---	---	---	---

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Mr. MYERS of Indiana. Mr. Speaker, as has already been presented, the House for the first time in 28 years has completed its responsibilities on the 13 appropriations bills in a timely fashion, and the House Members and the Appropriations Committees should be commended for this.

And now we bring to the floor the first conference report on those 13 bills, and I am quite sure that the Appropriations Committee, particularly the House side I can speak for, hope and expect to bring all conference re-

ports to the floor for consideration before the end of this fiscal year.

I particularly want to thank the gentleman from Alabama [Mr. BEVILL], the chairman, and other members of our committee and particularly the gentlewoman from Nebraska [Mrs. SMITH] who was prepared last night in my unavoidable absence to take the responsibility of managing this report. I also want to thank each member of the staff of our committee who worked very diligently and the Senate Members, Senator JOHNSTON as well as Senator HATFIELD.

Mr. Speaker, this was not an easy conference, as none of them will be, particularly in light of the budget summit agreement last December, and then with the restrictions necessarily imposed by our 302(b) allocations. This year we had a particular problem, I suppose, as other subcommittees are going to have. The fact is that the Senate had a higher 302(b) allocation than the House. The 302(b) allocations, for those who are not familiar, are the allocations made to the various subcommittees on the budget.

So we did have a difference when we went to the conference that we just

could not live with. I am pleased that the other body, the Senate, was willing to compromise with us. The conference report we bring to the floor now is \$125 million below the figure they had in their bill. It is \$44.5 million above the figure we had, but it still is within the limitations placed by the 302(b) allocations and the summit. It is \$313 million below the President's request. It is my understanding this bill is acceptable to the OMB. And I am quite certain the President will sign the bill.

Mr. Speaker, it is a good bill, and we have come to the floor for a good many years, the chairman, and I and other members of the Appropriations Committee, particularly the gentleman from Mississippi [Mr. WHITTEN], the full committee chairman, for a great number of years. I think this is one of the best bills ever, even though it is very tight, very close, and, as the gentleman from Alabama [Mr. BEVILL], the chairman, has explained here, there are no new starts, and there are a lot of worthy, outstanding, good, needed programs that should have been started this year. Unfortunately, we just simply do not have the money this year to adequately fund both ongoing programs and start new projects.

So in our wisdom we have had no new starts this year in water projects or other major domestic energy projects. I know a lot of people would have liked to have seen it otherwise, but this is a good bill.

Mr. Speaker, we have worked out the differences with the other body, maybe not to the satisfaction of everyone, but that is what a conference is all about. It is a bill I think everyone can accept, and I hope they will support it today.

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

Mr. BEVILL. Mr. Speaker, I yield such time as he may consume to our fellow colleague, the gentleman from California [Mr. FAZIO].

Mr. FAZIO. Mr. Speaker, I rise in strong support of the conference report. I rise in strong support of the conference report on the fiscal year 1989 energy and water development appropriations bill.

I would like to thank my chairman, Congressman TOM BEVILL, and my ranking minority member, Congressman JOHN MYERS, for the first-rate job they have done with this bill.

Chairman BEVILL has said that this is the most difficult bill he has ever put together as chairman of the subcommittee. I share his view and respect him and his outstanding subcommittee staff for the fairness and prudence manifested in this act.

This is, of course, a very big country. There is a great deal of work to be done in water development, in energy research, supply and regulation, and in defense of this Nation that must be funded every year in this bill.

This bill helps our competitiveness in the most tangible sense: it funds our Nation's in-

frastructure. Infrastructure that moves cargo in our ports, that transfers water to our cities and sends electricity to communities. As our economy becomes even more integrated in the global community, this bill helps to ensure that we stay ahead, or at least even with, our competitors around the world. It protects, and sometimes creates jobs.

This bill funds basic scientific research and technology development that will help shape the infrastructure of tomorrow, so that the Nation we leave our children will be competitive as well.

As the only member of the subcommittee from California, I would like to underscore to my California colleagues that this bill does much for our State. Although some important new-start construction projects were not funded—one in my district, in fact—there are Corps of Engineers and Bureau of Reclamation items included in this bill which can positively impact every Californian in some way. All told, there are well over 100 California projects in the bill, from harbor dredging up in Crescent City to canal lining down in the Imperial Valley.

There is continued funding for flood protection projects throughout the State. I am particularly pleased with those studies included in the Corps of Engineers and Bureau of Reclamation budgets which will help us to address the flood control problems in Northern California, where the devastating flood of February 1986 is a recent memory. Many communities in the region, including Sacramento, are discussing the need for greater flood protection. The Federal investigations will provide the information and impetus for a decision in those communities.

There is also substantial funding in this bill which will benefit California's maritime commerce industry. Ports and harbors from Oceanside in the south to, again, Crescent City in the north would receive help from the Corps of Engineers to deepen channels, dredge harbors, and build breakwaters. An item of particular importance to my district is funding to continue deepening the 47-mile Sacramento Deepwater Ship Channel.

The conferees also adopted a provision which would require that no new, long-term contracts for water from the Central Valley project are executed prior to May 1, 1989. The provision will not effect the renewal of existing water contracts, nor will it impair the Bureau's ability to execute temporary contracts. It applies only to the new 1-million acre-feet of water made available by the coordinating operating agreement between the State water project and the Federal Central Valley project. The provision merely seeks to ensure this huge allocation is not made too hastily, and that a number of outstanding concerns in California are taken into account. Additionally, the delay will ensure that new water allocations are made by the next administration, which can be held fully accountable by Congress for the fair allocation of water.

I also want to point out that the conferees provided \$65 million in borrowing authority to the Bonneville Power Administration for construction of the northern portion of the third A.C. intertie. This funding will help ensure expeditious completion of the intertie, which should be finished and supplying some 1,600

megawatts of electricity between the Pacific Northwest and the Pacific Southwest by the mid-1990's. It is my understanding that the initiation of Federal construction of the intertie will not preclude additional non-Federal participation in the northern portion of the intertie.

I would also like to express my disapproval of report language included by the Senate regarding an order by the Federal Energy Regulatory Commission (FERC Docket No. EF87-20011-003). I believe the FERC decision was well reasoned and reflects an appropriate balance between regional and nonregional interests that Congress intended in establishing FERC's review over BPA's nonregional rates. In contrast to the Senate's declaration that this order reverses 6 years of established Commission precedent, I note that this is the first time the Commission has addressed the issue of whether all sales to California should be considered nonfirm for purposes of section 7(k) rate review by the FERC.

I am pleased that funding appears in this bill to help resolve a chronic flood control problem at the Glenn-Colusa Irrigation District's intake on the Sacramento River. This provision was included with my support and with the support of northern California's Representatives DOUG BOSCO and WALLY HERGER. We realize that Glenn-Colusa's irrigation activity conflicts with young, migrating salmon. Unless this conflict is resolved satisfactorily, permits could be denied, irrigation could cease and very substantial economic damages would then be done to a large area of California.

Hopefully, our provision will allow the corps to contribute vital flood control element to a successful program to preserve the fish. Fish preservation is itself a very important goal. In our view, moreover, solving the fish conflict satisfactorily is the only way to preserve the viability of many millions of dollars worth of public facilities and many millions more of regional economic activity. These were our purposes for sponsoring the funding.

I am sure I speak for my colleagues when I thank the chairman and ranking minority members of the House and Senate subcommittees for recognizing the importance of this matter and the appropriateness of the Corps of Engineers making a vital flood control contribution to the solution.

The conferees have also added funding to continue U.S. leadership in research and development of renewable and alternative energy sources, as well as conservation research. Most importantly, the conferees provided a substantial increase over the administration's request for further research and development into photovoltaic energy system technologies.

We took this step in support of renewable energy in order to maintain our Nation's leadership position in this important renewable energy technology. The Japanese and the West Germans see the benefit in investing in these renewable technologies. In the current fiscal year, West Germany and Japan outspent the United States by 50 percent and 20 percent on research into photovoltaics. Even the Netherlands and India currently outspend the United States in this critical technology. They are clearly investing in anticipation that the United States will back away from the po-



tential multibillion markets for renewable energy industries. They are certainly convinced, as we once were of the significant return in future economic productivity and growth that investments in these technologies will yield.

The conferees recognized that we have made an enormous investment in these photovoltaic technologies and that these past investments are close to paying off both in energy produced and as important, as an emerging growth sector of our economy.

In conclusion, Mr. Speaker, I would just like to point out to the Members that George Urian, a good friend and staff member of the Energy and Water Development Subcommittee of the Committee on Appropriations, is retiring after 27 years of service with the committee. As most of the Members know, George has worked on the water resources section of our bill for some 22 years. If you are a Member who represents a community which has had a harbor dredged, a dam built, or flood protection expanded during that time, in one way or another George Urian is partially responsible. He's the one who has helped me and other members of this subcommittee sort through the projects and determine those with merit. His counsel has been extremely valuable.

I know we will all miss him greatly. George, we wish you all the best in the coming years.

Mr. Speaker, this conference report represents a fiscally sound compromise that continues a long and vital Federal investment in the Nation's economy, public safety, and national security. I urge my colleagues to join me in supporting it.

Mr. MYERS of Indiana. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Nebraska [Mrs. SMITH], a very valued member of this subcommittee.

Mrs. SMITH of Nebraska. Mr. Speaker, I thank the gentleman from Indiana [Mr. MYERS] for yielding this time to me.

Mr. Speaker, I rise as a member of the Appropriations Subcommittee on Energy and Water Development in support of this conference report on H.R. 4567, making appropriations for energy and water development for fiscal year 1989. I ask unanimous consent to revise and extend my remarks.

I support this bill even though it does not provide full funding for every undertaking wanted and needed for my State. But it does address the major energy and water concerns of Nebraska.

As a member of the committee of conference on this bill, I want to thank my colleagues in the House for sticking up for Nebraska when it counted.

My amendments approved by the conferees added \$13.6 million to the President's budget requests for Nebraska projects for fiscal year 1989, bringing the Nebraska total to about \$40 million, up from only \$33.3 million the current fiscal year.

I commend our distinguished subcommittee chairman, the gentleman

from Alabama [Mr. BEVILL]; the subcommittee's ranking minority member, the gentleman from Indiana [Mr. MYERS]; the distinguished chairman of our counterpart subcommittee in the other body, the gentleman from Louisiana [Mr. JOHNSTON]; the gentleman from Oregon [Mr. HATFIELD]; and all the conferees for bringing this excellent bill to the House for consideration and final approval in such timely fashion.

Once again our subcommittee is the first to bring up an appropriation conference report to send to the President.

Our subcommittee has had this distinction in the past; I note, however, this is the first conference report on energy and water development to be brought up separately from a continuing resolution since October 17, 1985.

The House has nearly always done its work on its version of this bill and other appropriations measures with far greater dispatch than the other body.

This year, however, both bodies are moving right along, the result mainly of the nonpartisan spirit in which members of the energy and water appropriations subcommittees of both bodies work together.

This nonpartisan cooperative spirit of working together for developing and strengthening our energy and water all over America is chiefly the reason that the House version passed the House on May 17 with such a huge majority of 384 to 20, and in the other body on June 15 by a vote of 92 to 5.

I submit to you that putting together a complex 5,000-piece jigsaw puzzle is simple compared to making appropriations bills faithfully reflect the wishes of and win the approval of such large majorities in the Congress. Adding the negative votes together, only 25 Members of the House and Senate dissented to these measures.

Then came the task of putting these two complicated bills together. As all Members are aware, it takes sophisticated computer systems to compare the differences in the two versions involving thousands of line items and pages and pages of report and bill language.

The Senate struck the Walker drug-free workplace amendment. The conferees agreed on the laudable intent of this legislation but were unable to produce a compromise within the limitations of the conference. The Senate conferees assured us that there would be a Governmentwide provision in a Senate-passed appropriations bill. The House accepted this guarantee and receded to the Senate on this issue.

Yet, because of extraordinary staff in both bodies, many of whom had to work into the wee hours, the conferees were able to reconcile nearly 400 individual items in disagreement contained within 45 Senate amendments

to the bill. We had to keep in mind that the bill has to be acceptable to the White House.

To do that, we eliminated, for now, Senate language, the so-called McClure amendment, mandating that the Office of Management and Budget [OMB] must comply with congressional intent as set forth in this conference report and the reports accompanying the House bill and the Senate amendments.

This is a momentous issue, amounting to a policy struggle between the Congress and the executive branch and one that I feel deeply about.

Because of OMB's flat refusal to obey congressional intent in documents accompanying the appropriations bills covering the current fiscal year, Nebraska's North Loup Division came within a hair of being aborted without completing the crucial Davis Creek Dam feature.

Senator DAVID KARNES and I had to appeal to the President to overturn OMB's unexpected refusal to release funds for proceeding with this feature as clearly directed by Congress in the report documents.

Then, as a result of publicity arising from our struggle, funds in this bill for Davis Creek Dam for construction in fiscal year 1989 were challenged on the floor of the House this year on May 17. This forced the entire Nebraska congressional delegation, supported by Governor Orr of Nebraska, to work together to successfully defeat this challenge.

Many other projects suffered from OMB's refusal to obey report language. So I am sure we have not heard the last about this issue.

As Chairman BEVILL has presented here in detail, this is a carefully crafted conference report. It meets every budget test.

It is below the subcommittee's section 302(b) allocation for budget authority and \$313 million below the budget request.

The committee of conference recommends \$17,831,195,000 in new budget authority. This is \$312,552,000 less than the budget request, \$44,495,000 more than the House bill and \$124,906,000 less than the Senate bill.

The conferees provided \$9.7 billion for domestic water resource and energy programs. They provided \$8.1 billion for atomic energy defense—consistent with the budget summit agreement and the Defense authorization bill.

I want to restate Chairman BEVILL's observation that this conference report is the culmination of an intense 4 months of effort by the House and Senate committees. During this period we have heard testimony from hundreds of witnesses—contained in eight hearing volumes of thousands of pages.

Accomplishing all this within the timeframe we set for ourselves demonstrates we are serious about doing our part about deficit reduction and about avoiding the continuing resolution chaos of both 1987 and 1988.

We are claiming success. But it was achieved with great pain. The funds in this bill rarely reflect our preferences. We would like more for energy, for the weapons program, and for water-resource development.

The facts are that a severe drought is pinching many of our friends and neighbors in the West and in the East. Besides threatening our vital food supply complex, the drought is impacting the 25,000 miles of our inland waterways. We are all aware of reports about dozens of barges being grounded in some of our rivers, particularly the Mississippi River.

To address consequences of the deepening drought, the conferees directed the Army Corps of Engineers to use available funds for emergency drought planning. Existing law provides sufficient authority for the corps to address certain emergency situations.

Contingency plans, based on the drought of the 1930's are in place regarding the "spending" of carryover water for hydroelectric power generation, navigation, and maintenance of minimum flows for other purposes.

Existing law, Public Law 84-99, empowers the Army Corps to provide emergency water supplies for both people and animals in areas declared by the Secretary of the Army as suffering emergency drought conditions.

This emergency water assistance includes drilling water wells and paying for transportation of emergency water supplies. Communities and individuals would have to pay for the water itself. The corps would pay for transportation only.

The conferees are keenly aware that the drought could get a lot worse as fiscal year 1989 gets underway, and they stand ready to provide additional reprogramming authority as necessary with respect to available funds.

As hard as we have tried to address every concern expressed to the subcommittee, not every one of our colleagues is pleased with what we have done. Indeed, to stay within the budget constraints, we had to spread significant pain around. A great many items had to be compromised.

To help the Senate find its nearly \$125 million in reductions to meet the conference figures, I was among subcommittee members who had to take some heavy hits. Construction funds for two water projects impacting on western Nebraska were reduced for now by nearly \$3.3 million, an 8.3-percent cut in funds earmarked for all of Nebraska.

We also eliminated any new construction starts on any water or

energy projects. This included requests from many universities for initial funding for technology research facilities. These universities included one in our chairman's home State of Alabama as well as my own State's University of Nebraska.

But dissent will be heard. We will hear some colloquys to clarify the intent of some bill and report language. We may hear from colleagues who oppose one or more of the amendments in technical disagreement.

As a member of the committee of conference, I am particularly grateful for my colleagues' support when together we headed off a Senate move to cut in half \$300,000 in water project planning funds earmarked for Nebraska and saved seven other of my amendments as well.

The Senate conferees had the slides greased so that my amendment would be cut in half to \$150,000 and the reduction divided among five other States.

I insisted this money be retained for Nebraska because our State had received minuscule amounts from this fund, known as section 22 coordination funds administered through the Army Corps of Engineers.

Nebraska received only \$20,000 in the current fiscal year, down from \$30,000 the previous year, and up only slightly from the \$17,000 allocated for each of the 2 years of 1985 and 1986.

I pointed out to the Senate conferees that Governor Orr had presented testimony to the committee requesting a total of \$455,000 to address a backlog of water project studies.

I said that for years Nebraska got peanuts from this account. I said that \$150,000 just won't do it, and \$300,000 is only a good beginning. We have large-scale water problems, and adequate planning money is long overdue. Federal law limits these funds to \$300,000 per year for any one State.

I provide for the RECORD this list of priority study projects from Michael Jess, Governor Orr's director of the State department of water resources:

First. Instream flows below Gavins Point and Fort Randall on the Missouri River.

Second. Restoration of the rainwater basin in the Holdrege area.

Third. Public-use maps for the Salt Valley near Lincoln.

Fourth. Comprehensive resources including recreation, historical, and cultural aspects on the Missouri River from Sioux City to Rulo.

Fifth. Backwater areas of the Missouri River for selected wildlife habitat.

Sixth. Statewide instream flow data for fish and wildlife.

My colleagues and I also stayed off attempts to shave some of my other funding amendments, agreeing only to a temporary reduction in funds for repairing leaking dikes at the Glendo

Dam and Reservoir in Wyoming. This project provides water for Nebraska's big Pathfinder Irrigation District.

The conference committee did reduce President Reagan's budget request of \$14.8 million for continuing construction of the North Loup Division by \$1.8 million.

But one of my amendments, however, provided an additional \$10 million earmarked for constructing the project's Davis Creek Dam feature. Total North Loup funding, therefore, is \$23 million for fiscal year 1989, about the same as scheduled for construction in the current year.

Fortunately, the conference reduction would not delay construction because Federal law provides that funds essential for keeping the work on schedule can be reprogrammed from other projects.

We also beat back Senate attempts to eliminate or reduce funds for the Missouri national recreation and bank stabilization project, the South Platte-Frenchman Valley project, and the Bostwick Irrigation District.

This bill approved by the House-Senate conference includes my amendments as follows:

\$10,000,000 for proceeding with construction of the North Loup Division's Davis Creek Dam, plus \$13,000,000 for continuing construction of other portions of the division, which has been under construction since 1976.

\$2,000,000 for initiating repair and rehabilitation of certain dikes of the Glendo Dam and Reservoir, serving Nebraska and Wyoming water users, to prevent severe seepage problems and to thereby restore full flood-control capacity.

\$800,000 for the Prairie Bend Project for advanced planning, up from \$500,000 this year.

\$300,000 earmarked for the State of Nebraska for planning assistance from the Army Corps of Engineers under section 22 of the Water Resources Act of 1974, up from only \$26,000 this year.

Unspecified amount for the Missouri National Recreation and Bank Stabilization Project, Nebraska and South Dakota, operation and maintenance. This would be in addition to the budget request of \$75,000 for construction of project facilities. Operation and maintenance funds were approved in lump sum by the Conferees without earmarking funds for individual projects.

\$100,000 for the Lincoln County Bank Stabilization Demonstration Project for plans and specifications, down from \$300,000 this year.

\$100,000 for the South Platte/Frenchman Valley Project for expediting planning; with other funds requested in the President's budget the total available in fiscal year 1989 would be \$175,000, down from \$200,000 this year.

\$100,000 for the Bostwick Irrigation District for a new survey of severe seepage and drainage problems on the upper Courtland Canal.

\$660,000 for the Farwell Irrigation District for helping to solve its severe drainage problems, up from \$360,000 this year.

\$100,000 for continuing the Loup River Basin study, down from \$200,000 this year.

\$600,000 for the O'Neill Unit, advanced planning, up from \$500,000 this year.

\$160,000 Wood River, Grand Island, new flood-control survey.

\$1,116,000 for the Harlan County Reservoir, operation and maintenance, up from \$1,029,000 this year.

\$600,000 for initiating the York, Nebraska, ground water recharge demonstration project. Total cost: about \$1,000,000.

\$5,202,000 for the Gavins Point Dam/Lewis and Clark Lake, operation and maintenance, down from \$5,473,000 this year.

\$3,547,000 for the Papillion Creek and Tributaries Lakes, Omaha, construction, up from \$2,500,000 this year.

\$500,000 for the Papillion Creek and Tributaries Lakes, Omaha, operation and maintenance, up from \$446,000 this year.

\$623,000 Salt Creek and Tributaries Lakes, operation and maintenance, down from \$862,000 this year.

\$120,000 Antelope Creek, Lincoln, new flood-control survey.

I urge my colleagues to approve this conference report.

Mr. MYERS of Indiana. Mr. Speaker, I yield 1 minute to the gentleman from Washington [Mr. MORRISON] who has worked very closely with our subcommittee.

Mr. MORRISON of Washington. Mr. Speaker, I thank the gentleman for yielding this time to me, and I want to add my voice to those commending the leadership of this particular appropriations subcommittee for the outstanding job that they do.

I would ask that I now participate in a colloquy with both the gentleman from Alabama [Mr. BEVILL] and the gentleman from Indiana [Mr. MYERS].

Mr. Speaker, the section of the subcommittee's report accompanying H.R. 4567 dealing with the Bureau of Reclamation's operation and maintenance account indicates the subcommittee included funding in that account for a new lighting system at Grand Coulee Dam to replace the outdated, inefficient system currently being used there. It is my understanding that the conference agreement also contains funding for this project, and I would ask the chairman and ranking member of the subcommittee if my understanding is correct.

Mr. BEVILL. The gentleman is correct.

Mr. MYERS of Indiana. Yes, the gentleman is correct.

Mr. MORRISON of Washington. Thank you.

Mr. MYERS of Indiana. Mr. Speaker, will be gentleman yield?

Mr. MORRISON of Washington. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Yes, the gentleman has worked very closely with this committee and, yes, the funds are there.

Mr. MORRISON of Washington. Mr. Speaker, I thank the gentlemen very much. Both the gentleman from Washington [Mr. FOLEY] and I share this project and express our apprecia-

tion to the subcommittee and for the conference reports.

Mr. Speaker, I yield back the balance of my time.

Mr. MYERS of Indiana. Mr. Speaker, I yield 2 minutes to the gentleman from Oregon [Mr. ROBERT F. SMITH].

Mr. ROBERT F. SMITH. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise to enter into a colloquy with the distinguished chairman.

Mr. Speaker, I call your attention to page 695 of the report to accompany House Joint Resolution 395, the continuing appropriations measure for fiscal year 1988. Is it your understanding that \$3 million was earmarked from funds available for railroad rehabilitation for a project to remedy damages caused by flooding in Harney County, OR?

Mr. BEVILL. Yes.

Mr. ROBERT F. SMITH. This project has been addressed by prior Congresses has it not? For example, Public Law 99-662 authorized the expenditure of \$3.37 million for "structural and nonstructural measures to prevent flood damage resulting from rising lake levels at Malheur and Harney Lakes, OR." Isn't that correct?

Mr. BEVILL. The gentleman from Oregon is correct.

Mr. ROBERT F. SMITH. It is my understanding that your committee considers this project in Harney County to be a 1988 new start?

Mr. BEVILL. The gentleman from Oregon is correct.

Mr. ROBERT F. SMITH. I thank the chairman for his strong support—together with that of the House Committee on Appropriations—for the rehabilitation of the railroad in Harney County, OR, and look forward to this project moving ahead as a 1988 new start.

Mr. MYERS of Indiana. Mr. Speaker, I yield 4 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, some people may think it is a blessing that my voice is gone today, but I will try to struggle through here.

On page 60 of the committee's report it deals with the subject matter of the drug-free workplace, and I quote from the report.

The report says the conferees strongly agree with the intent of the provision included by the House. The conferees agreed that this issue should be addressed on a Governmentwide basis and understand that this matter will be addressed in a subsequent appropriation bill in such a manner that it applies to all Federal Government agencies.

First I have a question about that particular language in the committee report.

Is it also the gentleman's understanding that what we do will apply to not only Government agencies, but Government grants and contracts?

Mr. BEVILL. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Alabama [Mr. BEVILL].

Mr. BEVILL. The gentleman is correct; that is my understanding.

Mr. WALKER. And let me ask the gentleman about this.

I have shown the gentleman some language that has been developed on the Senate side, and it has been agreed to by this gentleman.

Is it your understanding that this is the language that will go into the Treasury conference report and thereby cover the Governmentwide bases that are referred to in the gentleman's conference report?

Mr. BEVILL. This is in substance, the statements that were made in the conference by Senator BENNETT JOHNSTON, the chairman, and agreed to by the ranking minority Member, Senator MARK HATFIELD.

Mr. WALKER. Mr. Speaker, I thank the gentleman from Alabama [Mr. BEVILL].

Mr. Speaker, I ask that this particular language be included in the RECORD at this point.

SUBSTITUTE LANGUAGE FOR A "DRUG FREE WORKPLACE"

SEC. . (a) No department, agency, or instrumentality of the United States receiving appropriated funds under this Act for fiscal year 1989, or under any other Act appropriating funds for fiscal year 1989, shall obligate or expend any such funds, unless such department, agency, or instrumentality has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its work places are free from the illegal use, possession, or distribution of controlled substances (as defined in the Controlled Substances Act) by the officers and employees of such department, agency, or instrumentality.

(b) No funds so appropriated to any such department, agency, or instrumentality shall be available for payment in connection with any grant, contract, or other agreement, unless the recipient of such grant, contractor, or party to such agreement, as the case may be, has in place and will continue to administer in good faith a written policy, adopted by such recipient, contractor, or party's board of directors or other governing authority, satisfactory to the head of the department, agency, or instrumentality making such payment, designed to ensure that all of the workplaces of such recipient, contractor, or party are free from the illegal use, possession, or distribution of controlled substances (as defined in the Controlled Substances Act) by the officers and employees of such recipient, contractor, or party.

Mr. WALKER. Furthermore, Mr. Chairman, is it your understanding that that particular language has been agreed to by Senator STENNIS, by Sen-

ator HATFIELD and by the House Democratic leadership along with people from the House appropriations leadership? Is that the gentleman's understanding?

Mr. BEVILL. Yes, Mr. Speaker. In other words, the intent of the gentleman from Pennsylvania [Mr. WALKER] is obviously there. It was reported by all conferees. It was just a question of the mechanics of how to carry it out, and the intent is, of course, to make this apply to all appropriations rather than having a provision in each of the 13 appropriation bills.

Mr. WALKER. Mr. Speaker, I thank the gentleman for that, but my question is with regard to this specific language.

Is it the understanding of the gentleman from Alabama [Mr. BEVILL] that there have been negotiations and this language has been developed and in fact is agreed to by the various parties involved?

Mr. BEVILL. Yes.

Mr. WALKER. That is the gentleman's understanding.

Mr. Speaker, let me ask the gentleman from Indiana [Mr. MYERS], who I realize was out of town yesterday when some of this negotiating was taking place. Is his understanding similar to that of the chairman of the subcommittee?

Mr. MYERS of Indiana. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Indiana [Mr. MYERS].

Mr. MYERS of Indiana. Mr. Speaker, as has already been explained, during the conference, we did insist upon the language of the gentleman from Pennsylvania [Mr. WALKER] even though we thought there was some difficulty, as we discussed during consideration of the House bill. We also had compromise language which the gentleman placed in later appropriations bills. We found, however, that this provision could not be included in the conference report due to parliamentary objections. The Senate insisted on not including the language in this bill with the understanding that a compromise would probably be included in the Treasury bill. That is the bill the conferees thought was suitable at the time. The specific language of a compromise, however, was never agreed upon in our conference.

Mr. WALKER. No, I understand.

Mr. MYERS of Indiana. We considered several versions of language. Now, if there has been agreement on specific language, I cannot substantiate that today. I do believe there will be Governmentwide language to carry out the intent of the gentleman from Pennsylvania [Mr. WALKER]. Nevertheless, I could not give him an assurance today on any specific language.

□ 1045

Mr. WALKER. I understand that. The gentleman was out of town yesterday when we were going over most of this; but the language that I have introduced in the RECORD is the language that has now been agreed to as a part of the negotiations, and that is what I am trying to establish.

Mr. Speaker, I yield further to the gentleman from Indiana.

Mr. MYERS of Indiana. That is my understanding this morning, both from the gentleman from Pennsylvania and from staff members, that that is the working agreement that has been struck.

Mr. WALKER. All right.

Mr. MYERS of Indiana. I personally have not been a party to that.

Mr. WALKER. Mr. Speaker, I thank the gentleman.

One more question with regard to the conference. Is it the gentleman's understanding then that as a result of putting all this material into the General Government's provision of the Treasury bill, the gentleman's appropriation, along with all other appropriations, would be included by that act of putting it into the Treasury bill; is that the gentleman's understanding?

Mr. MYERS of Indiana. As in the colloquy previously with the chairman, the gentleman from Alabama [Mr. BEVILL], that was the understanding that we struck in our conference. The provision will apply to all 13 appropriation bills.

Mr. WALKER. Mr. Speaker, I thank the gentleman.

I would say that is my understanding as well. I have reviewed this with attorneys and with people who have assured me that the language that is in the agreed upon compromise does in fact include any other act appropriating funds for the fiscal year 1989, so in fact by acting on that one bill we would include virtually all the appropriations for the Federal Government.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

Mr. MYERS of Indiana. Mr. Chairman, I yield 1 more minute to the gentleman from Pennsylvania.

Mr. WALKER. Not only will we include appropriations that are affected by the appropriations here in the House, but because this language goes even further and includes all instrumentalities of the Federal Government, it would include those appropriations which are not covered under the appropriations we bring to the House floor.

Mr. MYERS of Indiana. That is the understanding, if the gentleman will yield further. As we explained before, the original language was very difficult to implement and to carry it out would be penalizing the wrong people.

I think this compromise language does clarify it. This language has been drafted to cover all Government, which everyone agrees to.

Mr. WALKER. The gentleman understands that the language that I first offered on the floor is what I could get away with under the parliamentary procedures, and this gentleman has been perfectly willing along the line to negotiate language which would in fact be implementable by the Federal agencies. I think that is what we have arrived at. The OMB has cleared this language and I think now we have provided something which can be implemented by the various agencies.

Mr. MYERS of Indiana. Mr. Speaker, if the gentleman will yield one more time, everyone is in agreement about a drug-free society, not only in the working place. The original language, however, would have penalized the wrong people.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania [Mr. WALKER] has again expired.

Mr. MYERS of Indiana. Mr. Speaker, I yield 1 more minute to the gentleman from Pennsylvania.

Mr. WALKER. I agree, Mr. Speaker, with the gentleman. What we have arrived at now is language which I think the OMB understands can be implemented. We recently passed out of the Government Operations Committee as of yesterday a full implementation bill for this, once again which OMB is satisfied with, so I think we have proceeded down the line so that we can in fact create drug-free workplaces.

Mr. MYERS of Indiana. We all want to get tough, on illegal drug abuse, but we do not want to hurt the wrong people.

Mr. WALKER. Mr. Speaker, I thank the gentleman.

Mr. MYERS of Indiana. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. BARTON].

Mr. BARTON of Texas. Mr. Speaker, I rise in support of the conference report, most especially because it does include some funding for the super-conductor super collider project. This is a high energy physics project that is currently in the final competition to determine what sites shall be selected in the country. There are seven States, one of which is my State of Texas.

The members of the Appropriations Committee have worked very hard this year to try to fund the various projects under their jurisdiction in this particular subcommittee.

On this particular project, there was a request from the President for \$363 million. The committee in the House and the committee in the Senate with jurisdiction could not in good conscience fund that level. They did fund a compromise level of \$100 million.

In view of the extraordinary budget restrictions that we are operating under this year, I want to commend the committee for doing that, and commend the conference committee for the language that is in the bill that does allow some money to be spent on activities that could lead to construction, although construction itself is prohibited.

I think this project is very vital to maintain our competitiveness in the world economy, our preeminence in high energy physics research.

Mr. Speaker, I would urge my colleagues to support the bill when that time comes.

Mr. MYERS of Indiana. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, the gentleman from Minnesota was concerned about the Sauk Lake, MN, cleanup project that we funded in our bill with \$300,000 for the corps to clean up silt, weeds and other aquatic growth. We had it in our report table. The Senate had other tables. We did not put any tables in the conference, but it is agreeable to both the House and the Senate that the project would be included.

Mr. Speaker, is that the understanding of the gentleman, the Sauk Lake would be \$300,000 in the tables?

Mr. BEVILL. Mr. Speaker, will the gentleman yield?

Mr. MYERS of Indiana. I yield to the gentleman from Alabama.

Mr. BEVILL. Mr. Speaker, I thank the gentleman for yielding.

The gentleman is correct, and I commend the gentleman for the leadership that he has exhibited in putting this conference together.

Mr. MYERS of Indiana. Well, Mr. Speaker, I thank the gentleman.

The gentleman from Minnesota [Mr. STANGELAND], of course, has worked very close in the authorizing committee, and I want to make sure there was an understanding that there was an agreement.

Mr. MILLER of California. Mr. Speaker, I am pleased to rise in support of the conference report on the fiscal year 1989 energy and water development appropriations bill. As the chairman of the House Interior Water and Power Resources Subcommittee I have a strong interest in seeing this bill pass.

I would like to take this opportunity to make a brief comment on conference report language concerning an April 6, 1988, Federal Energy Regulatory Commission [FERC] ruling (Docket No. EF87-20011-003). On April 6 FERC ruled that all power marketed outside the Northwest region by the Bonneville Power Administration [BPA] must be considered nonfirm. This decision was good news for California utilities and ratepayers, who will benefit if BPA surplus power is sold at lower, nonfirm rates.

The conference report contains language which originated in the Senate committee report concerning the April 6, 1988 FERC ruling. The report language expresses concern about the ruling and urges FERC to reexam-

ine its decision. I strongly support the April 6 FERC ruling. It is a legally valid, well reasoned decision that should be reaffirmed if FERC determines there is a need to review it.

The April 6 ruling reflects the balance between regional and nonregional interests that Congress intended in establishing broad Commission review over BPA's nonregional rates. As the U.S. Court of Appeals for the Ninth Circuit has stated repeatedly, this broad Commission review was intended to protect California customers from excessive rates resulting from BPA's regional bias.

The Pacific Northwest Power Marketing Act specifically limits the sale of electric energy outside the Pacific Northwest region to surplus energy and surplus peaking capacity. It follows that any sale of power by BPA outside of the region must be considered to be nonfirm.

Mr. Speaker, FERC's April 6 ruling that all power sold outside the Northwest region by BPA must be considered nonfirm is a legally sound decision. I am confident that the ruling will be reaffirmed should FERC determine there is a need to review it.

Mr. PICKLE. Mr. Speaker, I wish to speak today about the future of education in the United States.

In order to maintain our economic competitiveness in the world, we must continue to be technologically adept. Technological inventiveness requires a steady supply of bright new minds entering the field. Unfortunately, we have seen a drop in the number of students enrolling in science and engineering programs in our universities. We must encourage the youth of our Nation to enter these disciplines to guarantee a foundation for the future.

The superconducting super collider is a project that will stimulate enrollment in these important areas. It will improve higher education both regionally and nationally. The chosen site will be able to more easily recruit top notch scientists to area colleges and universities. Visiting researchers from around the globe will use and improve this facility, rather than our scientists going to other nations. The SSC will have a dramatic appeal to inspire young people to pursue careers in science and engineering. The technology required to build and operate such a project will stimulate high-technology industry, causing a greater need for these students.

If we are to keep pace in today's high-technology world economy, projects such as the super collider are a necessity. It is with a sense of urgency that I call upon my fellow Members to support super collider funding this year, before we lose our competitive advantage.

Mr. AUCCOIN. Mr. Speaker, I rise in support of the fiscal year 1989 conference report and would like to take this opportunity to address an issue of importance to me and the Pacific Northwest.

As a Pacific Northwest member of the House Appropriations Committee, whose Subcommittee on Energy and Water Development annually reviews the ratepayer financed budget of the BPA, I am naturally concerned that the BPA continue to have sufficient authority to meet its electric utility responsibilities to its customers. As such, I wish to speak in support of House amendment No. 34.

Amendment No. 34 clarifies and affirms the BPA's current authority to incur obligations, on behalf of its electric ratepayers, but does not grant the agency any new obligational authority. I am informed that this language has been drafted to clarify a legal interpretation issue that BPA and the Office of Management and Budget [OMB] believed they could not resolve administratively, although I understand they are in policy agreement.

#### THE TRANSMISSION SYSTEM ACT

Mr. Speaker, the initial understanding of how the Office of Management and Budget [OMB] would carry out the annual budget process to foster the financial flexibility of the Federal Columbia River Transmission System Act (Public Law 93-454) was reflected in correspondence in 1974 between John C. Whitaker, then Under-Secretary of Interior, and Mr. Frank Zarb, then Associate Director of the Office of Management and Budget. Congress relied on these letters in passing the Transmission System Act. This correspondence was incorporated into the legislative history of the Transmission System Act.

However, OMB recently raised several questions regarding the manner in which the budget and appropriations provisions of the Transmission System Act are implemented.

I am pleased to report officials at OMB, including Mr. Robert Dawson, Associate Director at OMB, have worked diligently and forthrightly to make the Transmission System Act flexibilities workable under today's circumstances. The understandings reached between BPA and OMB are memorialized in a letter Mr. Dawson recently sent to Joseph Salgado, Acting Deputy Secretary of Energy.

#### THE BPA BUDGET PROCESS

Mr. Dawson's letter specifies that, "Consistent with the Anti-Deficiency Act, OMB reaffirms that BPA's budgets will be adequate to meet its cash requirements for annual and multiyear programs \* \* \*". In applying its commitment, OMB should keep several facts in mind. The purpose of the Anti-Deficiency Act was to prevent agencies from creating obligations they could not pay from available resources. BPA's Transmission System Act authorities satisfy this purpose by appropriating the BPA fund, not the amount in the fund at any particular moment, to satisfy BPA's obligations, by making available borrowing authority, by requiring the Administrator to raise rates to meet BPA's revenue requirements, and by deferring Treasury payments if BPA has an unanticipated revenue shortfall. A deferral of Treasury payments brings BPA's cash outlays in a fiscal year within available cash receipts and borrowing authority. These Transmission System Act authorities assure that BPA's cash requirements in a particular year will not exceed its ability to pay and there will be no deficiency.

#### THE AUTHORITY OF BPA TO ENTER INTO OBLIGATIONS

Although many issues were resolved by OMB and BPA, some were not. Amendment No. 34 to the bill is essential to clarifying these remaining questions. It assures the continuance of BPA's existing ability to incur multiyear obligations, as was intended by the Transmission System Act, and means that the President's budget will include a BPA budget

adequate to meet BPA's cash requirements for its annual and multiple year programs.

Under the Transmission System Act, BPA incurs its obligations, including multiyear obligations, pursuant to the appropriation for an indefinite period made by Congress in creating the BPA fund. As Congress intended, BPA creates its obligations based on its statutory duty to set rates at levels sufficient to assure that BPA's costs are paid when due.

In passing the Transmission System Act, Congress never intended to limit BPA's authority to enter into obligations by the amount of unobligated cash in the BPA fund at the time the obligation is created plus available borrowing authority, even for discretionary purposes. Such an interpretation of BPA's authority would substantially remove the financial flexibility Congress intended to confer on BPA by creating the BPA fund. Instead, Congress intended that BPA create obligations it deems necessary or appropriate, regardless of the amount of available cash plus borrowing authority in the BPA fund at the time the obligation is created.

To meet its obligations, BPA adjusts its rates for power and other services accordingly. In the unforeseen event that BPA has cash insufficient to pay all of its costs when due, BPA is directed by law to defer its payments to the U.S. Treasury. Deferrals remain an obligation to be repaid by BPA's ratepayers and BPA must subsequently be repaid with interest.

Congress' purpose was to avoid having BPA's contractors carry the risk of a BPA revenue shortfall. Without such authority, the widely fluctuating revenue swings BPA experiences from time to time due to the weather and changes in commodity prices for aluminum, oil and gas would put BPA contractors in an unreasonable position. It would also impair BPA's ability to meet construction, maintenance and other deadlines in a business-like manner. This amendment confirms this authority, which BPA has exercised continuously since 1974, notwithstanding the very recent questions raised by OMB.

#### BUDGET APPORTIONMENT AND RESCISSION

Mr. Speaker, another clarification that this section relates to is the budget apportionment responsibilities of the OMB. As Mr. Dawson's letter states, OMB is required to apportion such funds as are needed to pay BPA's obligations, lawfully incurred, when due. BPA's authorities permit OMB to apportion BPA's budgets only for the purpose of achieving effective and economical use of BPA's budgetary resources in given year, including BPA's borrowing authority.

Apportionment to achieve the most effective and economical use of BPA funds means that OMB can apportion in a way that allows the Administrator to achieve the same purpose by spending less, or to save money by more efficient operations, or if developments subsequent to the submittal of the budget make the use of the money unnecessary. It clearly does not permit OMB to withhold funds for fiscal policy reasons, or for the purpose of setting priorities.

Any withholding of BPA funds, whether from borrowing authority or BPA's revenues, in order to effect savings or due to subsequent events must be considered in the context of

not violating BPA's mission and broad authorities to provide safe, economical and reliable electric power and transmission services, and to protect, mitigate and enhance fish and wildlife. It is not a savings or efficiency to stop BPA from funding measures the Administrator determines are necessary to fulfill his duties in a business-like manner.

OMB may not apportion BPA's budgetary resources to avoid the necessity for a deficiency or supplemental appropriation. The Transmission System Act specifies the order for payment of BPA's obligations, and if BPA has insufficient cash and borrowing authority in a fiscal year, the Transmission System Act provides for BPA to defer payments to the Treasury. The amount deferred is not forgiven and BPA remains obligated to repay it.

Under the 1974 Congressional Budget and Impoundment Control Act, Public Law No. 93-344, any proposed action by the OMB to withdraw or delay the authority to incur an obligation to make an expenditure or to pay an existing obligation is a rescission requiring notice to Congress. Mr. Dawson's letter notes that "if Congress changes the President's budget request for borrowing authority in an appropriations act, OMB will not reduce the amount provided in a statute unless there is a subsequent legislative enactment." OMB's obligations to seek congressional approval are much broader under the Congressional Budget and Impoundment Control Act.

Once a BPA program proposal has been included in the President's budget submitted to Congress, OMB may not revise either that budget or a congressionally revised budget in an appropriation act, or take other action, where the effect would be to withdraw or delay BPA's authority to incur a lawful obligation or to make an expenditure to pay an existing obligation. It is assumed, for purposes of this amendment, that, consistent with the Congressional Budget Impoundment and Control Act, OMB may not reduce the amount of BPA borrowing authority apportioned to BPA unless Congress is properly notified pursuant to 2 U.S.C. 583 (Public Law No. 93-344, title X, § 1012) and Congress has approved the reduction by affirmative action within 45 days of the notice. Absent proper notice by OMB and affirmative action by Congress, BPA should proceed as though the OMB proposal had not been made.

#### SUMMARY

It is my belief that the clarifications represented both by the letter and Amendment No. 34 of the Conference Report No. 100-724 on H.R. 4567, the fiscal year 1989 Energy and Water Development Appropriation Act, will ensure the continuance of current budget practices for the BPA intended by Congress when it passed the Transmission System Act.

In summary, Mr. Speaker, these clarifications are important, not only for BPA to efficiently manage a highly unpredictable hydroelectric system, such as during our current drought, but are significant tools available to the BPA to help it to operate in such a manner as to control its costs and collect revenues sufficient to assure repayment of the Federal investment to the U.S. Treasury.

Mr. BROOKS. Mr. Speaker, I rise in support of the conference report on H.R. 4567, the energy and water appropriations bill. I am par-

ticularly interested in the provisions regarding the superconducting super collider [SSC]. The bill allows \$100 million in funding for the SSC, including funds for research and development, capital equipment, and engineering activities and the design of technical systems.

The SSC will be the largest, most advanced scientific instrument ever built. It will put the United States on the cutting edge of technological advances gained from increased knowledge of the basic forces in the universe. The SSC will be the preeminent facility for scientific research well into the 21st century. If the United States does not build the SSC, other countries are poised to do so—the Soviet Union and Western Europe both have collider projects on the drawing boards—and our opportunity will be lost.

While the research to be conducted at the SSC is basic and abstract, the potential benefits that will flow from SSC construction and operation will be anything but abstract. Potential benefits from the project include advances in computers, electronics, telecommunications, power generation, cryogenics, optics, and superconducting magnet technology. Also, new biomedical diagnostics and treatment, and exotic new materials are likely outcomes of SSC research.

Basic scientific research has provided the United States with technological and scientific advances which keep U.S. industries competitive with our foreign competitors; many of these countries are spending two to three times our Nation's expenditure levels for basic research.

The SSC enjoys support from a broad coalition of government, business, labor, and academic groups. More importantly, a recent poll indicates that 58 percent of Americans support the SSC.

The SSC will serve a valuable role in future developments in basic and applied science. It will, in addition, stimulate the development of new education resources, provide fertile ground for the development of our next generation of scientists, and expand our frontiers of knowledge about the nature of matter.

I urge my colleagues to join me in support of the conference report on the energy and water appropriations.

Mr. STANGELAND. Mr. Speaker, I rise in strong support of the conference report on H.R. 4567, the Energy and Water Development Appropriations Act for fiscal year 1989.

First, let me congratulate and thank the leadership of the Appropriations Committee and the Energy and Water Subcommittee. In particular, I want to thank Chairman JAMIE WHITTEN, ranking minority member SILVIO CONTE, subcommittee chairman TOM BEVILL, and ranking minority member JOHN MYERS. These gentlemen have done a good job in a very difficult situation. Funding for the Corps of Engineers water resources program is not as much as some of us would like, but it does represent a fair and workable compromise. The lack of "new starts" in the corps' construction general account may be particularly disappointing to some.

As the ranking Republican of the Water Resources Subcommittee in the House Public Works and Transportation Committee, I know the value of the corps' programs. I also know



## NOT VOTING—30

Ackerman	Edwards (OK)	Miller (CA)
Alexander	Gordon	Nagle
Anderson	Jones (TN)	Ray
Blaggi	Kemp	Roibal
Bosco	Kolter	Saki
Cheney	Lancaster	Scheuer
Clay	Lewis (CA)	Sharp
Coelho	Lipinski	Spence
de la Garza	MacKay	Sweeney
Dixon	Mica	Weiss

□ 113

Messrs. MOODY, TAUKE, COBLE, RITTER, and DONALD E. "BUZ" LUKENS changed their vote from "yea" to "nay."

Mr. DENNY SMITH changed his vote from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1115

## AMENDMENTS IN DISAGREEMENT

The SPEAKER pro tempore (Mr. GRAY of Illinois). The Clerk will designate the first amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 3: Page 3, line 4, after "Nebraska" insert "": *Provided further*, That not to exceed \$20,500,000 shall be available for obligation or research and development activities".

## MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 3, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 10: Page 4, line 23, after "99-662" insert "": *Provided further*, That the Secretary of the Army acting through the Chief of Engineers is directed to use, immediately upon enactment of this Act \$8,700,000 previously appropriated in Public Law 100-202, and \$9,600,000 of the total sum appropriated for design, testing and construction in fiscal year 1989 of juvenile fish passage facilities at the Little Goose, Lower Granite, McNary, Lower Monumental, Ice Harbor, and The Dalles projects on the Columbia and Snake Rivers as described in the report accompanying this Act: *Provided further*, That within available funds, \$240,000 shall be available for the engineering and design of the Morgan County Port Access Channel, Morgan County, Alabama; and in addition, \$118,000,000, to remain available until expended, is hereby appropriated for construction of the Red River Waterway, Mississippi River to Shreveport, Louisiana, project and for compliance with the directions given to the Secretary of the Army in the fiscal year 1988 Energy and Water Development Act, Public Law 100-202, regarding the construction of this project, and the Secretary is di-

rected to continue the design of locks and dams 4 and 5 on the accelerated schedule in fiscal year 1989 in order to initiate the first phase of construction of locks and dams 4 and 5 by April 1990, and with funds provided in this title or previously appropriated to the Corps of Engineers, the Secretary further is directed to fund previously awarded and directed construction contracts and to award continuing contracts in fiscal year 1989 of construction and completion of each of the following features of the Red River Waterway: in pool 3, Fausse Revetment Downstream Extension; and in pool 4, Westdale Realignment, Hammell Revetment, Bull Revetment, and Williams Revetment Downstream Extension. None of these contracts are to be considered fully funded".

## MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 10 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: "": *Provided further*, That the Secretary of the Army acting through the Chief of Engineers is directed to use, immediately upon enactment of this Act \$8,700,000 previously appropriated in Public Law 100-202, and \$9,600,000 of the total sum appropriated for design, testing and construction in fiscal year 1989 of juvenile fish passage facilities at the Little Goose, Lower Granite, McNary, Lower Monumental, Ice Harbor, and The Dalles projects on the Columbia and Snake Rivers as described in the report accompanying this Act; and in addition, \$118,000,000, to remain available until expended, is hereby appropriated for construction of the Red River Waterway, Mississippi River to Shreveport, Louisiana, project and for compliance with the directions given to the Secretary of the Army in the fiscal year 1988 Energy and Water Development Act, Public Law 100-202, regarding the construction of this project, and the Secretary is directed to continue the design of locks and dams 4 and 5 on the accelerated schedule in fiscal year 1989 in order to initiate the first phase of construction of locks and dams 4 and 5 by April 1990, and with funds provided in this title or previously appropriated to the Corps of Engineers, the Secretary further is directed to fund previously awarded and directed construction contracts and to award continuing contracts in fiscal year 1989 for construction and completion of each of the following features of the Red River Waterway: in pool 3, Fausse Revetment Downstream Extension; and in pool 4, Westdale Realignment, Hammell Revetment, Bull Revetment, and Williams Revetment Downstream Extension. None of these contracts are to be considered fully funded".

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

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

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 12: Page 6, line 13, strike out all after "Dakota" down to and including "Oklahoma" in line 20.

## MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 12 and concur therein with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows: "": *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, shall allow an entity of the State of Oklahoma that is responsible for the development of the water and natural resources of the Arkansas River and Red River basins in southeast Oklahoma to operate and occupy, at no expense to such entity of the State, the Visitors Center at Crowder Point on Lake Eufaula, Oklahoma, provided that the State of Oklahoma signs a cost sharing agreement for the construction of the Visitors Center according to the cost sharing provisions of Public Law 99-662".

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

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

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 13: Page 6, line 20, after "Oklahoma" insert "": *Provided further*, That not to exceed \$8,000,000 shall be available for obligation for national emergency preparedness programs".

## MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 13, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 14: Page 6, line 20, after "Oklahoma" insert "": *Provided further*, That of the funds appropriated under this heading, \$500,000 shall be available only for providing low water access to Lake



Koocanusa, Montana, as the Secretary of the Army determines is necessary to alleviate low water impact on existing access facilities at the Libby Dam Project administered by the Forest Service of the Department of Agriculture: *Provided further*, That funds unused for the project described in the preceding proviso shall be transferred to the Department of Agriculture for purposes of carrying out maintenance and the Department's other responsibilities with respect to that project".

**MOTION OFFERED BY MR. BEVILL**

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 14, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 24: Page 15, after line 23, insert:

**WORKING CAPITAL FUND**

For acquisition of computer capacity for the Administrative Systems Modernization project, \$7,900,000, to remain available until expended, as authorized in section 1472 of title 43, United States Code (99 Stat. 571).

**MOTION OFFERED BY MR. BEVILL**

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 24 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

**WORKING CAPITAL FUND**

For acquisition of computer capacity for the Administrative Systems Modernization project, \$4,000,000, to remain available until expended, as authorized in section 1472 of title 43, United States Code (99 Stat. 571).

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

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

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 25: Page 20, after line 11, insert:

SEC. 205. Of the appropriations for the Central Utah Project, in this or any other Act, not more than \$17,000,000 of the total in any one fiscal year may be expended by the Secretary for all administrative expenses; except that this provision shall only

become applicable after legislation to raise the authorization ceiling for the Colorado River Storage Project Act is approved by the Congress and signed by the President, otherwise the existing administrative expense limitation shall remain in effect: *Provided*, That the Inspector General of the Department of the Interior shall annually audit expenditures by the Bureau of Reclamation to determine compliance with this section: *Provided further*, That none of the Bureau of Reclamation's appropriations shall be used to fund the audit: *Provided further*, That the Bureau of Reclamation shall not delay or stop construction of the project due to this limitation and shall apply all the remaining appropriations to completion of this project, unless continuation of work on the Central Utah project would cause administrative expenses attributable to the Central Utah project to be paid from funds available for other Bureau of Reclamation projects and thereby delay their construction.

**MOTION OFFERED BY MR. BEVILL**

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 25, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 29: Page 22, line 22, strike out "\$929,116,000" and insert "\$934,616,000".

**MOTION OFFERED BY MR. BEVILL**

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 29 and concur therein with an amendment, as follows: In lieu of the sum stricken and inserted in said amendment, insert "\$922,116,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 30: Page 23, line 13, after "Fund" insert ": *Provided further*, That of the amount herein appropriated not to exceed \$11,000,000, at an annualized rate, may be provided to the State of Nevada for the period July 1, 1988 through June 30, 1989, for the conduct of its oversight responsibilities pursuant to the Nuclear Waste Policy Act of 1982, Public Law 97-425, as amended, of which not more than \$1,500,000 may be expended for socioeconomic studies and not more than \$1,500,000 may be expended on transportation studies: *Provided further*, That not more than \$5,000,000, at an annualized rate, may be provided to affected local governments, as defined in the Act, to conduct appropriate activities pursuant to the Act: *Provided further*, That none of the funds herein appropriated may be used directly or indirectly to influence legislative action on any matter pending before Congress or a State legisla-

ture or for any lobbying activity as provided in 18 U.S.C. 1913".

**MOTION OFFERED BY MR. BEVILL**

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 30, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 32: Page 23, line 25, after "vehicles" insert ": *Provided*, That no funds appropriated for operating expenses or construction for new production reactor capacity may be obligated until 30 days after the Secretary of Energy has presented to Congress the acquisition strategy report for new production reactor capacity, as required by the Energy and Water Appropriations Act for Fiscal Year 1988—Public Law 100-202, and has certified, with appropriate documentation, that the preferred technology, design and site selected for new production reactor capacity, best satisfies the considerations required under Public Law 100-202".

**MOTION OFFERED BY MR. BEVILL**

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 32, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 34: Page 25, after line 13, insert: No funds appropriated or made available under this or any other Act shall be used in this and all future years, to preclude the Bonneville Power Administration from creating obligations in excess of available cash plus borrowing authority for all authorized purposes, whether or not such obligations are mandated by prior law, unless such action has been specifically approved hereafter by an Act of Congress.

**MOTION OFFERED BY MR. BEVILL**

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 34 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

Without fiscal year limitation, the Bonneville Power Administration continues to be authorized to incur obligations for authorized purposes and may do so in excess of borrowing authority and cash in the Bonneville Power Administration fund.

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be con-

sidered as read and printed in the RECORD.

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

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 36: Page 30, after line 16, insert:

Sec. 305. Funds received as restitution for petroleum pricing violations under section 209 of the Economic Stabilization Act of 1970, 12 U.S.C. section 1904 note, as incorporated into the Emergency Petroleum Allocation Act of 1973, as amended, 15 U.S.C. section 751 et seq. are, when appropriated or expended by States with unemployment in excess of 10 percent, deemed to be consistent with the restitutionary purposes for which they were received.

MOTION OFFERED BY MRS. BOGGS

Mrs. BOGGS. Mr. Speaker, I offer a motion, and I ask unanimous consent that it be considered as read and printed in the RECORD.

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

There was no objection.

The text of the motion is as follows:

Mrs. Boggs moves that the House recede from disagreement to the Senate amendment 36 and concur therein with an amendment as follows:

Sec. 305. (a) During fiscal year 1989, the Department of Energy, in the case of any State with unemployment in excess of 10 percent as determined by the Bureau of Labor Statistics, shall give priority in approving plans for the use of funds available to such State under the Agreement approved on July 7, 1986 in Re: The Department of Energy Stripper Well Exemption Litigation, M.D.L. No. 378.

(b) Any plan described in subsection (a) submitted in fiscal year 1989 shall be deemed approved by the Department of Energy if the Department fails to act on the plan within 45 calendar days after such submission and if the Governor or a designated State official certifies in writing that the use of such funds provided in such plan is consistent with the applicable terms of such agreement.

(c) It is the intent of Congress that the purpose of this provision is to help such States gain prompt approval of such plans for the purposes proposed by such States so long as such plans are consistent with the terms and conditions of such agreement.

The SPEAKER pro tempore. The gentlewoman from Louisiana [Mrs. BOGGS] is recognized for 30 minutes.

Mrs. BOGGS. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Speaker, I thank the distinguished gentlewoman for yielding time to me.

Mr. Speaker, I rise in support of the amendment offered by the gentlewoman from Louisiana, the dean of her delegation and a very able and distinguished Member. The narrow amendment was worked out last night with Members of the Louisiana delegation and subcommittee Chairman SHARP and myself. It is reasonable and modest and, most importantly, consistent with existing law and court-approved agreements.

I also want to commend Congressmen JIMMY HAYES and TAUZIN for their cooperation and efforts in working out this Senate nongermane legislative provision on an appropriation bill. I have indicated to them and our Committee on Appropriations a strong message that while we were willing to resolve this issue today, our patience with the other body in adding legislation of this nature to appropriations bills has disappeared. Future efforts this year, including any continuing resolution, will not receive similar kindness.

I also want to thank other Members and citizen groups who supported Congressman SHARP and myself in opposing the Senate provision. Their interest and help was important.

Mr. Speaker, the amendment is far narrower than the Senate bill. It clearly does not overturn or modify court orders or existing law. It only applies to stripper well funds. It does not apply to Exxon or other oil overcharge funds. It is for 1 fiscal year only. It does not change the terms or requirements of any law, consent order, or court order or court approved agreement. Even as the stripper well agreement, the terms and conditions of that agreement continue to apply. It does not broaden in any way the uses for which such funds may be made by the States under stripper well. The opportunities for energy conservation and low income assistance are preserved.

Relevant correspondence on this matter follow:

COMMITTEE ON ENERGY AND COMMERCE,

Washington, DC, June 27, 1988.

DEAR COLLEAGUE: When the Conference report on H.R. 4567, the Energy and Water Development Appropriation bill, is considered later this week, several industry, labor, environmental, energy, public power, farmer, and other organizations urge you to vote no on a motion to recede and concur in a nongermane Senate Amendment No. 36 in disagreement. The Senate amendment would change the rules, contrary to court orders, for some States to use oil overcharge revenues. A no vote will not kill the Conference Report but it will require the Senate to drop the unconstitutional provision.

The letter from these organizations follows:

Next week, the House of Representatives will consider the conference report to accompany the Energy and Water Development Appropriation bill, H.R. 4567. At that time, you will be asked to vote on an amendment in disagreement, a provision which would allow states with unemployment levels above 10 percent to spend oil over-

charge funds for any purpose. The undersigned organizations urge you to vote against that provision.

Oil overcharge monies, collected from companies which violated past pricing regulations, are designed to provide restitution to energy consumers who were overcharged in the first place. The distribution of oil overcharge funds in instances where the actual purchaser can no longer be identified has been carefully and deliberately considered by the courts and the Congress. As a result of current law, court orders and settlement agreements which have been agreed to by all parties, including the states, the funds must be used for low-income weatherization and fuel assistance programs, energy conservation programs, and energy projects approved by the Department of Energy.

Our concerns with this amendment are several. First, it ignores the benefits that energy conservation and assistance programs have for those very energy users who deserve restitution. Use of those monies for the Low-Income Home Energy Assistance Program has obvious importance for those unable to meet high fuel bills. Moreover, funding conservation programs serves the multiple purposes of improving our domestic energy supply/demand balance, protecting the environment, and reducing energy expenditures for all sectors of the economy.

Second, passage of this provision would in effect overturn court orders and court-approved agreements that have literally been years in the making. While this is unjustified on substantive grounds, it therefore also holds open the possibility that its legality will undergo future legal challenge. That could delay expenditures of oil overcharges funds by all states and threaten future distribution of funds to the states.

Third, this provision would set a dangerous precedent by allowing states to use monies already set aside for a specific set of purposes for any state program. Because there would be no guidelines for how states could use these funds, they could be used for any purpose whatsoever regardless of the merit.

For these reasons, we again ask that you reject this provision, which has never been the subject of consideration or review by any House committee. Its passage would threaten the long-awaited expenditures of oil overcharge monies and reduce funding for badly-needed energy conservation and low income assistance programs.

Sincerely,

Gary L. Groesch, Executive Director, Alliance for Affordable Energy; Marc Ledbetter, Senior Associate, American Council for an Energy Efficient Economy; Michael Baly III, Vice President of Government Relations, American Gas Association; Larry Hobart, Executive Director, American Public Power Association; Edwin Rothschild, Deputy Director, Citizen Labor Energy Coalition; Ellen Berman, Executive Director, Consumer Energy Council of America; Nicholas Fedoruk, Director, Energy Conservation Coalition; Brad Oelman, Vice President of Corporate Relations, Owens-Corning Fiberglas Corporation; Ruth Caplan, Executive Director, Environmental Action; David Conrad, Legislative Representative, Friends of the Earth; Ken Menzer, Executive Vice President, Mineral Insulation Manufacturers Association; Edward L. Block, Executive Director, National Association of Community Action Agencies; Michael V. Dunn, Di-

rector of Legislative Services, National Farmers Union; The Honorable Mary Lou Munts, Commissioner, Wisconsin Public Service Commission, Vice-Chair, NARUC Committee on Energy Conservation, National Association of Regulatory Utility Commissioners.

John D. Dingell, Chairman, Committee on Energy and Commerce; Philip R. Sharp, Chairman, Subcommittee on Energy and Power Committee on Energy and Commerce.

Mr. Speaker, I want to make it quite clear that this practice of the other body legislating on energy related issues on appropriations bills is unacceptable. It circumvents the legislative process. It gets us in conflicts with our colleagues on the Appropriations Committee. It is a time-waster. I intend to seek a remedy in regard to future changes in the House rules.

Mrs. BOGGS. Mr. Speaker, I thank the gentleman from Michigan for his kind remarks and I yield back the balance of my time.

The SPEAKER pro tempore. The gentleman from Indiana [Mr. MYERS] is recognized for 30 minutes.

Mr. MYERS of Indiana. Mr. Speaker, I yield such time as he may consume to the gentleman from Louisiana [Mr. LIVINGSTON].

Mr. LIVINGSTON. Mr. Speaker, I thank the gentleman for yielding me this time. I just want to take this opportunity to thank the gentleman from Michigan [Mr. DINGELL], and the gentlewoman from Louisiana [Mrs. Boggs], and my colleagues, the gentlemen from Louisiana [Mr. TAUZIN and Mr. HAYES] for working out this compromise. I think it is in the best interest of the State of Louisiana which is dearly in need of some flexibility with which to handle the moneys that are involved in this proposal.

I think it is a good compromise and I applaud the Members who had an opportunity to put it together. I particularly want to commend the gentleman from Alabama [Mr. BEVILL], chairman of the subcommittee, and the gentleman from Indiana [Mr. MYERS] the ranking minority member for working out this agreement.

Mr. MYERS of Indiana. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Louisiana [Mrs. Boggs].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the last amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 44: Page 38, after line 16, insert:

Sec. 510. Such sums as may be necessary for fiscal year 1989 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 44 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

Sec. 509. Such sums as may be necessary for fiscal year 1989 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

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

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

PERMISSION FOR COMMITTEE ON MERCHANT MARINE AND FISHERIES TO FILE REPORT ON H.R. 4338, AMENDING MARINE PROTECTION, RESEARCH, AND SANCTUARIES ACT OF 1972

Mr. STUDDS. Mr. Speaker, I ask unanimous consent that the House Committee on Merchant Marine and Fisheries have until 5 p.m. today, June 30, 1988, to file its report on H.R. 4338, to amend the Marine Protection, Research, and Sanctuaries Act of 1972.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

NATIONAL LITERACY DAY

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 304) designating July 2, 1988, as "National Literacy Day," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

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

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 304

Whereas literacy is a necessary tool for survival in our society;

Whereas thirty-five million Americans today read at a level which is less than necessary for full survival needs;

Whereas there are twenty-seven million adults in the United States who cannot read, whose resources are left untapped, and who are unable to offer their full contribution to society;

Whereas illiteracy is growing rapidly, as two million three-hundred thousand persons, including one million two-hundred thousand legal and illegal immigrants, one million high school dropouts, and one hundred thousand refugees, are added to the pool of illiterates annually;

Whereas the annual cost of illiteracy to the United States in terms of welfare expenditures, crime, prison expenses, lost revenues, and industrial and military accidents has been estimated at \$225,000,000,000;

Whereas the competitiveness of the United States is eroded by the presence in the workplace of millions of Americans who are functionally or technologically illiterate;

Whereas there is a direct correlation between the number of illiterate adults unable to perform at the standard necessary for available employment and the money allocated to child welfare and unemployment compensation;

Whereas the percentage of illiterates in proportion to population size is higher for blacks and Hispanics, resulting in increased economic and social discrimination against these minorities;

Whereas the prison population represents the single highest concentration of adult illiteracy;

Whereas one million children in the United States between the ages of twelve and seventeen cannot read above a third grade level, 13 per centum of all seventeen-year-olds are functionally illiterate, and 15 per centum of graduates of urban high schools read at less than a sixth grade level;

Whereas 85 per centum of the juveniles who appear in criminal court are functionally illiterate;

Whereas the 47 per centum illiteracy rate among black youths is expected to increase to 50 per centum by 1990;

Whereas one-half of all heads of households cannot read past the eighth grade level and one-third of all mothers on welfare are functionally illiterate;

Whereas the cycle of illiteracy continues because the children of illiterate parents are often illiterate themselves because of the lack of support they receive from their home environment;

Whereas Federal, State, municipal, and private literacy programs have only been able to reach 5 per centum of the total illiterate population;

Whereas it is vital to call attention to the problem of illiteracy, to understand the severity of the problem and its detrimental effects on our society, and to reach those who are illiterate and unaware of the free services and help available to them; and

Whereas it is also necessary to recognize and thank the thousands of volunteers who are working to promote literacy and provide support to the millions of illiterates in need of assistance: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That July 2, 1988, is designated as "National Literacy Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

Mr. FLORIO. Mr. Speaker, I would like to thank the chairman of the Subcommittee on Census and Population, Mr. DYMALLY, for bringing this resolution to the floor today. I introduced House Joint Resolution 544, the House companion to Senate Joint Resolution 304, to designate July 2, 1988, as "National Literacy Day." For the last 2 years, the Congress and the President have approved similar resolutions calling attention to the large numbers of Americans that cannot function in our society because they are illiterate as well as the countless volunteers who give of themselves to help those in need.

Mr. Speaker, studies indicate that 27 million Americans cannot read a newspaper, cannot fill out a job application, cannot maintain a checkbook, or understand the warning label on a bottle of medicine. In short, our Nation has 27 million people that form a class of functional illiterates that are uneducated, untrainable, and economically dependent. And these numbers are growing every year. The Department of Education estimates that, every year, 2.3 million more illiterates, including high school dropouts, unlettered pass-along graduates and immigrants, are added to our society.

We are paying a high price in our Nation for this unfortunate deficiency. As chairman of the House Subcommittee on Commerce, Consumer Protection and Competitiveness, I am concerned that our Nation's competitiveness is being eroded by the presence in the workplace of millions of Americans who are functionally or technologically illiterate. There is a direct correlation between the number of illiterate adults unable to perform at the standard necessary for available employment and the money that is allocated to child welfare costs and unemployment compensation.

Social and economic discrimination problems are pronounced because illiteracy is highest among blacks and Hispanics. The high percentage of illiterate juveniles in criminal court indicate that illiteracy fosters crime. Of concern to our Nation's strength is the fact that illiteracy directly impacts our military capability. Millions of dollars of damage is still done to expensive equipment because many men and women in the service are unable to read and comprehend even the simplified manuals.

The total costs related to our Nation's literacy are estimated to exceed \$225 billion annually. Chronic unemployment is a further problem that illiterate individuals in our Nation need to deal with. Up to 75 percent of the unemployed lack the basic skills to get a job or be trained for a job.

Disturbingly, Federal funding for literacy programs has not been sufficient to address a problem reaching mass proportions. Federal, State, municipal and private literacy programs have only been able to reach 5 percent of the total illiterate population. The annual amount of money spent by our Federal Government for this problem amounts to \$17 per person for a total of \$352 million. The Department of Education estimates that only 2 million people are reached annually by these programs.

The total cost of illiteracy to our Nation cannot be measured accurately. However, our Nation is paying dearly in lost productivity and human misery. We hear of sad stories of people suffering tragedies because they could

not read: The industrial worker killed because he could not read a warning sign; the mother who gave her sick child pink detergent instead of stomach medicine because she could not decipher medicine labels; the mother who thought she was signing a routine field trip permission slip for her daughter only to discover that she had relegated her daughter to a home for the retarded.

It is for these reasons that we call attention to the problem of illiteracy in our Nation by designating July 2, 1988, as National Literacy Day. We must begin to recognize this problem in order to find solutions and obliterate illiteracy. I would like to, at this point, commend the thousands of volunteers in our Nation, including Caryl Mackin-Wagner of Focus on Literacy of New Jersey, that are working tirelessly to help illiterate individuals in their communities. Thirty-three States have formed literacy councils and activities by volunteer organizations, colleges and schools are increasing.

I urge the support of my colleagues in this worthwhile effort.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate joint resolution just passed.

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

There was no objection.

#### NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION AMENDMENTS OF 1988

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1856) to amend chapter 25 of title 44, United States Code, to provide on authorization for the National Historical Publications and Records Commission programs, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

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

Mr. McCANDLESS. Mr. Speaker, reserving the right to object, I will not object but would ask the distinguished gentleman from Texas [Mr. Brooks], chairman of the Government Operations Committee, to explain to the rest of the body what we are doing here.

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

Mr. McCANDLESS. I yield to the gentleman from Texas.

Mr. BROOKS. Mr. Speaker, I thank the gentleman for graciously yielding.

Mr. Speaker, S. 1856 will reauthorize the National Historical Publications

and Records Commission's programs for an additional 5 years and will make minor changes in the provisions of chapter 25, title 44, United States Code, that establish the NHPRC's membership and functions.

S. 1856 is similar in content and purpose to H.R. 3933, which was considered by the Committee on Government Operations earlier this year and passed the House overwhelmingly on March 30, 1988. Its authorization level represents a compromise between the House figure and the level originally proposed by the Senate.

The NHPRC, an entity of the National Archives and Records Administration, was created in the legislation that established the National Archives over 50 years ago. Since that time, it has carried out the vital work of leading the efforts to preserve and publish documents that play an important role in our Nation's history. For nearly a quarter of a century, the NHPRC's grants program has assisted local projects for the preservation and publication of such documents.

S. 1856 will make some minor adjustments in the statutory description of the Commission's work and in the composition of the Commission, reducing its number from 17 to 15 while expanding the range of groups who name representatives to the Commission. It also reauthorizes the Commission's grants program at a level of \$6 million for fiscal year 1989, \$8 million for fiscal year 1990, and \$10 million for fiscal years 1991, 1992, and 1993.

The NHPRC has enjoyed broad bipartisan support since its creation, and Members from both sides of the aisle and both Houses of Congress have been instrumental in moving this reauthorization through the legislative process. Chairman GLEN ENGLISH, of our Government Information, Justice, and Agriculture Subcommittee, has been most interested in this bill, and his ranking minority member, AL McCANDLESS of California, as well as the ranking Republican on the full committee, FRANK HORTON of New York, have been extremely cooperative. In the other body, Senators JOHN GLENN, BILL ROTH, and JOHN HEINZ have offered strong support for this measure, and Senator JIM SASSER of Tennessee, chairman of the Governmental Affairs Government Efficiency Subcommittee, has worked hard to achieve reauthorization of the NHPRC through S. 1856.

Mr. Speaker, the activities of the National Historical Publications and Records Commission are crucial not only to our citizens but to the generations that will follow ours. In seeking to keep historical records across the Nation from being lost to the ravages of time and neglect, the NHPRC helps us understand how our Government and our society work, and it will con-

tinue to do so for years to come. It is worthy of our support, and I urge adoption of S. 1856.

Mr. McCANDLESS. Mr. Speaker, I thank the distinguished gentleman from Texas for his explanation.

Mr. Speaker, I withdraw my reservation of objection.

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

Mrs. BOGGS. Mr. Speaker, reserving the right to object, obviously I will not object, but I represent the House of Representatives on the Commission. I wanted to thank all of those involved in it and the chairman of the committee for their gracious understanding of the needs of the Commission.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1856

*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 "National Historical Publications and Records Commission Amendments of 1988".

SEC. 2. MEMBERSHIPS AND TERM OF MEMBERS OF COMMISSION.

(a) MEMBERSHIP.—Section 2501 of title 44, United States Code, is amended to read as follows:

§ 2501. Creation; composition; appointment and tenure; meetings

"(a) The National Historical Publications and Records Commission shall consist of 15 members as follows:

"(1) the following ex officio members:

"(A) the Archivist of the United States, who shall be chairman;

"(B) the Librarian of Congress (or an alternate designated by the Librarian);

"(C) one Senator, appointed by the President of the Senate;

"(D) one Representative, appointed by the Speaker of the House of Representatives;

"(E) one member of the judicial branch of the Government, appointed by the Chief Justice of the United States;

"(F) one representative of the Department of State to be appointed by the Secretary of State; and

"(G) one representative of the Department of Defense to be appointed by the Secretary of Defense;

"(2) one member from each of the following organizations, appointed by the governing council or board of the respective organization:

"(A) the American Historical Association;

"(B) the Organization of American Historians;

"(C) the Society of American Archivists;

"(D) the American Association for State and Local History;

"(E) the Association for Documentary Editing; and

"(F) the National Association for Government Archives and Records Administrators; and

"(3) two other members, outstanding in the fields of the social or physical sciences, the arts, or archival or library science, appointed by the President of the United States.

"(b)(1) The members appointed under subsection (a) shall be appointed for terms of 4 years, except that—

"(A) a member appointed under subsection (a)(1)(D) shall be appointed for a term of 2 years; and

"(B) the Archivist and the Librarian of Congress are permanent ex officio members.

"(2) A member may continue to serve after the expiration of a term until a successor has been appointed, but not to exceed one year.

"(c) The Commission shall meet at least annually and at call of the Chairman."

(b) EFFECTIVE DATE AND IMPLEMENTATION OF STAGGERING OF TERMS.—The amendment made by this section shall be effective on January 1, 1989, and shall apply to the appointment of any member on the expiration of a predecessor's term as follows:

(1) The next two members appointed to such Commission after such date shall be appointed pursuant to section 2501(a)(2) (E) and (F) of title 44, United States Code, as amended by this section.

(2) Notwithstanding section 2501(b)(1), the first members appointed pursuant to section 2501(a)(2) (B) and (C) after January 1, 1991, shall be appointed for terms of one year.

SEC. 3. EXECUTIVE DIRECTOR, STAFF, TRANSPORTATION EXPENSES.

Section 2503 of title 44, United States Code, is amended to read as follows:

"§ 2503. Executive director, staff, transportation expenses

"(a) The Commission may appoint, without reference to chapter 51 of title 5, an executive director. The Chairman may appoint such other employees as may be necessary to carry out the purposes of this chapter.

"(b) Members of the Commission shall be allowed travel expenses (including per diem allowance in lieu of subsistence) in the same amount and to the same extent as persons serving intermittently in the Government service are allowed travel expenses under section 5703 of title 5, United States Code."

SEC. 4. DUTIES AND FUNCTIONS.

Section 2504 of title 44, United States Code, is amended to read as follows:

"§ 2504. Duties; authorization of grants for historical publications and records programs; authorization for appropriations

"(a) The Commission shall make plans, estimates, and recommendations for historical works and collections of sources it considers appropriate for preserving, publishing or otherwise recording at the public expense. The Chairman of the Commission shall transmit to the President and the Congress from time to time, and at least biennially, the plans, estimates, and recommendations developed and approved by the Commission.

"(b) The Commission shall cooperate with, assist and encourage appropriate Federal, State, and local agencies and nongovernmental institutions, societies, and individuals in collecting and preserving and, when it considers it desirable, in editing and publishing papers of outstanding citizens of the United States, and other documents as may be important for an understanding and appreciation of the history of the United States.

"(c) The Commission may conduct institutes, training and educational programs,

and recommend candidates for fellowships related to the activities of the Commission and may disseminate information about documentary sources through guides, directories, and other technical publications.

"(d) The Commission may recommend the expenditure of appropriated or donated funds for the collecting, describing, preserving, compiling and publishing (including microfilming and other forms of reproduction) of documentary sources significant to the history of the United States and for the activities described in subsection (c).

"(e) The Archivist of the United States may, within the limits of available appropriated and donated funds, make grants to State and local agencies and to nonprofit organizations, institutions, and individuals, for those activities in subsection (d) after considering the advice and recommendations of the Commission.

"(f)(1) For the purposes specified in this section, there is hereby authorized to be appropriated to the National Historical Publications and Records Commission—

"(A) \$6,000,000 for fiscal year 1989;

"(B) \$8,000,000 for fiscal year 1990; and

"(C) \$10,000,000 for each of the fiscal years 1991, 1992, and 1993.

"(2) Amounts appropriated under this subsection shall be available until expended when so provided in appropriation Acts."

SEC. 5. CONFORMING AMENDMENT.

The table of contents for chapter 25 of title 44, United States Code, is amended to read as follows:

"Sec.

"2501. Creation; composition; appointment and tenure; vacancies; meetings.

"2502. Vacancies.

"2503. Executive director; staff; transportation expenses.

"2504. Duties; authorization of grants for historical publications and records programs; authorization for appropriations.

"2505. Special advisory committees; membership; reimbursement.

"2506. Records to be kept by grantees."

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

□ 1125

COMMENDING THE KING, THE PARLIAMENT, AND THE PEOPLE OF TONGA ON THE OCCASION OF THE CENTENNIAL OF TREATY BETWEEN THE UNITED STATES AND TONGA AND 21ST ANNIVERSARY OF CORONATION OF, AND 70TH BIRTHDAY OF, HIS MAJESTY KING TAUFA'AHAU TUPOU IV

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs be discharged from further consideration of the concurrent resolution (H. Con. Res. 319) commending His Majesty King Taufa'ahau Tupou IV, the Parliament, and the people of the Kingdom of Tonga on the occasion of the centennial of the Treaty of Amity, Commerce, and Navigation between the United States and the Kingdom of Tonga and

the 21st anniversary of the coronation of, and 70th birthday of, His Majesty King Taufa'ahau Tupou IV, and ask for its immediate consideration.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from California?

Mr. LAGOMARSINO. Mr. Speaker, reserving the right to object, I yield to the gentleman from California to explain the resolution.

Mr. DYMALLY. I thank the gentleman for yielding.

Mr. Speaker, this resolution which is supported by the administration and was reported out unanimously by the Subcommittee on Asian and Pacific Affairs of the Committee on Foreign Affairs does three things: First, it congratulates the people and the King of Tonga on the occasion of the King's 70th birthday.

Second, it congratulates the King on the occasion of the 21st anniversary of his coronation.

Third, the resolution commends the centennial of the ratification of the Treaty of Amity, Commerce, and Navigation between the United States and the Kingdom of Tonga.

This resolution is particularly timely since a presidential delegation is already on its way to Tonga to participate in celebrations commemorating the three events I have just described.

The resolution expresses the appreciation of the Congress for the close and warm relations between the United States and Tonga.

Mr. LAGOMARSINO. Mr. Speaker, further reserving the right to object, I rise to urge passage of House Concurrent Resolution 319 regarding the Kingdom of Tonga, which I introduced with Mrs. PAT SAIKI of Hawaii and Mr. SUNIA of American Samoa.

This legislation should be well received by the people of Tonga and the South Pacific islands as they place a great deal of emphasis on protocol and recognition. Tongan etiquette is particularly complex. Complete sets of words in the Tongan language are reserved exclusively to refer to the King, nobles, and persons of honor, and to others. There are certain proper Tongan ways in which to eat, sit, stand, dress, and talk. The details of appropriate Tongan manner would literally take volumes to fill and make our own rules of protocol fairly simple by comparison.

It is appropriate and necessary according to South Pacific custom that longstanding relationships be given due recognition. It is, therefore, fitting that the United States acknowledge the 100-year-old Treaty of Amity, Commerce, and Navigation with the Kingdom of Tonga. The people of Tonga have scheduled several days of

celebrations in July to commemorate three events.

The first event to be celebrated is the 100th anniversary of the Treaty of Amity, Commerce, and Navigation between the Kingdom of Tonga and the United States. The treaty explicitly provides that all ports of Tonga shall be open to the ships-of-war of the United States. This is in stark contrast to New Zealand law which effectively bans the entrance of our naval vessels. Tonga has continued to cooperate with the United States in defense activities and has indicated a desire to see our security relationship enhanced.

The July celebrations will also center on the 70th birthday and 21st anniversary of the coronation of His Majesty King Taufa'ahau Tupou IV of the Kingdom of Tonga. As many heads of state and island officials are expected to be in attendance, it is very important to United States-Pacific island relations for appropriate recognition to be shown.

A Presidential delegation is enroute to Tonga led by our colleague from the Pacific islands of Hawaii, PAT SAIKI, who will be able to personally deliver the congressional message to the Government of the Kingdom of Tonga. In the operative section of the resolution, the Congress:

First, congratulates His Majesty King Taufa'ahau Tupon IV on the occasion of his 70th birthday and 21st anniversary of his coronation;

Second, extends the appreciation of the American people to the King, the parliament, and the people of Tonga for their efforts to maintain a close and friendly relationship with the United States;

Third, expresses the belief that the United States should continue close and friendly relations with the Kingdom of Tonga through mutual cooperation with the goal of fostering economic development, political stability, and peace in the South Pacific region; and

Fourth, requests the Presidential delegation to convey the sincerest best wishes and congratulations of the Congress.

I would like to thank the chairman and vice chairman of the Subcommittee on Asian and Pacific Affairs for their suggestions and cooperation in moving this legislation through the subcommittee. I also want to acknowledge the support of Mr. FASCELL and Mr. BROOMFIELD, chairman and vice chairman of the full Foreign Affairs Committee to permit this legislation to be given timely consideration before the House.

I would also like to thank Senator FRANK MURKOWSKI for the interest he has shown in this legislation and his efforts to support the concurrent resolution on the Senate side.

I believe House Concurrent Resolution 319 appropriately recognizes the lengthy and warm relationship that the United States has shared with the Kingdom of Tonga. The congressional message of the resolution demonstrates the concern and interest of the United States for the people of Tonga and all the peoples of the Pacific islands.

Mr. BROOMFIELD. Mr. Speaker, the people and the monarchy of the Kingdom of Tonga have been staunch friends of the United States in the South Pacific from the time of the signing of the Treaty of Amity, Commerce, and Navigation between our two countries 100 years ago. Since those years, we have been bound together through shared values in human rights and personal liberties.

Over the years, we have strengthened these ties through economic cooperation, competitive sporting events and cultural exchanges. At a time when relations with other South Pacific nations have become more strained over issues such as visits of our naval ships, Tonga has welcomed our ships and cooperated in defense activities to the benefit of both countries.

It is therefore with pleasure that I urge my colleagues to support this resolution that celebrates the centennial of the Treaty of Amity, Commerce, and Navigation, and congratulates His Majesty, the King of Tonga on his 70th birthday and the 21st anniversary of his coronation. I also wish to congratulate our colleague, Congressman BOB LAGOMARSINO, for his leadership in bringing this resolution before us today.

Mr. SUNIA. Mr. Speaker, the Kingdom of Tonga is a true friend of the United States. And our relationship with Tonga has been a staunch and long-term alignment which we have enjoyed. Tonga is also the last of the kingdoms which existed in the Pacific Islands before and since discovery of the world's largest ocean.

This week Tonga is celebrating the 100th anniversary of its government as a democratic monarchy with close ties to the British throne. As the delegate from American Samoa, I represent the many Tongans who live in my territory. They participate in the economic and social life of our territory. There are frequent visitations by our two peoples, and we have become a gateway for Tonga to the North, the West, and South Pacific.

There are also enclaves of Tongans here in the United States, in cities on the west coast and in the State of Texas. One of the most popular modern group of entertainers, the Jets, are Tongans whose residence is in the State of Minnesota. Here in the United States, they have become accustomed to hard work and are going through the route of all immigrant groups, and they are making a good account of themselves.

Mr. Speaker, I think it is proper, then, that we extend to our friends in the Kingdom of Tonga a warm message of congratulations for a century of modern government.

Mr. LAGOMARSINO. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 319

Whereas July 1, 1988, commemorates the centennial of the Treaty of Amity, Commerce, and Navigation between the United States and the Kingdom of Tonga;

Whereas the Head of State, His Majesty King Taufa'ahau Tupou IV, the Parliament, and the people of Tonga enjoy a constitutional monarchy and share with the Government and people of the United States the same ideals of liberty, peace, democracy, and progress;

Whereas the Kingdom of Tonga maintains a historically close relationship with the United States generally, and American Samoa and the State of Hawaii in particular, and engages in economic cooperation, competitive sporting events, and cultural exchanges with the United States;

Whereas His Majesty King Taufa'ahau Tupou IV of the Kingdom of Tonga celebrates his 70th birthday and the 21st anniversary of his coronation on July 4, 1988;

Whereas the Kingdom of Tonga and the United States cooperate in defense activities in the South Pacific to the mutual benefit of both countries; and

Whereas relations between the Kingdom of Tonga and the United States have been, and continue to be, close and warm: Now, therefore, be it

*Resolved by the House of Representatives (the Senate concurring), That, on the occasion of the centennial of the Treaty of Amity, Commerce, and Navigation between the United States and the Kingdom of Tonga and the 21st anniversary of the coronation of, and 70th birthday of, His Majesty King Taufa'ahau Tupou IV of the Kingdom of Tonga—*

(1) the Congress—

(A) commends His Majesty King Taufa'ahau Tupou IV, the Parliament, and the people of the Kingdom of Tonga for their efforts to maintain a close and friendly relationship with the United States;

(B) commends His Majesty King Taufa'ahau Tupou IV for his 21 years of dedicated leadership on behalf of the people of Tonga; and

(C) recognizes that the pursuit of economic and social development by the Kingdom of Tonga within circumstances ensuring peace, freedom, and full sovereignty is most important for the stability of the South Pacific and the interests of the United States; and

(2) it is the sense of the Congress that—

(A) the United States should continue close and friendly relations with the Kingdom of Tonga through mutual cooperation to ensure economic development, political stability, and peace in the South Pacific; and

(B) the Presidential delegation attending the July celebrations in the Kingdom of Tonga in honor of the centennial of the Treaty of Amity, Commerce, and Navigation between the United States and the Kingdom of Tonga and the 21st anniversary of the coronation of, and 70th birthday of, His Majesty King Taufa'ahau Tupou IV should convey the sincerest best wishes and congratulations of the Congress.

SEC. 2. The Clerk of the House of Representatives shall transmit a copy of this resolution to the President with the request

that such copy be transmitted to the Government of the Kingdom of Tonga.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. DYMALLY

Mr. DYMALLY. Mr. Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. DYMALLY: Page 2, line 3, strike out all after the resolving clause and insert:

SECTION 1. EXPRESSION OF CONGRESSIONAL VIEWS.

The Congress—

(1) congratulates His Majesty King Taufa'ahau Tupou IV of the Kingdom of Tonga on the occasion of his 70th birthday and the 21st anniversary of his coronation;

(2) extends the appreciation of the American people to His Majesty King Taufa'ahau Tupou IV, the Parliament, and the people of the Kingdom of Tonga for their efforts to maintain a close and friendly relationship with the United States;

(3) believes that the United States should continue close and friendly relations with the Kingdom of Tonga through mutual cooperation, with the goal of fostering economic development, political stability, and peace in the South Pacific region; and

(4) requests that the Presidential delegation attending the July 1988 celebration in the Kingdom of Tonga in honor of the 70th birthday of His Majesty King Taufa'ahau Tupou IV, as well as the 21st anniversary of his inauguration and the centennial of the Treaty of Amity, Commerce, and Navigation between the United States and the Kingdom of Tonga, should convey the sincerest best wishes and congratulations of the Congress.

SEC. 2. TRANSMITTAL OF COPY OF RESOLUTION.

The Clerk of the House of Representatives shall transmit a copy of this concurrent resolution to the President with the request that it be transmitted to the Government of the Kingdom of Tonga by the Presidential delegation attending the July 1988 celebrations in the Kingdom of Tonga.

Mr. DYMALLY (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

There was no objection.

The SPEAKER pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from California [Mr. DYMALLY].

The amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on the concurrent resolution.

The current resolution was agreed to.

AMENDMENT TO THE PREAMBLE OFFERED BY MR. DYMALLY

Mr. DYMALLY. Mr. Speaker, I offer an amendment to the preamble.

The Clerk read as follows:

Amendment to the preamble offered by Mr. DYMALLY:

Whereas the Kingdom of Tonga maintains a historically close relationship with the United States, including economic cooperation, competitive sporting events, and cultural exchanges with the United States;

Whereas the people of Tonga share many of the same values as the United States, including a commitment to human rights and personal liberty;

Whereas the Kingdom of Tonga and the United States cooperate in defense activities in the South Pacific to the mutual benefit of both countries;

Whereas his Majesty King Taufa'ahau Tupou IV of the Kingdom of Tonga celebrates his 70th birthday and the 21st anniversary of his coronation on July 4, 1988; and

Whereas on July 1, 1988, the people of Tonga will be commemorating the centennial of the Treaty of Amity, Commerce, and Navigation between the United States and the Kingdom of Tonga: Now, therefore, be it

The SPEAKER pro tempore. The question is on the amendment to the preamble offered by the gentleman from California [Mr. DYMALLY].

The amendment to the preamble was agreed to.

TITLE AMENDMENT OFFERED BY MR. DYMALLY

Mr. DYMALLY. Mr. Speaker, I offer an amendment to the title.

The Clerk read as follows:

Title amendment offered by Mr. DYMALLY:

Amend the title to read as follows: "Concurrent Resolution congratulating His Majesty King Taufa'ahau Tupou IV and the people of Tonga on the occasion of the King's 70th birthday, the 21st anniversary of the King's coronation, and the celebration of the centennial of the Treaty of Amity, Commerce, and Navigation between the United States and the Kingdom of Tonga."

The title amendment was agreed to.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Concurrent Resolution 319, the concurrent resolution just agreed to.

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

There was no objection.

#### LEGISLATIVE PROGRAM

(Mr. LOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOTT. Mr. Speaker, I do this for the purpose of receiving the legislative schedule for the balance of the week and for next week, and that purpose I yield to the distinguished majority leader, the gentleman from Washington [Mr. FOLEY].

Mr. FOLEY. I thank the distinguished Republican whip and acting Republican leader for yielding.

Mr. Speaker, we have concluded the business for today and for this week and, as scheduled, the House will begin today its Independence Day/District work period.

The House will return on Wednesday, the 6th of July at noon and at that time consider H.R. 4174, the Small Business Administration Reauthorization and Amendment Act, subject to a rule. The House will be in session on Thursday, July 7 at 10 a.m. and will consider H.R. 4481, military base-closings bill, subject to a rule. The House will not be in session on Friday, July 8. In addition to that, it may be possible to schedule conference reports, possibly the conference report on the Department of Defense authorization for fiscal year 1989, and other conference reports.

Mr. LOTT. I thank the gentleman for that information.

I would like to thank the leader for giving forward and keeping the commitment to get this H.R. 4481, the military base-closings legislation up here for consideration in the House.

The only question I might have—earlier this week it had been indicated that perhaps we would have trade legislation or trade bill back on the floor for consideration either on Wednesday or Thursday of this week. Do you see any prospect that that legislation might be scheduled sometime next week?

Mr. FOLEY. Well, it is possible. We intend to schedule the plant-closing notification when that legislation is received from the other body and, along with that, schedule the trade legislation so the two will be scheduled together or in very close proximity.

But we are awaiting action on the plant-closing bill from the other body. It is possible next week we could have either or both bills. But I think it is more likely we will have them the week following.

Mr. LOTT. Probably the week following. It is hard for us to tell when the other body might complete action on that. But since they have not completed action and since they will not even take it up until next Tuesday, I would presume that there is not much likelihood that it would be brought up next week.

Mr. FOLEY. I think the more probable estimate would be the week following.

Mr. LOTT. I thank the gentleman.

#### DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY, JULY 6, 1988

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednes-

day rule be dispensed with on Wednesday, July 6, 1988.

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

There was no objection.

#### AUTHORIZING THE SPEAKER TO ACCEPT RESIGNATIONS, AND TO APPOINT COMMISSIONS, BOARDS, AND COMMITTEES NOTWITHSTANDING ADJOURNMENT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that, notwithstanding any adjournment of the House until Wednesday, July 6, 1988, the Speaker be authorized to accept resignations, and to appoint commissions, boards, and committees authorized by law or by the House.

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

There was no objection.

#### VACATING SPECIAL ORDER

Mr. McMILLAN of North Carolina. Mr. Speaker, I ask unanimous consent that the special order previously entered into by the gentleman from Texas [Mr. DELAY] for 60 minutes for today be vacated.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina,

There was no objection.

#### THE 20TH REUNION OF GRADUATING CLASS OF WACO HIGH SCHOOL, WACO, TX

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. BARTON] is recognized for 5 minutes.

Mr. BARTON of Texas. Mr. Speaker, this weekend I am going to participate in one of the perennial rituals of Americana, a ritual called the annual high school reunion. In my case it is the 20th reunion of the graduating class of Waco High School in Waco, TX, whose mascot is the Fighting Waco High Tigers.

The Waco High School class of 1968 was 256 strong. It was a class of notable accomplishments in a year that was notable for the tumult and excitement that was generated. I take you back to that year: it was the year in which President Lyndon Johnson announced that he was not going to seek another term as President of the United States, resulting in a Democratic convention in Chicago orchestrated by then-Mayor Daley which resulted in riots, upheaval, and finally the nomination of Hubert Humphrey to run against Richard Nixon in the fall campaign, in which Richard Nixon became the President of the United

States. It was a year in which there were hippies in San Francisco advocating free love, hang loose, take it easy, do your own thing. It was a year in which you could buy a brandnew 1968 Mustang automobile for \$2,298 fully equipped. If you had more expensive tastes you could buy a Lincoln or a Cadillac for between \$7,000 and \$8,000. A pound of bacon cost 49 cents. Permanent press shirts were just coming into vogue. You could buy the best shirt possible for \$5 down at your local men's store. It was a year in which we held an Olympics, Peggy Flemming won the Olympic gold medal for ice skating; it was a year of famous events. Tiny Tim was married on national television, Julie and David Eisenhower were married in the Rose Garden. But it was also a year in which almost 3 million young Americans graduated from high school. One of those high schools was Waco, TX. The class of Waco High School was notable for its own achievements. Our football team beat the hated arch-rivals from across town, the Richfield Rams, 27 to nothing. It was also a year in which our track team sent several people to the State track meet. Our choir, our band won several meets and sent several people to their various State contests. It was a year, on a more serious level, in which we graduated the first integrated class of Waco High School. In fact one of the leaders of our class, Mike Tyler, a young black man, received an athletic scholarship to Rice University and was a commissioner and student leader in the class.

It was a year in which several of my classmates after graduating entered the military and served in Vietnam with distinction. Several of them gave their lives for defending freedom in Vietnam later after their graduation.

So I would like to take this time, Mr. Speaker, to congratulate the Waco High School class of 1968 and their reunion this weekend.

Talking about the less famous people: we have Charles Green who was somewhat the hippie in Waco High School in 1968. He is now a psychologist in West Virginia. We have Richard Baker, middle linebacker now married to the homecoming queen, Lois Chambers. They live in Waco. Pat Hoerner, who played on the baseball team, has just set up a new company here in Virginia with H. Ross Perot. They won the Postal Service contract from the Post Office to make it a little bit more efficient. I mentioned Mike Tyler, all-State halfback, now an insurance agent somewhere in the Midwest.

Bill Cottingham, the only high school graduate that year to get an academy appointment. He went to the Air Force Academy. He is now an F-111 pilot stationed temporarily here at



the Pentagon. The quarterback of our football team, Dennis Gilliam, now a banker in Waco. Last and probably least the 145-pound middle linebacker JOE BARTON, yours truly, now the U.S. Representative to the Sixth Congressional District.

Congratulations Waco High School class of 1968. Good luck in the future. I hope we have a great time this weekend.

#### EFFORTS CONTINUE TO BE MADE TO IMPROVE HOUSE TELEPHONE SYSTEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. ROSE] is recognized for 5 minutes.

Mr. ROSE. Mr. Speaker, last week, I advised the House that every effort was being made by our telephone service contractor and our House staff to locate and solve the recent problems with our telephone system. We have been utilizing for several months the system 85 switches designed, constructed and installed for the House by AT&T.

Since my remarks, the around-the-clock efforts of senior AT&T designers, engineers, and technicians appear to have isolated the software glitches in our system. The level of service this week has been very acceptable and I must commend all those involved for their dedicated and determined efforts.

However, the work of the past few days to eliminate our system's unique problems has not been completed. It has been decided by AT&T that additional switching capacity will be installed within our facility to insure a continued reliable and acceptable House system. Such expanded capacity will require additional equipment that has been delivered to the House and is presently being installed. This installation will be completed next week. I do not expect this additional switching equipment to cost the House any additional funds beyond the terms of our original contract. It is a part of AT&T's total effort to provide the service expected and guaranteed when the House accepted their proposal.

Speaking for the members of the Subcommittee on Office Systems of the Committee on House Administration, let me say that I appreciate the cooperation and patience of Members and all of the staffs of Members, committees and support offices.

#### COIN COLLECTOR SPEAKS OUT AGAINST COIN DESIGN CHANGES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, "like it or not, the current coin styles are decent, recognizable, and accepted by the vast majority of the country. Is the change needed? Who says so?" Mr. Allan Sherry, a coin collector from Riverdale, NY, asked me these questions in a recent letter. He, like many other coin collectors, recognizes that the proposals to change designs on our circulating coins is not sup-

ported by the general public, or by many numismatists.

Mr. Sherry cites several valid and thought provoking reasons why we should not change coin designs. His comments reflect the opinions of the majority of American citizens who have written to the Subcommittee on Consumer Affairs and Coinage regarding this issue. Letters opposing the coin design changes come from both collectors and non-collectors. While I value the opinions of all citizens who write to me, I find the views of collectors to be particularly interesting with regard to this proposal.

To change coin designs would benefit coin collectors. The addition of new designs would naturally add to the value of their collections. Change would also benefit those who have been lobbying for such legislation. I believe that this has become a personal crusade for some, and that little consideration is being given to the very real, detrimental effects that coin design changes would have on our budget deficit.

The following are excerpts from Mr. Sherry's letter:

RIVERSIDE, NY.

DEAR CONGRESSMAN ANNUNZIO: I support your rejection of new coin designs for a host of reasons, including:

1. Just because there is permission by law to change designs is not a valid reason for doing so.

2. People wishing to make the changes also do not necessarily have valid reasons for wishing the changes to be made.

3. It costs money to make the changes at a time when governmental spending is basically out of control, requiring curbs wherever possible.

4. The basic reason for the changes are as much for personal aggrandizement as for logical reasons, a reason NOT to opt for change.

5. By past performance, if based on commemorative coinage designs, these have been overall, pitifully poor, unattractive, lacking everything in comparison to the designs in circulation now.

6. The U.S. Mint should be mandated to be at least competitive in quality with its own past examples, and those of other mints (such as the Royal Canadian Mint) in quality of strikes and handling, and durability of current designs. \* \* \* They aren't getting it right, so why give them added problems with new designs?

7. There are lots of places in the commemorative programs and bullion programs for new designs (most of them pitifully poor). No need to put ugliness, already exemplified, into circulation, watering-down our image which is already not the best, anymore.

8. Merely being bored with current designs, or to liven up the coin hobby, is not a business-like reason to meddle with what likely will be the last classical coinage this country is likely to produce, those of current designs.

9. To a degree, the coin hobby underwrites a lot of profitability for the U.S. Mint \* \* \*, and many will buy, for a premium, sets or individual coins with the new designs when offered. They have to keep their collections complete. But, this also is not valid reason for changing the designs. Those aftermarket bigwigs, dealers, always make out on such changes, and the U.S. Mint/Government creates their market in coin design changes, and thus these people are for it.

But it is not a valid reason to make changes in designs.

10. Like it or not, the current coin styles are decent, recognizable, and accepted by the vast majority of the country. Is the change needed? Who says so?

11. If the minting process produced top quality examples of coinage, in terms of the process with these current designs, I'd say then they might be capable of turning out something new of equal quality. But they have not yet, so why give them something new to make excuses about?

I have been reading about your reasons for not preferring to make coin design changes in Numismatic News, Representative Annunzio. I collect coins as a hobby, and among my friends in that hobby, most do not want coin design changes for my reasons, and a few others. They, too, would collect the new ones, but many of us feel the Mint has not done a good job in terms of quality, just quantity. Others I've spoken with feel that the collectors programs have fallen short of expectations. \* \* \* Perhaps the people at the Mint are just not capable or ready to do new coins. \* \* \*

If my reasons do not altogether coincide with yours, the point is mutual if these harebrained meddlers in our midst are denied. Don't cave in, Mr. Annunzio! You have lots of support among collectors, just not a lot among a small minority of people who likely believe they are doing the right things, but for many invalid reasons. \* \* \*

Thanks for your interest in coinage, Representative Annunzio.

Sincerely,

ALLAN SHERRY.

It is my hope that my colleagues in the House of Representatives will consider the comments of Mr. Sherry, a coin collector who ardently opposes coin design changes. Mr. Sherry can see beyond the personal gain that he might enjoy to the far-reaching problems which will accompany coin design change at this time. Mr. Sherry's comments come from a member of the very community which coin design legislation purports to benefit. I ask my fellow Members to recognize that there is sound opposition to this proposal from the coin collecting community.

#### PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. MACKAY] is recognized for 5 minutes.

Mr. MACKAY. Mr. Speaker, due to a previous commitment I missed several votes. Had I been able to vote, I would have voted for final passage of H.R. 1158 and for the conference report on H.R. 4567.

I appreciate having this opportunity to state my position on these measures.

#### JUDGE ELVIN DAVENPORT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. CROCKETT] is recognized for 5 minutes.

Mr. CROCKETT. Mr. Speaker, this past weekend the Detroit community lost one of its most eloquent and respected judicial officers, when retired judge Elvin L. Davenport passed away after a long illness.

Judge Davenport was a pioneer on the recorders court in Detroit, serving as the first elected black judge of that court from 1957 until his retirement in 1977. He was a wise and gifted jurist, with a sense of fairness and a passion for justice that were clear to all those who came before him.

I had the great good fortune of serving with Judge Davenport on the recorders court, and of knowing him not only as a colleague but as a trusted friend. I will miss him, and our entire community will miss him.

For the benefit of those who were not privileged to know Judge Davenport, I offer the article in the Monday, June 27, Detroit News which chronicles his life:

**JUDGE ELVIN L. DAVENPORT DIES; FIRST BLACK ON RECORDER'S COURT**  
(By Domenica Marchetti)

Elvin L. Davenport, a respected retired judge who was the first black elected to Detroit's Recorder's Court, died Sunday at Harper Hospital of cardiac arrest. He was 88.

Known as a skilled and fair jurist, Mr. Davenport also maintained a passion for roses. Until two years ago, he meticulously tended his rose garden.

He was born and raised on a farm in northeast Virginia, one of nine children.

To earn money for college, he worked as a porter with the Canadian Pacific Railroad in the 1920s. He received a bachelor's degree from Temple University, and in 1929, earned his law degree from Howard University in Washington.

Mr. Davenport moved to Detroit in 1929, and in 1931 he passed the State Bar of Michigan examination. The Depression was not an easy time to get a law practice started, especially for a black man, so Mr. Davenport sold insurance on the side to earn extra money.

He was appointed an assistant Wayne County prosecutor in 1945. In 1956, he was appointed to the Common Pleas bench, and less than a year later, then-Gov. G. Mennen Williams appointed him to the Recorder's Court bench. At the next election in 1957, he became the first black ever elected to Recorder's Court, a position he held until his retirement 20 years later.

During his tenure on the bench, Mr. Davenport, a tall, thin, bespectacled man with a quiet, courtly manner, earned a reputation for being interested in presenting the jury only with the simple truth. He disdained the use of legal technicalities and tricks to influence a case.

"He used an occasional pointed comment, or more frequently a humorous example to steer attorneys back on track when they went off it," said Herb Levitt, a court administrator and longtime acquaintance of Mr. Davenport.

"He never had to stomp or bang the gavel. He had the force of personality. The feeling that this guy was on top of everything kept everyone in line," recalled Levitt, a former newspaper reporter.

In one instance, as Mr. Davenport was about to sentence a pimp in the presence of a group of high school students, the convicted man stated that money was the most important thing in the world and that he felt respected when he drove his expensive car through the streets. The judge replied: "That isn't respect. All they are saying is, 'There goes another pimp in a Cadillac.'"

If there was one passion Mr. Davenport had besides his love for the law, it was roses. Working in his rose garden, which held up

to 120 varieties, was the perfect form of relaxation, the judge believed. It was a hobby he kept up until two years ago, when he and Victoria, his wife of 24 years, moved to an apartment on Lafayette.

"He had grown up on a farm, and he never forgot his origin," Mrs. Davenport said. "His plants were an extension of his love for nature and the earth. He treated the roses with gentleness and care. The same love he had for the flowers he transferred to his friends and family," she said.

Mr. Davenport was also a lover of the arts. Mrs. Davenport said. He was well-versed in literature and extremely fond of the opera.

Mr. Davenport was also active in many associations. He was a member of the State Bar of Michigan, the Michigan Judges Association and past-president of the Wolverine Bar Association. He also was a member of the American Judicature Society, the National Bar Association, the Detroit Bar Association and the American Academy of Political and Social Science.

He was a lifelong member of the National Association for the Advancement of Colored People (NAACP), a member of the Howard University Alumni Association and a member of Omega Psi Phi fraternity. He served on the board of directors of the Boy Scouts of America and was a member of the American Rose Society.

Mrs. Davenport said the judge had been ill for more than a year. He suffered a stroke on March 29 from which he recovered, she said.

In addition to his wife, Mr. Davenport is survived by a son, Donald; a daughter, Mildred Wilson; a stepson, Charles W. Anderson III; a stepdaughter, Victoria Anderson Pinderhughes; and eight grandchildren.

Visitation and burial arrangements will be announced by McFall Brothers Funeral Home, 9419 Dexter Blvd.

Services will be Wednesday at 1 p.m. at Bethel A.M.E. Church, 5050 St. Antoine. Memorial contributions may be made to the Elvin L. Davenport Scholarship Fund, Howard University School of Law, Washington.

**SERBIANS OBSERVE ANNIVERSARY OF KOSOVO**

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

Mrs. BENTLEY. Mr. Speaker, this week on, June 28, Serbians throughout the world observed the anniversary of a momentous event in the history of Serbia, and, although it is not generally known, in the history of the Western World. It was 599 years ago that the Serbian Army was defeated by the Ottoman Turks, who were then sweeping westward toward Vienna.

For more than a century, the Turks had been moving north and west, across the Peloponnesian peninsula, Bulgaria, and what is modern Yugoslavia. Taking advantage of the quarrels among the local princes, they had pressed forward like an inexorable tide. The Byzantine empire had fallen and Constantinople had been neutralized earlier in the 14th century.

Finally recognizing the magnitude of the long range implications for our civilization of this advance, Hungar-

ians and Magyars, Serbs, and Bulgars contested the advance of the Ottoman empire under Murad I, the Ottoman sultan. Finally Prince Lazar of the Serbian empire, leading a force of mainly Serbian soldiers, met the Turks in battle at Kosovo, in what is now the western part of Yugoslavia.

At the start of the battle, a Serbian knight, Milosh Kobilic succeeded in getting into the tent of Murad and killed him. The Turks regrouped around Bayazid, Murad's son, and in a fierce day-long battle, destroyed the Serbian Army and ended the Serbian Empire. Lazar himself was captured and executed on the field of Kosovo, which is known as the plain of blackbirds.

Historical books say that his body was decapitated and his head displayed in glee by the Turks. Kosovo has become a sacred site for all Serbians as a result.

The battle had been so bloody that June 28 has been recognized ever since as Vidovan, or widow's day. It is so remembered even today in Yugoslavia, and particularly in Serbia. With Kosovo, the Balkan bulwark against the East, was destroyed. No longer would Balkan heroes protect the West from the Hun and the Mongol, the Ottoman and the Russian. Not for two centuries, until the battle of Lepanto would the threat of the Turks to the West be broken.

So the Serbs remember this day as a day of national calamity. Even today, the Montenegrin people of the area wear a black band on their caps for this "Waterloo of the Serbian empire." For our ancestors and for the entire West, June 28, 1389, was indeed a black day.

Next year will be the 600th anniversary. And Kosovo is more sacred than ever.

Coincidentally, even today, this field of battles, this widow maker, Kosovo, is in the news and is the source of conflict among local peoples. Although Kosovo is now a part of Yugoslavia, Serbs and other Yugoslavs have become a minority people in their own country.

Since Albania forms the western border of Yugoslavia, Albanians have migrated in large numbers eastward into Kosovo until they are now the majority people in this area. By some estimates, Kosovo now is 85 percent ethnically Albanian.

Over the past 10 years violence has broken out in the area as part of a movement by Albanians to create a greater Albania, including parts of southern Yugoslavia and Kosovo. To date, it is claimed the Albanian Government has not encouraged this movement. In a nation which suffered 1.7 million deaths in World War II, the prospect of civil war is nothing short of horrifying. You may remem-

ber, Mr. Speaker, that World War I also broke out in Slovenia, one of the six republics is now composing Yugoslavia. The Serbians and the other Slavs in the country do not want another war. World Wars I and II were too destructive.

However, as the numbers of ethnic Albanians grow, the process accelerates. In some parts of the region, as in western Macedonia, virtually all of the ethnic Slavs have been driven out of the region.

Kosovo, after having fallen into obscurity for six centuries, is again of critical importance to the survival of Yugoslavia and in some measure, to the safety of the West.

Congress now is considering a concurrent resolution, decrying the fate of ethnic Albanians in Serbian Yugoslavia. It has never been a condition for offering legislation to know what one was talking about, but in this instance such legislation is like lighting a match to find a gas leak.

I point out that this morning—the Human Rights Caucus, with Congressman JOE DIOGUARDI chairing, held a hearing on this issue of alleged persecution of Albanians by the Yugoslavia Government.

The distinguished gentleman from Connecticut welcomed a statement from me as a first-generation Serbian-American in which I did not defend the Yugoslavia Government but outlined that there are other inflammatory issues in Yugoslavia that the Yugoslavia Government one I am most concerned about is that are forcing Serbians out of Kosovo.

Who are these Serbs, that we should take any interest at all in their concerns? Although relatively few in number, their national traits have made them at home in America. They are a proud group, fiercely independent, self-reliant, dependable as friends, loyal as citizens, family oriented. I am honored to say that they are my people.

Americans of Serbian ancestry have served this Nation in every war since World War I. Considering their tiny proportion of the population, they have produced four rank officers in our military. Serbian Americans have won the Congressional Medal of Honor in each of our last four wars. And the late Capt. Lance Peter Sijan, USAF, was the first Air Force Academy graduate to receive a posthumous CMH for his bravery as a POW in North Vietnam.

During World War II, the late Gen. Draza Mihailovich, a Serbian hero, saved the lives of some 500 American airmen who have vowed they will pay proper tribute to him before they all have left this Earth—those men braved deeds in the face of the Nazis as the Serbian Chetniks reached out for the fallen American airmen.

Today, the entire scientific world is seeking to rediscover the electric and electronic advances of the greatest inventive mind of the 20th century, Nicolas Tesla—a Serbian by birth and an American by choice.

I am sure that various Members of the House and of the Senate have asked themselves why we should concern ourselves with American citizens who involve themselves in the quarrels of the inhabitants of the countries of their forebears.

As a free American, born here of Serbian immigrant parents, permit me to try to answer that question in terms of U.S. national interests. I am pleased that my parents came here, because we, their children, have been able to grow up in a society of free men and women who enjoy the blessings of liberty.

Americans of Serbian background have been well aware, and proud, that these blessings of freedom are precisely what their forebears struggled for in the old homeland. In the course of the 19th century, after nearly 500 years of Turkish domination, the Serbs fought successfully to regain their independence, and toward the end of the century were successful in establishing democratic political institutions. All of this was done with virtually no help from the outside and with great sacrifices.

But there is more than this identity of aspirations that brought Serbs and Americans together. The Serbs fought as our allies in two world wars, and with untold suffering.

More important, in terms of United States national interests, is the role of Serbs in Yugoslavia. They are the most numerous, nearly twice as large as the next largest group, the Croats. They were the principal instrument in the creation of Yugoslavia in 1918—the ones who sacrificed the most on its behalf and in the interwar years they were the strongest supporters of the common state. There have been allegation that in those years the Serbs abused their dominant position. Recent studies, both here and in Yugoslavia, have demonstrated that such was not the case. But whatever history's ultimate judgment on that question, it remains a fact that there cannot be a Yugoslavia without strong Serbian support.

No one should lose sight of this fact, because United States foreign policy is committed to an integral Yugoslav state. It was so 40 years ago, and I believe that that is still U.S. policy.

At the same time it is important to note that recent years have witnessed disintegrative forces at work in Yugoslavia. The actions of the Albanians against the Serbs in Yugoslavia's Kosovo province in recent years is only the most visible of these. One result is that the Serbs, who are convinced that they have generally been

getting the short end of the stick in Tito's Yugoslavia, have been asking themselves why they should continue to support a common state if others seemingly do not want to do so.

This has, it seems to me, important implications for the United States. I believe that the Congress should avoid taking actions that may further contribute to disintegration in Yugoslavia, and thereby undermine United States policy. Moreover, I should also like to add that I believe that the State Department needs to be more on the alert. While I cannot prove it, I have the distinct impression that the State Department has for far too long been taking the Serbs for granted.

This does not mean that any group in Yugoslavia should be free of criticism. But Members of the Congress should keep in mind that no nationality group in Yugoslavia favors a Communist system. Unfortunately, there are times when some of these groups blame each other for their plight. Consequently, if Members of the Congress are inclined to respond to injustices in Yugoslavia, they should do so on behalf of all the peoples there. To align themselves with one or another group, especially groups that do not share America's policy objective of an integral Yugoslavia, would, in my opinion, be sheer folly.

I urge caution, Mr. Speaker, regarding House Concurrent Resolution 162 and Senate Concurrent Resolution 65, about the alleged mistreatment of Albanians in Yugoslavia. They are in an overwhelming majority in the province of Kosovo, and have in effect sought to create a state within a state. Although Kosovo is theoretically an autonomous province of Serbia, the Serbian authorities have by design or otherwise been powerless in matters concerning Kosovo. In short, the Kosovo Albanians have created an almost impossible situation for the Yugoslav Government.

I am not defending the Government of Yugoslavia but I want to make certain that the Members are aware of what is happening in Kosovo regarding the Serbs.

In 1941, the Albanians joined the fascist Italians, and formed a Great Albania under their tutelage. This country, was set up after the Balkan wars of 1912, included the Serbian Plain of Kosovo. One of the first acts of the new, occupational regime was to expell over 100,000 Serbs who lived there. In 1943, the Albanians provided the Nazis with a full-fledged legionary SS division, the 23d "Skanderbeg."

Yet, after the war, as after the previous two wars, the Balkan and World War I, all this was forgotten and forgiven by the Serbs.

Moreover, the Communist Government of Yugoslavia forbade Kosovo Serbs to come back to their hearths, in

compliance with an accord reached by Tito and the Albanian Communist leadership.

True, for 20 years after the war, Communists ruled Kosovo by police and martial law, because in 1945, a whole division of the Yugoslav Army had been wiped out in an Albanian uprising.

But, in 1963, Tito gave the Kosovo Albanians autonomous status, and in 1966 fired the man he claimed was responsible for repression against them.

The Communist Party in Kosovo, the courts, the administration, the police, business, industry, education—everything but the army—was turned over to ethnic Albanians. The official language of this Serbian province became Albanian, while its school children were educated with the aid of textbooks shipped in from neighboring Enver Hoxha's Albania.

From 1966 until today, the Kosovo Albanians have meticulously worked at driving out of their region everyone who is not an Albanian, or does not want to become one. Many thousands of ethnic Kosovo Turks have left for Turkey, Kosovo Gypsies have been pressured into declaring themselves Albanian, while Kosovo Serbs have been driven out, en masse; 200,000 of them have left in the last two decades, under pressure.

Even according to the controlled, Communist Yugoslav press, Albanian chauvinists are using murder, rape, pillage, humiliation, property damage, desecration—their age-old, proven methods—to ensure their goal of an ethnically clean Kosovo.

And all this is happening not in an occupied country at a time of war, but in a socialist, self-managing Yugoslavia, a legal state at peace, an honored member of the United Nations, an alleged friend of the United States.

The Albanian movement in the Kosovo region of Yugoslavia is a typical example of the exaltation of nationalism directed against the Serbian population in the province, but also against the integrity of the Yugoslav federal establishment and against the state itself.

Slogans extolled by Albanian nationalists during the massive demonstrations which erupted in Kosovo in 1981, are still circulated and are characteristic in this regard. Four kinds of slogans were forwarded.

The first type was explicit—irredentist: "We are Albanians—not Yugoslavs," and "We are children of Skender Beg—the army of Enver Hoxha." Maps of a great Albania including Sanjak and large portions of the Serbian and Macedonian republics as well as northern Greece were joined with Enver Hoxha's portraits and the Albanian flag.

The second type of slogans, also nationalistic, were more complex. The loudest slogan was: "We want a repub-

lic, Kosovo republic," and "Republic by threat or force." This demand could have a double meaning—directed toward a secession from Yugoslavia or toward a republic in the framework of the Yugoslav federal system. However, according to the 1974 Yugoslav Constitution, the republic is a sovereign state with the right of secession. Once established and supported by irredentism the republic could lead in two directions—in and out of Yugoslavia. In the latter case it would produce two Albanian states, like North and South Korea, North and South Vietnam, Cyprus, Palestine, et cetera, or the merging of both into a Great Albania.

The third type of slogan has a socio-political character: "down with the bourgeoisie," "down with revisionism," and was extolled by the Albanian Communist Marxist-Leninist Party in Western Europe.

Last but not least slogans against the Serbian national minority in Kosovo, which encouraged the ongoing exodus of the Serbs from the Province, dominated.

What is the impact of the Kosovo problem today?

The significance is threefold: Yugoslav, Balkan, and European, involving also the United States and the Western World.

Albanian demands for a separate republic will destabilize Yugoslavia which is already going through a serious economic and political crisis. It would require the reshuffling of the neighboring federal republics of Serbia, Montenegro, and Macedonia, in which part of ethnic Albanians are living. This will impose a fundamental revision of the Yugoslav federation to which none of the mentioned republics would agree. The Serbs in the Albanian republic would be left at the mercy of Albanians and that will inevitably augment the already existing pressure on them. As already mentioned, it would offer to the new republic the right of secession.

The Kosovo-Republic means the revival of the Prizrend league from the past, and would cross beyond the Yugoslav borders, stimulating Albanian demands against Greece and North Epyrus, Greek and Serbian minorities in Albania proper are already deprived of all basic national and religious rights. It could encourage Bulgarian aspirations toward Yugoslav Macedonia. Taken together, it would destabilize the entire Balkan region and open the way to the Soviet access to the Adriatic, the Aegean and the Mediterranean seas. The eventual merging of two Albanian states into one would challenge the status quo and the southern flank of NATO, jeopardizing the integrity of Italy, Greece, and Turkey. When moving out of the status quo the Pandora box can provoke innumerable problems.

This statement is not directed against the Albanian people who have the human and democratic right to live in peace and to strive toward a better life. Especially not against the common people who suffer from poverty and try to overcome the heavy burden inherited from the past. But sympathy goes to the Serbian minority in Kosovo which has the same rights and is forced to leave the domicile of their forefathers. An ethnically pure Albanian Kosovo which is today the goal of Albanian nationalists reminds one of racist theories against which this great country fought during the war. Albanians, Serbs, Montenegrins, Macedonians, Turks, have to find a democratic solution to live together in their common state of Yugoslavia which was created in wars and revolutions and is not ready to surrender without resistance, especially in what concerns the Serbs.

Yes, Mr. Speaker, in their native country, Serbians have suffered for these last 600 years the fate of a conquered people. From the battle of Kosovo in 1389, the Serbs were under the dominance of the Turkish empire for nearly five centuries.

It is hard for us in the West ever to imagine a repression lasting for a decade or even a generation. Except for a few brief decades, Serbs were captives in their native land for five long centuries. Try to imagine the time span. America had not yet been discovered when Serbia went under the Ottoman empire. The American Revolution was four centuries away. The bow and arrow was still the standard arms of armies. Shakespeare and Chaucer were in the future. Thomas Aquinas was dead only a century and Martin Luther was a century in the future.

Yet, despite the oppression of Turk and Albanian, Fascist and Communist, these Serbian people endure. No, more than endure. They remain a key to the survival of Yugoslavia, even today. A lesser people would have disappeared from history entirely. The Latin classic poet Juvenal wrote the history of the Serbian people in one line. "Forsan et haec olim meminisse juvabit." Some day we will be strengthened by the memory of these days.

There is a Serbian saying "Niko Nerva sto Srbi enia" which means no one has the strength of the Serbians.

[From Insight magazine, July 4, 1988]

#### INDEPENDENCE BREEDS DEPENDENCE

Once again an array of commercial banks, international do-good organizations and Western governments have joined forces to ball out a limping socialist economy. And once again their beneficiary—this time Yugoslavia—has promised radical economic reforms in return for their help. Few believe those promises can be kept.

Yugoslavia, like its East Bloc neighbors, has fallen victim to the bane of all centrally planned economies: a paralyzing rigidity

that precludes adaptation. Prices are controlled by the state, bankruptcy is unthinkable for inefficient industries propped up by liberal subsidies, and in today's increasingly hard times worker layoffs remain unheard-of.

But Belgrade has vowed that this will be the year for change. In return for support in improving its dire economic position, Yugoslavia has promised radical economic reforms. Some of the more superficial changes have already occurred; price controls have been lifted, many subsidies removed. But the subsequent belt-tightening had not added to the popularity of the government's efforts. Inflation stands at 150 percent, unemployment is at 13 percent, living standards have plummeted by one-third since the beginning of the decade, and the country's leaders have accumulated a staggering \$21 billion foreign debt.

Given the pain caused by even small adjustments, more radical changes will be met with heartfelt opposition. In any case, the government's promises for such change have in the past been honored more in the breach. So why are the World Bank, the International Monetary Fund, the U.S. government and some 450 commercial banks willing to ante up with loans totaling almost \$1 billion?

Gertrude Schroeder, professor of economics at the University of Virginia and a consultant to the CIA, says it is "because Yugoslavia is a breakaway state from the Soviet bloc and has maintained its independence for decades. We want to keep Yugoslavia from going under because it is feared that then it will have no recourse but to turn back to the Soviet Union."

In the past, keeping Moscow at arm's length has let Yugoslavia leaven its system with more of the free market than is common among its line-toeing neighbors. This independent streak encourages the nation's creditors to continue funneling in funds.

But bankrollers who are expecting more of a free market economy are overly optimistic, according to most analysts, who base their opinions on Belgrade's history of failed efforts at reform and on its bizarre musical-chairs political system. Divided into six republics and two autonomous regions, Yugoslavia has a presidency that annually rotates among regional leaders, making political consistency and consensus virtually unattainable. "Using the past as a record, one would predict little progress" on reform, says Schroeder. "What is critical is getting some national-level leader around which a consensus for reform could be built, and I don't see such a leader emerging." The solution, she says, is "a Gorbachev type" or another Tito.

When Marshal Josip Broz Tito, the charismatic postwar leader of Yugoslavia, died in 1980, he took much of the country's national unity with him to the grave. The legacy of two of his most radical breakaway policies has meant even more division among already squabbling Yugoslavs.

One such policy is the workers' self-management system by which the proletarian controls his own destiny through a workers council. This system has serious deficiencies, highlighted lately because of the country's decline. It seems that when workers are given control they have an unfortunate tendency to vote themselves raises—often—even at the expense of profits and investment. Because they control their own awards and benefits, workers have little incentive to be more productive.

In fact, the entire economic system, once touted as visionary, is facing rampant inefficiency from management on down. One of the worst culprits has been the lack of any incentives to change.

"They have an economy in which enterprises and producers don't have to worry about poor performance because they are more or less automatically bailed out by the banks that they control and by the political system," says Paul Marer, professor of international business at Indiana University at Bloomington. Thus an inefficient company will avoid firing workers and other painful measures to cut costs because management is convinced that the banks—generally controlled by producers and politicians, according to Marer—will always lend a hand. Attempts at reform by the central government are easily thwarted by an industry hand in glove with local politicians. Indeed, Yugoslavia's biggest postwar scandal erupted after revelations of a scam to circumvent the country's restrictions on the growth of the money supply, a popular inflation-cutting measure.

Many firms, finding themselves strangled by the reform, began issuing promissory notes to banks. The IOUs would be rubber-stamped by compliant bankers (who in some cases were also running the "borrower" companies), all with the tacit compliance of local politicians. The whole scheme blew up in 1986 when a giant agro-industrial company was found to have issued almost \$1 billion worth of notes with nothing to back them up. As the scheme unraveled, some 2,300 firms were caught with IOUs totaling more than \$80 million and zero funds to back up the swirling masses of paper debt. Several careers were ruined, including those of the vice president and the economics minister.

Incest between business and politics, says Marer, is another reason Yugoslavia's economy is such a shambles. "Communist countries have the problem of an almost pervasive interference in economic decisions by politicians," he explains. "But where in the Soviet Union the interference is mostly at the top, the highest levels of the party, in Yugoslavia it is at the state, regional and local level."

Tito's other less-than-successful innovation as a leader was allowing a certain independence among his country's myriad nationalities. Before his death he put into place the constitutional changes that provide for rotation at the top levels of government, giving each state its turn at heading the country and the Communist Party.

But given the disparities among the republics and the violent strength of regional loyalties, this may not have been the best plan. "Tito saw the danger of the national [regional] differences and instituted this ghastly annual rotation system," says an analyst of East European politics. It, more than anything, has exacerbated the nation's problems and hindered economic reforms.

"When you try to impose reforms in an environment where there's no national leadership, just different regional leaders struggling for the interests of their regions, reform is difficult to implement," says Laura Tyson, professor of economics at the University of California at Berkeley.

Many of the attempts to smooth regional differences were to have the opposite effect in the long run. Poorer regions were loaded up with new industries to address economic imbalances; nationalistic sentiments were encouraged in pre-*glasnost* openness. But many of the new industries became cumbersome white elephants; flourishing national-

ist aspirations in certain regions were too much for the inflexible political system to handle. In Slovenia, long considered the most liberal and westernized of the republics, a drive for more democracy, economic liberalization and autonomy has angered hard-liners in Belgrade and led to the arrest of regional youth movement leaders.

In Kosovo, an autonomous region that borders Albania and is part of the Serbian Republic, there have been violent anti-Serbian demonstrations and requests for republic status. There have even been demands for secession and union with Albania from more rabid nationalists.

While all those activities reflect an unusually high tolerance for dissension for a communist country, regional tensions and imbalances may ultimately stand in the way of economic and political reform. "In regions that are less developed, any major deterioration in economic conditions that were attributed to the reforms could lead to instability, like in the case of Kosovo" says Gertrude Schroeder. This prompts poorer states to encourage a continuation of subsidies and heavy-handed, centralized decision making, while the reverse is true in the richer states, like Slovenia and Croatia.

All of this is done through the regional Communist Party apparatus, which has meant a fragmentation of the party that does little to advance a consensus on any changes, let alone the radical economic reforms needed, says Tyson. And because even the national party leadership rotates each year, no leader can rally the power and support to alter the status quo.

The decentralized political system is the perennial scapegoat for Yugoslavia's paralysis, but many see other roadblocks to reform. "The problem is that the Yugoslavs find themselves in a predicament," says Walter Roberts, diplomat in residence at George Washington University. "They would like to step out from the strict communist [economic] dogma without making the political concessions required."

But as the country sinks deeper into its financial doldrums, the politicians may have little choice in the matter. Says Roberts: "They will find the strength to change because they cannot survive without it." Danielle Pletka

#### GENERAL LEAVE

Mrs. BENTLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

□ 1145

#### THE PLIGHT OF POLITICAL PRISONERS IN NICARAGUA

The SPEAKER pro tempore (Mr. Skaggs). Under a previous order of the House, the gentleman from Texas [Mr. DeLay] is recognized for 5 minutes.

Mr. DeLay. Mr. Speaker, first let me say that I appreciate the fine work that the gentlewoman from Maryland

[Mrs. BENTLEY] is doing in the field of human rights for the Serbs in Yugoslavia, and that is why I come to the well for this short period of time. I also have a human rights concern, and that concern is with the political prisoners in Nicaragua.

It seems that through this whole peace process that has been going on for almost a year now, there is one group of people that has been forgotten, and those are the political prisoners that are being held in Nicaragua, and held in what has not been defined as 56 political prisons—56 prisons in a country of 3 million people. That is as if we would have 56 prisons in the Washington, DC, metropolplex or 56 prisons in the metropolplex around Houston, TX. The idea of having 56 prisons in this country is just unbelievable.

□ 1200

And the treatment of these citizens is also unbelievable. The citizens of Nicaragua are denied due process or a fair trial. They are often randomly thrown into jail for the sole purpose of political intimidation, and the conditions of these prisons have been described as absolutely inhumane and unbelievable. These prisoners are put into 4 x 4 cells with no lights, no ventilation, just a pipe coming down from the top of the ceiling for ventilation with a bucket in the corner. They are let out twice a day for about 10 or 15 minutes to take care of their human needs, and gather up some water and some food, and my colleagues can imagine the heat in these cells down in Central America that they are having to endure.

I have before me, Mr. Speaker, a list of over 4,000 of these prisoners that are being held by the Sandinistas in Nicaragua. I also have and will bring to the attention of the body pictures of people that have been killed, maimed, destroyed by the Sandinistas while they were imprisoned, and the gentleman from South Carolina [Mr. TALLON] and I have decided to try to raise the visibility of the plight of these people in Nicaragua, and we are today introducing a resolution that has approximately 200 bipartisan cosponsors calling for human rights in Nicaragua, calling on the Sandinista government to live up to the peace treaty that they signed 0 back in August and in September calling for amnesty for the political prisoners, no more torture of these political prisoners and allow us to inspect these prisons that the Sandinista government or allow international groups to inspect the prisons that the Sandinista government denies exists.

Mr. Speaker, we are going to have a hearing sponsored by the Human Rights Caucus of this House. I might say that the cochairmen of that Human Rights Caucus, the gentleman from California [Mr. LANTOS] and the

gentleman from Illinois [Mr. PORTER] are also cosponsoring this resolution. And we are having a hearing on July 12, and participants in this hearing are going to be former members of the Directorate of Security, the Directors of the Nicaraguan Human Rights Commission, the Mothers of Political Prisoners, and the Political Prisoner Association in Nicaragua and former political prisoners who will testify before this hearing on July 12. I invite all Members to participate in this hearing, and please cosponsor this resolution so that we can express the sense of Congress at the horror of the treatment of common, everyday citizens in Nicaragua by the Sandinista government.

#### PHILIPPINE MILITARY BASES AGREEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. SKELTON] is recognized for 5 minutes.

Mr. SKELTON. Mr. Speaker, the regularly scheduled 5-year review of the 1947 United States-Philippine Military Base Agreement has entered its third month in Manila. I am increasingly disturbed by what I read in the press concerning the future of the United States-Philippine security relationship and this review.

The review process is relatively straightforward. A 1979 amendment to the Military Bases Agreement [MBA] established the requirement for a complete and thorough review and assessment of the MBA every 5 years, including its objectives, its provisions, its duration and the manner of implementation. The intent of the review provision is to ensure that the agreement continues to serve the mutual security interests of both the United States and the Republic of the Philippines. The first review was successfully completed in 1983.

The current agreement extends until September 15, 1991, at which time it is extended indefinitely unless terminated upon 1 year's notice by either nation. Therefore, United States presence at Clark Air Base and Subic Bay Naval Base in the Philippines is assured until September 15, 1992, but the years beyond are not yet open for discussion. The current review deals with the existing agreement and covers the remaining years of the MBA; our security relationship with the Philippines for the years beyond 1992 will be subject to negotiation of a new agreement which, according to the new Constitution of the Philippines, will require a treaty to be approved by the Philippine Congress and passed by plebiscite if the Congress so directs.

Two recent pieces of legislation in the Philippines may impact adversely on United States base rights. In June

1988, the Philippine Senate passed the Freedom From Nuclear Weapons Act which, if it becomes law, will effectively require us to terminate military operations in the Philippines. The Senate also passed a bill which directs the Philippine President to notify the United States that the Philippines does not intend to extend the current base agreement. The stated purpose of this legislation is to preclude extending the current agreement. It also puts the Philippine Congress in a key position for shaping the post-1992 security relationship with the United States. Both of these bills carry ominous consequences for United States security interests in the region and for our bilateral relationship with the Philippines.

Equally ominous is the rhetoric surrounding the current MBA review. Some Philippine officials appear to be challenging the very assumptions on which our security relationship is built. This is particularly troublesome given our close historical ties and the success of our security alliance in deterring threats to the Philippines and maintaining peace and security in the Southeast Asia region.

In my mind, there is much uncertainty on whether we will be able to retain our base rights in the Philippines after the current agreement ends. I have talked about this with the United States commanders in the Pacific, who have completed a study of alternative bases for United States forces currently located in the Philippines. I am anxiously awaiting a detailed report from the Secretary of Defense on the results of this study, particularly cost estimates for any relocation and estimates of the effect the moves will have on our defense posture in the Pacific. We have to be ready to locate our forces elsewhere in the region—for example, to Guam, Saipan, Tinian, or to other countries.

Certainly, the United States facilities in the Philippines have played a vital role in our security posture. Our unequivocal support for President Aquino and our historical ties with the Philippines are strong, and they will remain strong because the preservation of United States-Philippines relations is in the mutual interest of both countries. However, we should be prepared to move to alternate bases if the Government of the Philippines imposes unworkable restrictions on our ability to operate the facilities or if the Government simply demands "rent" in the form of a massive compensation package.

In the final analysis, some facilities are more valuable than others and no single set of facilities is irreplaceable. This maxim applies to Clark and Subic Bay today as it did to bases in Thailand in the 1970's. American bases around the world are expressions of

our mutual defense relationships and if the mutuality disappears from the relationship, we will not stay where we are not wanted. The essence of flexibility requires a willingness to develop other alternatives if the political or economic costs exceed benefits. I am pleased that the Department of Defense has made a comprehensive study of alternative basing sites and I look forward to discussing the results of the study with defense and military officials.

#### NATIONAL SAFETY BELT USE WEEK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. DINGELL] is recognized for 60 minutes.

Mr. DINGELL. Mr. Speaker, I rise today in recognition of House Joint Resolution 485 and National Safety Belt Use Week. The resolution referred to authorized and requested the President to issue a proclamation designating National Safety Belt Use Week as June 26 to July 2, 1988. It urges the American people to wear safety belts and to also have their children use safety belts.

Mr. Speaker, I am pleased to report that this legislation was signed at the White House this morning in an appropriate ceremony.

It is only fair to note that safety belt laws work—especially with the young people of our country. A recent Harris poll indicates that 76 percent of the children in States with seatbelt laws do buckle up and that their safety is significantly enhanced. In States without safety belt laws, only 37 percent of the children polled used their safety belts.

Parents are the most influential people in getting their children to buckle up, and they clearly have a responsibility to pass on this life-saving advice to their children.

Mr. Speaker, I yield to the gentleman from Texas [Mr. BARTON], my dear friend, for such comments as he might choose to make.

Mr. BARTON of Texas. Mr. Speaker, I appreciate the opportunity to participate with the gentleman from Michigan [Mr. DINGELL] in this special order.

I would like to refresh my colleagues' memories that last year at approximately this time I participated in a similar special order at which time I confessed that I had not been a uniform practitioner of wearing seatbelts, that in the coming year I would attempt to reform myself and do so. I have not only done that; I have been able to convince my children and family to do the same.

I would like to relay another story to the Members, a consequence of that action. My son named Brad is 17, and he was given his driver's license ap-

proximately 2 years ago. About a month and half ago a Saturday afternoon, Brad wanted to go into Dallas. We live in Ennis, TX, which is about 35 miles from Dallas, and he wanted to purchase something for his upcoming junior-senior prom. So we told him that it was all right; my wife and I, and he proceeded to drive into Dallas. He put his seatbelt on. About halfway in, he fell asleep. He was going up over an overpass on Interstate 45, and he fell asleep. The car hit the guardrail on the right-hand side of the overpass, turned 180 degrees, went over and hit the left guard rail on the opposite side of the overpass and then did a 360 and came to rest against the guard rail at the end of the overpass. Brad had his seatbelt on, and obviously he was scared to death, but he was not injured at all.

Mr. Speaker, it took \$3,400 to repair the automobile, but he was able to walk away from the scene of the accident. The police officer that investigated said that had he not had his seatbelt on, he would have in all probability been thrown from the car and could quite conceivably have been killed.

So, as a consequence of the gentleman's actions of encouraging and getting me to cosponsor this legislation and participate in this special order I can honestly say that there is a very good probability that my son is alive today.

Mr. Speaker, I commend the gentleman from Michigan [Mr. DINGELL] not only for his efforts and those like his that have encouraged the use of seatbelts, and I want to thank him for convincing me that I needed to not only preach it, but practice it.

□ 1215

As I said, I think it has saved my son's life, and I am very grateful for that. I would encourage all parents to encourage their driving age children to wear seatbelts and for them to wear seatbelts. Seatbelts do save lives. It has been proven over and over again, but I am here to witness to one event that has happened in my family that certainly made it a success story.

Mr. Speaker, I commend the gentleman from Michigan for his efforts and I promise to continue to work with the gentleman to publicize the wearing of seatbelts.

Mr. DINGELL. Mr. Speaker, I want to thank my good friend, the gentleman from Texas, who is a very valuable Member of this body and a valuable member of the Committee on Energy and Commerce, of which I am also a member. I am delighted to note that his use and the use by his family of seatbelts made possible the safety of those dear to him. Certainly this is my experience, and I would urge others to learn from the experience of those of us who have been involved in

accidents where seatbelts did in fact save lives.

I can report to the House that on two separate occasions my family was involved in accidents in which seatbelts played a prominent part in preventing injury or death to members of my family. I would urge all my colleagues and others interested in the safety and security of their families to engage in a similar practice for precisely the same reasons.

Mr. Speaker, I yield to my good friend, the gentleman from New York [Ms. SLAUGHTER].

Ms. SLAUGHTER of New York. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I am delighted to be here today to talk about the use of seatbelts and what it has meant to us. I recall what it was like back in the days when we tried to get the child restraint laws through, and obviously getting those through has made a significant difference in the death and maiming rate of babies and children, children who would have lost their lives or would be doomed to live their lives in paralysis or severe brain injury.

I remember quite vividly before I came here, I was a member of the New York State Legislature and one of the most contentious laws that we passed in New York was the seatbelt law. Those members who argued against it argued on the grounds that it was the constitutional right of every American for their heads to go through the windshield, that they were in total control of their automobiles and it was nobody else's business, anyway.

Well, there are certainly good arguments against that. Obviously, if you are in control and restrained in your seat when trouble comes and not bouncing around under your dashboard, you will be better able to control your automobile, hopefully control the accident, and perhaps not hit someone else.

All of us pay dearly for increased automobile insurance where the accident rate is high. Health costs go up. Unemployment insurance goes up.

If you talk to people who have dealt with a head injury, in New York we often have to send them to other States, talk to them about what it is like to try to learn for 6 months just how to use a spoon again, as simple a thing like that which we take for granted.

In my home village of Fairport, NY, a young man who was a very accomplished musician just ready to go away on a full scholarship for music was paralyzed from the neck down in an automobile accident. All of us are poorer for losing the music that he would have made. All of us can think of cases just like it.

My staff in Albany was in an automobile accident one night when their car hydroplaned on the interstate highway, rolled over three times, completely totaled, every piece of glass smashed, everything inside the car flew out from the impact except the three occupants who were securely fastened in by seatbelts and came to work the next day.

When we passed that bill, I know I was very impressed by an ophthalmologist from my district who called me and talked to me about what it was like to try to take glass out of eyes. I think all of us will agree that is a pretty graphic demonstration of what it is like to go through the windshield.

One of my young interns this summer has a father who is a neurologist. He told me yesterday that his father said that he can tell the accidents that come in, he knows already who had seatbelts and who did not, because the damage is so much less severe.

Mr. Speaker, I am always pleased to speak on this floor as a Member of Congress of the United States, but I am also a mother. I know what it means, and everybody who has ever said to me, "I don't want a seatbelt law," has consistently said, "but I want my children to wear them."

We are facing one of the most heavily traveled holidays in America, the Fourth of July. Please, America, please buckle up. We want you to live.

Mr. DINGELL. Mr. Speaker, I thank the gentlewoman for her very valuable participation in this special order. Her comments are indeed a wise and prudent warning to all Americans about the need for buckling up as they drive not only during the Fourth of July weekend, but on all other holidays and at all other times, too.

The reduction and elimination of highway deaths and injuries is a matter of high national priority. Not only are there humane and other considerations which are extremely important, but the Nation must recognize the enormous and overwhelming costs that we confront from the deaths, injuries, property destruction, loss of working time, and the inability of citizens to contribute fully to the national society. Beyond this, there is, of course, the overwhelming cost. This exists by reason of the huge level of injuries, damages and medical care, which impacts not only on individuals, but also on insurance companies. These matters, in turn, impinge upon the profitability of corporations and other individuals who might be involved in litigation relative to these matters.

Mr. Speaker, I am delighted to yield to my good friend, the gentleman from Michigan [Mr. WOLPE].

Mr. WOLPE. Mr. Speaker, I thank the gentleman so much for yielding to me just a few minutes.

I want to express my appreciation to my distinguished colleague, the gentleman from Michigan, for taking this special order on this occasion.

I am very concrete evidence of the value of seatbelts. I faced the inglorious circumstance just 3 years ago traveling along on a highway from Lansing back to Kalamazoo in the middle of the winter and hit an ice patch, suddenly found my car out of control, turned over in a bank, rolled over entirely, and emerged without a scratch. It was one of the most frightening experiences of my life. Up to that point in time, I think I was one of those who in the abstract would accept the importance of seatbelts, but would occasionally be somewhat casual about my own utilization of seatbelts, but never again. Those seatbelts go on religiously when I travel, no matter how short the distances I do travel. What happened that day was extraordinary, not a scratch, and I just hope that somehow that word can really begin to be understood by Americans throughout our land of the enormous value of the wearing of seatbelts. They do make a difference in the saving of both limbs and lives.

I hope that this kind of effort that the gentleman from Michigan is engaged in today will help to expand the awareness on the part of all Americans of the tremendous value of seatbelts.

So I want to express again my appreciation to the gentleman for his leadership and his continued effort on behalf of this most important subject.

Mr. DINGELL. Mr. Speaker, I thank my dear friend, the gentleman from Michigan, for his very valuable contribution to the discussion of safety belts and the need for their use.

Mr. Speaker, we have had the opportunity to meet families who survived automobile accidents because they had the foresight to buckle up. These families, who are alive today because they chose to wear safety belts, traveled from across America to join us in a celebration this week. These people are survivors of the frightening reality which occurs in the form of automobile accidents.

The Eggenberger family of Flat Rock, MI, whom I have had the honor of serving in Washington, survived an automobile accident because they were buckled up.

The children, Stacey, Jessica, and Robert Eggenberger, were riding with their mother when two deer darted in front of their car. The car hit the second deer head on. The deer rolled up the hood and hit the windshield causing extensive damage to the front and the side of the car. Because they were wearing safety belts, none of them sustained serious injuries. We rejoice in the Eggenbergers' prudence and the wisdom to use safety belts at a time when peril was not foreseen.

In 1985, 91 percent of the occupants killed in automobile accidents were not wearing their safety belts. Unrestrained occupants were 40 percent more likely to be injured in an accident and twice as likely to require hospitalization as occupants who were under the restraint of safety belts.

Traffic accidents cost the Federal Government \$7½ billion in 1980. This included money paid to victims through public assistance programs, tax losses, and costs incurred by the Federal Government to its employees who were injured in accidents.

We applaud those who have survived accidents because they chose to buckle up. We hope our efforts through this resolution will encourage more Americans to follow suit and to buckle up as a preventive measure against needless injury and death.

There are 29 families who have joined us in Washington for these ceremonies who are sharing with us similar stories of survival.

Mr. Speaker, I will insert into the RECORD at this time a short synopsis of the happy endings of each of these family stories.

Mr. Speaker, I want to thank again my friends and colleagues who participated in this special order.

Mr. Speaker, I include the following material on children survivors:

#### CHILDREN SURVIVORS

##### ARKANSAS

Who: Michele Renee Dare, 9 years old, 4th grade, and Ryan Keith Dare, 7 years old, 1st grade.

Story: Michele and Ryan were traveling to their uncle's house for Thanksgiving dinner when their car was struck head-on by a drunk driver. Their parents were unrestrained and sustained multiple injuries and loss of consciousness. Ryan was secured in a car seat and suffered only a bloody nose. Michele, who was wearing her safety belt, later wrote: "I believe in safety belts because they save lives. . . . When you teach just one person to wear their safety belt, that one person can teach another person, and so on. . . . I decided never to stop wearing my safety belt."

##### CALIFORNIA

Who: Jesse Delgado, 12 years old, 6th grade.

Story: Jesse and his younger brother were riding with their uncle when another car swerved into their lane forcing a collision. The car was totaled, but because all of the passengers were buckled up, no one was hurt.

##### CALIFORNIA

Who: Stephen Philson, 14 years old, 8th grade.

Story: Stephen was riding in the front seat of his mother's car. As they approached an intersection, a car coming through the intersection hit the left side of the car. Both Stephen and his mother had their safety belts on. Stephen was unhurt. His mother suffered minor neck strain.

##### CALIFORNIA

Who: Sophia Harang, 7 years old, 3rd grade.



Story: Sophia has been involved in three traffic accidents in the last few years. The first occurred when she was four months old. The Harang vehicle was traveling through an intersection when another car jumped the light causing a collision. Because Sophia had been secured in an infant restraint seat and her mom was buckled up, no one was hurt.

When Sophia was four years old, she and her brother were riding with their mother when their car was rear-ended on a freeway ramp by a car whose brakes failed. The impact caused a chain reaction and three vehicles were damaged. Both children and mother were buckled up and unharmed.

At 5 years old, Sophia was riding with her family to Disneyland. Their car was rear-ended by a car at a stoplight. Again, no one was hurt and everyone was buckled up.

## COLORADO

Who: Jesse Froh, 6 years old, Kindergarten.

Story: Jesse and his mom were riding in a car driven by a friend. They were driving on a highway when a car driven by a 16-year-old pulled out in front of them. Although Jesse suffered a broken back and his mother suffered a cracked sternum, the paramedics and physicians said that they would not have survived if they had not been wearing their safety belts.

## DISTRICT OF COLUMBIA

Who: Scott Becker, 11 years old, 6th grade.

Story: Scott was riding with his mother. His mom approached an intersection and, because she had a green light, proceeded through at about 15 to 20 m.p.h. Another vehicle ran the red light at 50 m.p.h. and struck their car. Both Scott and his mom were buckled up. Scott suffered only bruised abdominal muscles. The staff at Children's Hospital said that without a belt, Scott could have been seriously injured or killed.

## DISTRICT OF COLUMBIA

Who: Frederick D. Thompson, 11 years old, 5th grade.

Story: Frederick was riding with his father, an off-duty police officer, when a vehicle pulled out from an alley broadsiding the Thompson car. The front and rear doors and the front fender on the driver's side were badly damaged. Both Frederick and his dad were buckled up. Frederick sustained no injuries.

## FLORIDA

Who: Scott Lieberman, 6 years old, Kindergarten.

Story: Scott was riding in the family car. His dad was making a left turn when another driver approaching the intersection ran a red light and hit their car, bounced off and hit another car. The impact caused the Lieberman car to spin around 180 degrees. All of the Liebemanns were buckled up and escaped injury.

## ILLINOIS

Who: Tiffany K. Skrynek, 10 years old, 4th grade.

Story: Tiffany was riding with her mom in the front seat when the right wheels of their car dropped off the pavement causing the car to slide. Her mom had a difficult time controlling the car because the cruise control had been set at 55 m.p.h. The car went to the left, then right, and left again before it flipped over into a five-foot ditch. Rescue personnel and police at the scene said both would have been killed if they had not been wearing their safety belts.

## KANSAS

Who: Michelle Sinn, 11 years old, 5th grade.

Story: Michelle was riding with her mother and two other children on a country road when their car slid down a hill, teetered on a bridge, and finally fell over the edge of the bridge into a creek. Her mother said the accident left such an impression that she and her children never ride in a vehicle without buckling up. The children also ask friends riding with them to buckle up. Had they not had seat belts on, Michelle's mom is certain there would have been serious injuries.

## MARYLAND

Who: Callie Virginia Cornelius, 12 years old, 6th grade, and Amelia Marie Cornelius, 9 years old, 3rd grade.

Story: Callie and Amelia were riding with their parents in a minivan when a car pulled out from a side road. To avoid hitting the car, their father applied the brakes. The road was wet causing the minivan to spin around and go backward up an embankment. The minivan came to rest on the driver's side. Everyone in the minivan was securely belted, and walked away from the accident without suffering serious injury.

## MARYLAND

Who: Brittany M. Dean, 5 years old, preschool

Story: Brittany was riding with her family. They were stopped at a light, waiting to make a left-hand turn. The left-hand turn arrow turned green and as the Dean vehicle began to turn left, another driver ran a red light and hit the Deans on the right-hand passenger side. Everyone was buckled up and no injuries resulted.

## MASSACHUSETTS

Who: E. Courtney Moore, 8 years old, 2nd Grade.

Story: Courtney was riding with her mother when their car was struck by an oncoming vehicle, bounced over a curb, spun around and was hit again. Buckled up, they survived and walked away. The crash made such an impression on Courtney that when she returned home, she wrote a story to share with her friends at school. The family's deep commitment to safety belts had been prompted several years earlier when Courtney's aunt was left paralyzed from the waist down by a traffic crash.

## MICHIGAN

Who: Stacey Eggenberger, 11 years old, 5th grade; Jessica Eggenberger, 9 years old, 4th grade; and Robert Eggenberger, 8 years old, 1st grade.

Story: Stacey, Jessica, and Robert were riding with their mother and another adult when two deer darted across the street in front of them. The car hit the second deer head-on. It rolled up the hood and hit the windshield. Thanks to safety belts, the Eggenbergers sustained no serious injuries. The front and side of their car had extensive damage. Mrs. Eggenberger said, "I'm afraid not to use safety belts. I won't start the car until everyone has their safety belts on."

## MICHIGAN

Who: Danan Benion, 5 years old, Kindergarten.

Story: Danan was riding with her mom. As the Benion car made a left turn, a car ran a red light and hit the Benion car. Because Danan and her mom were both buckled up, they suffered only bruises.

## MICHIGAN

Who: Brandon Langefeld, 7 years old, 1st grade; and Amanda Langefeld, 12 years old, 7th grade.

Story: Brandon and Amanda were riding with their mom when she attempted to make a left turn from a center left turn lane. The intersection was busy and cars were backed up a long distance. The people in the second and third lanes allowed her to go through and the truck driver in the second lane motioned her on. She mistook his signal for an all-clear message and continued her turn. The vehicle was broadsided by a car traveling 55 mph. The windows of the car were shattered; the radio popped out of the dash; and tie-rods were broken. The car was demolished. A police officer said he'd never seen such a serious accident without a fatality. The Langefelds and the officer were convinced safety belts saved all of them from death or serious injury. The Langefelds suffered only minor cuts and bruises.

## MINNESOTA

Who: James Naylor, 10 years old, 4th grade; and Chaya Naylor, 7 years old, 1st grade.

Story: James and Chaya were riding with their father when another car ran a stop sign. Their father couldn't stop in time and hit the other car on the driver's side. Everyone in the Naylor car had their safety belts on. The police report said that there would have been severe injuries had the safety belts not been worn.

## MISSOURI

Who: Jennifer Lynn Kail, 12 years old, 6th grade.

Story: Jennifer was traveling with her family when their car was hit by a drunk driver, driving with a revoked license. The impact caused the car to skid about 80 yards where it hit an embankment—missing a passing train by only 10 or 15 feet. The car was totaled. Everyone in the Kail car was wearing safety belts. Jennifer did suffer a laceration, but her mother said, "we feel our injuries were minor compared to what probably would have happened if we had been unbelted."

## NEW JERSEY

Who: Nicole Rabello, 9 years old, 4th grade.

Story: While Nicole and her 6-month-old sister, Danielle, were asleep in the back seat of the car, their mother blacked out at the wheel. The car crossed the center line, struck and knocked down a utility pole. It then rolled over and landed on its roof 18 feet into a wooded area off the roadway. The vehicle's windshield was shattered. Mrs. Rabello was suspended upside down bleeding profusely from the face. Her hand was pinned under the car. Nicole unbuckled herself, removed her sister from the child safety seat and exited the car by forcing open the driver's side rear door, which was partially blocked by a tree. Nicole flagged down a passing motorist and asked them to call the police to help her mother. Mrs. Rabello made a complete recovery.

## NEW YORK

Who: Derek Dement, 8 years old, 2nd grade.

Story: Derek was riding with his mom when she fell asleep at the wheel. The car hit a guard rail on the passenger side and then hit a guard rail on the driver's side before going off the road into a gully. The car rolled end over end and came to rest in

an apple orchard. Both were wearing their safety belts and were unharmed.

## NEW YORK

Who: Lea Kone, 9 years old, 3rd grade.

Story: Lea was riding with her mom when they were rear-ended by a semi-trailer on a major road. There was a good deal of vehicle damage but neither Lea nor her mom suffered serious injury. Lea's mom had just reminded her to buckle up before the accident occurred.

## PENNSYLVANIA

Who: Aimee Michelle Diggan, 11 years old, 5th grade, and Matthew Robert Diggan, 6 years old, 1st grade.

Story: The family was traveling on a highway when their car hit an ice patch and slid into a guard rail. The car flipped over before landing upright. The family was taken to the emergency room where they were treated for minor injuries. Everyone had been wearing a safety belt.

## OREGON

Who: Jennifer Chisholm, 7 years old, first grade.

Story: Jennifer was riding with her mom when a car passed on the right side, drifted into their lane and forced their car onto the shoulder. Her mom lost control of the car and the vehicle hit a bank, flipped over, slid on its side, rolled again and landed upside down. The top was crushed to the dashboard and pushed to the rear of the vehicle on the passenger's side. All objects in the vehicle were thrown out—except mother and daughter who remained secured to their seats. Jennifer received lacerations on her head and face. Her mother walked away unharmed. The investigating officer originally wrote up the accident as fatal, until he saw the victims at the hospital.

## TENNESSEE

Who: Chaz Edward Chappell, 7 years old, 2nd grade.

Story: Chaz was riding with his mother when they were hit by a car whose driver had fallen asleep and ran a stop sign. The impact lifted their vehicle onto a sidewalk and into a large tree, breaking the tree in half. The vehicle was totaled. The other driver, who was not wearing a safety belt, went through the windshield. Chaz and his mother were not injured.

## TEXAS

Who: Shawn Lee Wooley, 7 years old, 1st grade.

Story: Shawn was traveling in the car with his family. As their car approached an overpass, another car ran a stop sign, and continued through the intersection hitting one car and then the Wooley's car. On impact, the Wooley's car spun 360 degrees and ended up on the grass next to an embankment which sloped down to the highway below. The whole family was buckled up and no one was injured.

## VIRGINIA

Who: Gerard S.L. Baynham, 9 years old, 3rd grade, and Justin T.L. Baynham, 6 years old, Kindergarten.

Story: Gerard and Justin were traveling with their mom when their car was hit from behind, forcing it into a guardrail. Their mom brought the car back onto the road where it was broadsided. The last collision forced the car in the direction of the median strip. Their mom applied the brakes causing the car to turn 180 degrees. It stopped, facing oncoming traffic. Fortunately, there was enough time for the other vehicles to stop, limiting the extent of the

damage. Everyone was wearing safety belts. Except for minor cuts and bruises, everyone was able to walk away.

## WASHINGTON

Who: Grayson Nootenboom, 8 years old, 1st Grade, and Terra Nootenboom, 6 years old, Kindergarten.

Story: Grayson and Terra were riding with their mom and dad. Everyone but dad was wearing lap/shoulder belts. During the ride, Terra asked her dad why he was not wearing his safety belt. He couldn't think of a good reason, and so buckled up at her request. Soon after, the car hit black ice on a curve and swerved in and out of an oncoming lane, hit the shoulder and rolled over one and a half times before coming to rest on driver's side. The occupants were hanging sideways from safety belts in midair. The family exited through the place where the windshield had been. Their car was totaled.

## WASHINGTON

Who: Steven Webb, 7 years old, 1st grade.

Story: Steven was riding with his family when their car was hit by another car running a red light. The driver's side front panel was crushed by the impact. Everyone in his family was secured by safety belts. Mrs. Webb writes: "Steven often tells the story of how he and his brother weren't injured because they were buckled up while the little boy in the other car was bleeding because he wasn't buckled."

Mr. SHAW. Mr. Speaker, the inclusion of National Safety Belt Use Week into the laws of our Nation is an important step for the Government. This week would encourage people both young and old to wear their seatbelts. Not only that but it would be rewarding for those who have already dedicated themselves to using seatbelts on a regular basis.

Documented evidence shows that seatbelts save lives and prevent serious injuries. In 1985, 91 percent of traffic fatalities occurred in auto accidents when the passengers were not using their seatbelt. Unrestrained passengers were also twice as likely to incur injuries that require hospitalization as restrained passengers.

The miraculous experience of a family in my district supports the use of seatbelts in a way that numbers and percentages cannot begin to do. Earlier this year 6-year-old Scott Lieberman, a kindergardener, was riding in the family car. He and his father were heading home when his father attempted a left turn. A driver in an approaching car ignored the red light in front of him barreling through the intersection. This car then hit their car, bounced off and hit another. The Lieberman's car then proceeded to spin around 180 degrees. The miracle in this story is that both Scott and his father escaped serious injury only because they were buckled up.

On a more personal note, both of my sons were involved in auto accidents in which they may have been maimed or killed if they were not wearing safety belts. I learned from them to buckle up.

There is another less subjective argument for National Safety Belt Use Week and that is that it could help reduce the Federal deficit. How you ask? Well, by encouraging seatbelt use there will be a reduction of cost to the employer, because traffic fatalities cost employers up to \$120,000 per death and \$1.9 billion annually. Added to this, traffic deaths and

injuries cost an average of \$69.4 billion. This money could be used in better ways, for instance to reduce the deficit. For a nation concerned with fiscal responsibility, this is one way to make a difference.

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise today in support of National Safety Belt Use Week. I have been a strong supporter of this resolution in years past and am pleased that the focus on this important topic is being extended this year from 1 day to 1 week.

I thank the esteemed gentleman from Michigan, Mr. DINGELL, and my good friend and fellow colleague on the Public Works and Transportation Committee, BUD SHUSTER, for sponsoring this resolution. I hope that this action will encourage people across the country to use their safety belts each and every time they are traveling in an automobile.

Mr. Speaker, we have heard thousands of stories of Americans whose lives were saved because they took an extra 5 seconds to buckle up.

In fact, the American Coalition for Traffic Safety sponsored an event yesterday to commemorate the National Safety Belt Use Week by bringing in children from around the United States whose lives have been saved by safety belts. These children are living memorials to the effectiveness of safety belts and the best advertising available to encourage their use.

Sadly, we have also heard the stories of thousands who have been killed or seriously injured as a result of failing to take that small extra step to buckle up. The "if only" wishes of families and friends of those whose lives are lost and maimed so needlessly haunt them forever.

I support this resolution wholeheartedly and hope it will serve to encourage even more usage of safety belts and, in turn, save lives.

Mr. MCEWEN. Mr. Speaker, this is "National Safety Belt Use Week," June 26–July 2. And it is an especially appropriate time, as we approach a holiday weekend, to remind everyone to drive safely, as well as to buckle up.

We all know that safety belts are proven to be effective, particularly child safety belts. Estimates show that at least 500 children a year will lose their lives because they weren't wearing seatbelts. These are children who would have otherwise survived. I have four children of my own, and I know I would not drive without fastening them in their seats, as well as fastening my own seatbelt.

Not wearing seatbelts costs our society not only lives, but also in cash. Traffic deaths and injuries cost this country in terms of higher insurance costs, property damage, medical bills, and emergency services, not to mention the lost productivity and tax revenue. We have got to stop wasting lives and money if we want this country to remain on top. One way to do this is the simple measure of buckling that seatbelt.

I am proud to be a cosponsor of this resolution to encourage the American public to wear safety belts. And I want to thank the sponsors of this resolution, Mr. DINGELL and Mr. SHUSTER, for their efforts to educate Americans as to the effectiveness of safety belts, and encourage their participation in "National Safety Belt Use Week." And I hope everyone will remember, as they head home for the holiday

that celebrates the making of this country, the Fourth of July, to help preserve it by wearing their seatbelt.

Mr. SMITH of Florida. Mr. Speaker, I am proud to be a cosponsor of "National Safety Belt Use Week."

Seatbelts are proven lifesavers. Accordingly, 32 States and the District of Columbia have adopted mandatory seatbelt laws for cars. Many States also have mandatory child restraint laws in cars, schoolbuses, however, still escape any type of mandatory seatbelt law.

Each year over 20 million students are transported daily to and from school on the familiar yellow schoolbus. Despite the growing concern for the use of safety belts and the adaptation of the seatbelt law by many States, our Nation's schoolchildren cannot buckle up for safety simply because seatbelts are not a required feature on a schoolbus.

An estimated 7,000 children are injured annually in schoolbus accidents. In light of the pressing need to reduce these unnecessary injuries, I have introduced the National Schoolbus Safety Act of 1987. This bill mandates the installation of seatbelts in all new schoolbuses. In addition, it also mandates the annual inspection of schoolbuses to ensure their utmost safety for our Nation's schoolchildren.

This bill has attracted many supporters: The Center for Auto Safety; National Coalition for Seatbelts on Schoolbuses; American College of Emergency Physicians; the New Jersey State PTA; the American Academy of Pediatrics; the American Medical Association; parent groups such as Bus Us Safely and Parents for Safety in New York; the Wellesley, Massachusetts Chapter of League Women Voters; and the Director of the Delaware Office of Highway Safety. All of these groups believe, as I do, that safety belts play a major role in saving lives.

Children are our future. Congress has a responsibility to provide our children with the safest form of transportation. We find seatbelts in cars and airplanes, but not on the one vehicle which is specially designed for children. Until seatbelts are a required feature on schoolbuses, we are not providing optimum safety to our children.

I urge my colleagues to seriously consider the importance and value of "National Safety Belt Use Week" by cosponsoring the National Schoolbus Safety Act of 1987.

Mr. SAXTON. Mr. Speaker, I am pleased to participate in the activities of "National Safety Belt Use Week" which we are now celebrating. It is important to reemphasize the importance of buckling up.

Seatbelts do save lives. It is a fact. Safety belt use cuts in half the chance of a death or serious injury in highway crashes.

A case in point is 9-year-old Nicole Rabello from Whiting, NJ. Nicole, her mother, and baby sister, Danielle all survived a tragic and serious car accident because they were wearing seatbelts.

While Nicole and her 6-month-old sister, Danielle, were asleep in the back of the car, their mother blacked out at the wheel. The car crossed the center line, struck and knocked down a utility pole. It then rolled over and landed on its roof 18 feet into a wooded area

off the roadway. The vehicle's windshield was shattered. Mrs. Rabello was suspended upside down, bleeding. Her hand was pinned under the car. Nicole unbuckled herself, removed her sister from the child safety seat and exited the car by forcing open the driver's side rear door, which was partially blocked by a tree. Nicole flagged down a passing motorist and asked them to call the police to help her mother. Mrs. Rabello made a complete recovery.

Stories with happy endings is what we all like to hear and the use of seatbelts will greatly enhance the chance of surviving a highway accident.

In my district in the towns of Medford, Manchester, and Pennsauken, programs to promote the use of safety belts have been successful. Since January, seatbelt use in these towns has risen 65 percent. The local law enforcement agencies have been promoting the use of seatbelts by hanging posters in the community, hosting prevention workshops with a hands-on demonstration of the Convincer, a simulator of a car accident, and also by issuing warnings to motorists who are not wearing their seatbelts. "We care about your safety!" is their motto and with an increase of seatbelts use of 65 percent, our citizens are listening.

The next time you enter a vehicle, remember that six out of seven Americans will be involved in a serious highway crash in their lifetime. So as Nicole Rabello would tell you, grab that seatbelt and buckle up; it could save your life.

Mr. MARKEY. Mr. Speaker, I am extremely pleased that Congress and the President have recognized that there is no more important step we can take to insure public safety than to promote the proper use of safety belts. Auto accidents are the No. 1 cause of fatalities among Americans under the age of 38. It is of critical importance that we in government do everything within our power to make auto travel as safe as possible.

Seatbelts remain the most effective tool we have to protect people in the event of an accident. Over 2,200 lives were saved last year as a result of safety belt use. While the percentage of Americans using seatbelts is increasing, we cannot rest until their use, by every person in every State, is automatic.

It is vital that we in Congress play a greater role in publicizing the need for safety belt use. The establishment of June 26 through July 2, 1988 as "National Safety Belt Use Week" is an important step in that direction. The week should be a time to explain the importance of wearing seatbelts and to reflect on the progress we have made in the fight for auto safety. With the passage of this bill, I hope that next year we will be able to look back and see that we in the 100th Congress have made a significant contribution to improving safety on our road and protecting the lives of our citizens.

Mr. CARR. Mr. Speaker, this year, "National Safety Belt Use Week," June 26 through July 2, ushers in the Fourth of July weekend, traditionally the summer holiday during which Americans by the millions travel by automobile to their favorite locations to celebrate the anniversary of our Nation's birth.

Whether they are driving to their favorite campground for a long weekend or simply traveling across town to the backyard barbecue of friends or relatives—more of them are likely to reach their destinations safely this year because of safety belt use laws.

Currently, 32 States and the District of Columbia have safety belt use laws on the books. And studies have shown that where there are belt laws in effect, more people buckle up. In fact, research has shown that up to three times as many people wear their safety belts when encouraged to do so by legislation than did before a law was passed in their State.

The passage of these laws has largely been due to the dedication and commitment of safety advocates who have joined together to form safety belt use coalitions in each of the 50 States and in the District of Columbia. These concerned citizens come from the rank of the automotive companies, the health and medical community, law enforcement organizations, schools, and civic organizations, and many other fields.

There has always been one overriding objective to the passage of these laws. That is to reduce the suffering due to traffic accidents. And while the most dire consequence of an auto accident is the loss of life, Americans also pay a heavy price in injuries.

Injuries caused by auto accidents can range in degree from discomfort to disfigurement to disability, but the most important fact about these injuries is that many of them can be prevented by the regular use of safety belts. A recent study conducted by the University of North Carolina found that the current level of safety belt use is mitigating 100,000 or more injuries each year and that figure could easily double if belt use in the United States matched the high levels of compliance experienced in European countries and in Australia.

In my congressional district in Michigan, I have three examples of how safety belts have saved lives. Brandon and Amanda Langefeld, ages 7 and 14 from Clarkston, MI, were riding with their mom when she attempted to make a left turn from a center left turn lane. The intersection was busy and cars were backed up a long distance. The people in the second and third lanes allowed her to go through and the truck driver in the second lane motioned her on. She mistook his signal for an all-clear message and continued her turn. The vehicle was broadsided by a car traveling 55 miles per hour. The windows of the car were shattered; the radio popped out of the dash; and the tie-rods were broken. The car was demolished. A police officer said he'd never seen such a serious accident without a fatality. The Langefelds and the officer were convinced safety belts saved all of them from death or serious injury. The Langefelds suffered only minor cuts and bruises.

Five-year-old Danan Benion of Pontiac, MI, was riding with her mom. As the Benion car made a left turn, a car ran a red light and hit the Benion car. Because Danan and her mom were both buckled up, they suffered only bruises.

Ours is a government of laws, and safety belt use laws represent the most benevolent form of legislation: that which saves innocent

lives. Americans can make this year's Fourth of July celebration even more joyous by buckling up.

Mr. HOCHBRUECKNER. Mr. Speaker, I stand to call attention to "National Safety Belt Use Week," June 26 through July 2, 1988. I would like to take this opportunity to say a few words on behalf of common sense.

On last year's "National Safety Belt Use Day," I spoke about how wearing a seatbelt allowed a Suffolk County police officer named Robin Kane to walk away from a devastating car wreck. No doubt many of the Members in this room can tell similar tales of how a safety belt spared the life of someone they knew.

Still, many people do not bother to take a second or two to fasten their seatbelts before driving off. In a recent survey of automobile travelers in my home State of New York, the first State to enact a mandatory safety belt use law, 46 percent of the car users did not.

Apparently, drivers and passengers do not realize the dangers which they face when failing to invest a few moments of their time into a commonsense procedure, which could safeguard them from injury and death. Approximately every 10 minutes someone dies in a traffic accident. Every day roughly 140 people die in cars. That is the equivalent of a major airplane crash once every 24 hours on our roads.

Over a year's time, motor vehicle accidents in the United States kill more than 40,000 people. They also account for nearly 3 million individual injuries, more than 4 million hospital days, and over 15 million lost days of work each year. According to the National Highway Traffic Safety Administration, 91 percent of the occupants killed in auto accidents in 1985 were not wearing their safety belts.

The National Safety Council estimates that 12,000 to 15,000 lives could be saved annually if all passenger car occupants used safety belts at all times. In 1987, buckling up reportedly saved 2,435 lives and prevented 28,900 injuries. This is significant because in automobile accidents, the most severe injuries are generally caused by the second collision, in which the abrupt change in momentum accompanying the sudden stop caused by the accident causes the occupants to be thrown against the interior of the automobile. Automobile passengers can be protected from this second collision by seatbelts.

The importance of wearing safety belts cannot be overemphasized. That is why I am pleased to be able to rise to speak in support of "National Safety Belt Use Week."

Mr. SHUSTER. Mr. Speaker, I am pleased to have joined my distinguished colleague, Congressman JOHN DINGELL, in sponsoring House Joint Resolution 485, designating the week of June 26 through July 2, 1988 as "National Safety Belt Use Week."

Thirty-two States and the District of Columbia have enacted seatbelt laws, and child passenger protection laws are in place in all 50 States and the District of Columbia. Because of increased belt use, over 8,000 lives have been saved between 1983 and 1987, one-third of these in 1987 alone.

Seatbelts are the most effective safety device in a car. A 40-mile-per-hour impact sends a person's body toward the dash board at 60-feet per second. Without a seatbelt,

trying to stop oneself with arms and hands would be like bench pressing 3,500 pounds.

Mr. Speaker, I want to thank the over 250 Members who have cosponsored this important resolution and have helped increase the awareness that seatbelts save lives.

Mr. KILDEE. Mr. Speaker, I rise in strong support for House Joint Resolution 485, a resolution to designate the period of June 26 through July 2, 1988, as "National Safety Belt Use Week." I am a cosponsor of this resolution which was introduced by Representatives JOHN DINGELL and BUD SHUSTER. I commend Chairman DINGELL for requesting this time to allow Members of the House to express their support for the use of seatbelts.

It is a pleasure to speak before this body in support of a resolution that represents Congress' commitment to saving lives. Seatbelts were directly responsible for saving 2,200 lives in 1986 and preventing approximately 20,000 injuries. Currently there are 32 States and the District of Columbia which have mandatory seatbelt use laws that apply to nearly 205,000,000 persons. I believe that the remaining States should adopt similar laws to protect their residents.

My wife and I and our three teenage children all use seatbelts everytime we ride in an automobile. The life of one of my children was probably saved as a result of this prudent practice.

The higher speed limits on most of our expressways increases the likelihood of injury in the event of an accident, making the use of seatbelts even more important. I also would like to point out that of all the measures a person can take to protect his or her self, wearing a seatbelt is indeed the simplest.

Although great progress has been made to make the public more aware of the advantages of increased seatbelt and child safety seat use, the designation of the period from June 26 through July 2, 1988, as "National Safety Belt Use Week," will serve to focus the Nation's attention on the importance of buckling up. Mr. Speaker, House Joint Resolution 485 reaffirms our Nation's commitment to the universal use of seatbelts and child safety seats, which greatly reduces the risk of death and injury on our highways and byways.

Mr. COELHO. Mr. Speaker, I would like to take part in commemorating June 26 through July 2, 1988, as "National Safety Belt Use Week." I share with Mr. DINGELL and Mr. SHUSTER the importance of designating such a week. As many of my colleagues know I acquired my epilepsy in a car accident, and I have since been a strong advocate of safety belt use, which has proven to be an effective deterrent to head injuries.

Currently there are 32 States that have enacted safety belt use laws. But this matter should have national recognition. Quite simply, safety belts save lives and prevent injuries. In 1985, 91 percent of the occupants killed in auto accidents were not wearing their safety belts. Statistics show an increase in seatbelt use when the importance is recognized, such as in the passage of legislation.

The importance of "National Safety Belt Week" is to inform the Nation. When seatbelts are properly worn they provide excellent protection in a wide variety of crashes, but improper use can significantly limit their effective-

ness, while no use at all can be fatal. We must learn from other people's good fortune. That is why I would like to recognize Stephen Philson. Stephen is a young man from my district whose life was saved because he had his seatbelt on. Stephen is one of 37 people who will be honored this week at a Capitol Hill luncheon commemorating National Safety Belt Use Week. I believe that through proper education of seatbelt use for drivers as well as passengers we can save thousands of fatalities and injuries each year.

Mr. TOWNS. Mr. Speaker, I am pleased to join the gentleman from Michigan in today's celebration of "National Safety Belt Use Week." The issue of seatbelt and child restraint use is not one to be taken lightly. Seatbelts are one of the best ways to protect American auto travelers from injury or even death.

Thousands of Americans lose their lives every year on our Nation's roadways. Many of these deaths could have been avoided with the proper use of seatbelts. It is our responsibility as public officials to protect the public by educating them about the advantages of seatbelts and child restraints. "National Safety Belt Use Week" is an important educational tool to make Americans aware of the effectiveness of safety belts. Hopefully, this legislation will result in a decrease in injuries and deaths in the months ahead.

Mr. TRAXLER. Mr. Speaker, as America observes the National Safety Belt Use Week, it is appropriate that we pause to consider the true significance of the impetus for this observance and the implications for all Americans. Indeed, for the thousands among us who have escaped death or serious injury through the use of safety belts, the setting aside of the week of June 26 through July 2 to commemorate "National Safety Belt Use Week" truly qualifies as a celebration of life.

Nevertheless, this observance is more than a personal celebration among survivors of automobile accidents. It also provides the occasion for us to recognize and honor the many people and organizations across the Nation who have contributed so much to making the safety belt a way of life for millions of Americans.

Thanks to the tireless efforts of law enforcement agencies, health and insurance professionals, State agencies, educational and safety organizations, public interest groups, the automotive industry, and most important, concerned private citizens, 32 States and the District of Columbia have passed safety belt use laws covering 205 million persons. The magnitude of this achievement can be most fully appreciated when we remember that, before 1984, not one State had legislated safety belt use.

Moreover, the impact of safety belt use laws has been profound. Safety belt use among drivers has risen from less than 14 percent in 1984 to 42 percent in 1987. Among States with safety-belt-use laws, 52 percent of motorists observed in 1987 wore their safety belts, compared to only 27 percent in States without laws. Yet, more than just behavior has changed. According to the National Highway Traffic Safety Administration, the national fa-

tality rate is the lowest in history at 2.4 deaths per 100 million miles traveled.

NHTSA also estimates that more than 8,000 lives have been saved by safety belts for the years 1983 through 1987. Of those, State safety-belt-use laws were credited with saving more than 2,800 lives. In addition, the University of North Carolina Highway Safety Research Center estimates that the severity of 100,000 injuries is reduced each year as a result of States having passed safety belt use laws.

Research continues to demonstrate dramatically that public opinion is solidly behind safety belt use laws. A national survey conducted by Lawrence Research of Santa Ana, CA, in December 1987 revealed that 80 percent of Americans believe safety belt use laws in the United States are saving a significant number of lives. The survey also showed that 92 percent of those questioned believe strongly in the efficacy of safety belts and laws requiring their use. Regarding attitudes toward safety belt use laws themselves, three out of four persons living in States with safety belt use laws favor these laws and nearly 70 percent of those who live in a State without a law favor safety-belt legislation for their State.

We are reminded during the week of observance that the potential lifesaving and injury-preventing benefits of safety belt use laws offer an alternative to tragedy on our Nation's highways. In fact, it is estimated that if 70 percent of passenger car occupants regularly wore their safety belts, more than 8,000 lives could be saved each year.

Hence "National Safety Belt Use Week," sponsored by the American Coalition for Traffic Safety, can serve not only as a celebration of life for safety belt and child safety seat survivors and a recognition of those who have worked so hard to encourage the passage of safety belt use laws and compliance with those laws, but it can also serve as the inspiration for the saving of many more lives as more and more people get into the habit of buckling up.

Mr. BONIOR. Mr. Speaker, as we approach the Fourth of July holiday, a peak travel and vacation time for Americans, it is only fitting we observe "National Safety Belt Use Week."

When we think of the Fourth of July we think of summer, of vacation from school and that special time of year when children can afford to be carefree. However, with the increased travel by us on the highways during the summer months, neither children nor their parents can afford to be careless, especially when it comes to wearing safety belts.

Children are the future of our country, and State safety belt use laws are nothing less than an investment in our Nation's future. There is no better way of protecting children—as well as their parents—from death and serious injury in auto accidents than by wearing safety belts.

Thanks to the vigorous activities of many highly motivated people, 205 million American men, women, and children are now covered by safety belt use laws, and more than 100 million of them buckle up on a regular basis.

It is easy to think of the more than 8,000 lives that have been saved by safety belt use over the past 4 years as a mere statistic—until you think of the pain and suffering

caused by automobile crashes. A recent Louis Harris poll revealed that 68 percent of children in the United States worry about their parents being killed in an auto accident.

The survey also showed that children have a very sophisticated understanding of the efficacy of safety belts and are knowledgeable about the status of safety belt use laws. Nearly 8 out of 10 kids believe safety belts save lives and 83 percent know whether or not their State had a safety belt use law.

But perhaps what was most significant about the survey was the fact that kids were influenced to buckle up more by their parents than by any other role model, including entertainers, sports figures, or even police officers. In other words, when parents buckle up, kids do the same. And kids want their parents to buckle up more often; they want those with the most profound influence on them to do the right thing, to set the proper example.

As we celebrate "National Safety Belt Use Week," June 26 through July 2, 1988, let's keep in mind as adults that our children do look to us as role models, and if we buckle up, so will they.

Mr. WYDEN. Mr. Speaker, in a national survey on children's attitudes toward safety belt use laws released this week by Louis Harris and Associates, nearly half of the kids said they wished their parents would buckle up more often.

This should come as no surprise. Children are deeply concerned about their parents, and believe urging their parents to buckle up is something they can do to help protect them.

The survey showed that more than two-thirds of young people worry a great deal about adults being hurt or killed in an auto crash. That's a heavy burden for them to carry. We can help ease their concerns by doing something that nearly 80 percent of them know protects us: wearing our safety belts.

That's one of the many reasons I was proud to cosponsor the resolution declaring June 26 through July 2 National Safety Belt Use Week. It's one of the things we can do to encourage all Americans to buckle up and help allay the fears of our youngsters.

As effective as children are in getting us to change our behavior, we are extremely influential in affecting the behavior of our children. Children interviewed in the Harris survey indicated their parents are the persons most influential in getting them to buckle up. Thus, it is our responsibility to help our children form a lifelong, lifesaving habit, by securely fastening them in child-passenger safety seats.

Every State in the Nation now has a child-passenger restraint law. So, we are not only doing the right thing, we're obeying the law.

#### A HISTORIC FISCAL YEAR

The SPEAKER pro tempore (Mr. SKAGGS). Under a previous order of the House, the gentleman from Maryland [Mr. HOYER] is recognized for 60 minutes.

Mr. HOYER. Mr. Speaker, I thank the House for giving me unanimous consent to address the House at this time. I want to tell the staff that I have no intention of using 1 hour. I do

not know whether there are any other speakers, but I will not prolong this more than 15 or 20 minutes.

Mr. Speaker, I rise to reiterate that which has already been said on the floor of this House with respect to the position that we are in on this date, June 30, 1988. June 30 of each year used to be the end of the fiscal year. In 1974, that was changed so that October 1 of every year is the beginning of the fiscal year.

Since 1960, this House has not passed its 13 appropriations bills prior to June 30 of any year. That is 28 years.

Speaker JIM WRIGHT observed in a press conference today that the House had accomplished that feat this year. Indeed, we are here on Thursday afternoon having completed the business of the House of Representatives. We can go on our Fourth of July break proud of the fact that we have done what we should do every year, but which we have been unable to do for the past 28 years.

There has been discussion, Mr. Speaker, about the administration of Speaker WRIGHT, of the fairness of Speaker WRIGHT, of the ability of the Speaker to have this House work its will on behalf of the American public. Nothing speaks more eloquently to the ability to administer a House or a Senate, a legislative body, than do the results, that is, the legislation that that House passes.

Mr. Speaker, let me also congratulate and acknowledge the outstanding work of Chairman WHITTEN from the State of Mississippi and SILVIO CONTE from the State of Massachusetts, the chairman and ranking member of the Appropriations Committee. Of course, Speaker WRIGHT can set objectives, Speaker WRIGHT can say that we are going to pass all the appropriation bills by June 30, but it is then left to the chairman of the Appropriations Committee, JAMES WHITTEN, and the ranking member of that committee, SILVIO CONTE, to implement that objective.

Mr. Speaker, there has been some discussion on this floor about a House divided, that the House that has been made a partisan institution, that it has in face been politicized. Clearly, there is partisanship in this House. Clearly, politics plays a role in a democratically elected legislative body; but, Mr. Speaker, let me review for you the passage of the 13 appropriation bills.

The Energy and Water Subcommittee passed its bill first. This date, June 30, we have just passed the conference committee report, which means that both the Senate and the House have completed their work on the Energy and Water bill. That bill is now on its way to the President of the United States by June 30, a significant accom-

plishment for Chairman BEVILL, the Senate and the Congress.

□ 1230

The energy and water bill was passed through this House on May 17 with 384 Members of the House of Representatives voting for it. That does not reflect a House that is divided. That does not reflect leadership that is not effective.

On May 18 the military construction bill passed the House; 382 Members of the House of Representatives voted for that bill.

The legislative branch bill was next to pass a day later on May 19. I am very pleased to be joined here on the floor of the House by the distinguished chairmen of the Legislative Appropriations Subcommittee, the gentleman from California [Mr. FAZIO]. He has perhaps one of the most difficult jobs of any of the subcommittee chairman because, of course, his budget deals with the personal administration of the office of every Member of this House, and so they all focus on his bill. Under his leadership, an overwhelming majority of 277 Members of the House supported his bill.

The foreign assistance bill, usually one of the most controversial bills and sometimes a bill that is impossible to pass, passed this House on May 25; 382 Members voted for that bill.

Next was the committee on which I serve, the Treasury, Postal and General Government Subcommittee. Under Chairman ROYBAL's leadership, that bill passed on June 14 with 362 votes. Only 46 Members in this House voted against that particular bill.

Next was another subcommittee on which I have the privilege and honor of serving, the Labor, Health and Education Subcommittee, a bill dealing with some of the most vital programs that will be funded by the Congress this year. These are programs that deal with the essence of whether America is going to provide the kind of quality of life and opportunity that America has historically stood for and in which the American public believe. Among our goals is providing a good education for our children so that America can be competitive in the world, so that America can provide the kind of resources for business growth, for high tech that it needs, the provisions of which demand that we have a well-educated citizenry. That bill also provides for the health of this Nation. It includes funding for the National Institutes of Health and for the basic biomedical research that this country undertakes in some of the vital areas including, of course, the AIDS epidemic which is the principal health challenge that confronts this country and all the world. That bill passed on June 15 under the very able leadership of one of the giants of this House, the

gentleman from Kentucky [Mr. NATCHER]. That bill passed 362 to 46.

Next was Commerce, Justice and State, a very tough bill, because its allocation of money was very, very tight. That subcommittee deals with the vital areas of law enforcement, the administration of justice and the carrying out of our international obligations as well as the functioning of the Commerce Department, so important to the economic welfare of this Nation. That bill passed with 314 votes for it.

The Agriculture and rural development bill is under the tutelage and shepherding of our chairman of the committee whom I have already mentioned, the gentleman from Mississippi [Mr. WHITTEN]. That bill passed on June 16 with 343 Members of the House voting for it.

Next was a bill that has historically been one of the most controversial we have dealt with along with the foreign operations bill, and that is the Defense bill. We all believe that we need and must have a strong defense to ensure not only our own liberty but also to ensure the liberty and freedom of our allies, and as the President has rightfully stated, so that we are strong enough to negotiate a deescalation of tensions in our world. That bill passed with 360 votes.

Next, on June 22, was the HUD bill, the HUD and independent Agencies bill, a subcommittee again chaired by one of the giants of this House, the gentleman from Massachusetts [Mr. BOLAND]. The gentleman from Massachusetts [Mr. BOLAND] is retiring this year. Congressman BOLAND was one of John Fitzgerald Kennedy's closest friends in this House and one of his strongest supporters when he ran for President. Congressman BOLAND's bill was passed with 377 votes for it.

We then just this week passed the District of Columbia appropriations bill, a bill that is very, very controversial all the time, but passed overwhelmingly with 283 votes, well over a majority.

The next to the last bill to pass was the Transportation bill which provides for the funding of mass transit in this country, for roads throughout this country, for airports, for vital transportation links, without which this country could not effectively function—371 Members voted for that bill.

Also, yesterday the last bill to pass was the Interior bill under the able leadership of the gentleman from Illinois [Mr. YATES]. I failed to mention that the gentleman from Florida [Mr. LEHMAN] chairs the Transportation Subcommittee. It is a testimony to his leadership and to the respect that he has in this institution that so many Members supported his bill.

Next, the gentleman from the State of Illinois [Mr. YATES], chairman of the Interior Subcommittee, had his

bill on the floor yesterday, and it passed 361 to 45.

Mr. Speaker, that is the litany of the 13 appropriations bills. For those who may not know, last year no appropriation bill was passed individually through the Congress and sent to the President. All the bills were incorporated in a continuing resolution.

I am hopeful, Speaker WRIGHT is hopeful, the gentleman from Mississippi [Mr. WHITTEN] is hopeful, I know the gentleman from Massachusetts [Mr. CONTE], our ranking member, is hopeful, those bills will be passed by the Senate, will go to conference, and then we will send them individually to the President of the United States for his consideration.

Mr. Speaker, this historic performance by the Committee on Appropriations, as I said at the outset, is a testimony in large part to the setting of a goal and the leadership that Speaker WRIGHT and the gentleman from Washington [Mr. FOLEY] and the gentleman from California [Mr. COELHO], the majority whip, have given to this House, and it is appropriate at this halfway point in our year that we reflect upon those accomplishments.

Mr. Speaker, let me now point to some historic accomplishments of the 100th Congress under the leadership of Speaker WRIGHT.

Two of the first things that we did was pass, over the President's veto, the Clean Water Act of 1987. That was H.R. 1 of the 100th Congress. Americans strongly support the attaining of a clean environment, of a healthful environment, and, of course, one of the necessities in accomplishing that objective is to guarantee clean water. The President vetoed the bill because he thought it was too expensive. The Congress, on both sides of the aisle in the House and in the Senate, disagreed with the President, and that bill passed notwithstanding the vote of the President of the United States. That bill will help clean up our streams and protect the one precious resource upon which all human life depends.

Next I would like to talk about the Transportation authorization bill, which seeks to maintain the infrastructure of this country, and to increase the ability for people to travel over our highways, and the ability of people to have mass transit to get in and out of our urban areas, to centers of employment as well as the ability of persons to fly both within the country and internationally is critical to our economic welfare. H.R. 2 was the highway authorization bill that spoke to the ability of this Nation to rehabilitate and to construct needed highways and byways in this country.

Mr. Speaker, the next bill of the 100th Congress was H.R. 3, the trade bill. Under Speaker WRIGHT's leader-

ship, we passed the trade bill. The trade bill incorporated within its terms a provision that was designed to make sure employees of manufacturing plants would have notification when those plants were to close. It just required 60 days' notice. The polls show that the overwhelming majority, over 80 percent, of the American public supports that bill. They believe it is fair, believe it is just, for a company to tell its employees for whatever reasons, "We have got to close down, and you are going to have to find a new job. You may have to relocate your family." They believe it is fair to tell a community that one of its centers for its tax base and for its employment is going to be shut down. The President thought that 60 days was too much notice perhaps for whatever reasons, and he vetoed that plant-closing bill.

Of course, he also vetoed the trade bill, because the plant-closing provision was within it. The Speaker, the gentleman from Illinois [Mr. ROSTENKOWSKI] and the U.S. Senate believe that a trade policy for America is important, and we are going to pass a trade bill, and we are going to pass a plant-closing bill. We hope the President signs both those bills that we have already passed. We believe America supports those bills very strongly. The public believes that America ought to have a trade policy that looks to the creation of an environment in which there is not only free trade but fair trade. The public believes not only in the ability of our trading partners to sell their goods in the United States but also the ability of American workers and American owners to sell overseas the products they produce in the same kind of fair market that we provide here in this country.

The Speaker observed earlier today that we passed H.R. 4 for the first time in this decade, moving forward on one of the most critical items on the domestic agenda—housing. We do not have enough housing, Mr. Speaker, in America to provide adequate shelter for those at the margins, for those who cannot afford an average cost, for instance, in Washington of \$172,000. We need adequate housing for those of limited income, and those newly married who seek to have adequate housing as they start out with the creation of families. We passed a housing bill. We need to do more. That was a significant first step under Speaker WRIGHT's leadership.

We also passed H.R. 5, the education bill. I said earlier that the Labor-Health bill passed overwhelmingly to fund education. This Congress and the American public believe that education is at the heart of providing a quality of life for individuals and for society. Without good educational opportunity, young people will not be able to succeed, and if they will not be able to succeed, our Nation will not succeed.

This was the first legislation passed during this decade, Mr. Speaker, that increases America's commitment to quality education in an age when our children will have to cope with superconductors and super colliders.

America will not survive unless the next generation is better educated than we were. Speaker WRIGHT has made the education bill one of the must-pass pieces of legislation in this Congress. It has passed. It is law, and in this year's appropriation bill we are funding some of the proposals incorporated in that bill.

Mr. Speaker, we have also dealt with issues that confront all Americans as they relate to health. We have passed a catastrophic illness bill. How many millions of Americans have been fearful of the devastation that would be visited upon them and their families should they confront an illness of catastrophic proportions, that their insurance would either not cover or the absence of insurance would ensure that they would be bankrupt, penniless, and their families would be left uncared for. This was one of the must-pass bills that Speaker WRIGHT spoke about earlier in the 100th Congress. It has passed now. This country is a more secure and equitable country for the passage of that catastrophic health-care bill.

I am pleased to yield to my colleague, my good friend, the gentleman from the State of Maryland [Mr. MFUME].

Mr. MFUME. Mr. Speaker, I thank the gentleman very much for yielding.

I would ask the gentleman, would not also the major housing bill be considered one of those must-to-have priorities that you were referring to earlier?

Mr. HOYER. Mr. Speaker, the gentleman is absolutely correct. As I said in my statement, housing is continuing. We have spoken to it in H.R. 5. We need to do much more. It is one of the critical domestic issues confronting this country and that will confront the next administration.

Mr. MFUME. Mr. Speaker, I raised it, and I agree with the gentleman. I certainly agreed with the Speaker at his setting that as a priority, and we are happy that the housing bill passed. It does for urban areas, for rural areas for that matter, for our Nation a tremendous amount of good, and when Members look at the fact there has not been a major housing bill in this Nation for almost a decade, I think it underscores and underlines the significance of it and why, in fact, that had to be a priority.

□ 1245

So I thank the gentleman for yielding. I wanted to make sure that for me at least we talked about the aspect of housing and the Speaker's leadership on this issue because it has meant a

great deal to many of us who represent people nationally who have a great and ongoing concern about affordable housing in this Nation.

Mr. HOYER. I again thank the gentleman for his contribution. He is a member of the Banking, Finance and Urban Affairs Committee and of the Housing and Community Development Subcommittee, and as such is one of the experts in this House on the issue of housing. He is also one of the leaders both on H.R. 5 and on looking to expanding upon the work that was accomplished in H.R. 5.

We know that there are literally millions of people in the wealthiest Nation in the world who do not have adequate places to live. We know that there are millions of people in this Nation who are underhoused, who have a quality of dwelling that we would not want for them or for their children.

So we know there is much to be done, but we have taken, as the gentleman points out, for the first time in this decade a significant step toward ensuring the adequate supply of housing in this Nation.

Mr. Speaker, we also passed under Speaker WRIGHT's leadership and in a bipartisan way in some respects, but again over the President's veto, the restoration of the Civil Rights Act which had been adversely affected by the Supreme Court, in what is commonly known as the Grove City decision. This Congress said that this Nation is committed to the civil rights of every American. We were not trying to single out simply a program at some institution that ought to be open to all, irrespective of race, color, religion or national origin, but all programs. In this Nation, we are committed to guaranteeing the pursuit of happiness to every American irrespective of what kind or type or sex that American might be. That restoration of the Civil Rights Act was overwhelmingly passed.

And last night, just last night, Mr. Speaker, under Speaker WRIGHT's leadership and the able leadership of the gentleman from New Jersey [Mr. RODINO], chairman of the Judiciary Committee of this House, who will be retiring this year, one of the great fighters for civil rights in this Nation, and also under the able leadership of the gentleman from California, Mr. DON EDWARDS, and I might say the gentleman from Ohio, Mr. JIM SENBRENNER, a Republican on the committee, we passed the Fair Housing Act of 1988. What the Fair Housing Act of 1988 does is it puts teeth in the Fair Housing Act of 1968. It says we meant what we said, we are going to have an effective enforcement mechanism to make sure that if Americans are discriminated against in one of the basic needs of any individual, that is

shelter, that there will be a mechanism to redress that grievance.

Mr. Speaker, that legislation passed overwhelmingly with bipartisan leadership, and it will be a hallmark of the 100th Congress.

Speaker WRIGHT also observed earlier today that we passed a vital farm credit bill to stop the epidemic of farm foreclosures which has been sweeping America's heartland for the past 6 years, a critically necessary piece of legislation.

Mr. Speaker, I would be incorrect, however, if I said to you and the Members in this House or the American public that the House has now finished its agenda. It has not. There is much that remains to be done, not only for the balance of this term of the Congress of the United States, but next year under a new administration.

Mr. Speaker, we need to deal with and are going to deal with in the coming days the drug epidemic afflicting our Nation that undermines our young people, that provides for criminal risk for so many millions of Americans in both urban and suburban and indeed in rural areas of our Nation. We have 10 committees, at the instruction of Speaker WRIGHT, and under the leadership of the majority leader, Mr. FOLEY, working on coming up with additional ways and means to confront the drug crisis.

In addition, Mr. Speaker, when we return we will be addressing welfare reform. That legislation has passed this House, passed the Senate, and we are going to conference. Under the leadership of the gentleman from Tennessee, Mr. HAROLD FORD, and the gentleman from New York, Mr. TOM DOWNEY in the House, and Senator MOYNIHAN in the Senate, we are going to move forward on legislation which will try to break the welfare cycle. This legislation is an effort to get people off welfare and onto payrolls, and off welfare and into training programs, if these Americans get off welfare they will become tax paying Americans, who can provide adequately for their families with skills that they have been able to attain through the training programs that are provided in that bill.

Everybody in this House believes that the welfare system needs to be reformed to build in incentives to get off welfare, to get the kind of self respect that having a job and providing one's own income for oneself and for one's family gives to an individual.

There will be much more that needs to be done, Mr. Speaker, but this brief overview I hope points out how effective the leadership of Speaker WRIGHT has been and how active this Congress has been in passing legislation critical to the quality of life in this Nation.

Mr. Speaker, I look forward to returning after the July 4 break and passing the appropriation bills of

which I have spoken, sending them to the President and moving on with the agenda of the American public.

#### DEVELOPING MINORITY-OWNED SMALL BUSINESSES IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. MFUME] is recognized for 15 minutes.

Mr. MFUME. Mr. Speaker, just last week I took to the floor and this microphone to describe for Members of the House what I consider to be an imperative as it relates to minority business development and enterprise in our Nation, and to urge much more support for efforts that I have underway to codify the Minority Business Development Administration.

Since that time I have been pleased to learn from persons representing the Vice President that he in fact supports those efforts to codify the MBDA and is prepared to make that an integral part of his administration. I urge however Members of the House to be mindful of the fact that we ourselves have that obligation and must move forthrightly to do just that.

Earlier today we took a step in that direction. In the Subcommittee on Minority Business Enterprise and Procurement, under the leadership of the gentleman from Missouri [Mr. SKELTON] and under the fine bipartisan leadership also of the gentleman from Massachusetts [Mr. CONTE], the ranking minority member, we were able to enter into a markup and to offer for consideration an amendment in the form of a substitute that was in fact passed overwhelmingly by Members of the committee and sent on to the full committee for consideration. I say it is a giant step because since 1969 the Minority Business Development Agency has acted pretty much in a precarious manner. It has existed solely under an Executive order, and so again my sincere thanks go out to the gentleman from Missouri [Mr. SKELTON], the chairman of the subcommittee, and to the gentleman from Massachusetts [Mr. CONTE], the ranking minority member, and to all of the other members of the committee who represent both parties and who worked long and hard with me and the staff in formulating language that we all could in fact agree upon.

In many ways I believe that as a result of that the bill has been strengthened, and I am quite happy that today we were able to offer that joint substitute in the form of a committee print, and have it adopted by the committee.

We all know that over the years Americans of African ancestry or of Latin ancestry or Native Americans or Americans because of their ethnic or racial or religious backgrounds have at points in time suffered the effects of

racial discrimination. That discrimination I think has moved to impair the ability of the minority business community to access resources and markets essential to economic viability. Both the Congress and various administrations have sought over the years to formulate programs designed to counteract the perpetuated inequities, and one such administration was the Nixon administration, which in 1969 issued Executive Order 1158 establishing the Minority Business Development Agency, and subsequently issued Executive Order 11625 which moved to strengthen that agency.

Today as we ask the question whether or not there remains a compelling need for special Federal programs to provide socially and economically disadvantaged persons with the opportunity, the opportunity for full participation in our free enterprise system, the answer unfortunately remains a resounding yes. The need to devote Federal resources to assist minority businesses in overcoming economic disadvantages is no less apparent today, and is evidenced by the continuing enactment of legislation providing for those opportunities for racial and ethnic minority groups to participate in Federal, State and local programs.

The Minority Business Development Agency was created to preserve and to strengthen minority businesses, and this is the only agency of our Government created specifically to promote the creation and/or expansion of minority businesses.

The Executive order I mentioned earlier under which the MBDA currently operates identified a compelling Government interest in obtaining social and economic justice and in improving the functioning of our national economy. Those means were further established through the Cabinet-level agency under the direct supervision of the Secretary of Commerce.

Not until 1987 and again this year had any administration, or for that matter anyone else, formally challenged the aptness of the MBDA's operation from within the Commerce Department, but last year and again this year persons who subscribed to that point of view have proposed a transfer of the functions of the MBDA to the Small Business Administration. Proponents suggest that such transfer will consolidate similar programs and allow for improved coordination. But I would warn my colleagues that these same proponents are the ones who have argued for the abolishment of the SBA just 3 years ago, charging the agency was ineffective in carrying out its mandate. The SBA, they said, was charged with mismanagement and with corruption.

So to advocate today for the SBA to encompass functions of another agency under the guise of more effi-



cient and more enhanced services is to further burden the SBA and is also hypocritical.

Moreover, while the SBA proclaims they want to bring about more efficient and effective service to minority businesses, their budget requests for their agency show no sensitivity toward this opportunity and no real desire to provide services. For fiscal year 1989 that agency has called for the elimination of the SBA direct loans now provided to minorities. These loans are loans of the last resort and can only be made, if the applicant cannot secure funds from any other source.

In this year's budget they call for a reduction in the amount of loan guarantees, and as we know, these guarantees entice lenders to make loans to the minority businesses in the first place.

They call for the elimination of the minority assistance now provided through consulting contracts under the 7(j) program.

They went further to call for the elimination of business development expense funds, the elimination of the special incentives to minority enterprise small business investment companies, otherwise known as MESBIC's, which as we know encourages MESBIC's to provide venture capital in the first place. And they also propose to phase out management assistance being provided through the small business development centers.

So to me, cumulatively this shows no indication of any desire to provide adequate services to minority businesses in this Nation.

□ 1300

Now if we look at the institutional history of the SBA, we are aware that it was created in 1954 to service and to assist small businesses in this Nation and has done a good job in many respects in attempting to do that.

The Nation realized in 1969 that the SBA, while empowered to do certain things, did not have the power to do what it could and should do in the development and fostering of minority business enterprise in this Nation.

So there are unequivocal differences between the functions and the activities of the SBA which seeks to ensure that all small business concerns encounter fairness and competition in services; it is more of a financing and direct lending function as opposed to the MBDA, which seeks to provide fundamental rights of minority businesses to fully participate in this Nation's economic structure.

The Minority Business Development Administration offers management and technological commercialization assistance, acquisitions assistance, franchising assistance and private sector assistance, all of which the SBA has no similar programs for.

Most minority businesses served by the SBA are companies that are certified as 8(a) firms. Currently there are 3,000 8(a) firms certified as compared to 700,000 minority business enterprises.

So clearly they represent a greater need.

All of the clients that the MBDA services out of the universe of clients, only 3.5 percent are 8(a) companies.

So the creation of MBDA within the Department of Commerce was carefully thought out and recognized the Federal Government's role in helping to remove the barriers with which minority businesses are faced.

Therefore codifying this agency within the Department of Commerce is our opportunity to continue to provide for equitable participation of minority businesses in the mainstream of American business. The substitute which was offered today addressed concerns about access to equity capital, not through the originally proposed revolving fund, but rather through the mandate of a study into alternate ways of providing access capital.

We were able to agree in that committee to other minor changes in the language that all of the committee members have been aware of. The legislation is broken down basically into six general parts with the first four sections setting out the purpose in the act, defining terms and establishing the Minority Business Development Administration. Titles I through IV outline the MBDA's activities and duties in four areas. Those areas are market development, capital formation, management education development, research and information.

Title V of the bill sets forth the MBDA's administrative and miscellaneous powers.

So, Mr. Speaker, it is extremely important that we act as a legislative body to place the MBDA on stable ground. And not only is the agency subject to the whimsical views of changing administrations and for that matter changing Congresses, but it is also subject to appropriation struggles without proper authorization. 0

This year, alone, appropriations in the House were held off of all programs still awaiting authorizations.

The Minority Business Development Administration was categorized with this group of programs. However, the problem with the MBDA being lumped into that category is that it has never gone through the authorization process before simply because it operates on an Executive order. Thus the appropriations for Commerce have been passed upon in the House without any funding at all this year for the MBDA.

The commitment to aiding minority businesses then must become a fundamental, must become an integrated

part of the American economic system at all levels and in establishing that integral part, the MBDA again has to be placed on solid ground.

So today, Mr. Speaker, we took a giant step to rid the MBDA of its vulnerable status by codifying it and thereby bringing it under the control of an agency with greater reach and greater participation by the Congress in providing ourselves with the chance and the opportunity to play a role in further strengthening the objectives and the goals of that agency.

It is my hope that this matter will be quickly resolved when it reaches full committee level and that we will have an opportunity on the floor of the House to vote in the affirmative on it shortly. I commend my colleagues, Senator KERRY and others in the other body who have moved expeditiously with companion legislation. I commend the Vice President for his encouraging remarks this past week and remind him that those of us who have wedded ourselves to the commitment of making sure this agency has full cabinet-level status and is codified will in fact be watching and matching his words and his actions.

I thank the chairman of the subcommittee, the gentleman from Missouri [Mr. SKELTON], for moving to markup and helping us to get the sort of hearings that we need on it; to the ranking minority member, the gentleman from Massachusetts [Mr. CONTE] who bent over backward to make sure that we crafted legislation which was bipartisan in nature and that we work together as a team.

All of those and all members of the subcommittee and, hopefully, all members of the full committee, certainly have my thanks and appreciation for their efforts in this regard.

#### UNITED STATES SPACE POLICY: A STATEMENT OF PURPOSE

The SPEAKER pro tempore (Mr. SKAGGS). Under a previous order of the House, the gentleman from Colorado [Mr. HEFLEY] is recognized for 5 minutes.

Mr. HEFLEY. Mr. Speaker, very briefly, having served on the Science, Space, and Technology Committee in my brief time in this Congress I have shared the concern of many of us regarding our space program. It seems that ever since the *Challenger* disaster our space program has been in the doldrums and we have been struggling in our committee to try to come to a consensus on direction because I think all of us agree that space is too important for us to lose our preeminence.

So, Mr. Speaker, in light of the recurrent debate over the Nation's space policy, I would like to address the state of American space program and

suggest a course that the program might take in the coming years.

I do not want to take the time of this body today to go through that in detail because I discovered in trying to do this I could not do it in a concise manner because it is a complex, broad-ranging issue.

Mr. Speaker, in light of the recurrent debate over the Nation's space policy, I would like to address the state of the American space program and suggest a course for that program might take in the coming years.

Some months ago the gentleman from Pennsylvania [Mr. GRAY] expressed disapproval of NASA's plans for an international space station, saying he couldn't see how the Nation could fund houses in space and not houses on the Earth.

I disagree with the gentleman but admit his dilemma is wellfounded. At a time when our Nation is faced with social problems and budget woes of a critical nature, NASA has asked for yearly funding increases of up to \$1 billion during each of the next 5 years. Ironically, that is the same period during which we must demonstrate our greatest austerity.

But Mr. GRAY's remarks also reflect the space program's greatest problem—a growing lack of commitment to space exploration by this Government and by the people themselves. Twenty years ago, his suggestion would have been dismissed as outrageous or unthinkable. Today, it was greeted with the kind of apathy and resignation which has placed our space program in jeopardy.

As of this moment, sufficient money has been provided to fund a wide variety of manned and unmanned missions through 1993. Most of this will comprise "flying off" the backlog of missions caused by the *Challenger* disaster of 1986. But included in that backlog will be such projects as the Hubble space telescope, which will enable us to see back nearly to the dawn of time; and the two great interplanetary probes, Galileo and Magellan, which will continue this Nation's mastery of such exploration.

But the period after 1993 is ill-defined and uncertain. This House has voted \$10.7 billion in funding for NASA next year. Yet this included little more than half of the increase requested and that amounted to a maintenance budget. The space station has been pushed back another year and various "distractions" continue to place that project in peril. Since most of the Nation's future space plans revolve around that station, its loss could amount to the eventual demolition of our space program, as stated by Mr. ROE last month.

In February, the President issued his space policy, which established a new direction for America's space program. Several of my colleagues on the subcommittee have sought to further define that policy through legislation.

In light of these developments, I would like to examine the place of the space program and further expand upon the space policy debate by proposing this Nation adopt a 20-year plan for space exploration.

I propose further that we take steps to update that long-range plan by 5 years every year in an ongoing evaluation and review process.

Last, I suggest that we adopt the recommendation of the National Commission on Space [NCS] for a lunar scientific outpost early in the next century. This interim goal would enable us to continue the work pioneered by Project Apollo and lunar oxygen supplies could produce the basis for a Moon-based "gas station," possibly setting the stage for future exploration and commercial development. Last, such a base would provide tangible, concrete, scientific results, a framework in which the space agency can work and that the public can see and appreciate.

My proposal builds on the groundwork set by the NCS, by the Ride report that followed, by the President's space policy and by the legislation proposed by the gentleman from California [Mr. BROWN]. But, more importantly, it sets this Nation on the course of reviewing spaced exploration as a long-term prospect, rather than a subject for "panic and response."

For too long, we have heard the refrain: "Americans are no good at long-range planning." For so long, in fact, that phrase has become a cliché. I believe it is time that we as a nation learn how to plan for the long-term and time that we, as legislators, initiate the steps to guide that process.

#### REASONS FOR A SPACE PROGRAM

Contrary to common thought, the United States has always had a well-defined, if low-key, space policy. A report by the Rand Corp. outlined the strategic needs of our space program in 1950, 8 years before *Explorer 1*.

It is also a fact that our scientists had a program that would have placed a satellite in Earth orbit before *Sputnik 1*. But funding was stretched out, resulting in a delay of a few months which enabled the Soviets to be first.

In retrospect, that 40-year-old study has produced a space program well-suited to our strategic needs. When the Rand study identified strategic and meteorological reconnaissance as the main reasons to launch Earth satellites, it began a process which not only led to our matchless "spy-in-the-sky" capabilities but, through technological transfers, or "spin-offs," brought advances in remote-sensing and weather forecasting.

While national security has done much to power America's space program, free enterprise has played a role as well. Private industry built upon—and sometimes kept alive—aerospace technologies to produce such achievements as the Atlas and the Centaur, two breakthroughs in technology which continue to form a major part of our launch capacity.

Communications satellites were the first space-based industry to be commercialized. Though profit margins in this arena continue to be larger for users than for suppliers, it is well to note that the first sale of Comsat stock—at \$20 a share in May 1964—was the most oversubscribed issue in the history of Wall Street. The return permitted the Government to cut its initial subsidy by almost \$400 million and netted sizable profits for AT&T and IT&T, the original "anchor tenants."

Other, unplanned developments have touched our lives in a number of ways. Project Apollo's need for high-speed computers gave early impetus to our Nation's electronics industry which are being felt to this day, and other spin-offs, such as rechargeable pace-

makers and insulin infusion pumps have developed thanks to space technology.

But perhaps the most important offshoots of our early space policy and achievements were a renewed national pride and international respect that they engendered, along with a renewed desire by the American people to dream and aim high. The Nation, frightened by Sputnik, turned to mathematics and the sciences and our colleges and universities thrived. The space program stimulated higher education, especially.

If you question the rallying abilities of space for our people, their interest in exploring the unknown, just look at our most popular movies, our books, and the way we choose to look at the world. Space lifts our spirits, as individuals and as a nation.

Ironically, it is within this last area that we have grown most deficient. While we grew first complacent, then bored by our space achievements, our space preeminence has deteriorated.

As we look toward the exploration of space, we must answer many fundamental questions, not the least of which is how prolonged exposure to the environment of space affects the human body. We must find sources of oxygen and fuel for long duration space flight. After all, a trip to the Moon takes 2½ days, compared to 2½ years to go to Mars. We are presently doing little to gain such experience.

Where once the United States could claim a 2-to-1 edge in manned flight hours, the Soviets now hold a better than 3-to-1 advantage over us. One cosmonaut, Yuri Romanenko, has spent 430 days, 19 hours in space, almost a quarter of our total flight time as a nation. Another recently completed 326 consecutive days in space.

But manned space is merely the most noticeable area of spaceflight erosion. The first steps toward international cooperation in space came through the American launch of British and Canadian communications and application satellites. Today, French and Soviet remote-sensing satellites produce higher quality data than our own Landsat. Further, the British Interplanetary Society recently observed that several other nations are developing their own comsats. Two of those may use U.S. launch vehicles. Those two, and others like them, may also look elsewhere, to Ariane, to the Chinese or the Soviets.

The Chinese have opened five offices in this country to market their rockets. Meanwhile, the Soviets are offering incentives that undercut anything U.S. industry or Ariane-space can put on the table.

More important that this has been the loss of America's pioneering instinct. America's space program sometimes trailed in the early going, but its products defined innovation to the world. We were establishing the cutting edge of technology.

For example, last year the Soviet Union launched the *Energiya*, a hydrogen-fueled rocket rated the world's most powerful. Yet its launch came only after 20 years of frustrating work, scrapped designs and frequent failure by the Soviets. And, in the end, *Energiya* emerged as a rocket not quite comparable to the Saturn V we scrapped 15 years ago. Some even suggest that *Energiya's* hydrogen

engines were derived from American engine technology, 30-year-old theories.

But later, this balance of innovation appears to be shifting. In 1969, the Japanese augmented their space program by contracting with McDonnell Douglas to manufacture Delta rockets, which they called N-1. They tinkered with the vehicles, improved them and eventually developed a hydrogen-powered upper stage for the Delta, a machine impressive enough that McDonnell Douglas is now considering import of the Japanese engine for use aboard the American Delta II.

Some may say that the United States has no need of the hydrogen engine until now and now that a need for the system has been found, it's cheaper to buy it ready-made from the Japanese. But I believe a subtle shift has taken place and the relaxed teacher is now learning from the energetic pupil.

Some would say that this is the natural order of things, an accepted, even awaited diffusion of knowledge and technology throughout the world as part of a global market. The problem is that the United States has lately been lax in pursuing innovations of its own. We start off well, pushing the outside of the technological envelope, then we drop the idea. Too often these days we are content to accept the improvements of other nations, rather than doing work of our own. I suggest, Mr. Speaker, that what we are seeing is the start of an intellectual balance-of-trade deficit.

#### NATIONAL PRESTIGE

Prestige is at stake as well, and, in international affairs, we know that prestige, images produced by perceptions, whether factual or not, spread through the world in this age of rapid communication with the speed of a gale-driven forest fire.

Space enthusiasts like to draw analogies between the naval expeditions of the Ming Dynasty in the 15th century and our space programs. The seven voyages of Cheng Ho were the largest undertaken by the human race up to that time. Over a span of 28 years, the Ming armadas visited nearly every inhabited land in the Indian Ocean and reached southern Africa on their final journey. In 1433, the court bureaucracy scrapped the ships, claiming the voyages served no useful purpose, and China entered a long period of withdrawal.

The story's good though misleading. While space buffs use the story to illustrate the "no-turning-back" need to continue exploration, the Ming voyages produced little save prestige.

But prestige is coin of the realm in international affairs. Cosmonaut Yuri Gagarin radioed socialist greetings to the Third World during his 1961 space flight and the French have routinely used their expensive Concorde (built jointly with the British) as a tool of diplomacy and enterprise.

Author Walter McDougall notes that a 1961 poll, taken after the flights of Gagarin and Shepard, revealed that 41 percent of all West Europeans surveyed believed that the Soviet Union was ahead in military strength and 39 percent gave Russia the edge in overall scientific achievement.

"It would be folly to deny that the allies' estimates of the balance of power in the future are based in part on the expectation that

Western science and technology will maintain a decisive lead over the Soviet bloc," said a 1958 report by the Rand Corp.

Viewed in this light, government expenditures for space exploration are essential. Space exploration serves national security interests, and the prestige it engenders is a valuable diplomatic tool to establish a positive environment for the conduct of international affairs. McDougall notes that governments have traditionally been the financiers of basic research and development work, such as space; and the public interest fostered by such a program can reap benefits far removed from the immediate. In short, space is a good investment and an area for the government to assert international leadership.

#### PROBLEMS CONFRONTING TODAY'S PROGRAM

Yet it is precisely in these areas of policy and program and investment leadership that we are lacking. After months of debate, the President unveiled his space policy in February. The document reiterated the importance of national security in space matters, established the goal of a permanent manned presence in space (including an endorsement for the space station) and encouraged the development of new technologies (Project Pathfinder) and a commercial space industry.

The space policy was long-awaited and, generally, well-received. But some of its provisions, and the budget request that followed a week later, raised questions about the administration's true commitment to its policy.

For example, the President's budget request proposed a \$2.7-billion increase in funding for science programs, with approximately \$2.3 billion of that for the space program. This is "seed money," a good investment in the future. But that \$2.7 billion was also 90 percent of the discretionary funding provided by November's budget summit. Since science must compete with housing under our budget process, we have been presented with a politically untenable situation if that situation remains unchanged. And the space program will suffer as a result.

The space policy also reemphasized the need for a space station and then endorsed an appropriation of \$700 million over 5 years for a commercially-developed space facility, a man-tended free-flyer that could either extend the orbital duration of the space shuttle or increase on-orbit opportunities for microgravity research. It could also be used to develop hardware and techniques for the space station. But no one has said clearly where this money will come from. If taken from the space station budget, it could cripple that program—and the infrastructure that forms the basis for America's space future—beyond repair.

Another example, NASA's Project Pathfinder will begin developing the technologies we need for the next 50 years to live in space, to develop it and to go to the planets. We have been living the past 20 years on the technologies of Project Apollo and Pathfinder is a start toward regaining lost ground and forging the future. The White House first recognized this with a \$120 million appropriation for Pathfinder in fiscal year 1989—then cut the amount by \$20 million. Hardly a ringing endorsement.

This apparent ambivalence toward space funding comes at a critical time in its history.

Mr. NELSON points out that we have been building a space infrastructure for the future, a stage traditionally more expensive than short-term exploration.

My colleague from Pennsylvania, Mr. WALKER, points out that even had the President's \$2.3 billion increase for NASA been granted by the budget committee, that amount would merely have been enough to maintain the program's current level, with no new starts provided. He estimates that, to have a realistic space program for the 21st century, we would need to double current space-investment funding levels.

While not a "NASA basher," I must sadly admit upon reflection that the space agency has contributed to this sense of ambivalence. NASA's staff has realistically presented this Nation with requirements for future exploration and options for commercial development, often in the face of sometimes desperate cries for long-range goals that too often translate into another Project Apollo. NASA has given up Pathfinder and a 3-year study period to determine our future options. It has set up an Office of Exploration to study these options and to regularly update the findings of the Ride report. Perhaps that is not exciting but it is a steady, research-oriented approach that knows no deadline.

Nonetheless, I believe NASA's leadership has too often failed to act as a forceful advocate for its program. Instead, it has tried to play politics, tried to please too many competing factions and, in the end, has failed to satisfy anyone. The debate surrounding the commercially developed space facility is one example of this.

At another time, with the right amount of private investment, the CDSF could be an attractive option. It would enable the United States to enter the field of microgravity research on a large scale, an area in which we have long lagged.

Yet funding the use of the CDSF could further delay the space station. In this time of constrained spending, a \$700 million CDSF looks like an attractive alternative to the \$16 billion space station. Certainly microgravity research holds remarkable promise, including cures for blindness and diabetes. But the CDSF will never be anything more than a microgravity processing facility. It cannot be used as a staging area for large Earth satellites or deep-space explorations or as a testbed for human endurance studies that are absolutely essential to long-duration spaceflights. Arguments that not having the CDSF will cost the U.S. leadership in microgravity research are somewhat moot; we have not had leadership in microgravity research since the end of Skylab in 1974. We could probably become a meaningful participant again but the potential is uncertain.

Geostationary satellites and deep-space exploration are two areas of unquestioned U.S. dominance in space, according to the Ride report. The space station is needed if the visions of the Paine Commission and Ride report are to be realized. In that light, funding CDSF at the peril of the space station amounts to staking our space future to the uncertain promise of microgravity research.

Under pressure, NASA administrators have testified they would not abandon the space station for the CDSF but maintain they could use both. It's small wonder that my colleague from Florida, Mr. MACKAY, accused NASA of being unrealistic in their dealings with Capitol Hill.

This ambivalence on the part of the President, Congress, and NASA's leadership has failed to build on public support for the space program. Space is like motherhood—no one criticizes it, but few have taken the time to explain what it is.

A magazine poll once showed that most Americans were squarely behind the space program. But most believed its greatest potential was in the areas of space manufacturing and national defense. The treatment of burn victims was third on the list. And, at the same time, an overwhelming majority back a flight to Mars. Given the current state of the art, it is clear that public support, while strong, is ill-defined. Military applications of space are a reality but we know it will be years before space manufacturing moves into any kind of operational phase and, given the dangers of space flight, it is probably too early to consider blasting burn victims to orbiting wards.

Given this public attitude, it is our duty as elected representatives to guide our progress in space. Rather than continuing our complaints about lack of a long-term direction, we must act and begin to establish a long-range national view of space.

#### A PROPOSAL

Italian author Luigi Barzini once wrote that, whether we know it or not, all Americans are products of the Enlightenment, 18th-century philosophies continually working out the problems of our experiment in democracy. So thinking and innovating is an American birthright, the world has come to expect it of us.

But lately, we appear to have pulled back from the cutting edge of space technology. This is nothing new; after all it took 50 years to complete the Washington Monument. As I have noted, Americans have long reacted to opportunities or threats, often with stunning innovations, only to scrap those innovations in a short time. This is "panic and response" and that has been the American way. But it is a philosophy that it outdated and we are losing out to nations with a longer view. We must change our approach and, as elected leaders, show the courage to lead the way.

It is in that light that I have proposed we adopt a 20-year plan for space exploration. It is a proposal which fits into and gives purpose to over 2 years of national debate on space policy. It would explain the "why" for space station and define the context for debate while its projected results provide tangible returns to the Nation, along with the national self-respect and pride that comes from space achievement.

The precedents for such a long-range plan are clear. The NCS report viewed fiscal realities over a 20-to-30-year period and recommended that space be funded at a level of 0.5 percent of the GNP through 2000, then slightly less than one-half of 1 percent. As a point of reference, this year's NASA proposal ranges between 0.25 and 0.33 percent of the GNP. Such budget would provide an early context toward fulfilling Mr. BROWN's goal of

human settlement in space and extend Mr. WALKER's long-time vision of a commercial infrastructure in space by returning to the Moon.

Let me emphasize that none of this is carved in stone; one NCOS staffer noted that America should pursue a space program that is best for America. Recently, the Science, Space and Technology Committee endorsed study of a "Man to Mars" mission, a program that may offer some advantages is the realm of physics. Should these theories prove true and should such a mission prove within our reach, based on sound financial reasoning, available technology and the gains in knowledge judged available, it should be considered. But the decision should be made on the basis of scientific and fiscal reality, with an eye toward the long-term, rather than toward a new Apollo or any program dominated by publicity.

I believe establishing a scientific base on the Moon as a first step has several advantages over a mission to Mars. First, we have already been to the Moon and the outpost would be a logical, if long-delayed, follow-on to project Apollo. It would correct a 20-year-old mistake that discarded two Saturn V rockets and the experienced people then available to lead a follow-on project to demonstrate such things as manufacturing oxygen and materials on the Moon.

Second, the returns from a lunar outpost are surer than the other schemes envisioned. A journey to Mars would require expertise in human endurance that we do not have. Lunar prospecting and microgravity processing are intriguing but may not yield economic benefits for years, if ever. A lunar outpost will provide the basis for later prospecting, astronomy, and exploration. More importantly, it would yield substantive, unquestionable scientific results, results you could immediately look at and evaluate. I believe those results could fire the public imagination as a shuttle or a space station, unfortunately, cannot.

Lastly, it appears to be the least expensive, realistic option available to us. The Ride report estimated that a Mars mission would be most exciting in terms of returns and interest but added it would be the longest and most expensive in terms of national and financial commitment. Isn't it better, then, to choose a project with a lesser cost and a shorter commitment that will, nonetheless, provide the groundwork and lessen the costs for later, more ambitious missions?

Some may think this lacks imagination. President Kennedy undertook projects Apollo after his advisors had assured him that a moon landing was one area we stood an even chance of winning, largely because the goal was so far away. Yet it is fair to conclude that those advisors also realized that the hardware and technologies were already in development.

First and foremost, the lunar outpost—America's space future and our reputation as a reliable joint-venture partner with other nations we have committed to work with—requires the international space station in some form. Both the NCOS and the Ride reports emphasize that this facility is the key to virtually all of America's future space plans as a staging area, as a test bed and as processing facility. The National Research Council has

approved the station's baseline design and, at an estimated \$16 billion, it is unlikely to get any cheaper than it is now. It is time to end the debate and move out.

Second, the observatory will require the technologies of Project Pathfinder. As I said, President Kennedy made his decision to go to the Moon on the basis of what was winnable. But the Saturn rocket was already under development, Project Mercury was underway and the Apollo concept was under study. The groundwork had been laid to build on.

Pathfinder would do the same thing. That project would develop the technologies to process resources from alien worlds, new propulsion systems which could cut travel times between the Earth and Mars to 2 months, new energy systems and robotics to extend our capabilities. And, once developed, these would provide the tools for greater plans beyond the Moon at a later date. As with the space station, better—and probably cheaper—now than later. And, as with a return to the Moon, we will be making a correction long overdue.

It will also require the development of a low-cost, heavy-lift launch vehicle as suggested by the President early this year. It's estimated that building the space station will require at least 14 space shuttle launches. Anyone who has followed the shuttle program and the U.S. launch in general, knows that this is pressing the limits. The proper heavy-lift vehicle could halve the number of launches while reducing the hazards posed by manned missions.

Lastly, I believe the nature of this outline—a space station and a lunar scientific outpost—lends itself to international cooperation. The model is already in place in Antarctica, in the periodic "international" visits to the Soviet Mir and aboard the space shuttle. And, by its very nature, it would establish space as the next natural frontier for the expansion of mankind rather than any short-term "goal," launched amid great fanfare then quickly forgotten.

#### CONCLUSION

Mr. Speaker, the gentleman from Philadelphia is correct in his appraisal of our current economic situation. We teeter on the edge of worldwide economic depression, social problems mount and our Federal budget deficit has become so great as to threaten our financial markets, our standing in the world, indeed, our standing in the world.

Despite this, I am optimistic. I believe that we will, through debate and compromise, arrive at solutions to these, the problems of today. But we must not scrap our future in order to solve the problems of the present. Near-term and long-term technological rewards to provide new products, businesses and jobs require judicious commitment and investment starting now.

I will not pretend that my proposal is a simple one. While the literature to direct this effort has been published and discussed for years, implementing a long-range program requires nothing less than a change in attitude by America and those of us elected to be its leaders. We, in this country, like to think of ourselves as young and yet, among democracies, we are the second oldest in tenure. It is time for this country to scrap its philosophy of

starts-and-stops, of panic-and-response and begin to take the judicious, long view of a mature nation.

I believe that America has the resources to maintain a leadership role in space exploration by recognizing its strengths and weaknesses, building on or correcting them; and by developing the healthy qualities of sustained, multi-year planning; of political, fiscal and philosophical realism.

Space is admittedly an expensive proposition, the results of which may not be seen for many years or even many generations. Yet our literature, our past words and the actions of our adversaries and allies all point to space as the cutting edge of the future. It is the new "high ground" in the national security context and it also provides a unique laboratory in which to develop new technologies. The world respects the innovator and the United States, from the middle of the 18th century to the present, has been identified as the leading producer of ideas that have improved the well-being of people around the world. If we choose to withdraw from the exploration of space, we likewise abdicate our role as a leader in ideas. And, with that, something uniquely American will die.

Like it or not, man is destined to go into space. The Soviets are going; the Europeans, Chinese, and the Japanese will quickly follow and the others are not that far behind. The question before us is whether the United States will choose to make the investment needed now to lead this visionary adventure of pioneering the space frontier and reaping its rewards, or whether it will follow the lead of others more farsighted, adventurous and persistent.

#### BILL OF RIGHTS FOR THE AMERICAN HOMEOWNER, LEASEHOLDER, RENTER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, today I have introduced a bill that I believe is vital, with the cosponsorship of several of my very distinguished colleagues of the Subcommittee on Housing and Community Development which I have the honor of chairing, Messrs. KENNEDY, GARCIA, HUBBARD, FLAKE, Ms. PELOSI, and Mr. TRAFICANT as cosponsors.

So today I would entitle the remarks that I wish to address to my colleagues, as they leave for the July 4 district work period—and I hope will give careful study and reading to the RECORD when it is printed tonight because I believe it is the first of several programs that I will be offering—this one I would call a bill of rights for the American homeowner and leaseholder or renter.

America has had very serious and vast transformations in what the students of the subject matter call demographics. That is, compared to three, four, decades ago our families are much smaller, the population of our

country has increased quite a bit, geometrically, since the 1930's and the initiation then of the programs that the national leaders and Congress got together to meet the crisis of that day.

Unfortunately for us it seems as if we have to wait here until the crisis is on us and we are floundering, and hopefully that will not happen, but I am afraid as I have spoken previously in the remarks I have entitled "My Advice to the Privileged Orders," well I finished that, which was a course of discussion for at least 2½ years; mostly it was outlining, as has not been done in discussion or debate, the very basic fundamental challenges American society has confronted since its founding.

It is ironic, as I have said previously in these advice to the special or privileged classes, that here as we are about to celebrate the 200th anniversary next year, in March 1989, this form of government, that is the Constitution, which is the fundamental law of the land which sets forth the governmental structure, we have not celebrated 200 years yet. We celebrated the 200th anniversary of the Declaration of Independence, the struggle of the Revolutionary War in 1776. But since then and last year I am afraid so many of us thought that celebrating the writing of the Constitution was equivalent with celebrating the Bicentennial of our Government, and that is not so. The Constitution was finally completed in September 1787, but then it took some time to sell it to the majority of the States or the Colonies, and by the time it was ready to be implemented it was not until March 3, 1789.

Only God and destiny can tell us whether we will be able and fortunate enough to say on March 3, 1989, next year, that we can still boastfully say that the system is operated as we have always conceived it to be.

We have grave dangers, some of them glossed over, but which inescapably we will have to confront, that go to the heart of the matter. That is whether our system, based on a balancing of powers, is really going to survive.

So today the real question is whether we in our time will have the faith in the American people as those leaders in Congress did during the grave emergencies of the Depression and war and, up to now, I am afraid we have become fat and complacent and in many ways arrogant. This, as I have said in my remarks, addressing generally the extent, size, variety, and complexity of these problems, is what Shakespeare wrote all about when he said: "When a people become complacent and proud and arrogant and the gods seal their eyes to their defects, they soon are sunk in their processes of destruction," and, in his words: "strutting, laughing at, by those watching these

proud and arrogant complacent people strut."

□ 1315

It is true that prosperity and well-being do tend to make a people forget the struggles and ardor of those struggles that gained them liberty and self-government. The 20th century has been hostile to self-government, not friendly. Yet we survive, but only because the people were faithfully led. And it was faith and the discharge of that faith mutually by those people elected as their agents, which under our system is the vital part if it is functioning, and to the extent it does not function, to that extent we are in serious trouble. To that extent we have become victims of the consequences of these misgotten and foolish leaders, demagogic and ignorant and blissfully unaware of the limitations of the powers the Constitution sets forth, but to which Congresses have rather complacently, sometimes supinely, submitted without challenge. And this means that that faith is not being kept by the agents of the people who, as they are under the Constitution, are the source of all power.

So, as I say, this is the time to have a bill of rights for the American homeowner. That means the spinal column of our country, the vital essence of our society, the newly married couple that decides to have their own little nest and have their family. That is the bulwark of our strength. But in the last 6 years it has become an empty dream.

We have brought these things out in endless hearings that we have had here in Washington, and also in historic hearings, pioneering hearings out in the field, in the country and in the densely urbanized areas of our country, from the South Bronx to Philadelphia and south to our Nation's Capital, and then from Detroit to California where we find a newer land, a newer people, so to speak. And they confront a different set of problems, but nevertheless just as vexing and complex in their extent as those facing the older sections of our country and the older housing stocks.

But around our ears, more than housing is collapsing around us, because a house does not stand isolated and alone. It has to have a water supply, drainage, sewage, and streets. That is what is known as the infrastructure, and that is collapsing around our ears.

I have reminded my colleagues on this subcommittee that we cannot talk just about housing. This is all we have been doing. But we have got to remember that we should not forget that other half of the descriptive phrase of our subcommittee, and that is community development.

Every day in the city of New York, this vast, steaming metropolis, more

water is wasted each day than is consumed. This is the precious substance that is the essence of life—water.

Why is that? Well, partly because they have such outmoded systems as wooden pipes or delivery systems. So they are having a tremendous waste. The resources of the city of New York alone are inadequate to confront that problem.

Every other day in our country a bridge collapses. When it happens out in some out-of-the-way place, nobody cares that it happens. In New York City, when it is a very vital link in transportation, yes, we care.

But what are the resources of those entities that try to firm up this infrastructure that is crumbling around our ears? We have had five communities, all in New England, that have had their water systems collapse overnight. This is happening at a time when the Federal administration in power withdraws the commitment the Federal Government has to such things as this. Were it not for our subcommittee and the majority Members of both the House and the Senate most of the time, the President's budget since the beginning, in 1981, would have zeroed everything out, as they have done in housing. For instance, this administration has reduced by 80 percent the allocation of credit for housing or assisted housing, as we call it. Well, we cannot have a Nation that is still dynamic and still growing straitjacketed and not expect to have problems.

So today I have introduced what will be known as H.R. 4959, which in effect will reaffirm our commitment to a national housing promise.

I started to say that just about 6½ percent of our American families today can afford to buy a new single-family dwelling unit. The average national index of cost is so prohibitive that no more than 6½ percent of the American people can afford to buy a brandnew, spanking, newly constructed home. This is not good. We have now, as our subcommittee first pointed out on December 4, 1982, a considerable segment of our American people rootless, homeless, and wandering our country as refugees do in other lands. That is not allowable for us in America.

But what is the reason for this? Well, I brought this out before in an endless number of specific remarks that I have made showing the root causes, the development of these causes and their contributing factors, as to why we got to this point.

Why is it that as of 3½ years ago America is a debtor nation for the first time since 1914? It is basically for the same reason that for a substantial number of Americans we are houseless and homeless.

There was a time when we had Presidents who cared. We had Frank-

lin Roosevelt at the height of the Depression, when everybody was broke and the Treasury was broke, and yet he and the Congresses had faith in the American people. That is the backbone of the American people, the home occupant, the homeowner, a little family trying to hold itself together. The only thing that anchors down a family to its country and its soil is a home.

Now, what did they do? Did they say, "Oh, well, no, we can't do it because of the budget deficiency"? Did they say, "No, we can't do that"?

No, they started such programs as the HOLC, the Home Owners Loan Corporation. And they heard then the same voices we are hearing now from those who are in power today saying, "You can't do that because it will be abused, it is a waste of money, and you don't have the money. What are you going to do, lend borrowed money?"

No, they went on ahead and did it. And when the program closed out, the bulk of the American families that owned homes that were threatened with foreclosure saved their homes, and when the program closed out, at just about the time the war was going to break out, it brought in \$400 million to the U.S. Treasury. Now, \$400 million in 1940 would be like several billion today. This was what having faith in that substantial strength of America meant.

Today we have seen what happened with the Federal Reserve Board and its previous Chairman. When I introduced an impeachment resolution against him, I had a lot of criticism, and everybody thought I was publicity seeking. Well, I was in dead earnest because the substance of America had been sold down the river, for which we are paying now and for which we still have to get the full bill of accounting. But when I saw that this same powerful Chairman who was going to dictate the fiscal and monetary policies and, therefore, the economic policy of the Congress, met in secret with the head of the First National City Bank of New York, Walter Wriston, and H.L. Bunker Hunt, the billionaire from Texas who thought he was so smart that by using over 35 billion dollars' worth of bank credit allocations, he could go over and compete with those old European speculators and corner the silver market—and he lost his pants and all that bank credit—I knew something was going to happen. They had that secret meeting. The banks met to see how they could rescue him. They were willing to allocate, as they continue to do, vast segments of American credit resources, banking resources.

Everybody has forgotten what banks are. The Congresses are not here to do the bidding of the bankers, but one would not think so sitting in on the hearings of the Banking Committee

and other places. Banks are chartered, or are supposed to be, for public need and convenience. But they have become the most powerful entities in our society. They determine our coinage. I have brought that out before.

In this bill, H.R. 4959, I am saying all this, and the descriptive introductory clause of the bill is this: To establish a national housing trust to assist first-time home buyers.

Now, what do we mean by "first-time home buyers," and how do we define them? We set up this trust. And how is it going to be administered? Well, we are not going to have the Federal Reserve Board as members of the trust of the Secretary of HUD, under whose aegis we would have it administered through FHA. We will have the savings and loan institutions that are today as dead as a doornail. At risk right now is the insurance fund not only for the S&L's but for the banks, too, because FDIC is headed that way.

What do we do, sit here and wait until this crisis engulfs us to the point where everything is lost? That is the real danger to this country, not a foreign invasion. We inside the United States face this danger.

So all this does is say, "Look, fellows, just bring that jam from up on that top shelf, where only the H.L. Bunker Hunts and all those guys are able to get it, and bring it down here where the common folk can reach it. They will know what to do." That is all.

So we allocate a national credit allocation of \$6 billion to be apportioned over a period of 3 years through the trust fund. It is going to be a trust fund, and it cannot be used for any other purpose. Eligible will be those families whose median income does not exceed 115 percent of the median average in that area and who have not been homeowners in the immediate past 3 years. We are targeting these brandnew would-be homeowners who could own their own homes if given a little help.

We cap interest rates at 6 percent, and that is the nub of the matter. The S&L's in the State of Texas are dead. Even the stronger ones are losing money. They may not be bankrupt, but nobody can stay in business if they keep losing money. And we have had a record number of bank closings already since January 1.

Everybody might think that this is a Texas phenomenon. Let me assure my colleagues that this is a national problem. All throughout the Nation these institutions are in trouble.

Now, do we want to sit here and say, "At no time will I allow the taxpayers' money to be used as a rescue"? That is not the issue. The issue is, are we going to sit here and wait until the insurance fund is bankrupt and we cannot pay the insurance on the covered and insured depositors or account

holders? We will be yelling to bail them out, but by then we are in crisis and we would not be thinking right. Let us do this now, and we will save the S&L's. This mechanism that I would use here will actually administer it, and this new would-be home buyer will go to an S&L that will have and will be enabled to keep a home mortgage portfolio, as they were intended to be functioning when they were founded.

□ 1330

So all I am saying is nothing. I am not doing anything radical. I am just bringing good old-fashioned, old-time religion which worked back into the system by just bringing it back and giving the people that priceless allocation of credit resources for one of the musts in human existence, which is shelter. Everywhere throughout the globe in human existence a person has got to have three basic things, and shelter is one of them I firmly believe, and so do the colleagues that have signed on with me. These are all responsible, hard-working, very knowledgeable members of the Subcommittee on Housing and Banking. The mechanism is to affirm our faith in those institutions that worked until they strayed from the basics.

Mr. Speaker, S&L's were founded specifically by the Congress because a framework is needed of financial institutional reference to create the credit so that one can have a homebuilder build at an affordable cost that he can sell at an affordable rate and stabilize that mortgage by making it a 30-year stretchout with a fixed stable rate of interest. As I have said since the day I came to the Congress, and that was 27 years ago when nobody gave a hoot or a gehinny, because who would think that it was legal to charge over 10-percent interest?

In fact today most everyone I talk to in and out of Congress knows that there are laws protecting against usury. Let me say, "There aren't," and I pointed that out when I got here the first month I got here.

I came from Texas where the Texas State Senate had just defeated an attempt to get the small borrower in the clutches of the loan shark. And I saw those tracks coming up here to the Nation's Capital, but I never dreamed that beast would take over, and it has.

Mr. Speaker, there are no protections, and there have not been any since 1865 when Abraham Lincoln had just been killed and the Congress passed the National Currency Act which set up the first framework roughly of the national banking system and abolished the usury law. And nothing. This is why a person cannot get 10-percent, not 11-percent, not 15-percent, but 21-percent prime interest rates in 1980 and 1981. No nation, as I have said ad nauseum here

in the history of known mankind's activity can endure with extortionist rates of interest otherwise known as usury. No civilization. The history of interest rates parallels the rise and the fall of vast empires. This is why we are floundering, and we are addressing it here by capping it and saying no more than 6 percent for 30 years. And we will have the real resources of this Nation. We have the secondary mortgage institutions. We will bring them into the trust, FNMA. Well, what are these institutions? They have the best of two worlds. They are supposed to be semi-private or quasi-private, but, my gosh, my colleagues ought to see the salaries the officers get. And they are living off of what? Well, it has to be off of the primary market.

If we have an unhealthy or a broke primary market, how can the secondary market be any good? This seems to escape all of our refined economists and financiers and all. And what we have had is rampant, unrestrained greed because all through mankind's history one of the reasons governments have been founded has been to control that. So when we take the top away from the corner, we should not be surprised, and we should not be wringing our hands, and shedding tears and gnashing our teeth. What else was to be expected?

The Congress helped with the passage of two fundamental acts in 1980 and 1982. I was against both. I was the only one, I might say, so I do not know. The only credentials I have to show whether I was right or wrong is what is happening now, the realities of a broken down savings and loan system, a floundering financial institution. It would not take much.

We are now dependent upon forces external to our shores as to what we can do or cannot do or what will happen to us because we have been living off of foreign borrowed money. And I am convinced that no matter how magnanimous, no matter how generous, no banker is in the charity business whether he is dealing with the Government or anybody else.

And concomitant with that has been the unanswered questions that I have been raising since the middle and the late sixties with the first credit crunch of 1966 in June. And that is how come President Franklin Roosevelt and also in the sequela war known as the Korean war President Truman had to wage war on borrowed money as they had to.

As a matter of fact, here in World War II, as I said before, on the Federal level we were using 46½ percent of our total gross national product on the Federal level to prosecute and win the war. But Roosevelt and the administration never had to pay even 2 percent on an average to service the debt. Truman neither.

But now, as much as 14½ percent on Treasury T-bills? All of this travail that the Congress went there on this abomination known as the Gramm-Rudman-Hollings to balance the budget in 1991 they said.

Mr. Speaker, I call it Gramambo legislation because it was so violative of the Constitution that the Supreme Court knocked out half of it, half of the original Gramm-Rudman-Hollings, as some of us predicted. All right.

The first year; that is the year before last, on March 15, Gramm-Rudman-Hollings was supposed to announce a savings; that is, a reduction, of the national debt of \$15 billion, but what they did not announce is that that same day the interest charges to service that debt rose \$30 billion. Oh, how are we going to balance the budget if we are cutting this and saving that, but we are paying more over here, twice as much as was said would be saved? Anybody can tell you that. Any grammar school child can tell you that that kind of arithmetic is a declining arithmetic. It is not an addition. It is a subtraction.

So who is worried about how the system was changed and in what manner in servicing the debt?

As I am talking here just this day we will be dishing out way over \$500 million on interest. By definition interest is the most inflationary economic factor known to man because it is something for nothing. This is exactly why ancient civilizations prohibited it by penalty of death.

As the Lord Jesus Christ was preaching, the law of that land was that interest and usury were punishable by death. So all through history it has been regulated.

We talk about the Japanese competition, yes. And what I am doing here is what I told the mortgage bankers 4 years ago. I had just met with two Members of the Japanese Diet, brilliant fellows who were members of the housing component of the Diet and two Japanese industrialists in construction. They were evaluating the American market, and they showed me how they were ready to come in and they could set up a single family dwelling unit at 10,000, finance it at no more than 7½ percent, and I told the mortgage banker; I said, "You're going to have the same thing happen among you fellows because of your accustomed uncontrolled greed. As happened to our automobile manufacturers, you're going to be invaded and displaced."

Well, up to now that has not happened only because there have been some factors there that have contributed to that not happening, but I said, "You gentleman aren't going to tell me that we in America don't have the wit and the will to do the same thing and even do it cheaper at 6 percent.

It's just a fact that you're all on a big joyride, even more so now within several money manias, your real estate investment trusts, your collateral money manias."

They were beginning to see at that point some of the insidious effects of the so-called money market, uninsured, which today is a time bomb ticking.

When I asked the new Chairman of the Federal Reserve Board, Mr. Greenspan, last autumn in his first appearance before a committee, I said, "Sir, what do you intend to do with that 22½ percent of that financial segment that's insured that grew up in this mutual money market?"

And he said, "Nothing."

Well, to me, and I am no expert, it seems like that is a time bomb ticking. And sooner or later it is going to have to be addressed.

Now the Congress did not do anything when that was developing because it regulated the banks. They were under regulation to the extent they could be, but these money market funds were sucking out; the technical word, "disintermediating" the other financial institutions. That is sucking money out from them in order to go to these high-yielding mutuals or rather money markets, and this is what is happening now in Texas. The regulator that did not regulate when he should have is now trying to piece the parts together, stitch them together.

But what are they doing? They are a fiction of the imagination. They are dead as a doornail, but they are offering high yields, 9, 9½ percent. Naturally when they see FSLIC deposits, or whatever you want to call them, are insured up to \$100,000, that is a big selling point, and the others, the regular plotting institutions, cannot pay that high yield, so they are going to see their funds subtracted, and that is what is happening.

But the institution is as dead as a doornail. What is going to happen when the day of reckoning hits and that insurance fund is not there to meet the protection that has been promised by the Government? That is what I want to know.

□ 1345

That is when I want to ask my colleagues who tell me today, "Oh, no, never taxpayers' money." I want them to tell me in a few months whether they are going to refuse to vote to save those insured funds.

Mr. MFUME. Mr. Speaker, will the gentleman yield?

Mr. GONZALEZ. I yield to the gentleman from Maryland.

Mr. MFUME. Mr. Speaker, I thank the gentleman for yielding to me.

I have to admit to the gentleman that I felt compelled to come back to

the floor of the House while listening to the gentleman's comments.

I thank the gentleman for the leadership that he has brought to this House on banking and financial matters and for the real institutional history that the gentleman has provided to many of us. Speaking as one of the Members of Congress with the least seniority to the gentleman from Texas, one of the highest seniority Members, we appreciate that and we appreciate the leadership that the gentleman brings with what obviously is a burning desire and commitment to the area of banking and to the area of housing and related matters, whether they are financial, structural, social, or systemic.

The gentleman is also to be commended on doing, as he did today with the introduction of his legislation to establish a National Housing Trust to assist first-time homebuyers, I think that is extremely important because it is the beginning of a process of making a major recommitment in reestablishing Federal housing policies by setting up assistance for those families who had the opportunity and want to become first-time homebuyers, but for a number of reasons did not.

So because of that and the gentleman's very real leadership, both as a member of the Banking Committee and as Chair of the Housing Committee and the help he has given to others, we appreciate that.

I had indicated earlier in my prior remarks that because of my own markup on my own legislation that took place earlier I could not get to the gentleman's press conference this morning, but I commend the gentleman nonetheless on the effort and thank the gentleman for this ongoing commitment to the issues. It is very real and it ought to at least call our attention to them, so that we might look at them in a more serious vein and begin the process of a logical debate and discussion, rather than being as an ostrich and sticking our heads in the ground assuming that the storm will not affect us.

So again I thank the gentleman for yielding and I thank him for his leadership.

Mr. GONZALEZ. Well, Mr. Speaker, I thank my very distinguished colleague, the gentleman from Maryland. We appreciate the gentleman being a member of the subcommittee. It has made a big difference since his advent to the Congress. He has contributed, he has been a faithful attendant to the hearings, and therefore he knows whereof he speaks and I am deeply grateful for the gentleman's kind and generous remarks, but above all the gentleman's outstanding service on the Subcommittee on Housing.

The gentleman may be in his first year, but let me tell the gentleman, he came here running.

Yes, that is the whole idea. I have spent a lot of hours speaking here about the troubles and the problems and who has done it and who is to blame and all of that, but I have always said that never has been enough. I have always offered, since 25 years ago, some suggestion in the way of legislation. For instance, for years and years, 25 years, I have introduced an audit of the Federal Reserve Board bill. Everybody would say, "Oh, but how can you?"

The chairman would come in and say, "We have got to maintain independence."

But what independence? They are not talking about independence. It is known as the Federal Reserve Board. It is the one that is now deciding the fateful decisions on our economic well-being, monetary, fiscal policy, but because it has not been accountable to anybody, either to the Congress who created it in 1913 or the President of the United States, it has now left America so vulnerable that even if the Federal Reserve Board cannot control interest rates overnight, because they are now dependent on these external forces that through the years and through the abdication of these powerful entities, the Federal Reserve Board has that name Federal, but it is not a Federal agency.

I say that it is time that we go back to the 1913 original act and its intention and we ought to federalize the Federal Reserve Board.

The Federal Reserve Board Act of 1913 defined what was going to be the Federal Reserve Board as the fiscal agent of the U.S. Treasury, but it is the other way around now. The Treasury is the lapdog of the Federal Reserve Board, but the intention of Congress was that this would be an instrumentality following the Great Depressions of 1907 and 1908, and after hearings and deliberations under the famous Pujo Committee in the House of Representatives, it finally structured the Federal Reserve Board in the Federal Reserve Board Act of 1913; but within 10 years we had this encrustment known as the Open Market Committee and that, of course, was when the whole congressional intent was undone.

Why? Because it is the so-called Open Market Committee, it is everything but open, it is very closed, they do not account to anybody. They are the ones that set the interest rates on T-bills. That means they have the power to make or destroy any administration. We know that and everybody else knows it, but nobody wants to do anything about it.

The Federal Reserve Board is just another human entity, but it is the private commercial bank system's entity. It is not the Federal Government's.



And since when has there ever been an infallible human institution?

They do not want an audit. Why? Why should they not want an audit? By whom? By the only arm the Congress has, the GAO.

They fought us tooth and nail when we had my fellow Texan, Chairman Wright Patman, the greatest American ever to sit on the Banking Committee, and we got to the point where we had hearings and it looked as if we were going to get a vote on getting an audit. You would have thought that we were threatening the pillars of the institutional life of this country, so we never have had that.

Who constitutes the Federal Reserve Board? The private banking system.

Who are the Federal Board district members? The private banking system representatives from the banks around it.

Well, I know we had a scandal there, and after 1 year of importuning my chairman then, we finally had the chairman say, "All right, we will have an in-house review of this matter."

What it was, a leak had come out of the Open Market Committee that had benefited one of the New York banks, but that member on his return home and when we were raising the issue, died.

So then finally after raising our voices and shouting and whatnot in committee hearings, the chairman finally said, "All right. Can you tell me why Congressman GONZALEZ request that you answer these questions about this leak have not been answered?"

So he said, "All right. We are going to appoint an in-house committee." So they did.

He said, "We are going to get an attorney." Well, they did, but who did they get? They got the attorney for the bank that had profited.

So they came back and we did not hear from them for a year. Finally I raised my voice again and they came in and said, "All right. Here is a report."

I had that report printed in the RECORD several years ago.

The long and short of it was, yes, there was a leak, but it was a mistake. They could not find any culprit. Well, of course not. He had already been buried.

This is the kind of thing that was going on, the Chairman holding himself up in what was supposed to be a secret meeting in Florida with the head of the First City National Bank, as I said awhile ago, and this great billionaire from Texas, Bunker Hunt. Why? Because the bank did not want to lose all that credit they foolishly had given this man to speculate with.

It continues to happen. We have had such speculation that the bubble has to burst.

We are not only an external debtor nation, we are the biggest debtor

nation in the world right now. We are about three times more in debt than all the Third World countries put together. We are also a domestic debtor nation. We have about 2 trillion dollars' worth of internal debt, that is private debt.

Oh, you know, all I am saying in this bill is, look, housing is a priority. We cannot tolerate having rootless, homeless Americans, families, that is; not the traditional hobo or ne'er-do-well or the vagabond, but families. I have seen mothers and fathers with two children trying to live in a car in a park under an underpass, so this bill I think would bring to all these institutions and say, "OK, let's work for the people now."

Mr. Speaker, I place copies of H.R. 4959 and sundry at the point in the RECORD.

#### H.R. 4959

A bill to establish a National Housing Trust to assist first-time homebuyers

*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 "National Housing Trust Act".

#### SEC. 2. NATIONAL HOUSING TRUST.

(a) ESTABLISHMENT.—There is established the National Housing Trust, which shall be in the Department of Housing and Urban Development and shall provide assistance to first-time homebuyers in accordance with this Act.

(b) BOARD OF DIRECTORS.—The Trust shall be governed by a Board of Directors, which shall be composed of—

(1) the Secretary of Housing and Urban Development, who shall be the chairperson of the Board;

(2) the Secretary of the Treasury;

(3) the chairperson of the Board of Governors of the Federal Reserve System;

(4) the chairperson of the Board of Directors of the Federal Deposit Insurance Corporation;

(5) the chairperson of the Federal Home Loan Bank Board; and

(6) the chairperson of the Board of Directors of the Federal National Mortgage Association.

(c) POWERS OF TRUST.—The Trust shall have the same powers as the powers given the Government National Mortgage Association in section 309(a) of the Federal National Mortgage Association Charter Act.

(d) STAFF AND ADMINISTRATIVE SUPPORT.—The Secretary of Housing and Urban Development, with the assistance of the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, shall provide the Trust with such offices, staff, and administrative support as the Trust may require to carry out this Act.

#### SEC. 3. ASSISTANCE FOR FIRST-TIME HOMEBUYERS.

(a) IN GENERAL.—The Trust shall provide assistance payments for first-time homebuyers so that the rate of interest payable on the mortgages by the homebuyers does not exceed 6 percent.

(b) ELIGIBILITY REQUIREMENTS.—Assistance payments may be made under this Act only under the following conditions:

(1) FIRST-TIME HOMEBUYER.—The homebuyer is an individual who (and whose

spouse) has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the property with respect to which assistance payments are made under this Act.

(2) MAXIMUM INCOME OF HOMEBUYER.—The aggregate annual income of the homebuyer and the members of the family of the homebuyer residing with the homebuyer, for the 12-month period preceding the date of the application of the homebuyer for assistance under this Act, does not exceed 115 percent of the median income for a family of 4 persons in the metropolitan statistical area involved.

(3) PRINCIPAL RESIDENCE.—The property securing the mortgage is a single-family residence and is the principal residence of the homebuyer.

(4) MAXIMUM MORTGAGE AMOUNT.—The principal obligation of the mortgage does not exceed the principal amount that could be insured with respect to the property under the National Housing Act.

(5) MAXIMUM INTEREST RATE.—The interest payable on the mortgage is established at a fixed rate that does not exceed a maximum rate of interest established by the Trust taking into consideration prevailing interest rates on similar mortgages.

(6) RESPONSIBLE MORTGAGEE.—The mortgage has been made to, and is held by, a mortgagee that is federally insured or that is otherwise approved by the Trust as responsible and able to service the mortgage properly.

(7) INSURED OR CONVENTIONAL MORTGAGE.—The mortgage—

(A) is insured under the National Housing Act; or

(B) is covered by private mortgage insurance and is for a principal amount that does not exceed 90 percent of the appraised value of the property.

(c) TERMS OF ASSISTANCE.—

(1) SECURITY.—Assistance payments under this Act shall be secured by a lien on the property involved. The lien shall be subordinate to all mortgages existing on the property on the date on which the first assistance payment is made.

(2) REPAYMENT.—Assistance payments under this Act shall be repayable, without interest, upon the sale of the property for which the assistance payments are made.

#### SEC. 4. NATIONAL HOUSING TRUST FUND.

(a) ESTABLISHMENT.—There is established in the Treasury of the United States a revolving fund, to be known as the National Housing Trust Fund.

(b) ASSETS.—The Fund shall consist of—

(1) any amount approved in appropriation Acts under section for purposes of carrying out this Act;

(2) any amount received by the Trust as repayment for payments made under this Act; and

(3) any amount received by the Trust under subsection (d).

(c) USE OF AMOUNTS.—The Fund shall, to the extent approved in appropriations Acts, be available to the Trust for purposes of carrying out this Act.

(d) INVESTMENT OF EXCESS AMOUNTS.—Any amounts in the Fund determined by the Trust to be in excess of the amounts currently required to carry out the provisions of this Act shall be invested by the Trust in obligations of, or obligations guaranteed as to both principal and interest by, the United States or any agency of the United States.

#### SEC. 5. DEFINITIONS

For purposes of this Act:

(1) The term "Fund" means the National Housing Trust Fund established in section 4.

(2) The term "Trust" means the National Housing Trust established in section 2.

#### SEC. 6. REGULATIONS.

The Board of Directors of the Trust shall issue any regulations necessary to carry out this Act.

#### SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this Act \$2,000,000,000 for each of the fiscal years 1989, 1990, and 1991. Any amount appropriated under this section shall be deposited in the Fund and remain available until expended.

#### H.R. 4959—SUMMARY OF CHAIRMAN HENRY B. GONZALEZ' LEGISLATION TO ESTABLISH A NATIONAL HOUSING TRUST FUND

Congressman Henry B. Gonzalez (D. TX), Chairman of the Subcommittee on Housing and Community Development, has introduced legislation which would establish a National Housing Trust to assist first-time home buyers. This National Housing Trust Fund would be established within the Department of Housing and Urban Development to provide assistance to first-time home buyers. While a part of HUD, the Trust would be directed by a Board of Directors to be composed of the Secretary of HUD, the Secretary of the Treasury, the Chairman of the Federal Reserve Board, the Chairman of the FDIC, the Chairman of the Federal Home Loan Bank Board, and the Chairman of the Federal National Mortgage Association.

The purpose of the National Housing Trust Fund would be to provide federal assistance to first-time home buyers in the form of an interest rate buy-down. Federal funds would be used to provide an interest rate on a 30-year fixed rate mortgage down to a level not to exceed 6 percent. The home buyer would be eligible for assistance if his or her income does not exceed 115 percent of the area median income and that the property securing the mortgage is a single-family residence and the principal residence of the home buyer. The maximum mortgage amount would be the amount permissible under the FHA mortgage insurance program which varies according to the geographical areas but would not exceed \$104,000. The average mortgage amount to be assisted under this legislation is assumed to be approximately \$80,000. The interest rate payable on the mortgage would be established by the HUD Secretary and the Board of Directors taking into account the prevailing interest rates. Mortgages eligible for assistance would be both FHA-insured and conventional mortgages. The conventional mortgage eligible for assistance could not exceed 90 percent of the value of the property and covered by private mortgage insurance. The subsidy payment made to buy down the interest rate on the mortgage must be repaid by the home owner upon sale of the property.

This bill would make use of the available mortgage credit delivery system—federally-insured lending institutions to originate the mortgages and the federal subsidy would be made available through the offices of FNMA and FHLMC who already have an extensive network involving the delivery of mortgage credit throughout the country.

Funding for the National Housing Trust fund will total \$6 billion over the next 3 fiscal years.

This legislation begins the process of making a major commitment in re-establish-

ing the federal housing policies by setting forth a new way of providing desperately needed home ownership assistance to those families, who once had the opportunity to be home owners. Since 1984 the rates of home ownership have been declining. No longer do we have a traditional mortgage lending institution available to provide mortgage credit; no longer do we have federal policy committed to assisting families to become home owners; and no longer do we have the shared commitment to continue the American dream of home ownership. This legislation attempts to change that direction and to consolidate the long-time federal commitment of home ownership in the form of much needed assistance to first-time home buyers. It provides direct federal assistance totalling \$6 billion that could provide assistance to some 200,000 families over the next 3 years.

#### COMMUNICATION FROM THE SPEAKER

The SPEAKER pro tempore (Mr. SKAGGS). The Chair lays before the House the following communication:

WASHINGTON, DC,

June 30, 1988.

I hereby designate the Honorable THOMAS FOLEY to act as Speaker pro tempore and to sign enrolled bills and joint resolutions through July 6, 1988.

JIM WRIGHT,

*Speaker of the House of Representatives.*

The SPEAKER. Without objection, the designation is accepted.

#### LEGISLATION TO CONVERT PORTIONS OF THE FEDERAL FLEET TO VEHICLES USING CLEANER FUELS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. FAZIO] is recognized for 15 minutes.

Mr. FAZIO. Mr. Speaker, I am today introducing legislation that will establish the Federal Government as a leader in this country's evolution to cleaner fuels. Designed to be integrated into the Clean Air Act amendments currently under consideration, the bill sets a schedule for converting portions of the Federal fleet to vehicles capable of running on alcohol, natural gas, or electricity.

Dozens of cities in this country are still in very serious violation of EPA's standards for safe air. My own home city of Sacramento is the 12th most polluted city in terms of ozone and the 14th worst for carbon monoxide. Current ozone levels are causing permanent scarring and premature aging of the lungs, worsening respiratory problems, and may be reducing resistance to infections. Children, because they play so vigorously outdoors, have been especially affected. High carbon monoxide levels are particularly harmful for people with heart conditions and may be harming fetuses during key developmental stages.

We don't have to put up with this, but changing it requires a willingness to plan and take active control of our future. One key strategy in reducing air pollution is to increase the proportion of vehicles on the road that run on cleaner fuels. Use of methanol, ethanol, natural gas, or electricity can dramatically

reduce emissions of both carbon monoxide and the hydrocarbons that form ozone.

The Federal Government has an invaluable role to play in helping the country make this change, in part because of a chicken-and-egg problem; consumers won't buy alternative fuel cars because the fuel is not for sale, and companies don't sell the fuel because there's no demand. This bill requires that the Government install alcohol or natural gas pumps to service its own fleet, where there are no commercial pumps available, and that the Government sell these fuels to the public, again until there are commercial suppliers. This way, the public can begin to get experience with these vehicles, and we will gradually create enough of a market to entice the commercial fuel companies to install their own alcohol or natural gas pumps.

This bill is cost-effective in several ways. First, it only applies to Federal fleets located in areas with the worst air, where the ozone or carbon monoxide levels create a serious or severe risk to health. Second, those fleets are only required to be converted at the rate of 10 percent of the fleet per year, which is the normal rate of turnover for Federal vehicles anyway. Third, the requirement does not begin until 1993, by which time at least two of the major American auto manufacturers expect to be producing some of these vehicles in commercial quantities, with the consequent price reductions. The long leadtime is important in giving the auto industry time to plan ways to meet this new demand; from the perspective of our major manufacturers, 1993 is tomorrow.

I appreciate the enthusiastic support of so many of my colleagues for this bill. Mr. SHARP has been involved and helpful from the beginning, and another 40 of our colleagues have joined as original cosponsors. The support is bipartisan and from every region of the country. Clearly, we share a desire to see the Federal Government use its great potential for leadership in an area so vital to the health and well-being of the public.

Mr. Speaker, I am submitting the bill for printing in the RECORD:

H.R. 4968

A bill requiring the use by the Federal Government of certain vehicles capable of operating on alcohol or natural gas fuels or on electricity in areas not in compliance with the Clean Air Act, and for other purposes

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

#### SECTION 1. REQUIRED USE IN NONATTAINMENT AREAS.

(a) IN GENERAL.—With respect to any fleet of passenger automobiles and light-duty trucks owned or leased for more than 60 days by the United States for operation in an area designated under the Clean Air Act as an area of serious or severe health endangerment for ozone or carbon monoxide, or both—

(1) 10 percent of the vehicles of such fleet to be used in such area shall be alternative fuel vehicles after September 30, 1993;

(2) 20 percent of the vehicles of such fleet to be used in such area shall be alternative fuel vehicles after September 30, 1994;

(3) 30 percent of the vehicles of such fleet to be used in such area shall be alternative fuel vehicles after September 30, 1995;

(4) 40 percent of the vehicles of such fleet to be used in such area shall be alternative fuel vehicles after September 30, 1996;

(5) 50 percent of the vehicles of such fleet to be used in such area shall be alternative fuel vehicles after September 30, 1997;

(6) 60 percent of the vehicles of such fleet to be used in such area shall be alternative fuel vehicles after September 30, 1998;

(7) 70 percent of the vehicles of such fleet to be used in such area shall be alternative fuel vehicles after September 30, 1999;

(8) 80 percent of the vehicles of such fleet to be used in such area shall be alternative fuel vehicles after September 30, 2000;

(9) 90 percent of the vehicles of such fleet to be used in such area shall be alternative fuel vehicles after September 30, 2001; and

(10) 100 percent of the vehicles of such fleet to be used in such area shall be alternative fuel vehicles after September 30, 2002.

(b) **REQUIRED OPERATION.**—The Administrator of the General Services Administration and the Secretary of Defense, with the concurrence of the Secretary of Energy shall, before October 1, 1992, issue regulations to ensure that a vehicle acquired pursuant to subsection (a)—

(1) shall be supplied with alcohol, natural gas, or electricity, as appropriate, in its primary area of operation, using commercially available fueling facilities to the maximum extent practicable; and

(2) shall be operated exclusively on such fuel except when operated so as to make it impracticable to obtain such fuel.

(c) **CONSIDERATIONS.**—(1) Funds appropriated for carrying out this Act shall be applied on a priority basis, for expenditure first in areas of the United States which the Administrator of the Environmental Protection Agency determines have the most severe air pollution problems.

(2) A Federal officer or agent responsible for deciding which types of alternative fuel vehicles to acquire in order to comply with subsection (a) shall consider as a factor in such decision which types of vehicles yield the greatest reduction in pollutants emitted per dollar spent.

(d) **CONSULTATION.**—A Federal officer or agent responsible for deciding which types of alternative fuel vehicles to acquire in order to comply with subsection (a) shall, on an expedited and informal basis, consult with the Environmental Protection Agency and with the lead State or local agency charged with air quality planning for the area in which the vehicles will be operated. The purpose of such consultation shall be to obtain relevant information—

(1) with respect to considerations under subsection (c)(2); and

(2) to facilitate the coordination of this Act with other Federal, State, and local programs, such as any plans by a State to install alternative fuel pumps near a location where vehicles acquired under subsection (a) will be operated.

(e) **AVAILABILITY TO THE PUBLIC.**—At Federal facilities where vehicles acquired under subsection (a) are supplied with alcohol or natural gas, such fuel shall be offered for sale to the public for use in other vehicles, unless—

(1) such fuel is commercially available for vehicles in the vicinity of such Federal facilities;

(2) security considerations prevent the offering for sale of such fuel at such facility; or

(3) the area served by the facility comes into full compliance with the national ambi-

ent air quality standards for ozone and carbon monoxide.

(f) **COST OF VEHICLES TO FEDERAL AGENCY.**—(1) Funds appropriated under this Act for the acquisition of vehicles under subsection (a) shall be applicable only—

(A) to the portion of the cost of vehicles acquired under subsection (a) which exceeds the cost of comparable conventional fueled vehicles;

(B) to the portion of the costs of fuel storage and dispensing equipment attributable to such vehicles which exceeds the costs for such purposes required for conventional fuel vehicles; and

(C) to the portion of the costs of operating and maintaining such vehicles which exceeds the costs for such purposes required for comparable conventional fueled vehicles.

(2) The Secretary of Energy shall ensure that the cost to any Federal agency receiving a vehicle under subsection (a) shall not exceed the cost to such agency of a comparable conventional fueled vehicle.

(g) **EXEMPTION.**—The incremental cost of vehicles acquired under subsection (a) over the cost of comparable conventional fueled vehicles shall not be applied to any calculation with respect to a limitation under law on the maximum cost of individual vehicles which may be acquired by the United States.

(h) **FLEET AVERAGE FUEL ECONOMY.**—In any calculation of the average fuel economy of the fleet of passenger automobiles acquired in a fiscal year by the United States, vehicles acquired under subsection (a) shall be measured in terms of miles per BTU or per kilowatt hour, as appropriate.

(i) **STUDIES.**—Vehicles acquired under subsection (a) may be included in any Federal Government study of the environmental effects or military applications of vehicles operated on natural gas, alcohol fuels, or electricity.

#### SEC. 2. OPERATION OF OTHER FEDERAL VEHICLES.

A gasoline powered vehicle operated in an area designated under the Clean Air Act as an area of serious or severe health endangerment for carbon monoxide which is not a dual energy vehicle or a natural gas dual energy vehicle shall, after March 31, 1989, be supplied with fuel which blends oxygenates with gasoline at its primary fueling facility. Such vehicle shall be operated exclusively on such fuel except when operated—

(1) so as to make it impracticable to obtain such fuel; or

(2) in an area during any month in which such area is a nonattainment area for ozone under the Clean Air Act, unless the Administrator determines that the use of blended fuel in those months would improve air quality.

#### SEC. 3. EXEMPTIONS.

The requirements of section 1(a) of this Act shall not apply to vehicles—

(1) being operated as an experiment in the use of alternative fuels other than alcohol, natural gas, or electricity; or

(2) with respect to which the Secretary of Defense has claimed an exemption based on national security considerations.

#### SEC. 4. AIR QUALITY AND HEALTH STUDY.

(a) **COMPREHENSIVE ANALYSIS.**—The Administrator, in cooperation with the Department of Energy National Laboratories, shall prepare a comprehensive analysis with respect to the air pollutant emission, air quality impact, and human health risks, including toxicity to consumers at self-service fuel pumps, associated with the storage, distribution, and use of significant amounts of alcohols or natural gas as transportation fuels

as compared to diesel and gasoline fuels. The Administrator shall include an analysis of the usefulness of alcohols, natural gas, and electricity as substitute transportation fuels to assist areas of the United States in attaining national ambient air quality standards prescribed under section 109 of the Clean Air Act.

(b) **REPORT.**—The Administrator shall, before October 1, 1991, submit a report to the Congress detailing the results of the comprehensive analysis prepared under subsection (a).

(c) **FUNDING.**—There are authorized to be appropriated to carry out the purposes of this section \$975,000 for the fiscal year ending September 30, 1990.

#### SEC. 5. DEFINITIONS AND CRITERIA.

(a) **DEFINITIONS.**—For purposes of this Act—

(1) the term "acquired" means purchased or leased for a period of 60 days or more;

(2) the term "Administrator" means the Administrator of the Environmental Protection Agency;

(3) the term "alcohol" means a mixture containing 85 percent or more methanol, ethanol, or other alcohols by volume;

(4) the term "alternative fuel vehicle" means a dual energy vehicle, a natural gas dual energy vehicle, a dedicated alcohol vehicle, a dedicated natural gas vehicle, or an electric vehicle;

(5) the term "dedicated alcohol vehicle" means a vehicle designed to operate exclusively on alcohol;

(6) the term "dedicated natural gas vehicle" means a vehicle designed to operate exclusively on natural gas;

(7) the term "dual energy vehicle" means a vehicle which—

(A) is capable of operating on alcohol and on conventional fuel;

(B) provides equal or superior energy efficiency, as calculated during fuel economy testing for the Federal Government, while operating on alcohol as it does while operating on conventional fuel; and

(C) meets the criteria set forth in subsection (b);

(8) the term "electric vehicle" means any vehicle capable of operating exclusively on energy derived from a source of electricity, including batteries capable of being charged by electric current, solar energy, and any other source of electricity;

(9) the term "natural gas dual energy vehicle" means a vehicle which—

(A) is capable of operating on natural gas and on conventional fuel;

(B) provides equal or superior energy efficiency, as calculated during fuel economy testing by the Federal Government, while operating on natural gas as it does while operating on conventional fuel; and

(C) meets the criteria set forth in subsection (b); and

(10) the term "vicinity" means an area the Secretary of Energy determines to be the area a commercial supplier of alcohol or natural gas fuels would reasonably expect to serve.

(b) **CRITERIA FOR VEHICLES.**—No vehicle shall be considered an alternative fuel vehicle under this section unless the vehicle meets each of the following criteria:

(1) The emission rates for air pollutants, designated by the Administrator, emitted from such vehicle are less than those for comparable vehicles which do not use such alternate fuels.

(2) The vehicle emits formaldehyde at a level no greater than that which the Admin-

istrator determines to be appropriate for the protection of the public health.

#### SEC. 6. FUNDING

There are authorized to be appropriated for the fiscal year ending September 30, 1993, \$10,000,000; for the fiscal year ending September 30, 1994, \$7,000,000; for the fiscal year ending September 30, 1995, \$7,000,000; and for the fiscal year ending September 30, 1996, \$5,000,000, to carry out the purposes of this Act except for the study under section 4. The authority of the Secretary to obligate amounts authorized under this Act shall be effective for any fiscal year only to the extent provided in advance by appropriation Acts.

#### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. McMILLAN of North Carolina) to revise and extend their remarks and include extraneous material:)

Mr. DELAY, for 5 minutes, today.

Mr. BARTON of Texas, for 5 minutes, today.

(The following Members (at the request of Mr. SKAGGS) to revise and extend their remarks and include extraneous material:)

Mr. DORGAN of North Dakota, for 5 minutes, today.

Mr. JOHNSON of South Dakota, for 5 minutes, today.

Mr. ROSE, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. FAZIO, for 15 minutes, today.

Mr. FRANK, for 60 minutes, today.

Mr. WEISS, for 60 minutes, on July 6.

Mr. MACKAY, for 5 minutes, today.

Mr. CROCKETT, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. HOYER, for 60 minutes, today.

#### EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. McMILLAN of North Carolina) and to include extraneous matter:)

Mr. PETRI.

Mr. HASTERT.

Mr. ROTH.

Mr. McEWEN.

(The following Members (at the request of Mr. SKAGGS) and to include extraneous matter:)

Mr. CLAY.

Mr. FAZIO.

#### ENROLLED BILLS SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported

that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 4639. An act to amend the Higher Education Act of 1965 to prevent abuses in the Supplemental Loans for Students Program under part B of title IV of the Higher Education Act of 1965, and for other purposes, and

H.R. 4731. An act to extend the authority for the Work Incentive Demonstration Program.

#### BILL AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on June 28, 1988, present to the President, for his approval, a bill and joint resolutions of the House of the following titles:

H.R. 4162. An act to make the International Organizations Immunities Act applicable to the Organization of Eastern Caribbean States.

H.J. Res. 485. Joint resolution designating June 26 through July 2, 1988, as "National Safety Belt Use Week," and

H.J. Res. 587. Joint resolution designating July 2 and 3, 1988, as "United States-Canada Days of Peace and Friendship."

#### ADJOURNMENT

Mr. GONZALEZ, Mr. Speaker, I move that the House do now adjourn. The motion was agreed to.

The SPEAKER pro tempore. Pursuant to the provisions of Senate Concurrent Resolution 130 of the 100th Congress, the House stands adjourned until 12 noon, Wednesday, July 6, 1988.

Thereupon (at 1 o'clock and 56 minutes p.m.), pursuant to Senate Concurrent Resolution 130, the House adjourned until Wednesday, July 6, 1988, at 12 noon.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3907. A letter from the Director, Office of Management and Budget, transmitting the Reagan administration's position for funds to study the feasibility of restoring Hetch Hetchy Valley to Yosemite National Park; to the Committee on Appropriations.

3908. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Air Force's proposed letter(s) of offer to Korea for defense articles (Transmittal No. 88-36), pursuant to 10 U.S.C. 118; to the Committee on Armed Services.

3909. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Air Force's proposed letter(s) of offer to Malaysia for defense articles (Transmittal No. 88-37), pursuant to 10 U.S.C. 118; to the Committee on Armed Services.

3910. A letter from the Secretary of Labor, transmitting a report on the analysis of the rates of inflation affecting older Americans based on an experimental reweighted consumer price index, pursuant to 29 U.S.C. 2 nt.; to the Committee on Education and Labor.

3911. A letter from the Secretary of Labor, transmitting a draft of proposed legislation to amend the Job Training Partnership Act to add an enriched program option of employment and training for at-risk youth to the title II-B Summer Youth Employment and Training Program, to revise the method for allocating funds under that program, and for other purposes; to the Committee on Education and Labor.

3912. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Air Force's proposed letter(s) of offer and acceptance [LOA] to Korea for defense articles and services (Transmittal No. 88-36), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

3913. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Air Force's proposed letter(s) of offer and acceptance [LOA] to Malaysia for defense articles and services (Transmittal No. 88-37), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

3914. A letter from the Benefits and Risk Manager, the Fourth District Farm Credit Institutions, transmitting the 1987 annual report for the fourth district farm credit institutions amended retirement plan, pursuant to 31 U.S.C. 9503 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

3915. A letter from the Chairman, U.S. Merit Systems Protection Board, transmitting the Board's report entitled, "Sexual Harassment in the Federal Government: An Update," pursuant to 5 U.S.C. 1205(a)(3); to the Committee on Post Office and Civil Service.

3916. A letter from the Clerk of the House, transmitting the annual compilation of personal financial disclosure statements and amendments thereto filed with the Clerk of the House of Representatives, pursuant to 2 U.S.C. 703(d)(1) (H. Doc. No. 100-209); to the Committee on Standards of Official Conduct and ordered to be printed.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 3964. A bill to establish a National Park System Review Board, and for other purposes; with an amendment (Rept. 100-742). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 4315. A bill to provide for the inclusion of certain lands within the John Muir National Historic Site; with an amendment (Rept. 100-743). Referred to the Committee of the Whole House on the State of the Union.

Mr. MONTGOMERY: Committee on Veterans' Affairs. Budget allocation report of the Committee on Veterans' Affairs pursu-

ant to section 302(b) of the Congressional Budget Act of 1974 (Rept. 100-745). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONIOR. House Resolution 486. H.R. 4174, a bill to amend the Small Business Act and the Small Business Investment Act of 1958, and for other purposes (Rept. 100-746). Referred to the House Calendar.

#### REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 4519. A bill to provide for the disposition of certain lands in Arizona under the jurisdiction of the Department of the Interior by means of an exchange of lands, and for other purposes, referred to the Committees on Education and Labor and Merchant Marine and Fisheries for a period ending not later than July 14, 1988, for consideration of such provisions of the bill as reported by the Committee on Interior and Insular Affairs as fall within the jurisdiction of those committees pursuant to clause 1(g) and (n), rule X, respectively. (Rept. 100-744, pt. 1). Ordered to be printed.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 4338. A bill to amend the Marine Protection, Research, and Sanctuaries Act of 1972 to impose special fees on the ocean disposal of sewage sludge, and for other purposes; with an amendment, referred to the Committee on Public Works and Transportation for a period ending not later than August 5, 1988, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(p), rule X (Rept. 100-747, pt. 1). Ordered to be printed.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 1115. A bill to amend the Consumer Product Safety Act to establish uniform safety standards; with an amendment, referred to the Committees on Education and Labor and the Judiciary, for a period not to exceed forty-five legislative days, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of those committees pursuant to clause 1(g) and (m), rule X, respectively (Rept. 100-748, pt. 1). Ordered to be printed.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DYSON:

H.R. 4954. A bill to amend the Agricultural Act of 1949 to permit farmers to hay and graze on set-aside acreage with respect to a crop of wheat or feed grains if their farms were situated in areas declared natural disasters by the Secretary of Agriculture during the preceding calendar year; to the Committee on Agriculture.

By Mr. ANNUNZIO (for himself, Mr. WYLIE, and Mr. HILER):

H.R. 4955. A bill to amend the Federal Home Loan Mortgage Corporation Act to remove the ownership restrictions placed on nonvoting preferred stock of the corporation; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BENNETT (for himself, Mrs. BOXER, Mr. RIDGE, Mr. HERTEL, Mr. RODINO, Mr. ROTH, Mr. MOODY, Miss SCHNEIDER, Mr. BONKER, Mr. GEJUNSON, Mr. STARK, Mr. FOGLETTA, Mr. HOCHBRUECKNER, Mr. SAXTON, Mr. FRANK, Mr. LANTOS, Ms. SLAUGHTER of New York, Mr. PENNY, Mr. BROWN of California, Mr. BEILENSON, Mr. DICKS, Mr. DELLUMS, Mr. SIKORSKI, and Mr. JONTZ):

H.R. 4956. A bill to amend title 10, United States Code, to strengthen conflict-of-interest restrictions relating to defense procurement; to the Committee on Armed Services.

By Mr. BEREUTER:

H.R. 4957. A bill to amend the provisions of the International Financial Institutions Act to promote an increased role by the International Bank for Reconstruction and Development and the African Development Bank in advising on mechanisms to promote increased debt-for-development swaps for charitable, educational, and scientific activities, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BONKER (for himself, Mr.

ROYBAL, Mrs. MORELLA, Mr. BENNETT, Mr. WALGREN, Mr. ANNUNZIO, Mr. GRAY of Illinois, Mr. YATES, Mr. McMILLEN of Maryland, Mr. MORRISON of Washington, Mr. LANTOS, Miss SCHNEIDER, Mr. HORTON, Mr. OWENS of New York, Mr. DE LA GARZA, Mr. ROE, Mr. BOSCO, Mrs. BOXER, Mr. HARRIS, Mr. MORRISON of Connecticut, Mr. LOWRY of Washington, Mr. BERMAN, Mr. DICKS, Mr. LEHMAN of California, Mr. OBEY, Mr. DYMALLY, Mr. BEREUTER, Mr. FAUNTROY, Mr. LANCASTER, Mr. COELHO, Mr. DWYER of New Jersey, Mr. DELUMS, Mr. TOWNS, Mr. HAMMER-SCHMIDT, Mr. WHEAT, Mr. GOODLING, Mr. WISE, Mrs. LLOYD, Mr. ROBINSON, Mr. GARCIA, Mr. FROST, Mr. SCHUETTE, Mr. SABO, Mr. SYNAR, Mr. TALLON, Mr. FRANK, Mr. BOUCHER, Mr. SMITH of Florida, Mr. RIDGE, Mr. EDWARDS of California, Mr. SHUMWAY, Mr. FLORIO, Mr. CLEMENT, Ms. SNOWE, Mr. KOLTER, Mr. FAWELL, Mr. BATEMAN, Mr. BIAGGI, Mr. ARMEY, Mr. DOWNEY of New York, and Mr. LELAND):

H.R. 4958. A bill to amend chapters 83 and 84 of title 5, United States Code, to expedite the processing of applications of Federal employees seeking retirement benefits, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. GONZALEZ (for himself, Mr. HUBBARD, Mr. GARCIA, Mr. KENNEDY, Mr. FLAKE, Ms. PELOSI, and Mr. TRAFICANT):

H.R. 4959. A bill to establish a National Housing Trust to assist first-time homebuyers; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BOUCHER (for himself, Mr. MARKEY, and Mr. DINGELL):

H.R. 4960. A bill to amend the Securities Exchange Act of 1934 to provide for the fair, equitable, and voluntary arbitration of customer-broker disputes, and for other purposes; to the Committee on Energy and Commerce.

By Mr. COLEMAN of Texas:

H.R. 4961. A bill to direct the Secretary of State to construct, operate, and maintain an extension of the American Canal at El Paso, TX; jointly, to the Committees on Foreign Affairs and Interior and Insular Affairs.

By Mr. CRAIG (for himself, Mr. CHANDLER, and Mr. LOWRY of Washington):

H.R. 4962. A bill to require the Secretary of the Treasury to mint and issue five-dollar coins in commemoration of the 100th anniversary of the statehood of Idaho, Montana, North Dakota, South Dakota, Washington, and Wyoming; to the Committee on Banking, Finance and Urban Affairs.

By Mr. DWYER of New Jersey (for

himself, Mr. KANJORSKI, Mr. SABO, Mrs. BOXER, Mr. LAGOMARSINO, Mr. BONKER, Mr. ROE, Mr. EVANS, Mr. FLORIO, Mr. DERRICK, Mr. SMITH of Florida, Mr. MORRISON of Connecticut, Mr. WOLFE, Mr. ERDREICH, Mr. CHAPMAN, Mr. HYDE, Mr. SKELTON, Ms. OAKAR, Mr. PETRI, Mr. DAVIS of Illinois, Mr. BUSTAMANTE, Mr. DEFazio, Mr. SLATTERY, and Mr. PICKETT):

H.R. 4963. A bill to ensure that checks for retired and retainer pay and to pay benefits under the retired serviceman's family protection plan and the survivor benefit plan are delivered early if the usual delivery date falls on a Saturday, Sunday, or holiday; to the Committee on Armed Services.

H.R. 4964. A bill to ensure that checks to pay benefits under title IV of the Federal Mine Safety and Health Act of 1977 are delivered early if the usual delivery date falls on a Saturday, Sunday, or holiday; to the Committee on Education and Labor.

H.R. 4965. A bill to ensure that checks to pay benefits under the Railroad Retirement Act of 1988 are delivered early if the usual delivery date falls on a Saturday, Sunday, or holiday; to the Committee on Energy and Commerce.

H.R. 4966. A bill to ensure that checks to pay annuities under the civil service retirement system and the Federal employee retirement system are delivered early if the usual delivery date falls on a Saturday, Sunday, or holiday; to the Committee on Post Office and Civil Service.

By Mr. ERDREICH:

H.R. 4967. A bill to amend the Housing Act of 1949 to reduce the rental payments required to be paid by families residing in rural rental housing; to the Committee on Banking, Finance and Urban Affairs.

By Mr. FAZIO (for himself, Mr.

SHARP, Mr. WISE, Mr. GEPHARDT, Mr. MILLER of California, Mr. DURBIN, Mr. FASCELL, Mr. NEAL, Mr. LELAND, Mr. ANDERSON, Mr. TAUKE, Mr. DANEMEYER, Mr. BROWN of Colorado, Mr. RICHARDSON, Mr. UDALL, Mr. EDWARDS of California, Mrs. COLLINS, Mr. GLICKMAN, Mr. ACKERMAN, Mr. LAGOMARSINO, Mr. PENNY, Mr. OWENS of New York, Mr. SCHUMER, Mr. FRANK, Mr. FAUNTROY, Mr. GARCIA, Mr. JONTZ, Mr. ATKINS, Mr. GREEN, Mr. FOGLETTA, Mr. LEHMAN of California, Mr. MOORHEAD, Mr. SKAGGS, Mr. BEILENSON, Mr. DIXON, Mr. HUGHES, Ms. PELOSI, Mr. MATSUI, Mr. BERMAN, Mr. FISH, Mr. RHODES, and Mr. MINETA):

H.R. 4968. A bill requiring the use by the Federal Government of certain vehicles capable of operating on alcohol or natural gas fuels or on electricity in areas not in compliance with the Clean Air Act, and for other purposes; to the Committee on Energy and Commerce.

By Mr. FLORIO:

H.R. 4969. A bill to establish a Department of Environmental Protection; to the Committee on Government Operations.

By Mr. KASTENMEIER:

H.R. 4970. A bill to amend title 35 of the United States Code relating to animal patents; to the Committee on the Judiciary.

H.R. 4971. A bill to regulate the use of genetically engineered animals in agricultural activities, and for other purposes; jointly, to the Committees on Agriculture, Energy and Commerce, and Science, Space and Technology.

By Mr. KASTENMEIER (for himself and Mr. MOORHEAD) (both by request):

H.R. 4972. A bill to authorize appropriations for the Patent and Trademark Office in the Department of Commerce, and for other purposes; to the Committee on the Judiciary

By Mr. LEHMAN of Florida:

H.R. 4973. A bill to amend title 28, United States Code, and the Tariff Act of 1930 to provide amounts from the Department of Justice Assets Forfeiture Fund and the Customs Forfeiture Fund to assist State residential drug treatment programs; jointly, to the Committees on the Judiciary, Ways and Means, and Energy and Commerce.

By Mr. MAVROULES (for himself and Mr. FRANK):

H.R. 4974. A bill to amend the Federal Water Pollution Control Act to establish a grant program for operation and maintenance of certain treatment works; to the Committee on Public Works and Transportation.

By Mr. NIELSON of Utah (for himself, Mr. CHENEY, Mr. HUBBARD, Mr. SKEEN, Mr. McEWEN, Mr. COMBEST, Mr. EDWARDS of Oklahoma, Mr. YOUNG of Alaska, Mr. STALLINGS, Mr. WATKINS, Mr. CAMPBELL, Mr. BLILEY, Mr. LUJAN, Mr. HANSEN, Mr. STUMP, Mr. PASHAYAN, Mr. INHOPE, Mr. BARTON of Texas, Mr. WHITTAKER, Mr. COATS, Mr. MARLENEE, Mrs. VUCANOVICH, Mr. ROGERS, Mr. BILIRAKIS, Mr. OXLEY, Mr. MOORHEAD, Mr. SCHAEFER, Mr. DANNEMEYER, and Mr. CRAIG):

H.R. 4975. A bill to provide for a viable domestic uranium industry, to establish a program to fund reclamation and other remedial actions with respect to mill tailings at active uranium and thorium sites, to establish a wholly-owned Government corporation to manage the Nation's uranium enrichment enterprise, operating as a continuing, commercial enterprise on a profitable and efficient basis, and for other purposes; jointly, to the Committees on Energy and Commerce, Interior and Insular Affairs, Science, Space and Technology, and Ways and Means.

By Mr. PEPPER (for himself, Mr. MACKAY, and Mr. MICA):

H.R. 4976. A bill to authorize the Attorney General to make grants to the government of Dade County, FL, and to certain police departments in such county; jointly, to the Committees on the Judiciary and Energy and Commerce.

By Mr. TORRICELLI (for himself, Mr. BONKER, Mr. BROOKS, Mr. JEFFORDS, Mr. HYDE, Mr. COELHO, Mr. RICHARDSON, Mr. FEIGHAN, Mr. DYMALLY, Mr. BERMAN, Mr. KOSTMAYER, Mr. SMITH of Florida, Mr. LANTOS, Mr. FROST, Mr. WEISS, Mrs. SAIKI, Mr. SCHUETTE, and Mr. BARTON of Texas):

H.R. 4977. A bill to amend the International Claims Settlement Act of 1949 to provide for the payment of claims of nationals

of the United States against Vietnam; to the Committee on Foreign Affairs.

By Mr. ATKINS (for himself, Mr. FOLEY, Mr. COELHO, Mr. SOLARZ, Mr. LEACH of Iowa, Mr. RIDGE, and Mr. DORNAN of California):

H.J. Res. 602. Joint resolution in support of the restoration of a free and independent Cambodia and the protection of the Cambodian people from a return to power by the genocidal Khmer Rouge; to the Committee on Foreign Affairs.

By Mr. HOYER (for himself, Mr. CONTE, and Mr. EARLY):

H.J. Res. 603. Joint resolution designating September 14, 1988, as "National Medical Research Day"; to the Committee on Post Office and Civil Service.

By Mr. WELDON:

H.J. Res. 604. Joint resolution designating February 5 through 11, 1989, as "National Burn Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. DELAY (for himself, Mr. TALLON, Mr. APPELGATE, Mr. ARCHER, Mr. ARMEY, Mr. BADHAM, Mr. BAKER, Mr. BALLENGER, Mr. BARTLETT, Mr. BARTON of Texas, Mr. BATEMAN, Mrs. BENTLEY, Mr. BERUTEER, Mr. BILBROY, Mr. BILIRAKIS, Mr. BLILEY, Mr. BOEHLERT, Mr. BOULTER, Mr. BRYANT, Mr. BURTON of Indiana, Mr. BUSTAMANTE, Mrs. BYRON, Mr. CALLAHAN, Mr. CARPER, Mr. CHANDLER, Mr. CHAPMAN, Mr. COATS, Mr. COBLE, Mr. COMBEST, Mr. COURTER, Mr. CRAIG, Mr. CRANE, Mr. DANNEMEYER, Mr. DARDEN, Mr. DAUB, Mr. DAVIS of Illinois, Mr. DERRICK, Mr. DEWINE, Mr. DICKINSON, Mr. DiOGUARDI, Mr. DORGAN of North Dakota, Mr. DORNAN of California, Mr. DREIER of California, Mr. DYSON, Mr. EDWARDS of Oklahoma, Mr. EMERSON, Mr. ENGLISH, Mr. ERDREICH, Mr. ESPY, Mr. FAWELL, Mr. FAZIO, Mr. FIELDS, Mr. FISH, Mr. FORD of Michigan, Mr. GALLEGLY, Mr. GALLO, Mr. GEKAS, Mr. GILMAN, Mr. GINGRICH, Mr. GRANDY, Mr. GRANT, Mr. GRAY of Pennsylvania, Mr. GREEN, Mr. GREGG, Mr. GUNDERSON, Mr. HALL of Texas, Mr. HANSEN, Mr. HARRIS, Mr. HASTERT, Mr. HAYES of Louisiana, Mr. HEFLEY, Mr. HEFNER, Mr. HENRY, Mr. HERGER, Mr. HERTEL, Mr. HILER, Mr. HOLLOWAY, Mr. HORTON, Mr. HOUGHTON, Mr. HOYER, Mr. HUBBARD, Mr. HUCKABY, Mr. HUNTER, Mr. HUTTO, Mr. HYDE, Mr. INHOPE, Mr. IRELAND, Mr. JEFFORDS, Mrs. JOHNSON of Connecticut, Mr. KASICH, Mr. KONNYU, Mr. KYL, Mr. LAGOMARSINO, Mr. LANCASTER, Mr. LANTOS, Mr. LATA, Mr. LENT, Mr. LEWIS of California, Mr. LEWIS of Florida, Mr. LIGHTFOOT, Mr. LIPINSKI, Mr. LIVINGSTON, Mrs. LLOYD, Mr. LOTT, Mr. LOWRY of Washington, Mr. LUNGREN, Mr. MADIGAN, Mr. MANTON, Mr. MARTIN of New York, Mrs. MARTIN of Illinois, Mr. McCANDLESS, Mr. MCCOLLUM, Mr. MCCREERY, Mr. MCCURDY, Mr. McDADE, Mr. McMILLAN of North Carolina, Mrs. MEYERS of Kansas, Mr. MICHEL, Mr. MILLER of Ohio, Mr. MILLER of Washington, Mr. MOLINARI, Mr. MOORHEAD, Mr. MORRISON of Washington, Mr. MRAZEK, Mr. NIELSON of Utah, Mr. ORTIZ, Mr. PACKARD, Mrs. PATTERSON, Mr. PENNY, Mr. PEPPER, Mr. PICKETT, Mr. PRICE of North Carolina, Mr. PURSELL, Mr. QUILLEN, Mr. RAHALL,

Mr. RAVENEL, Mr. RHODES, Mr. RICHARDSON, Mr. RIDGE, Mr. RINALDO, Mr. RITTER, Mr. ROBERTS, Mr. ROBINSON, Mr. ROE, Mr. ROGERS, Mr. ROTH, Mr. ROWLAND of Connecticut, Mr. ROWLAND of Georgia, Mr. SAXTON, Mr. SCHAEFER, Mr. SCHULZE, Mr. SENSENBRENNER, Mr. SHAW, Mr. SHAYS, Mr. SHUMWAY, Mr. SISISKY, Mr. SKEEN, Mr. SKELTON, Mr. SLATTERY, Mr. SMITH of New Jersey, Mr. SMITH of Texas, Mr. DENNY SMITH, Mr. SMITH of New Hampshire, Mr. ROBERT F. SMITH, Ms. SNOWE, Mr. STALLINGS, Mr. STANGELAND, Mr. STENHOLM, Mr. STUMP, Mr. SUNDQUIST, Mr. SWINDALL, Mr. TAUKE, Mr. TAUZIN, Mr. TAYLOR, Mr. THOMAS of Georgia, Mr. THOMAS of California, Mr. UPTON, Mr. VALENTINE, Mrs. VUCANOVICH, Mr. WALKER, Mr. WATKINS, Mr. WELDON, Mr. WHITTAKER, Mr. WILSON, Mr. WISE, Mr. WOLF, Mr. WORTLEY, Mr. WYLIE, and Mr. YOUNG of Florida):

H. Con. Res. 327. Concurrent resolution expressing the sense of the Congress that Nicaragua should fulfill its pledge to proclaim a general amnesty and release all political prisoners in accordance with the Esquipulas II agreement; to the Committee on Foreign Affairs.

By Mr. COMBEST:

H. Res. 487. Resolution expressing the sense of the House of Representatives that Federal laws regarding the taxation of State and local government bonds should not be changed in order to increase Federal revenues; to the Committee on Ways and Means.

## MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

430. By the SPEAKER: Memorial of the Legislature of the State of Louisiana, relative to airbags or other automatic passenger restraints in new automobiles; to the Committee on Energy and Commerce.

431. Also, memorial of the Legislature of the State of Louisiana, relative to methods of funding certain programs required under title III of the Superfund Amendments and Reauthorization Act of 1986; to the Committee on Energy and Commerce.

432. Also, memorial of the Senate of the Commonwealth of Puerto Rico, relative to tariffs on certain agricultural products which are not produced in the United States; to the Committee on Ways and Means.

## ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 47: Mr. RINALDO.

H.R. 1638: Mr. JOHNSON of South Dakota and Mr. MURTHA.

H.R. 1810: Mr. CROCKETT.

H.R. 2640: Mr. LEWIS of California, Mr. STUMP, and Mr. MCCREERY.

H.R. 3112: Mr. BONKER and Mr. LEVIN of Michigan.

H.R. 3560: Mr. TRAXLER.

H.R. 3719: Mr. STALLINGS, Mr. ROBERT F. SMITH, Mr. PRICE of North Carolina, Mr. MACK, Mr. SIKORSKI, Mr. RITTER, and Mr. DONALD E. LUKENS.

H.R. 3723: Mr. PENNY.  
 H.R. 3788: Mr. ANDERSON, Mrs. ROUKEMA, and Mr. YATES.  
 H.R. 3964: Mr. FUSTER, Mr. SLATTERY, and Mr. CONYERS.  
 H.R. 4015: Mr. STUMP, Mr. GORDON, and Mr. WEBER.  
 H.R. 4111: Mr. SMITH of New Jersey.  
 H.R. 4127: Mr. SOLOMON, Mr. STRATTON, Mr. McDADE, Mr. McCRERY, Mr. BENNETT, Mr. KLEZKA, Mr. BONIOR of Michigan, Mr. DONNELLY, and Mr. EARLY.  
 H.R. 4142: Mr. HORTON.  
 H.R. 4156: Mr. DeWINE, Mr. CHAPMAN, and Mr. HUGHES.  
 H.R. 4170: Mr. CARPER, Mr. CLINGER, Mr. JENKINS, and Mr. RICHARDSON.  
 H.R. 4335: Mr. CARPER, Mr. SOLARZ, and Mr. KENNEDY.  
 H.R. 4402: Mr. OWENS of New York.  
 H.R. 4472: Mr. HORTON.  
 H.R. 4498: Mr. BOEHLERT, Mr. VENTO, Mr. TRAXLER, and Mr. WOLPE.  
 H.R. 4576: Mr. CROCKETT.  
 H.R. 4644: Mr. DWYER of New Jersey.  
 H.R. 4661: Mr. RODINO, Mr. TOWNS, and Mr. BELLESON.  
 H.R. 4678: Mrs. ROUKEMA, Mr. THOMAS of Georgia, Mr. DioGUARDI, Mr. McMILLAN of

North Carolina, Mr. LEHMAN of Florida, Mr. EDWARDS of California, Mr. LOWRY of Washington, Mr. FAZIO, Mr. LaFALCE, and Mr. BIAGGI.  
 H.R. 4763: Mr. ASPIN.  
 H.R. 4829: Mr. WEISS, Mr. GUARINI, Mr. FROST, Ms. PELOSI, Mr. FLORIO, Mr. GRADISON, Mrs. SAIKI, Mr. BONKER, Mr. TOWNS, Mr. NEAL, Mr. MARTINEZ, Mr. BATEMAN, Mr. FASCELL, Mr. HAWKINS, and Mr. RANGEL.  
 H.J. Res. 464: Mr. GRANT, Mr. JACOBS, Mr. LUNGREN, Mr. DORNAN of California, Mr. COLEMAN of Missouri, Mr. TAYLOR, and Mr. WHITTAKER.  
 H.J. Res. 488: Mr. CHANDLER, Mr. PANETTA, Mr. MACK, Mr. DICKS, Mr. BEVILL, Mr. BIAGGI, Mr. MOLINARI, Mr. LEACH of Iowa, Mr. McHUGH, Mr. LUJAN, Mr. FAWELL, Mr. GINGRICH, Mr. HOCHBRUECKNER, Mr. WAXMAN, Mr. HAWKINS, Mr. RICHARDSON, Mr. RODINO, Mr. SAVAGE, Mr. SAWYER, and Mr. CRANE.  
 H.J. Res. 568: Mr. SOLOMON, Mr. GUARINI, Ms. SLAUGHTER of New York, Mr. STRATTON, Mr. WOLF, Mr. DWYER of New Jersey, Mr. LIPINSKI, Mr. BATEMAN, Mr. WALGREN, Mr. DORNAN of California, Mr. BEVILL, Mr. MONTGOMERY, Mr. INHOPE, Mr. MINETA, Mr. GALLEGLY, Mr. JEFFORDS, Mr. HARRIS, Mr. WEBER, Mrs. COLLINS, Mr. HOLLOWAY, Mrs.

PATTERSON, Mr. BADHAM, Mr. VENTO, Mr. SUNDQUIST, Mr. SCHULZE, Mr. GEJDEJONSON, Mr. WELDON, Mr. DONALD E. LUKENS, Mr. OBERSTAR, Mr. COURTER, Ms. KAPTUR, Mr. JENKINS, Mr. OWENS of Utah, Mr. YOUNG of Florida, Mr. HEFNER, Mr. BONIOR of Michigan, Mr. LEVIN of Michigan, and Mr. MATSUI.  
 H.J. Res. 571: Mr. KANJORSKI, Mr. OWENS of Utah, Mr. RINALDO, Mr. JONES of North Carolina, Mr. THOMAS of Georgia, Mr. LaFALCE, Mr. YATRON, Mr. HEFNER, Mr. RAHALL, Mr. PURSELL, and Mr. KOLTER.  
 H.J. Res. 590: Mr. ANDERSON, Mr. FIELDS, and Mr. RINALDO.  
 H. Con. Res. 237: Mr. CHAPPELL.  
 H. Con. Res. 277: Mr. SIKORSKI, Mr. DELUMS, Mr. OLIN, Mr. BUSTAMANTE, Mr. DURBIN, Mr. GRAY of Pennsylvania, Mr. DORGAN of North Dakota, Mr. HALL of Ohio, Mr. TRAXLER, Mr. PENNY, Mr. MATSUI, Mr. ESPY, and Mrs. COLLINS.  
 H. Con. Res. 305: Mr. AKAKA, Mr. CHAPMAN, Mr. CLINGER, Mrs. COLLINS, Mr. CONTE, Mr. EVANS, Mr. GARCIA, Mr. SIKORSKI, Mr. WAXMAN, and Mr. WEISS.  
 H. Con. Res. 316: Mr. FAUNTROY, Mr. HAYES of Illinois, Mr. ROBINSON, and Mr. ALEXANDER.

## EXTENSIONS OF REMARKS

MANDATORY ARBITRATION IN  
SECURITIES

HON. RICK BOUCHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. BOUCHER. Mr. Speaker, our entire financial system is ultimately reliant on the twin principles of trust and confidence. This is true with regard to the relationship the Government has with its citizens when it issues currency, and it is true with regard to the relationship between broker/dealers and their clients.

The legislation I am introducing today along with the chairman of the Telecommunications and Finance Subcommittee, Mr. MARKEY, and the chairman of the Energy and Commerce Committee, Mr. DINGELL, attempts to reestablish and reinforce confidence in our securities markets by implementing an improved system of arbitration which may be used to resolve disputes between securities dealers and their clients.

We are all aware that since the market crash of October 1987 there has been a crisis of investor confidence in the markets. At a recent hearing of the Telecommunications and Finance Subcommittee on the current mandatory securities arbitration process James Meyer, president of the North American Securities Administrators Association, testified that:

The events of last October provided additional incentive for designing an arbitration reform proposal. Thousands of investors with complaints arising from the market crash got a second rude shock when they learned, frequently to their surprise, that they would have no recourse other than arbitration.

The ire of these investors is understandable when one considers that currently customers must sign agreements to enter into the securities market for either option or margin accounts. Similar agreements are not required for a customer entering into the commodities market.

The arbitration system the securities industry forces onto these customers is run by the exchanges themselves. There are no rules of evidence. The arbitrators are paid by the exchanges. The locations and times of the hearings are often set at the convenience of the arbitrators and brokers with little regard for the investor seeking redress. When the investor does win awards it is seldom for the full amount of loss, and in some cases do not even cover the cost of travel and attorneys fees. There are no written decisions and few records are kept. Nothing is made public and appeals to the courts are extremely unlikely except in the most blatant cases of misconduct, and not necessarily even in those cases.

Is it any wonder that a customer who had lost a good deal of their money through unsanctioned trades by their broker, who had no

choice but to sign an arbitration agreement in order to open his or her account, who may not have even been aware that they were giving up their right to go to court when they signed the agreement, and who felt that the arbitration system run by the industry had treated them unfairly, would not have confidence in dealing with the securities industry again?

Of course not. Yet the Subcommittee on Telecommunications and Finance, as well as the Securities and Exchange Commission is aware that this is precisely what has happened in countless cases. This is why the staff at the Securities and Exchange Commission has recently formally recommended that the Commission take steps to reimpose a system of voluntary, rather than mandatory, arbitration. The specific bill Mr. MARKEY, Mr. DINGELL and myself are introducing today is also endorsed by both the North American Securities Administrators Association, and the Consumer Federation of America.

We need to be very clear about the intent of this legislation. Our legislation will in no way prevent brokers and their clients from using arbitration to resolve disputes, or prevent them from signing predispute arbitration agreements at the time a securities contract is originated.

Arbitration, particularly in cases involving small investors, can be an efficient and effective method of resolving securities disputes. Larger and more sophisticated investors are familiar with the arbitration process and its benefits. Many of these sophisticated investors currently opt to voluntarily sign arbitration agreements when they deal in the commodities exchanges where mandatory predispute arbitration agreements are not permitted.

The key word is not arbitration, which our bill will retain and enhance. The key word is mandatory. Our legislation will simply make the arbitration system with regard to securities equivalent to the way it was prior to the June 1987 Supreme Court decision in the McMahon versus Shearson case. I believe the security industry was able to operate quite effectively prior to that decision under the voluntary, rather than the compulsory, arbitration system. I am confident it will continue to do so after our bill is passed into law.

I have seen no evidence that the litigation costs for securities firms have dropped substantially since the McMahon decision, and I see no reason why litigation costs would rise dramatically if we overturn that decision with this legislation.

Many people in the securities industry have argued to me that their research indicates that the arbitration system is not only fair, but actually works to the customer's advantage. If that is indeed the case, then there should be no problem to presenting this evidence to the customer at the time of contract origination in which case I would expect the majority of customers to sign arbitration clauses willingly.

In short if arbitration is attractive to the consumer they will go to arbitration willingly. If the industry operated arbitration system cannot be shown to give the consumer a fair shake it is clearly unfair to mandate that they sign compulsory arbitration agreements as a condition for dealing in securities.

Our legislation will resolve this issue by making it clear that arbitration clauses are voluntary, and that the signing of such an agreement is not a precondition for a customer to enter into a securities account agreement. And by making it very clear to the consumer that they are indeed signing such an agreement by requiring that such clauses be contained on a \* \* \* must be separately signed.

The legislation also makes a number of procedural reforms in the arbitration system which are designed to make the system fairer for both sides in the dispute. These reforms include stipulating that there be ample opportunity for customers to receive documents from their brokers which are necessary to prepare their case. That the arbitrators provide a brief written opinion indicating the reasons for their decision and the elements of their award. It requires that a majority of the arbitrators not be substantially involved in the industry, unless the customer requests otherwise and that reasonable biographical information about the arbitrators be provided to the customer.

Mr. Speaker, the securities industry is, and should be, a regulated industry. It is clearly in the best long-term interests of the industry, and the Nation for us to resolve disputes through a system that is not only fair and efficient, but that appears to the customers who are complaining that it is fair and efficient. The current securities-run, mandatory arbitration system does not have these qualities. Observers on the left, right, and center agree that the system needs reform. The legislation we are introducing today is a balanced attempt to achieve that reform and reassure uneasy investors.

A section-by-section analysis of the bill follows:

SECTION-BY-SECTION ANALYSIS OF SECURITIES  
ARBITRATION REFORM ACT OF 1988 AS IN-  
TODUCED BY REPRESENTATIVE BOUCHER

## SECTION 1. SHORT TITLE

Section 1 of the bill states that the bill may be cited as the "Securities Arbitration Reform Act of 1988."

SECTION 2. MINIMUM STANDARDS FOR ARBITRA-  
TION AGREEMENTS; RULEMAKING AUTHORITY

Section 2 of the bill amends the broker-dealer registration and regulation provisions of section 15(c) of the Securities Exchange Act of 1934 (Exchange Act) by adding a new paragraph (7). This new paragraph seeks to achieve two major objectives: invalidate all existing and future pre-dispute arbitration agreements between brokers or dealers<sup>1</sup> and

<sup>1</sup> For purposes of this explanation, the term "dealer" incorporates the term, "municipal securities dealer."

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.  
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



customers and direct the SEC to develop appropriate rules to ensure the voluntariness of any entry by customers into such agreements.

Currently, the Exchange Act does not address the issue of mandatory pre-dispute arbitration clauses. Typically, a customer is presented with a brokerage contract containing many provisions, including a binding agreement to arbitrate future disputes. No explanation as to the consequences of accepting the arbitration clause accompanies the agreement. Moreover, the broker is in no way constrained from conditioning entry into the brokerage contract on the customer's willingness to accept the arbitration clause.

Section 2 would address this situation by adding a paragraph (7)(A) to section 15(c) that expressly prevents brokers, dealers and municipal securities dealers from entering into pre-dispute arbitration agreements with customers unless entered into in accordance with the provisions of the section.

Subparagraph (B) directs the SEC to establish procedures to effectuate the requirements of subparagraph (A). In order to give additional guidance to the SEC and in order to ensure that decisions to enter into such agreements will be truly voluntary on the part of the customer, subparagraph (B) specifies certain minimum requirements to be incorporated in such rules. First, each pre-dispute arbitration agreement must be on a separate page and must be separately signed. This segregation seeks to assure that the arbitration clause does not get lost among other material, that it is easily identified and understood, that it is made clear that signing the clause is not a condition for opening an account, and that it is endorsed as a wholly independent agreement.

Second, a pre-dispute arbitration agreement must not constitute a condition for doing business with a customer. At present, customers are increasingly required to sign a pre-dispute arbitration clause in order to open an account. Penetration of these binding, involuntary agreements has become widespread in the securities industry and it is very difficult to open an option or margin account without signing such a document. While diversity exists in the area of cash accounts, the trend is clearly toward mandatory clauses for such accounts as well. In addition to the prohibition on making the signing of the agreement a condition of doing business, this provision prohibits customers that opt not to sign the pre-dispute arbitration agreement from being discriminated against by brokers and dealers on the basis of fees or access to any privileges, benefits or services.

Third, the bill specifically directs the SEC to prescribe the form in which disclosures are to be made to the customer in the separate arbitration agreement. It establishes that all information necessary to the exercise of an informed and voluntary decision by the customer be clearly and prominently disclosed. The intent of this provision is to ensure that information such as the absence of a right to appeal an arbitral decision is disclosed clearly to the customer before he signs.

Subparagraph (C) expressly voids all agreements already in existence that were entered into without benefit of the protections of this section. Congress, having made a judgment that mandatory pre-dispute arbitration agreements are unfair to customers, should not leave intact those unfair agreements for persons forced to sign such clauses in the past.

In its entirety, therefore, this section seeks to prevent contracts of adhesion from being imposed upon customers who wish to enter into brokerage arrangements with securities firms. In general, it is designed to ensure that customers who sign binding arbitration clauses do so with adequate knowledge of how the arbitration process works, what rights they are waiving, and with express acknowledgment that their decision to submit controversies to arbitration is voluntary.

#### SECTION 3. SUPERVISION OF ARBITRATION PROCEDURES BY SELF-REGULATORY ORGANIZATIONS

Section 3 of the bill, via subsection (a), amends section 6(b) of the Exchange Act by adding a new paragraph (9) which provides that an exchange shall not be registered as a national securities exchange unless the Commission determines that the rules of the exchange governing arbitration procedures provide for the fair, equitable, and expeditious resolution of controversies and disputes between customers and members of the exchange (and persons associated with members). While the bill does not elaborate upon the precise rules that must be adopted, it enumerates certain minimum requirements the rules must incorporate in furtherance of the overall objectives of fairness, equity, and expeditiousness.

The general charge to the exchanges contained in paragraph (9)(A), that the exchanges develop rules to provide for the fair, equitable, and expeditious resolution of controversies and disputes, represents the recognition that there are sometimes competing objectives to be realized in the arbitration process. Arbitration, as an alternative to courts, has value in its relative efficiency and low cost. To the extent that considerations of fairness militate against cost and time savings (by, for example, permitting more extensive discovery before the arbitral hearing), it will be necessary for both the exchange and the arbitrator to balance these objectives in order jointly to optimize them. While arbitration cannot and should not duplicate judicial resolution, it can and should be perceived as a fundamentally fair process.

Paragraph (9)(A) makes explicit the right to adequate and timely access to documents and witnesses. Explicit reference is made to the taking of depositions, as the arbitrator deems necessary, limited in scope by the general mandate to provide for the fair, equitable and expeditious resolution of the dispute. These criteria are intended to assure adequate discovery without allowing discovery to be used by the parties as a dilatory tactic or as a means of escalating expense. One of the most commonly highlighted flaws in securities arbitration as it currently exists is the lack of consistent and adequate rights to discovery. Frequently, where production of documents, for example, is compelled, the documents are not required to be produced until the commencement of the hearing. The lack of authority on the part of the arbitrator to enforce such orders may result in an incomplete or inadequate presentation of the facts and, as a consequence, a resolution that may not reflect justice in the case. Paragraph (9)(A) seeks to address this problem by directing the exchanges to develop procedures to enable the arbitrator to enforce such discovery.

Paragraph (9)(B) requires the arbitrator to issue a brief written statement in which the reasons for the decision are set forth and the elements of the award are disclosed.

This provision serves the purpose of promoting greater clarity in the award process. Traditionally, arbitrators, to a greater extent than judges, have sought to do Solomonic justice by "splitting the baby" and rendering partial awards in tough cases. This provision seeks to make it more difficult for an arbitrator to make an award based upon unprincipled reasoning. Arbitration should not function as enforced settlement, in which both parties are willing to give something up because they are afraid of the outcome of a judicial proceeding. Rather, it should strive to reach an appropriate resolution based upon the facts of the case. The significant difference between judicial and arbitral resolution should be speed, cost, and efficiency rather than the accuracy or quality of justice. This provision does not, however, require a lengthy opinion, nor does it require "legal reasoning" of the sort unfamiliar to a "lay" arbitrator. It seeks simply to commit the arbitrator to a reason or reasons, briefly stated, for the decision. The paragraph compels the arbitrator to separate out the various elements of the award so that the claimant knows precisely what he has won and for what reasons.

Paragraph (9)(C) makes several changes to the current system of arbitrator selection. First, it provides that a single arbitrator will be the norm unless the customer prefers a panel of arbitrators. Current procedures call for a single arbitrator only in small (under \$50,000) disputes. The preference for a single arbitrator reflected in this bill responds to concerns about the inconvenience and higher cost associated with arbitrations that do not proceed on consecutive days. Because an arbitration may take several days to complete, requiring several part-time arbitrators to conform their schedules decreases the likelihood of disposing of the case quickly.

Where there is a single arbitrator, the bill prohibits a person from serving—unless the customer requests otherwise—if he has been engaged as an associated person of a broker or dealer or substantially engaged in the representation of any broker or dealer (or associated person). If the customer consents to a panel of more than one arbitrator, then a majority of the arbitrators—again, unless the customer requests otherwise—must not have been so engaged. This provision addresses several concerns. In particular, it recognizes that an arbitrator with knowledge of and ties to the industry may be prejudiced in favor of his industry colleagues. While there is also the concern that an individual with such ties may have disproportionate influence over other arbitrators on a panel, there is the recognition that knowledge on the part of an arbitrator can be helpful to the panel in complex cases. This can perhaps obviate in part the need for expert witnesses. If, however, the customer has concerns about industry affiliations, he can opt for a single arbitrator. On the other hand, if a customer believes that the complexity of his case is such that he would be best served if all arbitrators were to have industry experience and familiarity, he can so elect. This provision seeks to provide the customer with maximum flexibility.

Paragraph (9)(D) requires the exchange to develop rules to ensure that the customer receives sufficient biographical information about potential arbitrators to enable him to exercise informed challenges.

Subsection (b) of section 3 of the bill repeats the provisions of subsection (a) described above as an amendment to section

15A of the Exchange Act. Subsection (b) adds a new paragraph 12 to section 15A(b), which applies to associations of brokers and dealers. It would provide that an association of brokers and dealers be registered as a national securities association only if it complies with the provisions of this subsection.

#### SECTION 4. WAIVERS OF RIGHTS AND REMEDIES INVALID

Section 4 of this bill amends the contract validity provisions of section 29 of the Exchange Act. Subsection (a)(1) of the bill makes a technical amendment to section 29(a) to substitute the words "of a self-regulatory organization" for the words "of an exchange required thereby".

Subsection (a)(2) of the bill adds a new sentence to the end of section 29(a). This new sentence provides that conditions, stipulations, or provisions binding a person to waive substantive or procedural defenses, rights and remedies provided by the Exchange Act (or rules thereunder or those of an exchange) are void unless they are pre-dispute arbitration agreements that conform with the requirements of the bill. The intent of this provision is to prevent language in *Shearson/American Express v. McMahon*, 107 S. Ct. 2332 (1986) that might be construed to permit waivers of rights other than rights to litigate claims under the Exchange Act. It is not designed, however, to prevent settlements of disputes that have arisen between a broker or dealer and a customer or to affect the ability of members or persons associated with members to contract among themselves to waive such rights or remedies. The exception with respect to section 28(b) of the Exchange Act is intended to preserve the ability of such parties to so contract.

#### SECTION 5. EFFECTIVE DATE, DEADLINES FOR REGULATIONS

The effective date provision in section 5(a) of the bill makes explicit the bill's applicability to all contracts to arbitrate future disputes, whether entered into prior to the date of enactment or subsequent to such date. The sections of the bill that invalidate contracts not in compliance with the requirements of the bill, sections 2 and 4, will take effect immediately upon enactment. In effect, all existing contracts will be void as of the date of enactment, and no new agreements may be entered into after that time and before the date by which the SEC must issue rules to carry out the mandate of section 2 (within one year of enactment). During this time, those parties that wish to go to arbitration may do so if a dispute arises. The exchange rules in existence as of the date of enactment will continue to apply until new rules in compliance with section 3 of the bill are adopted. Such rules must be in place within 3 months of enactment.

#### FARMERS EXEMPTION BILL

### HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. KASTENMEIER. Mr. Speaker, today I am pleased to introduce a bill, Transgenic Animal Patent and Regulatory Reform Act, aimed at responding to availability of patent protection for transgenic animals. As my colleagues know, as of April 1, 1988, it is possible to obtain patent protection for genetically altered animals.

What is a transgenic animal?

Researchers have developed techniques that allow them to insert genes from one organism into another. For example, it is possible to alter the genome of a mouse so that it can be used as a medical model for cancer research. In the near term these types of transgenic animals are the most likely commercial product. In the long term, greater than 5 years, it will be possible to genetically alter livestock to produce leaner meat and more disease resistant animals. Some researchers have also produced transgenic animals that can produce pharmaceutical products from their mammary glands.

Issues:

Is the Patent Office decision legally correct? In light of the Supreme Court decision in Chakrabarty (1980) allowing for the patenting of micro-organisms, the Patent Office decision is legally sound.

Is the patenting of animals in the public interest?

Advocates of patent protection argue that it provides a necessary incentive to conduct research on transgenic animals; is necessary to protect American businesses from foreign competition; and will reduce animal suffering, enhance medical research and improve human health through leaner meat and new drugs to treat human diseases.

Opponents of patent protection argue that it will increase animal suffering; that patent protection produces economic concentration; that farmers will be disadvantaged; and that the Federal regulatory framework is inadequate to protect human health and the environment?

Summary of the bill:

The granting of patents for transgenic animals is approved, but the rights patent owners obtain are more limited than those applicable to other types of inventions. The bill adopts a number of limitations similar to those applicable to patented plants in the Plant Variety Protection Act. Specifically, the legislation states that it is not an act of patent infringement for a person to engage in research or experimentation on a patented animal. Such research and experimentation exception is designed to further the development of science as well as to encourage parties to invent around the patent. The research exemption is limited to persons who do not have a commercial purpose, although the legislation would permit such use in connection with the generation of data to be used to obtain Federal premarket approval.

The Second set of exemptions protect farmers from the intrusion of Federal patent law into the reproduction or use activities that occur on a family farm. Under current patent law, a farmer who obtains a patented animal would likely also obtain the right to use the animal for the intended use, such as milking or slaughter. It is uncertain, however, whether the farmer would be liable for an act of patent infringement if the farmer reproduced the patented animal. Therefore, the legislation proposes that onfarm reproduction is not an act of patent infringement. The bill provides two types of farmer exemptions: The broad exemption is limited to small family farmers; the second exemption which applies to larger farmers, does not extend to subsequent sale of a patented animal for further reproduction,

because to do so would permit the farmer to become a direct competitor with the patent owner without any research and development investment. The parameters of the farmers exemption are open to further modification when this bill is marked up. It is possible that a consensus involving agricultural interests and the biotechnology industry will emerge to narrow this exemption.

The legislation establishes a regulatory scheme within the Department of Agriculture to coordinate and review research in the agriculture field. Under the bill, biomedical research would continue to be regulated by the Department of Health and Human Services, including the Food and Drug Administration and the National Institutes of Health. The Environmental Protection Agency would be granted regulatory authority with respect to the release of genetically altered animals into the wild.

The Department of Agriculture would be required to review experiments and the commercialization of transgenic animals which have applicability to the agricultural sector. The criteria to be used includes an assessment of whether the work poses an unreasonable risk to human health, welfare, or the environment. The applicant/researcher bears the burden of demonstrating the absence of risk.

#### CONGRATULATIONS TO FOTH AND VAN DYKE ON ITS 50TH ANNIVERSARY

### HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. ROTH. Mr. Speaker, 50 years ago a young German immigrant decided to start his own company. Equipped with only his dedication and desire, he took three small offices in downtown Green Bay and hired his first four employees. Today the business that Herbert Foth started back in 1938 has expanded into one of the largest engineering and architectural firms in the country. But as this firm, Foth and Van Dyke, is now celebrating its 50th anniversary and looking ahead to even more success, it is also fondly reminded of its modest beginnings.

The early years of the firm showed slow but steady growth. The handful of employees under Mr. Foth worked diligently to spread the name of the young civil engineering firm. In the early forties their persistence was rewarded with their first major client. Brown County of northeast Wisconsin and the Austin Straubel Field project represented not only a breakthrough in business but also a start to a long and prosperous history of designing airfields.

In the 1950's the firm continued its expansion with municipal and airport work. Instrumental in this growth was the addition of a former World War I pilot, Jack Horner. Mr. Horner had also worked for the Civil Aeronautics Administration. His influence quickly helped to establish the firm as one of the leading airport designers in the Midwest.

When it seemed that the firm was really about to make it on its own; disaster struck. On Thanksgiving Day in 1952 a fire totally de-

stroyed their offices. Their equipment was lost, their design drawings were ruined, and almost all of their records were gone. The hard work and devotion that had brought them to the brink of success was now all in vain.

But the devastation of losing everything soon bred a desire to get it all back. The fire could easily have been the last page in this firm's history, instead it was only a temporary setback and in some ways even an inspiration to continue. For in the face of adversity the firm pulled together and rebuilt.

In September 1967 Joseph Van Dyke joined the firm. With his addition the firm changed its name to Foth and Van Dyke, the name it still bears today. Under Mr. Van Dyke's leadership the firm expanded and grew to a national level.

A key to this expansion was the firm's ability to adapt and diversify. As the world around them changed the firm began pushing itself into new areas. The first of these adventures was an environmental laboratory constructed in the 1960's. It proved to be so successful that the firm continued to increase its number of clients as well as broaden its area of expertise.

Suddenly a small Wisconsin civil engineering firm was being nationally recognized for its engineering excellence. Foth and Van Dyke was now considered an authority on environmental protection, especially on wastewater technology. In 1978 it received both multiple State and National design awards and employed nearly 80 people.

In the last 10 years Foth and Van Dyke has continued its development in such areas as solid and hazardous waste management, resource recovery, architecture, site development, electrical and mechanical engineering, economic and business planning and production systems engineering.

The firm has also expanded geographically. In addition to offices in Green Bay, the firm now has offices in Madison, Milwaukee, and La Crosse, WI, and in Minneapolis, MN.

On its 50th anniversary, the firm is ranked 212 among the Nation's top 500 design firms. And in the last few years the Foth and Van Dyke team has grown to over 300 people.

As the officers and employees now take the time to look back over their 50-year history they will no doubt marvel at their small beginnings. But they will also recognize those same basic ingredients that make their company great today. The risks haven't gotten any smaller, they've gotten bigger; and the rewards haven't gotten any easier, they've just gotten better.

Please join me in wishing Foth and Van Dyke a happy 50th anniversary.

WILLIAM B. FRANKLIN

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. KOLBE. Mr. Speaker, I lost a good friend this past weekend. More important, the Sonoita Valley and southern Arizona lost a friend and protector. William B. Franklin died after a courageous bout with cancer.

Ben Franklin, the name he was better known by—Ben always pointed out that any kid with the last name Franklin who was born and raised in Philadelphia was going to be called Ben regardless of what his first name was—came to southern Arizona nearly three decades ago. He first came to my family's guest ranch and repeated visits there led him and his wife, Sydney, to decide that they should leave the hustle and bustle of the San Francisco Bay area and raise their family in southern Arizona. So, 20 years ago they came to Arizona.

Ben had been enormously successful in his advertising business in San Francisco. He could have comfortably retired and spent his time on two passions which he loved: racing cars and ocean sailing. He did pursue those off and on after he moved to Arizona, but Ben was not someone who could turn his back on problems that he saw.

In this case, it was the beauty of Arizona that had attracted Ben to our State, and its disappearance under the hand of ill-planned developments that brought Ben into the fray. He saw what had happened in the valley across the mountains with an over-sold and under-planned development. And he saw developers eying the magnificent Sonoita Valley, one of the last rural settings, a spectacular valley of rolling hills, streams and large oak trees just an hour from Tucson. He knew that without action, the same would happen to that valley that he had adopted.

Ben didn't just lament the possible fate of Sonoita; he took action. He put together a group of investors to buy some of the major land holdings in the valley and then proceeded to sell large pieces of the ranch to people with a similar vision, thus protecting the cattle ranch flavor and the vistas which make the valley so special.

When another large land holding was endangered by the kind of checker board development that characterized so much of land development in Arizona 20 years ago, Ben single-handedly convinced the boards of supervisors in two counties that the development not only wouldn't add to the economic base of the counties, but would prove to be a significant drain on their resources. Today, I'm pleased to be able to tell you, the Empire-Cienega Ranch has been acquired by the Bureau of Land Management and will be preserved for generations to come as one of the most important riparian habitats in the Southwest.

I shall miss Ben, not only for what he did to help save the community and valley where I grew up, but for his unflinching optimism and his vision of what a better future might be. We shall all miss him.

Mr. Speaker, I would like to include in my remarks an article written just a few weeks before Ben's death by another resident of the Sonoita Valley, a free-lance journalist. Jeff Smith's remembrance of Ben captures far more eloquently than I ever could the indomitable spirit of this wonderful individual:

SAVIOR OF SONOITA

(By Jeff Smith)

Kids need heroes growing up and I've been luckier than most: I've had four pretty good ones.

Cochise was the first, back in my cowboys-and-Indians phase. Indians-and-cowboys more like; I always liked an underdog. And while Geronimo got most of the ink, Cochise was the intellect behind the Apache freedom fighters, the class of the field.

Then there was H.M. Smith. My dad. He'd have been your hero, too, if you'd known him. The man was funnier than a whoopee cushion, a gifted and imaginative blaspheemer, a man with a lot of hard bark on him. The world beat him up for 63 years and he never said Uncle. His own mother named him Hubert Mortimer, and even that couldn't get him down.

Stirling Moss was the idol of my teenage years. You probably never heard of him either. Moss was the greatest race car driver who ever lived. Don't believe what anybody else tells you about Juan Fangio, Mario Andretti, or any of those hot-shoes. Moss was the man. He might scatter an engine more often than some, but he was indisputably the fastest, which is what racing really is about. The term race-face was coined with Moss in mind.

My fourth hero is one of the few men I know who shares my appreciation of Stirling Moss. He never met my dad and we haven't discussed Cochise, but given Ben Franklin's decency and integrity I am certain he must be a fan of my favorite Indian. Ben Franklin of course is by far the most widely known of my heroes—patriot, diplomat, inventor, and aphorist of the caliber of Shakespeare and Twain.

Wrong Ben Franklin.

My hero comes, with one exception, from an altogether different background and one not usually fitted for producing heroic virtues. His real name is William Buell Franklin and he comes from Philadelphia ("Every boy named Franklin who ever came from Philadelphia is nicknamed Ben," he explained to me many years ago) by way of San Francisco, where he was an advertising executive, and Sonoita, where he is, to put it bluntly and inelegantly, a real-estate developer.

If anyone had told me, in the flower of my youthful idealism, that I would find a hero in a West Coast ad man turned real-estate huckster, one of us would have been badly hurt. But Ben Franklin's heroism is inextricably wound up in the unheroic nature of the enterprises he has so energetically pursued.

To my mind the man is the patron saint of Sonoita.

I first heard of Ben back in the late '60s or early '70s at the height of the land-fraud game in southern Arizona. Rio Rico had boomed and busted like an overinflated balloon—big and glossy and full of nothing—and a similar scam was being floated to promote a similar "planned community" on the Empire Ranch, straddling the Pima/Santa Cruz county line in the Sonoita Valley.

Questionable sales and development tactics here, as in Florida and elsewhere, had drawn national attention, and I was covering the story locally. A fellow reporter who also was on the case suggested I talk to one of his sources, a real-estate developer, "but a good-guy developer, and a completely honest man," he told me, "named Ben Franklin."

Ben had been born to a Main Line Philly family that owned the Penn Central Railroad, I learned. He made his own way as partner in a San Francisco ad agency, and had come to the Sonoita cattle country on vacation. He stayed at the Rail X Ranch, where Jim Kolbe was growing up, and he

fell in love with the country. Ben wanted to settle in that gorgeous grassland, and he wanted to see it stay the way Mother Nature constructed it.

He went partners with a retired industrialist from Back East, and together they bought or optioned large chunks of ranchland, and planned how they could sell it to other lovers of the pristine, with minimal physical and visual impact without carving it into a stamp-sized gridwork of trailer lots, and for a fair price.

All virtually unheard-of concepts in the arena of Arizona land development.

And when Ben saw what was happening to Rio Rico on the west side of the Santa Rita Mountains, and heard that the same shy-sters wanted to do it to Empire Ranch on the east side of the Santa Ritas, he went to work. Or to war.

He hired a hydrologist to study, map and report on the groundwater situation, which was, as Ben suspected, inadequate to the grandiose schemes of the developer. He took out ads in the Tucson and Nogales papers, alerting public and politician alike to the facts and to the dangers. Ben Franklin spent a lot of his time, and his money, providing the background and the evidence our county governments needed to make an enlightened decision. Based in large part on this private, personal, individual effort, the Empire Ranch plan was torpedoed.

Ben Franklin had saved the Sonoita Valley.

And since then he has kept right on saving it, in smaller skirmishes, quieter battles, behind-the-scenes help when the local little guys were beset by big-bucks out-of-towners with bogus ideas about how to turn rural Santa Cruz County into a country club for the privileged, and turn a quick-and-dirty profit in the process. Ben Franklin is no hayseed. He comes from old money and has plenty of new money from his own enterprises. He makes no secret of it, nor any attempt to masquerade as a have-not. But the poor, the rich, the in-between of Sonoita, Patagonia, Elgin and Canelo know him for what he is, like him for it, love him for it because he's a straight-ahead, stand-up guy.

I like the man, love the man really, because he drove me up a canyon one late autumn afternoon in his Porsche-powered dune buggy, hopped out and hiked up a hill to show me a chunk of dirt I could buy and build a house on, and dream my dreams on, and some day, by God, be buried under. And he and another friend I'll be forever grateful to, made it possible for me to buy into this dream, and made me welcome in the neighborhood. Not because I could pay top dollar, but because they figured the gene pool needed a little mongrelizing. I appreciate that.

And I appreciate the oomph and the appetite of the man, batting around the backwoods in his old diesel Scout, or tromping the hilltops and gullies in a pair of L.L. Bean gumshoes. Here's a man in his 60s, racing a vintage Porsche RS Spyder at Laguna Seca, cruising to Tucson in a somewhat faded 911 with a hand-tweaked gorilla motor under the bonnet, riding the trails on a BMW motorcycle.

The lad looks like Young Santa Claus before the elf went to fat and his beard got long and snowy. But the twinkle in the eye was there since way back when, and stays lit eternally. He loves his Jack Daniels and roast beef and Yorkshire pudding, relishes a tale well-told rather than a dirty joke. Here's a Rabelaisian character you can take anywhere. He does himself proud in any company, any circumstance.

I guess today they'd call him a positive role-model. I still call him my hero.

#### DR. WILLIAM C. BABER RETIRES

### HON. ALAN B. MOLLOHAN

OF WEST VIRGINIA  
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. MOLLOHAN. Mr. Speaker, the community of Clarksburg, WV, lost an institution earlier this month when Dr. William C. Baber finally retired from his podiatry practice. For over 50 years, Dr. Baber had served the community from his office in the Union National Bank; that's longer than most of the town's residents have been alive.

While Clarksburg has lost a professional institution, we are lucky to retain a good friend. Dr. Baber will remain in Clarksburg, honing his golf skills and enjoying the many friends he has made during his career. I am submitting a public farewell letter Dr. Baber published in the Clarksburg Exponent as well as an article from the same newspaper reporting his retirement.

#### ON MY RETIREMENT

I, Dr. William C. Baber, Chiropractor and Podiatrist, am announcing my retirement as of June 1, 1988.

I want to sincerely thank all of you wonderful people who have been my patients over the years, many of my dearest patients have passed away, but when I think of those as well as those who are living—I thank God for all who have made my life so happy and rewarding.

My practice began in August 1933. I have enjoyed all of it because of you people. My thanks to each of you who have heard about my retiring and have said and done so many nice things.

My sincere thanks to the office girls who have worked for me. I know the patients appreciated them as much as I did.

My thanks to my only Landlord—The Union National Bank—for treating me so wonderfully over the years.

My thanks to my family for having so much patience with me, especially my wife.

My thanks to my deceased Mother who was such a help throughout the early years. And thanks to the one to whom I am so indebted, My one and only God.

Love to all,

WILLIAM C. BABER.

#### DR. WILLIAM C. BABER RETIRES AFTER 54 YEARS IN PRACTICE

Dr. William C. Baber, who has practiced podiatry in Clarksburg since August of 1933, has officially closed his practice and entered an active retirement.

He was born in Richwood on July 15, 1909 and graduated from Richwood High School. Dr. Baber finished at the top of his class at Temple University in Philadelphia, in June 1933.

Dr. Baber noted that in the 54 years of his practice here he has only had one landlord: the Union National Bank of West Virginia. His office has always been located in the bank building.

"I grew up in Richwood but I never was much of a ramp eater," he said of the early spring wild plant peculiar to the Appalachian area.

"I moved to Clarksburg and worked here for a while in the men's clothing business

for George R. Koon, then went to school. When I got to be 21 years old I had a little money and just took off for school.

"Temple was considered the outstanding school at that time as far as curriculum was concerned but it no longer has a podiatry school."

Dr. Baber and his wife, the former Madge E. Smith, were married in 1934. They are the parents of one son William C. Baber II.

The retiree has been a member of Sunny Croft Country Club since 1936, was on the first board of directors and has been president of the club.

"Sometimes I like to think I'm a golfer. I shoot in the low 80s now but last year I shot less than my age—two strokes less than my age," he said and noted that he is 78 years old.

He has also been president of the West Virginia Podiatry Society, past president of the Clarksburg Kiwanis Club of which he is a 50-year member, and a member of the state and national Kiwanis groups "for over 50 years."

Dr. and Mrs. Baber are avid bridge players. He is a past president of the West Virginia Bridge Association.

"One year I won the state bridge championship and I won the championship at Sunny Croft and at the Clarksburg Country Club in the same year," he stated.

Dr. Baber has one brother, Harding Baber, who is retired and lives in Clarksburg.

"He got mixed up and joined the Lions Club," Dr. Baber joked.

"I knew I was going to retire when the fellows at P. J. Kelly's had a surprise party for me and really put on the dog. This was Friday, May 27. They had a hard time getting me out of my office."

Dr. Baber noted that he will still see some of his patients in local nursing homes. He is signed up with more than four such facilities.

He explained that his next current project is "to improve my golf game so I can win a quarter. I've been playing golf since 1935 and still don't know all I want to about the game. I have plenty to do. There is always something around home to be done.

"I have known so many wonderful people in my life, and the thing I am proudest of is the fine people I have treated and the excellent friends I have made," he concluded.

#### THE AMNESTY INTERNATIONAL REPORT MANDATES REFORMS TO END SECURITY FORCE VIOLENCE IN NORTHERN IRELAND

### HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. BIAGGI. Mr. Speaker, as Chairman of the 115-Member Ad Hoc Congressional Committee for Irish Affairs, I want to bring to the attention of my colleagues a critically important report released this week by Amnesty International entitled, "United Kingdom-Northern Ireland: Killings by Security Forces and Supergrass Trials."

This report culminates a lengthy investigation by Amnesty International into practices and policies of the British security forces operating in the north of Ireland, which have been

the subject of increased attention of late. This report also focuses on the so-called "Supergrass" policy, which is the use of paid informants who present uncorroborated testimony in criminal trials. It is the crown jewel of a criminal justice system which already makes a mockery of due process and justice.

I wish to insert at this time the introduction to the report which covers the contents of this much awaited and startling investigation. In subsequent days, I will insert other relevant portions for your information.

In addition, in the very near future, I will be sending a letter to Secretary of State Shultz to urge that the United States express its concern about the issues raised in the Amnesty report as well as press the British Government to agree to the judicial inquiry and begin necessary reforms in the system.

#### UNITED KINGDOM-NORTHERN IRELAND: KILLINGS BY SECURITY FORCES AND SUPERGRASS TRIALS

##### 1. INTRODUCTION TO REPORT

This report covers two main areas of concern in Northern Ireland in the 1980s: killings by security forces and "supergrass" trials. It examines shortcomings in the administration of justice by the Government of the United Kingdom in responding to violent civil unrest.

A series of fatal shootings by security forces in Northern Ireland has given rise to serious allegations of an official policy of deliberate, planned killings of suspected members of armed opposition groups. The official procedures for investigating such killings have failed to answer adequately these allegations. Officers of the Royal Ulster Constabulary (RUC), that is the Northern Ireland police force, falsified and concealed information crucial to the investigation of the killing of six unarmed suspects in 1982. The senior English police officer initially appointed to lead an official inquiry stated that his efforts to establish the facts were obstructed. The inquiry concluded that RUC officers had conspired to pervert the course of justice. The government stated in January 1988, however, that no officers would be prosecuted for reasons of "national security" and "public interest" and that the report of the inquiry would not be made public. These developments have seriously called into question the government's commitment to investigate fully disputed killings by its security forces, make the findings public and prevent the possibility of unlawful killings in the future.

Amnesty International is therefore convinced that a wide-ranging judicial inquiry is essential. The inquiry is needed to provide a full and public account of the circumstances surrounding the killings, to evaluate official investigative procedures and to assess legislation governing the use of lethal force. Such an inquiry is also vital to prevent future unlawful killings and to ensure that all disputed killings by security forces are promptly investigated and publicly clarified.

Ten "supergrass" trials took place in Northern Ireland between 1983 and 1985. The trials were based on the testimony provided by "supergrasses"—that is, participants in the crimes charged who informed against large numbers of their alleged accomplices. Sixty-five of more than 200 defendants prosecuted at these trials were convicted on the uncorroborated testimony of "supergrasses". Some defendants spend up to five years in prison before being re-

leased on appeal. Although the Court of Appeal quashed all but one of these convictions, the Government of the United Kingdom has denied as recently as October 1987 that the procedures and rules of evidence applied in the "supergrass" trials failed to guarantee the basic right to a fair trial. Because of some procedures and rules of evidence, Northern Ireland "Diplock courts" may have convicted defendants who would be acquitted or perhaps not even tried in the ordinary court system.

The current period of civil conflict has continued in Northern Ireland since civil rights marches in 1968. There are armed opposition groups in both the Catholic and Protestant populations. The republican armed opposition groups, such as the Irish Republican Army and the Irish National Liberation Army, whose membership is predominantly of Roman Catholic background, are opposed to British presence in Northern Ireland and fight for a United Ireland. To that end, they are engaged in a campaign of murdering members of the security forces and others through bombings, military-style attacks, and assassinations. They also carry out execution-style killings of suspected informers and mete out punishment in the form of beatings and maimings to alleged common criminals. Security forces personnel are at serious risk at all times from these groups, including when they are unarmed and off duty. Loyalist armed opposition groups, notably the Ulster Defence Association, the Ulster Volunteer Force and the Ulster Freedom Fighters favour Northern Ireland's remaining a part of the United Kingdom and have also engaged in violent activities, including bombings and murder, directed mainly against the Catholic population. They also carry out punishment beatings and shootings of alleged informers or common criminals. Loyalist forces are drawn from the Protestant community, which makes up some two-thirds of the population of Northern Ireland. According to the government, between 1969 and 1987 there were approximately 2,300 conflict-related deaths in Northern Ireland that were attributed to armed opposition groups. The Irish Information Partnership, which publishes data on the conflict in Northern Ireland, gives a figure of 2,170 for such deaths during this period. According to the Information Partnership, 1,065 deaths were caused by the IRA, 442 deaths by other republican armed groups and 663 deaths by loyalist armed groups.

Amnesty International takes no side in such conflicts. It opposes, as a matter of principle, the torture and killing of prisoners by anyone, including opposition groups. Amnesty International holds that governments are responsible for bringing those who commit violent crimes to justice. In meeting this responsibility and in seeking to ensure the security of their societies, however, governments must act in accordance with international standards for the protection of human rights.

Amnesty International considers that it is particularly in situations of civil strife involving violent crimes that a government should ensure that safeguards remain in place to maintain the impartial administration of justice. The organization examined its concerns in Northern Ireland in light of the International Covenant on Civil and Political Rights and the European Convention on Human Rights, both of which have been ratified by the United Kingdom Government. These treaties provide for the right to life, the right to a fair trial and the right to equal treatment under the law.

Amnesty International has monitored the observance of human rights in Northern Ireland for many years and has repeatedly expressed to the United Kingdom Government its concerns about human rights violations there. The organization has drawn attention to situations in which some people arrested and held in Northern Ireland were denied rights available to other detainees, in Northern Ireland, as well as in other parts of the United Kingdom. In the early 1970s Amnesty International voiced serious concerns about internment without charge or trial in Northern Ireland. The organization subsequently reported numerous incidents of incommunicado detention, allegations of ill-treatment and convictions of defendants solely on the basis of statements of admission obtained under duress. Amnesty International published two reports, in 1972 and in 1978, about the ill-treatment and torture of political prisoners by the security forces. Allegations that detainees are ill-treated continue to be of concern, but their numbers have diminished considerably since the beginning of the 1980s with the introduction of measures for supervising the interrogation of suspects.

Since 1982 Amnesty International has been concerned about allegations that six unarmed people were killed by security forces in that year as part of a policy to eliminate suspected government opponents instead of arresting them. Five of the victims were members of republican armed opposition groups. As part of the organization's investigation into these incidents, Amnesty International examined in detail how the procedures for investigating disputed killings functioned, how the law was applied and what action was taken by the government. The organization also monitored other incidents of killings by the security forces since late 1982 and found that 49 people had been killed, 19 of whom were unarmed. Although the report gives details about all 49 killings, it has focused on the 1982 incidents because they highlight the organization's concerns both about current legislation governing the use of lethal force and about the investigative procedures.

Most recently, the organization has called for full and public clarification of the circumstances in which three unarmed members of the Irish Republican Army (IRA) were shot dead in the British colony of Gibraltar on 6 March 1988. They had reportedly been under surveillance for weeks while making preparations for a bombing attack. Parts of the body of contradictory evidence suggest that British security forces targeted the three and deliberately killed them without properly challenging or attempting to arrest them. Some eye-witnesses alleged that the soldiers continued to fire at the IRA members as they lay on the ground. Amnesty International is investigating this incident and will send observers to the inquest into the three deaths which is to take place in the summer of 1988. This report does not cover the organization's concerns about the incident in Gibraltar.

International standards, as established in the United Nations Code of Conduct for Law Enforcement Officials and the European Convention on Human Rights, place more stringent requirements on the use of force than those applied by the United Kingdom in Northern Ireland. The international standards address force in terms of "absolute necessity" and "strict necessity", while the law in Northern Ireland permits the use of force "as is reasonable in the circumstances" in preventing crime or in ef-

fecting lawful arrest. Amnesty International does not question the need for a government's security forces to carry or discharge lethal weapons in the course of duty. However, the organization is concerned that the law is inadequate to prevent or deter the excessive use of lethal force by security forces.

Amnesty International is also concerned that the existing procedures for investigating disputed killings—that is, police investigations, criminal proceedings and inquests are ineffective in bringing to light the full circumstances about such incidents. Few killings involving serious allegations of unlawful use of lethal force have resulted in the prosecution of security force personnel and most of those prosecuted have been acquitted. The procedures primarily relied on for determining the facts in such cases are police investigations and inquests.

Initial police investigations into the killings of the six unarmed people in 1982 were obstructed by senior officers of the Royal Ulster Constabulary (RUC), who invoked the Official Secrets Act to falsify and conceal crucial information. John Stalker, the senior British police officer in charge of the subsequent investigation, has stated publicly that his inquiry was officially obstructed.

The inquiry begun by John Stalker in 1984 and completed in April 1987 under the direction of Chief Constable Colin Sampson revealed that police officers had conspired to pervert the course of justice. The United Kingdom Government, however, announced in January 1988 that no prosecutions for such offenses would take place for reasons of "national security" and "public interest". In February the government said that two additional inquiries had been initiated to determine whether disciplinary proceedings against police officers were warranted. Five and a half years after the killings, the government has still not given a full and public account of the circumstances surrounding those killings. Moreover, the government has refused to publish the findings of the Stalker/Sampson inquiry. The government's decision not to make public the findings of the inquiry lends credibility to allegations of an official policy of deliberate and planned killings.

The main procedure for publicly clarifying the facts concerning a disputed killing, the coroner's inquest, is also of concern to Amnesty International while coroners' courts in England and Wales can bring in a verdict of unlawful killing, coroners' courts in Northern Ireland have been barred since 1959 from making such a judgment. In 1980 inquest verdicts in Northern Ireland were further restricted solely to "findings" regarding the cause of death. The coroners' offices in England and Wales summon jurors in the order presented on a list of names randomly chosen from the population, but coroners' court juries in Northern Ireland are selected and summoned by senior RUC officers. Other restrictions, which apply throughout the United Kingdom, hinder the family in trying to clarify the circumstances of a suspicious death. For example, legal aid is not available to families to engage legal representatives or expert advice. In addition, forensic and eyewitness reports are not made available to the family or its legal representatives until the beginning of the inquest.

Inquests are frequently delayed for long periods of time. Coroner investigating the six deaths which occurred in 1982 stated in 1983 that "the unexplained delay by the Director of Public Prosecutions" prevented him from carrying out his duties. The coro-

ner resigned in 1984, charging grave irregularities in police records. By mid-May 1988 the inquests into the 1982 deaths had still not taken place.

Existing investigative procedures have failed to eliminate the possibility that the six people shot by security forces in 1982 were killed with premeditation and that the killings resulted from an official policy, at some level, to eliminate or permit elimination of individuals suspected of belonging to armed opposition groups. John Stalker publicly stated that he discovered sufficient evidence to convince him that RUC officers murdered or otherwise unlawfully killed at least five of the six people. Amnesty International believes that such a statement by a senior police officer who conducted an official investigation must be regarded with utmost seriousness.

The concerns about killings by security force personnel which are raised in this report have been presented to the government in correspondence stretching over the past three years. The most detailed response of the government to Amnesty International's concerns about the killings is included in the Appendix to this report.

Since 1985 Amnesty International has repeatedly asked the government to establish an independent judicial inquiry to review all of the disputed killings since 1982 with a view to establishing effective investigative procedures for disputed killings by security forces. The organization has also urged that the inquiry review current legislation governing the lethal use of force. In connection with the six killings which occurred in 1982, Amnesty International believes that the judicial inquiry should address allegations of an official policy to eliminate or permit the elimination of government opponents. All methods and findings of the inquiry should be made public.

Amnesty International continues to urge the government to establish such a judicial inquiry because it believes it to be vital in order to ensure that effective procedures and safeguards are instituted against the occurrence of unlawful killings and if disputed killings do occur, they are fully and promptly investigated and publicly clarified.

Amnesty International has also been monitoring the judicial procedures and rules of evidence used in the "Diplock courts" in Northern Ireland. These courts have a single judge and no jury. Between 1983 and 1985 more than 200 defendants accused of committing or promoting violent acts were prosecuted during 10 "supergrass" trials in these courts. The defendants included alleged members of both republican and loyalist armed opposition groups. A key element of the prosecution's evidence in all of the trials was the testimony, often uncorroborated, of one witness who had been an alleged accomplice to the crimes charged, commonly known as the "supergrass". Sixty-five of the 120 defendants who were convicted at the trials were prosecuted and convicted solely on the basis of the uncorroborated testimony of "supergrasses". Sixty-four of the 65 were acquitted on appeal, although some spent up to five years in detention.

Amnesty International is not aware of any prosecutions in England or Wales based solely on uncorroborated "supergrass" testimony since the mid-1970s. The dangers of reliance on such testimony are generally acknowledged in the United Kingdom. But some safeguards available in ordinary courts are not available in "Diplock court" proceedings used in Northern Ireland. In ordi-

nary courts, a jury is responsible for weighing evidence and deciding on defendants' guilt or innocence. "Diplock courts" have no jury. A single senior judge, as arbiter of both law and fact, instructs himself on the dangers of accepting uncorroborated accomplice testimony.

Amnesty International is concerned that some of the procedures and rules of evidence applied in "Diplock courts" appear to vary so substantially from those of ordinary courts that "Diplock courts" may have convicted defendants who otherwise would be acquitted, or perhaps not even brought to trial. Such proceedings would be contrary to the United Kingdom's international legal obligation to afford all people equal rights, including the right to a fair trial, regardless of their political beliefs.

There have been no trials in the "Diplock courts" based on uncorroborated accomplice evidence since 1985. Amnesty International remains concerned, however, that the government continues to maintain that the procedures applied were satisfactory in guaranteeing the defendants' right to a fair trial.

The organization has registered a number of other concerns related to "supergrass" testimony. Some individuals were detained for long periods of time prior to their trials. Over half of the trials had more than 20 defendants, the largest involving 37 defendants. Several trials exceeded 100 days' duration. In some of the trials, there had not been full disclosure to the court of inducements offered to the "supergrass" to obtain his testimony.

In December 1987 Amnesty International submitted a detailed memorandum to the government outlining its concerns about the fairness of the trials and proposing a number of specific recommendations. An edited version of the memorandum forms the basis of Chapters 8 through 15 in this report. It urged the government to consider the apparent disparity between a lack of safeguards for defendants in the "Diplock court" system and protection available to defendants in ordinary United Kingdom courts. The recommendations included adopting a policy against authorizing prosecutions based solely on the uncorroborated evidence of a "supergrass"; reviewing the number of defendants tried concurrently and the complexity of such trials; and ensuring that the trials take place within a reasonable time. For the government's most detailed reply on this issue, please see the Appendix to this report.

## SECURITIES ARBITRATION REFORM ACT OF 1988

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. DINGELL. Mr. Speaker, today I join Representatives BOUCHER and MARKEY in introducing legislation, the Securities Arbitration Reform Act of 1988, to provide for voluntary, fair and equitable arbitration of customer-broker disputes.

On February 11, 1987, the Subcommittee on Oversight and Investigations opened an inquiry into the adequacy of the current self-regulatory system and the Commission's oversight thereof in connection with complaints against broker-dealers for securities-law viola-

tions. We were particularly concerned about increasing numbers of complaints in connection with churning and violations of suitability requirements, as well as complaints that arbitration procedures are rife with conflicts of interest—since the arbitrators are peers of the brokerage firm being sued—and are inadequate to enforce the statutory rights of customers against broker-dealers.

On June 8, 1987, the U.S. Supreme Court handed down a 5 to 4 decision in *Shearson/American Express Inc. et al. versus McMahon et al.* holding predispute agreements to arbitrate Exchange Act fraud claims "enforce[able] \* \* \* in accord with the explicit provisions of the Arbitration Act." Justice Blackmun, in his strenuous dissenting opinion—joined in by Justices Brennan and Marshall—noted his support for the work of the subcommittee and specifically stated that Congress appears to be the last resort for the defrauded investor: "Thus, there is hope that Congress will give investors the relief that the Court denies them today."

In response to that invitation and the outcry from public investors, our Subcommittee on Telecommunications and Finance held hearings on these issues and the need for reform on March 31 and June 9, 1988. A hearing on the introduced bill is scheduled for July 12.

At the same time, the Securities and Exchange Commission is to be commended for its actions on behalf of investors in this area. The Commission has been working with the Securities Industry Conference on Arbitration to improve their Uniform Code of Arbitration. Further, the SEC has announced that it will take up its staff's legislative recommendation on arbitration at an open meeting on July 7. That proposal would prohibit broker-dealers from limiting or conditioning access to brokerage services on the signing of a predispute arbitration agreement. The SEC proposal also would provide for Commission authority to adopt necessary or appropriate rules to assure that investors receive timely and adequate notice of their rights. I commend the Commission for this action and I look forward to reviewing their recommendation.

I urge my colleagues to support the American investor with a favorable vote on this legislation when it is brought to the floor:

U.S. HOUSE OF REPRESENTATIVES,  
COMMITTEE ON ENERGY AND COMMERCE,  
Washington, DC, June 8, 1988.

HON. DAVID S. RUDER,  
Chairman, Securities and Exchange Commission, Washington, DC.

DEAR CHAIRMAN RUDER: This is with reference to the Commission's decision to place on the calendar for consideration early next month legislation and regulations banning mandatory pre-dispute arbitration contracts between brokers and customers.

In light of the June 8, 1987 Supreme Court opinion *Shearson v. Eugene McMahon, et al.* upholding the enforceability of pre-dispute arbitration agreements with respect to fraud claims under the federal securities laws, the issue of voluntariness must be addressed. The day after the *McMahon* decision, a *Newsday* article, "Ruling Limits Investors' Right to Sue in Disputes," reported:

The brokerage industry was delighted with the ruling, said Edward O'Brien, president of the Securities Industry Association, a Wall Street trade association. O'Brien, re-

jecting claims that arbitration panels are biased as "really absurd," maintained that arbitration is "demonstratively faster, more efficient and less expensive" for investors.

Asked what investors should do if they prefer to go through the time and expense of a jury trial, O'Brien said, "They then shouldn't open a brokerage account." [emphasis added]

This suggests that, if customers refuse to sign a pre-dispute arbitration agreement, they should not be able to open up a brokerage account. I understand that the firms increasingly are moving in that direction. As Justice Blackmun stated in *McMahon*: "Both the Securities Act of 1933 and the Securities Exchange Act of 1934 were enacted to protect investors from predatory behavior of securities industry personnel." A trend toward mandatory pre-dispute arbitration contracts raises serious questions about investor protection and the enforcement of the antifraud provisions against misbehavior by brokerage firms.

With respect to the futures markets, Section 5a(11) of the Commodity Exchange Act clearly states that each contract market shall

(11) provide a fair and equitable procedure through arbitration or otherwise (such as by delegation to a registered futures association having rules providing for such procedures) for the settlement of customers' claims and grievances against any member or employee thereof: *Provided, That (i) the use of such procedure by a customer shall be voluntary and (ii) the term "customer" as used in this paragraph shall not include another member of the contract market; . . .* [emphasis added]

Investors in the securities markets deserve the same protections.

I commend you for going forward on this matter and look forward to reviewing the Commission's recommendations.

Please make this letter a part of the public record of these proceedings.

Sincerely,

JOHN D. DINGELL,  
Chairman.

U.S. HOUSE OF REPRESENTATIVES,  
COMMITTEE ON ENERGY AND COMMERCE,  
Washington, DC, February 11, 1987.

SUBCOMMITTEE ON OVERSIGHT AND  
INVESTIGATIONS

HON. JOHN S.R. SHAD,  
Chairman, Securities and Exchange Commission, Washington, DC.

DEAR CHAIRMAN SHAD: Pursuant to Rules X and XI of the Rules of the U.S. House of Representatives, the Subcommittee on Oversight and Investigations is conducting an inquiry into the adequacy of the current self-regulatory system and the Commission's oversight thereof in connection with complaints against broker-dealers for securities-law violations. We are particularly concerned about increasing numbers of complaints in connection with churning and violations of suitability requirements, as well as complaints that arbitration procedures are rife with conflicts of interest (since the arbitrators are peers of the brokerage firm being sued) and are inadequate to enforce the statutory rights of customers against broker-dealers.

This issue is receiving broad national attention.

On January 4, 1987, CBS "60 Minutes" did a segment on an 84-year-old widow named Mrs. Evelyn Anderson whose Paine Webber stockbroker put her into index options in violation of suitability requirements and

churned a \$321,262.00 account down to \$820.00. She filed a lawsuit against Paine Webber and the broker claiming that, in a six-month period in 1984, they lost approximately \$200,000.00 of her estate and generated commissions in excess of \$90,000.00. Like many customers, she signed a mandatory agreement waiving the right to sue in federal court and agreeing to settle disputes in arbitration. Mrs. Anderson's case went to arbitration and, after attorney's fees and expenses, she received only \$125,000.00 of her losses back.

On December 3, 1986, the *Miami Review* carried an article, "Securities Safeguards: How Secure?," that reported on a \$47 million dollar lawsuit by investors whose accounts were churned and placed in unsuitable and highly-leveraged government bond trades by two Dean Witter Reynolds Inc. brokers, John Kenning and John Carpenter. The article states that the scheme grew because two self-regulatory organizations (SROs), one brokerage house, and the SEC did not act on the information they had: all had knowledge of serious allegations against Kenning three years before the SEC finally filed suit. The Commission's Associate Regional Administrator passed the buck to the industry: ". . . the responsibility . . . is . . . up to the brokerage industry to supervise their employees and to make sure people . . . are adequately trained and adequately supervised."

Five months ago, however, the General Accounting Office (GAO) reported a sharp increase, from 375 in 1982 to 551 in 1983 and 528 in 1984, in securities law violations committed by broker-dealers that were not detected by the SROs. "Securities Regulation: Securities and Exchange Commission Oversight of Self-Regulation," GAO/GGD-86-83 (September 1986). Some of those missed violations were serious and the GAO report noted: "While some of the violations were missed for understandable reasons such as violations missed through human error, some were caused by more disturbing reasons such as inadequate SRO procedures." GAO report, p. 21. The GAO found "unexperienced examiners and relatively low salary levels at SROs" as well as "weaknesses in examination procedures, misapplication or apparent unfamiliarity with rules, and errors by individual examiners." GAO report, pp. 24-25. The report said that the Commission is referring more responsibility to the SROs notwithstanding that "Commission regional offices considered the SROs to be less able than the Commission to identify and take effective action on sales practice cases." GAO report, p. 62.

For the years 1985 and 1986, please identify the number of complaints received by the Commission and the SROs in connection with possible churning or suitability violations, how many of these complaints resulted in investigations and their status, how many resulted in SEC enforcement action or SRO disciplinary action, how many were dropped and who made that decision subject to what guidelines, how many were referred to arbitration and, of these latter, how many resulted in findings for the investor and how many for the brokerage house.

The Subcommittee is informed that the Commission has submitted an *amicus curiae* brief on the side of the securities industry rather than investors in the Supreme Court case *Shearson/American Express, Inc. and Mary McNulty v. Eugene McMahon, et al.*, No. 86-44 (1986) concerning whether anti-fraud cases brought under the Securities Exchange Act of 1934 and the Racketeer In-

fluenced and Corrupt Organizations Act are barred by predispute agreements between brokers and their customers to arbitrate disputes arising out of those contractual relationships. The Commission's position is a reversal of the position the Commission took in a 1975 case in which the SEC said arbitration could not be used to settle fraud claims under Section 10(b) of the 1934 Act and Rule 10b-5 thereunder.

Furthermore, the Commission's brief in the McMahon case argues the expansiveness of the SEC's post-1975 regulatory authority and that arbitration is adequate to enforce the firm's duties because:

... Since 1975 the Securities and Exchange Commission has had extensive authority to oversee and to regulate the arbitration procedures prescribed by stock exchange and other self-regulatory organizations for use by members (such as petitioner Shearson) in disputes with their customers. See Section 19 of the Exchange Act, 15 U.S.C. 78s. This regulatory authority, as its exercise to date demonstrates, can ensure that such arbitration procedures are adequate to protect statutory rights.

Yet, time and time again, the Commission has advised the Committee of serious limitations on your authority and in the arbitration process itself. For example, an August 1986 report prepared by the staff of the Commission's Division of Market Regulation stated: *The Commission has no authority to review a specific arbitration to assure either compliance with the procedural requirements of the Code or accurate interpretations of underlying federal securities law or other claims by the arbitrators.* The Commission has no authority to overturn an arbitration award, just as it cannot do so in other private dispute resolutions, such as civil litigation. (p. 3)

Arbitrations have historically been considered to be private dispute resolution forums. They have not been open to the public, arbitrators generally do not provide written opinions explaining their awards and the awards are generally not known to the public unless disclosed by the parties. (p. 5) (emphasis added)

Please provide the Subcommittee with copies of any documents, memoranda, or notes which discuss, analyze, memorialize, evidence or otherwise relate to the Commission's position on this matter in connection with the 1975 case and its current position in the McMahon case. Advise us of any legislative or regulatory changes you deem appropriate to improve the arbitration process and your oversight thereof.

We would appreciate receiving your response by the close of business on Friday, April 24, 1987. If you have any questions, please contact Michael F. Barrett (225-4441) or Consuela M. Washington (225-2927) of the staff.

Thank you for your cooperation.  
Sincerely,

JOHN D. DINGELL,  
Chairman, Subcommittee on  
Oversight and Investigations.

#### VA HOSPITALS NEED A SUPPLEMENTAL

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. MONTGOMERY. Mr. Speaker, in recent months, I and members of the Veterans' Af-

fairs Committee have received with increasing frequency reports of inadequate resources at many VA hospitals across the country. Based on these reports, as well as the committee's own site visits to medical facilities, there is but one conclusion: VA hospitals are suffering from serious professional staff shortages and insufficient funds to care for current work loads.

The bottom line is insufficient funding. The annual productivity reductions mandated by OMB, inadequate funds for special pay and equipment, failure to request funds for activation of new facilities and failure to request funds to implement new programs, have caught up with the agency.

Mr. Speaker, I am deeply concerned about this situation, as are many VA employees who are being forced to cope with circumstances that must be reversed for the sake of those hospitalized veterans who need and deserve quality health care.

A supplemental appropriation is needed now to alleviate the problems for the remainder of this fiscal year and I hope it is forthcoming.

The following letter from a VA nurse is one of several received from VA medical staff that are being brought to the attention of our committee:

MAY 26, 1988.

Mr. MONTGOMERY,  
Veterans' Affairs Committee, U.S. House of Representatives, Washington, DC.

DEAR MR. MONTGOMERY: I am a staff nurse on Ward 7C at [West Coast] VAMC and recently spoke with members of Representative Wyden's and Senator Cranston's offices about my concerns regarding the frequently unsafe care patients currently received due to poor staffing.

During my 2½ years at the VA, I have been a strong patient care advocate and work hard to see that my patients receive the care and teaching necessary to recuperate and to maintain good health. I have never been afraid to stand up for patient rights. It is because of my deep concern for patients that I write to you.

Morale is the lowest I've ever seen. This discontent is directly related to cuts made a month ago. Because of previous experience, I recognize that nurses at the VAMC work much harder and carry larger patient loads than those working in the private sector. It is usually our love for the veteran that keeps us at jobs that are more demanding and lower paying than jobs at many local hospitals. But many of us now feel that we are asked to do the impossible. We are tired, overworked and angry about the poor quality of care we are forced to deliver because staffing is so inadequate. In the last several weeks, patient care has become adversely affected and health is severely compromised.

Apparently, the hospital became financially overextended when one of our nursing units did not open with the move to our new facility, and some funding was lost. One measure used to pay back those funds was to cut staff. I do not know how many positions were lost hospital-wide, but many were sacrificed. All part-time student nurses were laid off as well as 20 RNs (more than 100 hours of nursing care per day) who had not been permanently appointed. There was hope on the part of the administration that the patient census would drop and that there would be adequate staff to care for patients. We were told that things would improve at the end of the fiscal year. The

census has not dropped and nurses are overextended, overworked and unable to provide good care.

Initially, I sent several memos to the Associate Chief of Nursing Services protesting my assignments when I believed that the patient load was so great as to place patients in jeopardy. Things didn't improve, and writing more memos seemed to be pointless. I spoke briefly with the Hospital Director and with the Associate Chief of Nursing Services on May 18 expressing again my concerns and to inform them that I was considering notifying JCAH. It is my hope that working with you and Congress, instead, will bring more immediate results. It is not my intention to be a hothead or a trouble maker. I just want patients to receive an optimal level of nursing care, and nurses to carry reasonable workloads.

The VA formerly used a formula to determine how many hours of care patients needed each shift to receive good, complete care based on their acuity. Patient acuity refers to the level of care a patient requires based on a number of factors. A patient with an acuity of I requires little nursing interventions, whereas a category IV often requires several hours of care. Acuties reflect time, not health. A patient who is confused and incontinent may be a category IV even if he is not seriously ill. Like EPA mileage estimates, the time actually required often varies, but at least the formula is a tool to measure against. On May 17, during a meeting with my head nurse, and myself, the Associate Chief of Nursing Services informed me that the hospital is not using the acuity system to allocate staffing requirements; 7C is a 40-bed ward with 30 medical and 10 intermediate care beds. Currently, we often run the day shift with only 4 staff available. With 38-40 caregiver hours, we often attempt to meet needs that often require in excess of 70 hours of care. Evening and night shifts are similarly understaffed.

On my wing, with 22 patients, I have at times had patient acuties that translate into greater than 45 hours of care, with only myself and one other staff member to deliver that care. The VA has not been staffing to meet acuties. Unfortunately, ignoring acuity levels does not mean that I can become a super-woman and handle the heavy load safely.

Some specific instances of which I am aware of unsafe care:

On May 17th, I worked a 10½ hour shift nonstop. One patient had chest pains off and on throughout the day that necessitated close observation and evaluation. While I spent so much time with him, the other 21 patients were taken care of by my one support staff. Nine a.m. medications were not delivered to all patients until after noon. One of my surgical patients did not receive a needed dressing change.

On May 19th, I worked 6 hours before I was able to take a break. One patient had a hematocrit of 19, (the male normal being 42 to 52; hematocrit is a measure of the blood's ability to carry nutrients and oxygen to the cells) and it took over 45 minutes to locate his doctors. During that time, I was tied to a phone and routine care was set aside. Because of numerous demands on my time, 0900 meds were not completely passed until after 1:00. My head nurse helped with care, but was involved for more than three hours discharging one of the patients. Had she not had the time to do so, that patient would have been forced to prolong his hospitalization. We are not adequately staffed to follow up care or track down problems.



On May 22, only three staff were assigned to care for 36 patients. My head nurse came in on overtime for 6 hours and helped me with 20 of those patients. One patient had been on the wing for 24-30 hours and had surgical dressing as ordered for each shift. None had been done since he transferred from his old ward the day before. He has a colostomy stoma that opens directly into his incision and stool often gets into his wound. I found a patient who had had an IV hung 30 hours earlier. It is anyone's guess when that bag had quit running; his arm was red and painful when I removed the line.

These are just a few specific instances of poor care. Many of our patients get minimal pericare or baths. Several patients have unnecessary groin rashes or bed sores. Some patients do not report pain because they don't want to "bother the nurses."

In the last month, I have often been afraid to go to work. I have been incredibly stressed out both on and off the job. I am sick and tired of seeing patients receive such shabby care. I am determined to see conditions improve. I am willing to assist you in any way and hope this letter is a useful start.

It is not my intention to blame the hospital administration or nursing service. I understand that money doesn't grow on trees. But the end of the fiscal year is far away, and patients are in danger today. We need better staffing.

Thank you,

A VA Nurse.

## CONVENTIONAL ARMS CONTROL AT A CROSSROADS

**HON. DANTE B. FASCELL**

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. FASCELL. Mr. Speaker, recent successes in the area of nuclear arms reductions have placed renewed emphasis on the urgent need to address the question of conventional military arms and forces in Europe. This heightened attention was underscored recently by Democratic Presidential Candidate Michael Dukakis when he wisely called for conventional defense initiative [CDI] deployments and rejected SDI deployments. Governor Dukakis' call for greater attention to NATO's conventional deterrent is fully in keeping with the security needs of the NATO alliance in the coming years and has been echoed by other Western leaders including Vice President BUSH. After all, the prevention of nuclear war is very closely linked with the establishment of stability and security in the conventional arms sphere.

It is with this imperative in mind that the Foreign Affairs Committee has initiated what will be a series of joint hearings with the Congressional Commission on Security and Cooperation in Europe on the establishment of conventional stability and security in Europe. The first of these hearings was held on June 23d with the Honorable Rozanne Ridgway, Assistant Secretary of State for European and Canadian Affairs, and the Honorable Ronald Lehman, Assistant Secretary of Defense for International Security Policy, as witnesses. We hope that these two distinguished experts will return to complete their testimony at further hearings we hope to hold in mid-July.

On the basis of the testimony heard at the first hearing, it is quite clear that conventional arms control is at a significant crossroads. The inconclusive 14-year-old mutual balanced force reductions talks [MBFR], conducted between a limited number of NATO and Warsaw Pact countries and focused on reductions in Central Europe including the two Germanies, the Benelux countries, Poland and Czechoslovakia, seemingly is about to give way to a new 23-nation forum within the framework of the Helsinki process. This forum will include all the NATO and Warsaw Pact countries and will focus on reductions of manpower and armaments in all of Europe, from the Atlantic to the Ural Mountains. These new negotiations are being called the conventional stability talks [CST] by the Western nations because they have as their goal three main elements to establish greater military stability in Europe:

The establishment of a stable and secure balance of conventional forces at lower levels; it seems that the primary Western objective will be significant cuts in military equipment and weaponry, not in manpower. A built-in "geographic asymmetry" faces NATO in the form of an enormous ocean separating the United States from its allies. The huge difficulties this entails for reinforcement in times of crisis mitigates against NATO support for large-scale troop cuts.

The elimination of disparities in conventional forces prejudicial to stability and security; for NATO this means the elimination of asymmetries in key offensive weapons in which the Warsaw Pact has a clear edge, notably tanks and artillery. For the Warsaw Pact, the prime focus will be reductions in NATO tactical aircraft in Europe.

The elimination of the capability for launching surprise attack and for initiating large-scale offensive military action.

While many, particularly our French and German allies, have welcomed and encouraged these developments, certain strong reservations with the new focus of conventional arms control have also risen. First, there is concern that the new CST forum with its larger composition and much wider area of applicability will not be a suitable venue for serious negotiation on conventional weapons. The MBFR negotiation, with a mandate restricted only to Central Europe, has been unable to reach an agreement after 14 years of deliberations.

Second, there is skepticism that any arms control forum linked to the Conference on Security and Cooperation in Europe [CSCE] can ever produce militarily-significant results on the order of those anticipated and needed in a post-INF Europe. Many observers feel the very public nature of the negotiations within the CSCE process would make it an unsuitable venue for highly sensitive, complex arms control negotiations.

Furthermore, many long-time human rights activists are very concerned that linking the CST to CSCE will forever overwhelm the important human rights component of the Helsinki accords with arms control issues and, as the Soviets have fought for so long to attain, eventually turn the CSCE process into an all-European disarmament conference without human rights.

On the important question of linkage, both Ambassadors Ridgway and Lehman emphasized that, while the new CST talks will be loosely within the framework of the CSCE process, it will, in practice, be an autonomous negotiation setting its own timetable, agenda, membership procedure and decisionmaking mechanism.

Almost lost in all these developments is the future of the MBFR negotiations. Both witnesses at our hearing were vague on this issue, but it seems that once CST gets off the ground MBFR will disappear. It will either be simply closed down or concluded by a very limited, face-saving agreement which could serve as a graceful lead-in to the CST.

One of the main factors holding up the start of the CST negotiation is its relationship to the CSCE process. Both East and West now agree that part of the linkage of the CST to CSCE should be expressed in the fact that the ongoing preliminary talks to work out a mandate for the CST cannot conclude and the actual CST started until the Vienna CSCE follow-up negotiations are completed. These talks, initiated in the fall of 1986, have been stalled over the usual disagreements between East and West over human rights issues.

Specifically, the West throughout the Vienna Conference, has emphasized that it will not agree to end the meeting until the Soviets have undertaken several important steps in the human rights area which would constitute balance for the enormous strides envisaged in the security field. Both witnesses at the hearing reiterated this important point. These measures have never been precisely defined by Western negotiators but are known to include the release of most Soviet political prisoners, drastically improved rates of emigration for Soviet Jews, better guarantees for the rights of those seeking emigration, resolution of all bilateral family reunification cases and an end to jamming of Western radio broadcasts. The Soviets, despite promising reports, have yet to take the requisite concrete steps in the human rights sphere, obviously hopeful that the United States and NATO will eventually moderate their human rights demands in order to get to the CST as soon as possible, most likely this autumn.

Conventional arms control is an area where the Soviets are going to try to maximize divisions and problems within the NATO alliance. Indications of these efforts are already clear and we in the West need to coordinate our positions very closely. At the recent Moscow summit, General Secretary Gorbachev pushed various conventional arms control initiatives he knew would have a divisive effect on NATO. He reiterated calls for large-scale troop cuts of half a million on each side and proposed, as a first step, a mutual exchange of data on the numbers and disposition of troops in Europe. It was precisely this issue—disagreement over the number of troops in Europe—which blocked progress in MBFR for so long. The NATO alliance actually was the first to advocate an exchange of data on military forces in Europe as an integral component of, but not as a precondition for, the elimination of asymmetries and imbalances in conventional forces in Europe. These early Western efforts at MBFR and the Stockholm

Conference on Confidence and Security-Building Measures in Europe [CDE] were rejected by the Soviets as intrusive attempts to spy on Warsaw Pact military forces.

The Soviets also keep raising the question of whether the CST talks will cover weapons systems capable of handling nuclear warheads. The West says adamantly "No" while the East keeps pushing for it, probing soft spots in NATO, hoping to widen rifts in the Alliance on the key issue of the maintenance of a tactical nuclear deterrent capability in Europe.

My concern is that the administration's lack of consensus with our key European allies over the direction and forum of the conventional stability talks will unwittingly place into jeopardy our desires to negotiate a meaningful conventional arms control agreement and to enhance human rights within Eastern Europe and the Soviet Union.

We in the West need to have our own arms control and human rights objectives in harmony thereby precluding exploitation by the Soviets. While we recognize the inherent linkage of arms control and human rights, we certainly should not adopt a mandate or a forum structure that holds progress in either hostage to the other.

That remains my primary objective in the joint hearings now underway before the Foreign Affairs Committee and the Commission on Security and Cooperation in Europe.

#### THE NATIONAL FILM PRESERVATION BOARD

### HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. KASTENMEIER. Mr. Speaker, I want to say a few words about the Yates amendment to H.R. 4867, the interior and related agencies appropriations bill, that establishes a National Film Preservation Board within the Department of the Interior. I, too, am a film fan and believe that classic films are part of our national heritage. I have long been interested in the idea of protecting these films, and over the last year, the Subcommittee on Courts, Civil Liberties and the Administration of Justice, which I chair, has had several hearings and many consultations on this issue.

The issue or moral rights for film directors and screenwriters was first presented to the Congress approximately 1 year ago, in the context of our consideration of the Berne International Copyright Convention. My bill to implement Berne contained a strong provision protecting the moral rights of artists. After the hearing on Berne, it was apparent that this provision in my bill could not survive, and the House passed the bill 420-0 without that provision. It was also apparent that there was a great deal of interest in finding a way to protect films. For this reason, the subcommittee promised the proponents of the moral rights provision that we would continue our consideration of the issue, and last week we held a hearing on H.R. 2400, the Gephardt Film Integrity Act.

Now the Yates amendment has been made a part of the interior appropriations bill, and I

have followed its progress with great interest. While I might not agree with all the particulars of the bill, I share many of the goals of my friends and colleagues who have proposed this amendment. I am glad that the various interested parties have found language that seems to satisfy them, and so far as I am concerned, the matter of moral rights in the motion picture context is settled for the foreseeable future.

I note also that, at my request and that of my colleague, CARLOS MOORHEAD, the Copyright Office is continuing its study of films and the effects of new technology on them. I look forward to receiving its report.

#### GLASNOST AND ETHIOPIA

### HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. ROTH. Mr. Speaker, in a recent New York Times essay, William Safire has drawn up an excellent list of 15 actions Mr. Gorbachev could take to persuade the skeptics that he is serious about glasnost. On that list is an action-item that Mr. Gorbachev could take right now to stop the senseless killing and starvation of innocent lives in Ethiopia: "Order your 2,000 advisers in Ethiopia to persuade Colonel Mengistu to stop practicing genocide-by-starvation on his own people."

We are told that Mr. Gorbachev told President Reagan at the recent Moscow summit that he has little control over comrade Mengistu. Hogwash. The Soviet Union has poured \$5 billion in arms and weapons to the Mengistu regime. Soviets, Cubans, and East Germans have free rein and constant access and influence in Mengistu's inner circle. Mr. Gorbachev's priorities, however, are clearly not to see food delivered to the innocent children caught up in the Northern conflict, but instead, to step up the delivery of weapons to the area. The patina of glasnost wears thin when the focus is on Ethiopia:

#### WINDBAGS OF CHANGE

LONDON.—The British press is knocked out by the "New Russian Revolution," end of the cold war, winds of change—oh, what a lovely peace.

Few observers consider the roots of glasnost. Economic realists in the Soviet Union, led by the K.G.B.'s Yuri Andropov in the early 80's, recognized Communism's failure. They put a new clique in place to overhaul the Soviet machine without losing control of the levers of political power.

Central to the Andropov plan was the mobilization of both the intelligentsia and "masses" against the 18 million party members who had been living off the fat of the land. Enter glasnost—the "freedom" to criticize only those past and present targeted by the new elite—which has seduced so many Western leaders into wanting to press financing and technology on the overhaulers.

I don't want to be the skunk at the garden party. Here are 15 suggestions to Mr. Gorbachev for changes that would begin to silence the surly squares who used to be the ruling circles.

1. Shut down the East Bloc support network for terrorism. Bulgaria, East Germany, Hungary and Yugoslavia operate training

camps and offer safe haven to Red Guard and P.L.O. terrorists; a word from you could end that.

2. Reconfigure your military forces from offensive to defensive. Soviet generals conduct only offensive war games; NATO has only defensive games. (The feint-toward-Iran maneuver, drawing NATO troops southward, was especially distressing to our war-gamers.) Soviet forces are equipped with long flexible pipe to refuel vehicles rolling forward; take that kind of equipment out of your force structure.

3. Publish a telephone directory. Stop treating the phone book as a military secret, and drop the barriers that make it impossible for your people to dial the outside world. In that connection,

4. Permit internal computer networking. Stop waiting for Western computer help; allow your institutes and academies to hook into each other. Use the analogy of Lenin and electrification, if your less daring comrades object to the loss of central control of information.

5. Stop jamming Radio Free Europe. On the eve of the summit talks, you revoked the visas of two crack R.F.E. Sovietologists, displaying your fear of uneuphoric coverage. Let the broadcasters and their signals into the Soviet Union; if you must jam, jam the innocuous Voice of America.

6. Tear down the Berlin Wall, and order border guards to stop killing people who try to cross the Iron Curtain. As long as you treat your inhabitants as prisoners, no fundamental change in the perception of the Soviet Union as the home of the gulag is possible. And in that connection,

7. Stop encouraging anti-Semitism in the guise of free speech or religious liberty. Organizations like Pamyat and pet church leaders have found it easy to spread anti-Jewish hatred under glasnost. Your record on emigration is not nearly as good as Brezhnev's; drop your new requirement of a family connection abroad and let the refuse-niks—all of them—go.

8. Cancel your agreement to rent Fidel Castro's army to prop up a regime in Angola; instead, you have increased those 40,000 mercenaries by 15 percent in recent months. And while you're in Africa,

9. Order your 2,000 advisers in Ethiopia to persuade General Mengistu to stop practicing genocide-by-starvation on his own people.

10. Permit Natan Sharansky's book, "Fear No Evil," to be published in the Soviet Union, which would be more relevant than the publication of Pasternak; then publish your own accurate figures on your defense budget, troop strength and the reality of your current deficit.

11. Stop using the U.N. as a staging area for K.G.B. spying in the U.S., and quit using your Mount Alto location in Washington as a huge, intrusive listening station.

12. Permit an opposition party; without it, all talk of secret ballots and competing candidates is meaningless.

13. While you're rewriting history tell the truth about Felix Dzerzhinsky, the first secret police chief, whose reputation your K.G.B. supporters insist you protect.

14. Pledge to refrain from rolling your tanks if coming uprisings get out of hand in Rumania and Poland.

15. Follow up your syndication of Gary Hart's new column in Moscow News with fearless publication of pundits like William F. Buckley, Jeane Kirkpatrick and Pat Buchanan. For openers, run today's Essay.

## VOICE OF DEMOCRACY WINNER

**HON. ALAN B. MOLLOHAN**

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. MOLLOHAN. Mr. Speaker, Kim Elizabeth Bryant, of Wheeling, WV, is this year's State winner of the Voice of Democracy Scriptwriting Contest sponsored by the Veterans of Foreign Wars of the United States. Her winning essay was based on the theme of "America's Liberty—Our Heritage."

Mountaineers are especially conscious of the blessings of liberty. I am submitting Miss Bryant's price-winning script, which I hope my colleagues will enjoy as much as I did:

**AMERICA'S LIBERTY—OUR HERITAGE**

From the time we were children, we learned of our family heritage. Great-grandma's quilt was taken out of the attic and given a place of honor on the maple trundle bed she slept in as a child; Aunt Martha's heirloom tea set was used only on Christmas Day; and Uncle Albert proudly wore his dress uniform on Veteran's Day, never failing to pass down stories of family bravery that reached as far back as 1776. However, there's another "family"—the fortunate people living in America—that has been given an even greater, more precious heritage—liberty.

This heritage of liberty has passed through the hands and hearts of countless generations like a family tradition. Liberty may, in fact, be something of a time-honored, well-loved family recipe for success and equality. However, the recipe of liberty that was to be so vital in supporting our nation could only be mixed with complete independence from England. The courageous founding fathers of America realized that they would have to pay—and pay very, very dearly for freedom. But the ability to give their children an heirloom that would affect not only their lives, but also the lives of their descendants—this is why the colonists strove so stubbornly to obtain independence. The sacrifices they made enriched the recipe of freedom, and their sweat and tears and lives went into the making of the first batch of Americans.

The next step was to write the recipe down in the form of our Constitution so that it would not be lost. Much thoughtful stirring went into the rough draft. Basic human rights, fairness, responsibility, patriotism, and citizenship were the main ingredients in this declaration of unity. More importantly, our forefathers thought not only of themselves as they wrote, but also of their descendants that must live on this food of liberty. They realized the importance of keeping the recipe fairly simple—easily adaptable to almost any change of what was going to be needed by future generations.

All of the citizens of our fledgling country were well-fed on liberty, and America thrived and grew and prospered. When the time was right, new ingredients were added in the form of amendments, and America did not suffer for it. By no means—in fact, the value of the family recipe increased a hundredfold when such things as a sprinkling of voting rights or the cup of emancipation was stirred in. As new groups of Americans were found that were not receiving their fair share, more was added so that

there would be enough for all to share liberty.

This family recipe is our heritage, and we must keep watch constantly so that it does not fall into the wrong hands or become lost. If even one ingredient is left out, the whole formula, and consequently the family, suffers. The structure that makes it so nourishing is an interlocking net that will unravel if one basic human right is cut out or overlooked. The heritage of liberty our forefathers gave us is the single-most important heirloom in America today; we must be sure it is given to future generations.

Noted newspaper editor and publisher William Allen White said, "Liberty is the only thing you cannot have unless you are willing to give it to others." How true his statement rings! Liberty is our heritage because it was given to us by our ancestors. We are instilled with pride in America's liberty by our elders, who were in turn given this invaluable gift by their elders, and theirs before them. By listening to their stories, we gain appreciation for our recipe, and begin to learn how the ingredients mix together to form a heritage of freedom. Unless we are willing to take on the responsibility of passing on the tradition of liberty to our children, liberty will be lost. From generation to generation, the custom of infusing the young people of America with the knowledge of their heritage has carried on, and must continue. The hope is passed on; a breath from an elder fans the spark of liberty that exists as a glowing ember, and the heritage bursts into a flame that shines from the youth of America.

**DEBT RELIEF FOR SUB-SAHARAN AFRICA****HON. ROBERT GARCIA**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. GARCIA. Mr. Speaker, during a speech Secretary of the Treasury James Baker delivered to the African Development Bank and the African Development Fund in Abidjan, Ivory Coast, he suggested that the United States was willing to "expand the range of options within the Paris Club so that creditor governments . . . can, on a case-by-case basis, provide concessional interest rate reschedulings for the poorest countries" in sub-Saharan Africa.

At the same time, the Secretary suggested that U.S. "laws, policy, and budgetary realities constrain us" from extending relief. I, along with my colleagues WALTER FAUNTROY, MERV DYMALLY, GEORGE CROCKETT, RON DELLUMS, CHUCK SCHUMER, and DON PEASE, am introducing a bill today that would permit the U.S. Government to extend such relief.

This is in keeping with actions taken by our allies on this issue. Approximately 1 week after Secretary Baker suggested that he was not against governments extending debt relief, both France and West Germany developed plans to provide relief. French President Francois Mitterand announced that his Government would forgive approximately one-third of the debt owed to it by sub-Saharan African nations.

In the recent Toronto economic summit, the summit declaration stated that the G-7 welcomed proposals to ease the debt burden of

the world's poorest nations. I believe that we should, therefore, aid the administration in its desire to help the world's poorest nations, most of which are located in sub-Saharan Africa. My bill would do precisely that.

A recent study compiled by a group of national black organizations, including the Congressional Black Caucus, on U.S. foreign policy toward the black world contained some startling statistics. United States Government aid to sub-Saharan Africa dropped by 24 percent last year alone. This is at a time when, as Secretary Baker put it in Abidjan, African nations are experiencing "slow or negative economic growth, coupled with rapidly growing populations, balance of payment and fiscal problems . . ."

I believe it is our responsibility to help these nations. It is not only in our political and strategic interest, it is also an act of humanity to help the poor and needy of Africa. Some of the circumstances surrounding their economic problems, things such as adverse weather patterns, are beyond their control. Their survival depends on the magnanimity of the industrialized nations. I am asking the United States to do no more than France and West Germany.

This bill does not mandate forgiveness. It merely gives the administration the authority to extend it. I am hopeful that once he believes he has that authority, Secretary Baker, in keeping with his speech at Abidjan and the Toronto declaration, will exercise it. I would hasten to add, however, that it is not my intention to have this bill take the place of or in any way be responsible for lowering the already low levels of foreign aid extended to sub-Saharan Africa by the United States Government.

I am including a copy of the bill as part of my statement. I urge my colleagues to cosponsor this legislation.

The bill follows:

**SECTION 1. UNITED STATES GOVERNMENT LENDING INSTITUTIONS TO BE ALLOWED TO FORGIVE OUTSTANDING DEBT OF CERTAIN SUB-SAHARAN NATIONS.**

(a) FINDINGS.—The Congress finds that—

(1) throughout the 1980's, the nations of sub-Saharan Africa have experienced slow or negative growth; Whereas, throughout such period, such nations have also had severe balance of payments and fiscal problems; Whereas such conditions are not conducive to a stable economic and political climate;

(2) in response to such worsening economic problems, such nations have made an effort to pursue policies that would foster economic growth and development;

(3) many of the problems facing such nations, such as drought and famine, have been beyond the control of such nations;

(4) the Secretary of the Treasury, in a speech to the Africa Development Bank on June 21, 1988, stated ". . . the build-up of rescheduled debt often presents a difficult problem for the poorest countries . . ."; and

(5) the Toronto Economic Summit Declaration stated that the G-7 summit nations ". . . welcome proposals made to ease further the debt service burdens of the poorest countries that are undertaking internationally approved adjustment programs . . ."

(b) UNITED STATES GOVERNMENT LENDING INSTITUTIONS TO BE ALLOWED TO FORGIVE DEBT OF CERTAIN SUB-SAHARAN NATIONS.—

The President shall authorize any agency or instrumentality of the United States Government with the authority to extend credit to a foreign nation to forgive part or all of any outstanding loan made by such agency or instrumentality to any sub-Saharan African nation which has experienced and is experiencing difficulty in making debt service payments of the nation in a timely manner, and the per capita gross national product of which for calendar year 1986 does not exceed \$500.

(c) **FORGIVE DEFINED.**—As used in subsection (b), the term "forgive", with respect to a loan made to a debtor, means—

- (1) release the debtor from the obligation to repay part of all of the loan;
- (2) provide an interest subsidy to the debtor with respect to the loan;
- (3) extend the maturity of the loan; or
- (4) take other action which would reduce the total outstanding debt of the debtor.

(d) **CONSTRUCTION OF SECTION.**—This section shall not be construed to authorize the President to reduce any assistance which is to be provided to any foreign country under the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.), the Export-Import Bank Act of 1945 (12 U.S.C. 635 et seq.), the Arms Export Control Act (22 U.S.C. 2751 et seq.), or any other law.

**IN HONOR OF SFC KEVIN  
MAYHEW**

**HON. DOUGLAS APPLGATE**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, June 30, 1988*

Mr. APPLGATE. Mr. Speaker, it is my greatest pleasure to extend my congratulations to Sfc Kevin Mayhew and the 1st platoon, Delta Company, 4th Battalion, 8th Cavalry, 3d Armored Division [SPEARHEAD]. He, along with the rest of his platoon, has proven in an exemplary manner his skills and abilities in the execution of a near perfect tank gunnery firing exercise, winning the prestigious Canadian Army Trophy. This is something that has never before been accomplished by an American Army unit.

By playing a vital role in the Canadian Army Trophy competition, he has been able to show the precise and demanding qualities and characteristics set forth by the U.S. Army. Not only do we in the United States realize this accomplishment, but the entire world has recognized and acknowledged this victory.

I also would like to extend congratulations to Kevin's parents, Mr. and Mrs. Kenneth Mayhew. Their son has performed a great task for both them and our country. This is something they surely take pride in, along with the rest of the Nation. The difficulty of performing such a task is possibly not fully understood by most, but let me assure you that it deserves the greatest of accolades by all.

Mr. Speaker, I would like to take this opportunity to provide my colleagues with the full congratulatory remarks extended to Sfc Kevin Mayhew's parents by Thomas N. Griffin, Jr., major general, U.S. Army, commanding.

DEPARTMENT OF THE ARMY,  
HEADQUARTERS, 3D ARMORED DIVISION,  
*New York, July 23, 1987.*

DEAR MR. & MRS. MAYHEW: On June 19, 1987, 1st Platoon, Delta Company, 4th Bat-

alion, 8th Cavalry, 3d Armored Division (SPEARHEAD) accomplished a magnificent feat which had never before been done by an American unit. On that date our soldiers executed a near perfect tank gunnery firing exercise at the Grafenwoeher Training Area in Germany and, in doing so, won the prestigious Canadian Army Trophy surpassing 23 other teams representing 6 NATO countries including the United States. This victory is one of the most important peacetime achievements for the United States Army and it has been accorded international recognition as well as the accolades of people in the highest echelon of our Defense Department.

I am proud to inform you that your son SFC Kevin Mayhew played an instrumental role in achieving this important victory. His performance was absolutely superb and you can take great pleasure in knowing that he is a true professional who has made a significant contribution to his unit, his Army and his country. You can also take assurance in the facts that Kevin is, on a daily basis, performing a mission which is vital to maintaining the NATO alliance as well as deterring war in Europe. His performance during the Canadian Army Trophy competition has helped send a message to our potential adversaries that the American Army today is strong and ready.

I extend to you my warmest regards and share in the pride you must have for Kevin. He is an excellent soldier.

Sincerely,

THOMAS N. GRIFFIN, JR.

**INTRODUCTION OF THE SECURITIES  
ARBITRATION REFORM  
ACT OF 1988**

**HON. EDWARD J. MARKEY**

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, June 30, 1988*

Mr. MARKEY. Mr. Speaker, today my colleague Representative BOUCHER is introducing the Securities Arbitration Reform Act of 1988. As a cosponsor of this bill, I rise in support of it and of the important protections it would afford investors. This bill would restore to investors their basic right to seek judicial redress of wrongs committed against them by securities brokers and dealers. It would also ensure that investors who elect to resolve their disputes by arbitration can participate in an arbitration process that is fair, equitable, and expeditious.

At present, investors wishing to invest in securities are, far more often than not, required by brokerage houses to sign agreements to submit all future disputes between them and their brokers to arbitration, and to waive their rights to litigate their claims in court. Typically, these "predispute arbitration clauses" are buried in the midst of a customer account agreement, unaccompanied by any disclosure as to its existence or explanation as to its significance. In my view, these clauses are contracts of adhesion. Those few customers aware of such clauses and who attempt to strike them from the agreement rarely succeed in doing so. The emerging reality is that basic access to the securities markets is increasingly conditioned upon customers signing a contract to waive their rights to trial, to the Federal rules of civil procedure, and to

appeal. The day is coming when the only real choice an investor has is between submitting to a predispute arbitration clause on the one hand and staying out of the market on the other. When asked last summer what investors should do if they prefer to go through the time and expenses of a jury trial, the president of the Securities Industry Association responded, "they then shouldn't open a brokerage account."

Restoring to investors the right to choose judicial resolution of future disputes is a basic investor protection that will go some distance toward restoring individual investor confidence so severely damaged after the October crash. Smaller investors feel strongly that the decks are stacked against them; they see insider trading abuses, the development of high-technology trading strategies available only to institutions and unprecedented volatility driven by such strategies. It is critical that these investors be afforded more, not less choice, that they be given a greater, not a lesser degree of self-determination. Otherwise, we will face a marketplace populated exclusively by large institutions, betting against one another.

It was only after the October 19 market crash that many investors realized they had signed contracts which included predispute arbitration clauses. Confronted with abuses of discretion, misexecution of orders, and other wrongs committed against them, they were shocked to learn they had no recourse to the courts of law. Instead of being able to elect arbitration as part of a rational decision after the claim had arisen, they were compelled to do so when even the existence of such claim, not to mention its complexity and magnitude, was a matter of hypothesis and speculation.

Interestingly, investors in stock index futures were not met with such a troubling surprise. The commodities laws, unlike the securities laws, have long required that a customer's entry into an agreement to arbitrate future disputes must be voluntary and may not be a condition of the broker's doing business with the customer.

Arbitration does have an important role to play in the resolution of disputes. Smaller claims are simply not economically feasible to litigate in court. The expertise of industry arbitrators may be desirable to customers with larger more complex disputes. This bill in no way discourages the use of arbitration where the customer thinks it is appropriate. In fact, it seeks to enhance the process in several significant ways to make it fairer in actuality and appearance. Moreover, under the charters of the securities exchanges, which oversee the arbitration process, customers can always elect to proceed to arbitration of their claims, notwithstanding their refusal to sign a predispute arbitration clause. Claims that should be arbitrated will continue to be arbitrated after passage of this bill.

Some within the retail brokerage industry argue that to permit customers this choice is to deny brokers and dealers their freedom to do business as they please. The plain truth is that brokers are engaged in a regulated industry. Like others entrusted with a public franchise and a public trust, they cannot always do business exactly as they please. A broker

is subject to numerous rules of conduct to which the corner grocer is not. Permissible conduct toward brokerage customers is circumscribed in numerous ways. The public interest in affording investors a choice, in providing them with basic fairness, and in assuring them the preservation of their fundamental rights is sufficiently strong to justify prohibiting brokers and dealers from imposing upon their customers these contracts of adhesion.

I commend the SEC staff, in its legislative recommendation to the SEC, for its strong endorsement of the concept that customer entry into agreements to arbitrate be voluntary. I await the SEC's action on July 7 on this issue, and hope that the Commission members join us in calling for free investor choice. In this post-crash era of investor alienation from the markets, we must move boldly to restore confidence in our marketplace and I believe this legislation is a critical first step along that path.

## ENERGY AND ANWR

### HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. YOUNG of Alaska. Mr. Speaker, many of our colleagues are aware of our energy dependence upon other nations, and the fact that the picture is not looking any brighter for the foreseeable future. Nevertheless, legislation before the Congress to open to environmentally-sound oil and gas leasing the Coastal Plain of the Arctic National Wildlife Refuge in my district—the State of Alaska—is the bright spot in terms of responding to this growing international threat. Today I submit for the RECORD an article from the Birmingham News, which underscores the need for prompt action by the Congress on this subject. Because of the vast support nationwide for this legislation, I will do this daily.

[From the Birmingham (AL) News, Aug. 26, 1987]

## CARIBOU AND OIL

Environmentalists and oil interests have spent most of this year gearing up for the expected debate in Congress over whether to open the coastal plain of the Arctic National Wildlife Refuge up for oil and gas drilling.

It is the largest untapped potential source of oil and gas in the United States, and the last undisturbed wilderness on the nations Arctic Ocean coastline.

Our nation has decided over and over, as a matter of public policy, that conservation is in the national interest. We should do everything possible to protect the ecology of the ANWR coastal plain, including protection for the Porcupine caribou herd using that area for calving.

But that does not rule out developing the area to boost domestic oil production and enhance our energy security. Although the conservationist Alaska Coalition has made it clear it will settle for nothing less than pristine wilderness, experience at nearby Prudhoe Bay has shown that we do not have to choose between oil and caribou.

We can have both.

The Central Arctic caribou herd is a smaller group that shares the wildlife

refuge with the Porcupine herd. Its principal calving area includes the Prudhoe Bay oil field. That herd was estimated at 3,000 in 1972 and has grown to 13,000 in 1985, despite the fact that production at Prudhoe Bay began in 1977. Environmentalists, *Congressional Quarterly* reports, "criticize those numbers as guesswork, and say any increase in caribou is largely because the oil drilling drove out wolves, the main predator on caribou."

So, the environmentalists would have us disregard as guesswork the clear evidence that caribou and oil development can coexist, with the caribou actually thriving, and base policy decisions vital to the future of the entire nation on the speculation that development could reduce the size of a larger caribou herd next door.

Yes, we must be very careful in our development of oil resources on the fragile Arctic coastline. Yes, we must ensure that all the lessons of Prudhoe Bay are used to minimize the disruption of the ANWR coastal plain.

But we also must look to our nation's energy needs, not just now but in the future, when tensions in the Middle East could disrupt our economy and threaten our security even more than the oil embargo of the 1970s.

We must explore the potential of the Arctic National Wildlife Refuge.

## DROUGHT RELIEF FOR DAIRY FARMERS NEEDED

### HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. ROTH. Mr. Speaker, Wisconsin dairy farmers have been particularly hard hit by the severe drought that has blanketed the Midwest. The drought has already caused serious damage to Wisconsin crops with an estimated loss of at least 30 percent. In fact, many of Wisconsin's farmers are now selling their dairy cows and heifers because of the acute lack of forage.

I commend Agriculture Secretary Lyng for his prompt authorization of emergency haying, grazing and harvesting of acreage in the Conservation Reserve Program. However, it is evident that additional disaster relief measures are desperately needed.

With the reduced yield of hay crops and the dramatic rise in feed grain prices, many dairy farmers cannot meet production costs. If the dry weather continues through July, as recently predicted by the National Weather Service, many Midwestern dairy farmers may have little choice but to liquidate their herds. In an effort to avoid a critical disruption in milk production throughout the country, I have urged Secretary Lyng to forego any cut to the dairy price next January 1, 1989.

More important, I call upon the members of the House and Senate Agriculture Committees to seriously consider an increase in the dairy price support for the drought-affected areas. The price support increase would go a long way in helping offset the rapid rise in livestock feed costs for Midwestern dairy farmers.

In the coming weeks, the House and Senate Agriculture Committees will undoubtedly be considering emergency drought relief

measures. I encourage my colleagues to keep in mind the devastating impact the drought has had on dairy farmers. Specifically, there must be no 50-cent cut. And a targeted increase in the price support for drought-affected areas will certainly help Midwestern farmers minimize the economic hardships placed on them by the drought.

## A DICTATOR IS ALWAYS A DICTATOR, NO MATTER WHERE HE IS

### HON. GEO. W. CROCKETT, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. CROCKETT. Mr. Speaker, a recent event in our own country makes it clear that a dictator will always be a dictator and will always treat his people ruthlessly, no matter where he is.

Earlier this month, Paraguayan ruler Gen. Alfredo Stroessner, the longest-running dictator in the world, came to the United States to address the United Nations. But he and his entourage did not leave Paraguay far behind. When he encountered a group of Paraguayan exiles peacefully protesting human rights violations and the lack of democracy in their country, General Stroessner sent out his troops in downtown New York City, just as he has always done in downtown Asuncion, Paraguay.

Several members of the official delegation accompanying the general crossed Park Avenue and proceeded to beat the protestors. The next day, the general cut short his stay and he and his party went off for sightseeing in Florida. But unlike Paraguay, in a free country there is recourse for victims of such abuse. A complaint was filed with the New York City Police Department and an investigation ensued. Because of a claim of "limited immunity" as members of the official delegation, the perpetrators were able to leave the country. However, according to the New York City Police, if the individuals in question ever return to the United States, they would be subject to a summary arrest.

Ambassador Robert E. White, former U.S. Ambassador to Paraguay, who has been refused entry into Paraguay by the Government, recently wrote the following article for the Washington Post on this incident. I commend it to my colleagues' attention.

[From the Washington Post, June 4, 1988]

## SOMETHING ROTTEN IN PARAGUAY

(Robert E. White)

Gen. Alfredo Stroessner was in New York last week. Something must be wrong. Never before during his 34-year reign has the Paraguayan dictator left his "island without a sea" simply to attend a United Nations conference.

The most obvious objective for his trip was to change his suffering reputation. His government has become an international pariah, stigmatized by the growing opposition at home and abroad. Despite the strong man's efforts, his image remains tainted.

Stroessner got a chilly reception at the U.N. He addressed the plenary session despite the conspicuous absence of more than

half of the assembly—including U.S. Ambassador Vernon Walters.

That night a group of more than 30 Paraguayans were protesting outside his hotel. As they continued their peaceful demonstration, about 12 of Stroessner's huge entourage launched a sneak attack on the group—apparently forgetting they were on Park Avenue, not in Asuncion. A number of protesters were beaten, and one was hospitalized overnight for injuries.

Having effectively stranded himself in the United States with no hospitable forum to address—even the White House denied his request for a meeting—Stroessner left New York empty-handed to nurse his wounds at Disney World and then went home.

Since the military coup that brought Stroessner to power on May 4, 1954, the general has built a model dictatorship through patronage and corruption—and brute force when necessary. Last February there was a reenactment of the electoral farce performed with clockwork precision every five years, in which Stroessner was "reelected" for the seventh consecutive time.

Critics of his misrule are more visible now than ever before. Despite the fear of torture, exile or death, leaders such as Domingo Laino continue to campaign vigorously for a peaceful transition to democracy. The struggles of Laino and many others are beginning to shatter the silence that for years has allowed the dictatorship to violate human rights with impunity. The force closures of ABC Color newspaper and Radio Nanduty also have increased international criticism of Paraguay.

The latest condemnation came from Pope John Paul II. During the pope's May visit, he rebuked Stroessner in a way not heard since he lashed out at the Duvalier regime in Haiti. In addition, both the U.N. Human Rights Commission and the Organization of American States have condemned the government for lack of respect toward civil and political rights.

Concern for Paraguay is not limited to human rights issues. Paraguay has an alarming history of involvement in drug production and trafficking. When the Marseilles drug ring was broken in 1971, Paraguay was found to be the transfer point for drug shipments between France and the United States. It was estimated that during the drug network's five years of operation \$2.5 billion worth of heroin was shipped into the United States annually. Furthermore, several high-ranking members of the regime were implicated in the Marseilles operation.

Last March 29 a House subcommittee was told that Paraguay is both a major producer of marijuana (3,000 metric tons per year) and a major transit point for cocaine (more than a ton passes through each year). State Department testimony during the same hearing acknowledged that there are "indications that officials of the Stroessner government and his Colorado Party are involved in the trafficking."

The current catchword in U.S.-Latin American relations is "Panamanization"—allowing a dictator to twist U.S. concerns into anti-U.S. sentiment, as Gen. Manuel Noriega has done with Washington's misguided sanctions against Panama. Following the Panamanian dictator's lead, Stroessner could turn ineffective U.S. pressure into another no-win situation for the United States.

This time, the mistakes of Panama can be avoided. Instead of pointless rhetoric and

counterproductive sanctions, the United States should work with its allies in the region—specifically Brazil and Argentina—to exercise coordinated influence in Paraguay. In joining forces with other nations, the United States would not be viewed as an interfering behemoth but rather as an integral part of conscious, multilateral efforts by the international community to promote long overdue reform in Paraguay.

## PUNJAB: A TROUBLED STATE

### HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. FAZIO. Mr. Speaker, I rise today to draw the attention of the Members to the continuing Government sponsored violence in the Punjab. As the attached articles from the New York Times and the New Republic indicate, the Prime Minister Rajiv Gandhi's central government continues to utilize excessive methods to deal with the Sikh uprising in the Punjab.

I urge my colleagues to review this article and consider the extreme methods now being employed in violation of the basic fundamental rights of the Sikh minority in India:

[From the New York Times, June 12, 1988]

#### PUNJAB'S DISBANDED SECRET MILITANTS

(By Sanjoy Hazarika)

AMRITSAR, INDIA, June 9.—The Punjab Government has disbanded and disarmed a group of Sikh extremists that it had financed and armed for several months to attack and confront other militants, a top security official said today.

"It was an operation mounted with the best of intentions, in good faith, but the people running it did not know how to handle such matters," the official said. "The fellows went out of hand."

His remarks were the first official admission that the state's Government has used one band of extremists against others. The official said the group of extremists was small, not more than 14 people, led by a man named Santokh Singh Kala. Security and police officials said the group's members had not been very effective in the anti-terrorist operations.

The officials emphasized that the operation had been limited to the Amritsar region and was viewed at first as a limited part of the Government's strategy against extremism. But strong differences among police officials surfaced earlier this summer about the group's usefulness and led to its quiet withdrawal.

#### HUNDREDS OF EXTREMISTS

There are hundreds of anti-Government extremists in the Punjab, although more than 200 of them surrendered to security forces last month at the Golden Temple here, the major shrine of the Sikh faith, after a 10-day siege.

Home Affairs Minister Buta Singh and other senior officials here recently denied knowledge of the pro-Government group. But officials familiar with the secret operation said the faction had a few successes, like the one last year when they ousted a group of militants based at a Sikh shrine near the Golden Temple. They said the group had killed a few suspected extremists.

The group was set up, according to these officials, sometime last year in Amritsar,

one of the three districts in Punjab that have been worst hit by Sikh extremism. "These people were won over and willing to operate against the other groups," an official said. But they proved ineffective and they resorted over the months to robbery and extortion, the officials said.

#### UNDER OFFICIAL CUSTODY

"Now they are more or less under unofficial custody," said one of these officials, who added that the group's members were disarmed several weeks ago and were being detained by the central reserve police force, a paramilitary organization. He did not say how much the Government had paid the group.

Julio F. Rebeiro, the adviser on law and order to the state's Governor, was in Amritsar this week to supervise a Government plan to clear a corridor around the Golden Temple by demolishing scores of houses and stores in a 100-foot belt around the borders of the complex. The corridor is to be completed by the end of the year and is aimed at helping security forces monitor the movements of people around the temple.

This project was stalled Tuesday when thousands of residents and storeowners rallied in the narrow streets and bazaars around the complex, waving black flags against the Government and blocking bulldozers and trucks that had been brought there to begin the demolition. They then brought out holy Sikh and Hindu books and began reciting prayers.

The Government, surprised by the outburst, hastily backed down from its plan and announced that it would first find alternative sites for stores and homes for those who would be affected by the operation.

[From the New Republic, July 4, 1988]

#### INSIDE THE TEMPLE

(By Paul Glastri)

Punjab, the state in northwest India where most of the country's Sikhs live, is in a bloody mess. Last spring Prime Minister Rajiv Gandhi's central government took control of Punjab, declaring that the Sikh-dominated state government had failed to hold the line against Sikh militants fighting for a separate homeland. Paramilitary forces were increased; restrictions on citizens' rights were tightened. The result: the killings rose. In 1987, 1,230 people were gunned down in Punjab. This year the number of killings already stands at nearly 1,400.

The situation is not one of utter panic. The fields are still being tended, except on farms where whole families have been killed or forced to flee by gunmen. During the day the roads are still choked with the traffic of various centuries: bullock carts, bicycle rickshaws, water buffalo, mini-vans, tractors, and the ever present green trucks of the police and paramilitary. Stores remain open—even liquor vendors, the perennial targets of the militants (fundamentalist Sikhs condemn alcohol consumption).

Historically, invaders from the north and west have had to cross Punjab to get to the rest of India, and Punjabis have developed a certain comfort with weapons and violence. In one ten-block stretch of Amritsar there are five shops specializing in "Guns and Ammo." Even before the terrorism began, the state had the highest murder rate in India.

But fear is there. It's not just the number of murders people fear, but the seeming randomness of the attacks. Gunmen com-

monly spray busy street-sides with bullets. Furthermore—this is what American press reports don't prepare you for—it's not just the terrorists people are afraid of; it's also the police and paramilitary. This is one reason the government is losing the war against the terrorists.

The government did win a major battle in May. For some time hundreds of well-armed militants had been living inside the Golden Temple complex of Amritsar, the Vatican of Sikhdom. This allowed them to force their views on the resident Sikh high priests who formulate the religious and political edicts of the faith. It was also a powerful symbol of defiance to the Gandhi government. On May 9, a militant inside the temple shot and seriously wounded a security officer. That sparked a siege during which government security personnel surrounded the complex, cut off all supplies, and engaged in gun battles. Several days later the last of the militants inside the temple surrendered.

What made the siege remarkable was the government's restraint. Though a number of militants were killed, there was little damage to the sacred shrine, and were no civilian casualties. In June 1984, when the Indian army faced a similar force of Sikh militants inside the temple, it blasted its way into the complex with tanks, demolishing a revered gold-domed building, the Akal Tacht, the supreme seat of Sikh religious authority. A library that contained sacred Sikh scriptures written by the gurus who founded the religion 400 years ago went up in flames. Worst of all, hundreds of innocent Sikh worshipers were killed—some, according to a well-documented book by two BBC journalists, by summary execution.

The army's 1984 excesses fueled Sikh outrage and weakened the case of moderate Sikhs who advise cooperation with the government. The moderates' work is rendered especially admirable by the militants' practice of gunning down Sikhs who speak out against them. Even Sikh moderates, though, hype the "threat" that India's secular democracy poses to Sikh religious identity.

The vast majority of Sikhs don't support the terrorists or share their desire to secede from India. But nearly all Sikhs have grievances against the government in New Delhi. In 1984 Hindu rioters in New Delhi butchered thousands of innocent Sikhs in retaliation for the killing of Prime Minister Indira Gandhi by her Sikh bodyguard. The government's own commission of inquiry found that the riots were organized with help from members of Gandhi's ruling Congress (I) Party. Most of the organizers have yet to be tried. There are political grievances too, such as the government's program of constructing canals to divert local river waters (a major source of Punjab's famous agricultural abundance) to drier neighboring states.

In July 1985 Rajiv Gandhi signed an accord with the prominent Sikh moderate leader Sant Harchand Singh Lonowal. The accord took courage, and Lonowal paid for his: Sikh extremists assassinated him. The accord then bogged down. The terrorists' ranks and the killings, which had decreased in 1985, began climbing again.

The government insists that its fight is only with the militants, not the Sikhs—a people who, until a few years ago, were widely admired throughout India. But the cultural defamation and the disregard for innocent lives convince many Sikhs otherwise. At the very least, most Sikhs (and many non-Sikhs) believe that for political reasons the government is purposely mis-

handling the terrorist problem to keep the crisis going. India is 80 percent Hindu, yet Gandhi—a Hindu—has been losing popular support. A violent religious minority threatening public safety and national unity might lead Hindu voters to rally around him.

Indrajit Kaur, a Sikh mother of four, was one of the worshipers trapped in the Golden Temple during the 1984 raid. Found barely alive, with two bullets in her body, she was taken to a nearby hospital. While recuperating, her name was entered in the official government records as one of the "innocent civilians injured during the army action," according to the newsmagazine *India Today*. Nevertheless, Kaur was later taken to a jail in the city of Jodhpur. There, she and 365 other Sikhs were kept, on vague charges, for almost four years. The "Jodhpur *détenu*," as they are known, became a cause célèbre with international groups such as Amnesty International as well as among Sikhs, both extremist and moderate. The government used the *détenu* as a bargaining chip in its negotiations with Sikh political and militant leaders, treating innocent civilians as political bait. Last March, as part of a larger peace initiative, the government released Indrajit Kaur and 39 other *détenu*s. Over 300 remain in jail.

I heard numerous bitter accusations of torture at the hands of security personnel. A journalist in Amritsar who had just visited a nearby jail told us he saw inmates covered with welts. In 1986 a commission sponsored by the state government and headed by a respected former judge looked into reports of torture of Sikhs at an interrogation center in the Patiala district of Punjab. The commission concluded that the reports were true: tactics included the use of electric shocks, fecal matter, and wooden logs that cause great pain, but leave no marks, when rolled across the thighs.

Another practice that does not fill the average Sikh with affection for his government is the so-called "fake encounter": deliberate killings of suspected terrorists during staged incidents or after capture. The government denies that its forces engage in such tactics. But another 1986 government-sponsored commission found that almost all of the 35 "encounters" it investigated were "faked." Plenty of the victims are ruthless terrorists whom the government would have trouble prosecuting (the terrorists routinely intimidate witnesses from testifying against them). But such tactics naturally alienate Sikhs. Ashok Singh Bhai, who runs the Sikh Institute in Chandigarh, the Punjab capital, showed me a recent newspaper headline: "12 TERRORISTS KILLED IN PUNJAB, THREE POSITIVELY IDENTIFIED." "If the police can't identify whom they've killed," complains Bhai, "how do they know they are terrorists?"

The security forces are trying to do a difficult job in rooting out Sikh militants, and they have the dead troops to prove it. But corruption within the forces, especially among the local police, undermines much of that hard-earned legitimacy. Dr. Shavinder Kaur Jauhal, a Sikh pediatrician from Ferozpur, complained: "The police take bribes. They arrest young men and demand 1,000 rupies for their release. If their families can't pay, the boys are killed." Police harassment, according to *India Today*, "has become a way of extorting money by force that has virtually no checks on it now." The Gandhi-appointed puppet governor of Punjab, S. S. Ray, receives hundreds of petitions each day about false arrests and disap-

pearances of innocent people. (Describing his attempts to get close to the people of the state, Ray once said, "I have played tennis in every district in the Punjab.")

The press in India only occasionally takes on the central government's repression. American reporters in India almost never do. In April a pro-militant journalist was arrested for doing what a hundred other more objective journalists have done: interviewing terrorists inside the Golden Temple.

An impediment to the press is the lack of reliable, objective viewpoints. The politics of Punjab is a morass; people who criticize government actions, or defend them, usually do so to advance complicated religious or political agendas that have decades- or even centuries-old roots in Punjab history. I was introduced to a Sikh "civil rights" lawyer who said his clients were 300 innocent young Sikh men currently in jail. How did he know they were innocent? I asked. Because, he responded, no one could be found to testify against them. Pointing out that terrorists have been known to intimidate witnesses, I asked if his clients had killed anyone. "Oh yes," he said, "but only enemies of the Sikhs." When asked who these enemies are, the lawyer offered as an example "Nirankaris." Nirankaris are followers of a peaceful sect of Sikhism that orthodox Sikhs consider heretical. The militants have been gunning them down for several years.

Two weeks before the recent siege, my wife and I went to the Golden Temple to talk with one of the militants' chief spokesmen, Nirvair Singh. He is a leader of the Khalistan Commando Force, one of several armed groups fighting the government. It was evening when we took off our shoes and entered the temple complex. The marble tiles underfoot were still warm from the sun. We could see the temple sitting on an island in the middle of a large pool, its golden image shimmering on the surface of the water. As we moved along the tiled walkway that surrounds the pool we could hear the amplified voices of chanters inside the temple singing ethereal hymns from Sikh scripture. Along the walkways we saw young men wearing blankets across their chests, with rifle barrels poking out of the top.

We were ushered into a room where Nirvair Singh—tall and handsome, in his 30s—stood among a dozen younger bearded-and-turbaned men. Behind them on the wall was a banner that read "Khalistan Zindabad"—long live Khalistan. Khalistan is the name of the Sikh nation the militants wish to create. "Like others, we are fighting a war of freedom," Singh declared, "because people of every community have a right to have a place where they can feel free." Asked how free Hindus and Muslims would be in a Sikh-controlled state, Singh insisted that people of all religions would be able to worship as they please. We then broached the subject of the killing of innocent people. The butchering of entire Sikh families is a gruesome trend that began last fall. Police, of course, blame the militants, who they say are slaughtering families suspected of cooperating with the security forces. Singh, however, claimed that "no true Sikh would kill women and children." Who, then, is doing the killing? "The government," Singh responded. "They have Sikhs killed by hired assassins and we are being blamed."

The "hired assassins" line may sound far-fetched, but it is believed by large numbers of non-militant Sikhs, and it's taken seriously by many I talked to: from moderate Sikh intellectuals and journalists to a Western

diplomat specializing in the politics of Punjab. They say the police, paramilitary, and Indian intelligence have organized ex-militants, smugglers, and other criminals willing to kill for money, into an army to hunt down the militants, their families, and other collaborators. In return, the gangs get the freedom to commit money-making crimes unimpeded by the government. After denying this for months, the government recently admitted it had financed and armed one such group. It has not admitted the group killed innocent families, only that the project "went out of hand" and had to be disbanded.

Proof of government complicity in these killings, if it exists, is certainly hard to come by. Steven Weisman, the New York Times's New Delhi correspondent, told me he went to the village where one of these government "death squad" killings allegedly occurred. The villagers he interviewed gave such wildly different versions of the events—some insisting the killings didn't even take place in their village—that he gave up on the story.

The killing of families remains a mystery, but it is understandable why the Sikhs put the government on their list of suspects, right beside the militants. If a solution to the terrorist menace in Punjab still exists, it undoubtedly includes the kind of courageous political settlement Rajiv Gandhi tried to bring about in 1985. But such settlements require trust; and with his own security forces jailing, torturing, ransoming, and killing innocent people, the prime minister these days is running a bit short on trust.

#### FEDERAL RETIREMENT APPLICATIONS PROCESSING ACT OF 1988

### HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. BONKER. Mr. Speaker, today I am introducing a bill to expedite the processing of retirement applications of Federal employees. The bill will assist Federal employees who wish to retire by requiring both the Federal agencies where they are employed and the Office of Personnel Management [OPM] to process retirement applications and related documentation in a more timely manner.

Before I discuss the provisions of this legislation, I would like to acknowledge those who have worked to develop this bill. First, I must commend Senator HEINZ and Senator GRASSLEY for introducing this legislation in the Senate on June 6, 1988. Mr. HEINZ has crafted an excellent approach to improving the system that currently does not serve our Federal retirees adequately. I have made only a few modifications to the bill, S. 2469, that Senator HEINZ authored.

Mr. Speaker, I want to thank my colleagues in the House who have joined me today as original cosponsors. It is obvious to me that with 60 cosponsors and a great deal of interest from other Members, a large number of us have heard horror stories from our constituents regarding unconscionably late pension benefit payments to Federal retirees. Both

Democrats and Republicans alike are interested in making sure that Federal retirees are served fairly by the Government to which they contributed so much.

I am also pleased to say that the OPM is very supportive of our legislative effort to resolve the problems in processing retirement applications. And I understand that this legislation is supported by the American Federation of Government Employees and the National Association of Retired Federal Employees. In fact, I am not aware of opposition to this bill.

Mr. Speaker, the objective of this legislation is to direct all Federal agencies to do a better job at processing the applications and supporting documentation of employees who plan to retire. Unfortunately, the facts we have about the effectiveness of Federal agencies in submitting retirement applications to the OPM indicates a very poor record. Many retirees wait 6 months or more for their first retirement check to arrive. It's obvious that for most individuals, a delayed retirement check would be as difficult to handle as a delayed pay check. Many retirees who do not receive their first check on time are forced to dip into savings, borrow from family, friends, or financial institutions, or simply go without some of the necessities of life. Federal retirees deserve better treatment.

It is important to note that agency retirement statistics from March 1988, and several other months reveal that the delays that many retirees experience are not the fault of OPM. In fact, OPM must wait for each retiree's agency to provide his or her retirement records and supporting documents before they can authorize the first annuity check. Once this has been done, the Treasury Department processes the check, and the Postal Service delivers it, usually within 20 days. The data that the OPM has provided to us shows that in March 1988, only 45 percent of the retirement applications made by all agencies were received by OPM within 30 days after the retiree left the agency. The worse news is that 29 percent were received between 31 and 60 days of separation and that an unconscionable 26 percent were received after 60 days. Some applications didn't get to OPM until even later. None of us can be proud of this record, including those agencies that put retirees in such a difficult spot.

Therefore, my legislation attempts to go to the root of the delays—the employees' agencies. I ask unanimous consent that following my statement several tables be printed in the RECORD that show agency retirement statistics from several months during the past 2 years.

Mr. Speaker, the bill I am introducing today amends title 5 of the United States Code to mandate that several important actions be taken by Federal agencies to improve the process for retirement by employees. First, it requires agencies to provide, in a consistent and timely manner, retirement counseling to advise retirees of the necessary procedures that they must complete to retire and collect benefits. Although this is currently done in many agencies, it is necessary to instruct agencies to carry out this important duty within 4 months of the intended date of separation, at the latest.

Second, the bill mandates that Federal agencies ensure that each new employee's personnel file is up to date within 180 days of the date that the employee joins the agency. This can be done very easily through verification of employee files subsequent to hiring and transfers. I believe it is essential that agencies make sure that each employee has an accurate employment record shortly after they are hired; this will prevent time-consuming investigations that must take place just prior to retirement when mistakes in personnel files are discovered years after they have been made.

Third, my legislation requires that once an agency has been notified by an employee of his or her intention to retire, that agency must take the appropriate measures in anticipation of separation to expedite the processing of the application and the necessary certificates. This process must begin 4 months prior to retirement at the latest.

Fourth, this legislation requires the OPM to make annual reports to Congress on Federal agency processing of retirement applications. The report will address the accuracy and completeness of the applications that agencies submit to OPM, and the timeliness of the applications. The OPM must also report on the time it takes OPM to process the applications and authorize the annuity payments. In the future, Congress will have a much better record of the deficiencies, as well as the good work of Federal agencies in getting initial payments to retirees as a result of the enactment of this legislation.

Fifth, agencies that have poor records in processing applications for retirement will have to prepare a corrective action plan, which specifies actions that will be taken to correct the problems that have created delays. Each agency's inspector general will review its corrective action plan and work with the agency to improve the application process.

Mr. Speaker, this legislation will not cost any money. I am informed that each agency has the personnel to process applications in a timely manner. But if we learn from the reports that the OPM will provide to Congress that this is for some reason beyond the capabilities of certain agencies, we will at least be able to develop other means to correct this sorry situation based on those reports. I have been told that some agencies are already starting to clean up their shops simply because we have drafted this legislation. I believe that when this bill is signed into law, we will already have accomplished some of our objectives.

I look forward to working on this bill with members of the Committee on Post Office and Civil Service and particularly my distinguished colleague Mr. ACKERMAN, who chairs the Subcommittee on Compensation and Employee Benefits. In addition, I would be pleased to have more cosponsors, and suggestions from my colleagues regarding this important issue for so many Federal employees.



CIVIL SERVICE SEPARATIONS—MARCH 1988 ANALYSIS

(Compiled by the Office of Personnel Management (OPM))

	0 to 30 days		31 to 60 days		Over 60 days	
	Number	Percent	Number	Percent	Number	Percent
Quarterly Analysis—June 1987 to March 1988						
June 1987	5,570	56	3,298	33	1,092	11
September 1987	4,602	55	2,754	33	1,022	12
December 1987	3,767	56	1,778	26	1,259	18
March 1988	5,079	45	3,342	29	3,026	26

The "Big 13" agencies represent 93 percent of the records submitted in March

1988. Decreases or increases in submissions may be directly attributed to the activities of any one "Big 13" agency or to a combination of these agencies.

"BIG 13" AGENCY PERFORMANCES/RECORDS SUBMITTED WITHIN 30 DAYS

Agency	In percent			March 1988 records
	September 1987	December 1987	March 1988	
Veterans' Administration	82	68	77	1,166
Post Office	78	83	81	1,802
Air Force	63	75	54	917
Army	59	45	40	2,588

"BIG 13" AGENCY PERFORMANCES/RECORDS SUBMITTED WITHIN 30 DAYS—Continued

Agency	In percent			March 1988 records
	September 1987	December 1987	March 1988	
Interior	57	48	34	140
Army Corps of Engineers	54	36	38	141
Navy	48	44	30	1,161
Health & Human Services	46	40	1	564
Agriculture	39	44	26	427
Transportation	35	30	29	221
D.C. Government	13	5	5	164
Treasury	6	1	2	783
Justice	1	30	9	102

AGENCY RETIREMENT STATISTICS—MARCH 1988

Department/agency	0 to 30 days		31 to 60 days		Over 60 days		Total number of records
	Number	Percent	Number	Percent	Number	Percent	
House of Representatives	10	32	8	26	13	42	31
United States Senate	17	77	5	23	0	0	22
Architect of the Capital	0	0	0	0	0	0	0
Library of Congress	0	0	12	63	7	37	19
Government Printing Office	3	43	4	57	0	0	7
General Accounting Office	3	60	1	20	1	20	5
Supreme Court	4	80	0	0	1	20	5
Administrative Office/U.S. Court	18	17	22	21	64	62	104
Treasury/White House	0	0	0	0	0	0	0
CIA	0	0	1	6	15	94	16
Department/Agriculture	110	26	149	35	168	39	427
Department/Commerce	0	0	0	0	5	100	5
Department/Interior	47	34	55	39	38	27	140
Department/Justice	9	9	65	64	28	27	102
Department/Labor	14	14	35	34	54	52	103
Department/Navy	352	30	429	37	380	33	1,161
U.S. Postal Service/MN	1,802	81	268	12	162	7	2,232
Department/State	4	9	12	28	27	63	43
Department/Treasury	17	2	131	17	635	81	783
Department/Army	1,025	40	1,202	46	361	14	2,588
U.S. Tax Court	0	0	0	0	2	100	2
National Credit Union Administration	0	0	3	75	1	25	4
Federal Communications Commission	0	0	3	33	6	67	9
Federal Reserve Board	0	0	0	0	1	0	0
Federal Trade Commission	0	0	0	0	1	100	1
Interstate Commerce Commission	0	0	0	0	1	100	1
Nuclear Regulatory Commission	0	0	0	0	0	0	0
Smithsonian Institution	5	33	6	40	4	27	15
National Gallery of Art	0	0	1	50	1	50	2
International Trade Commission	0	0	1	50	1	50	4
Veterans' Administration	896	77	253	22	17	1	1,166
ACTION	0	0	0	0	0	0	0
Equal Employment Opportunity Commission	0	0	7	39	11	61	18
General Services Administration	11	14	39	46	34	40	84
National Science Foundation	2	24	1	13	5	63	8
Securities and Exchange	5	33	6	40	4	27	15
Federal Deposit Insurance Corporation	0	0	0	0	9	100	9
Department/Air Force	498	54	266	29	153	17	917
National Endowment/Arts	2	50	0	0	2	50	4
Railroad Retirement Board	2	67	1	33	0	0	3
Consumer Products Safety Commission	1	25	2	50	1	25	4
National Labor Relations Board	2	17	4	33	6	50	12
Tennessee Valley Authority	0	0	1	50	1	50	2
USIA	1	6	6	35	10	59	17
EPA	9	23	17	45	12	32	38
Department/Transportation	63	29	115	52	43	19	221
Overseas Private Investment Corporation	1	100	0	0	0	0	1
Agency/International Development	0	0	3	23	10	77	13
Small Business Administration	0	0	9	69	4	31	13
Department/HHS	6	1	59	10	499	88	564
Farm Credit Administration	0	0	0	0	3	100	3
NASA	16	22	20	29	34	49	70
Federal Home Loan Bank	1	16	4	67	1	17	6
Export-Import	1	50	1	50	0	0	2
U.S. Soldiers and Airmen	1	25	3	75	0	0	4
Department/Housing	16	64	6	24	3	12	25
Department/Energy	24	39	23	38	14	23	61
Selective Service System	0	0	0	0	3	100	3
Federal Mediation and Conciliation Service	1	100	0	0	0	0	1
Panama Canal Commission	17	77	5	23	0	0	22
Army Corps of Engineers	53	38	37	26	51	36	141
D.C. Government	8	5	38	23	118	72	164
Total	5,077	45	3,340	29	3,025	26	11,442

**HONORING BLESSED ROSE PHILLIPINE DUSCHENE UPON HER CANONIZATION**

**HON. JACK BUECHNER**

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. BUECHNER. Mr. Speaker, this Sunday Pope John Paul II will elevate Blessed Rose Phillipine Duschene to sainthood in the Basilica of St. Peter. This heroic woman was a pioneer missionary to the new world, founding the first free school west of the Mississippi in St. Charles, MS, in 1818 and the first convent of the Society of the Sacred Heart of Jesus in the United States in Florissant, MS, in 1820.

When Pope John Paul II canonizes Blessed Phillipine, she will become the first saint from the Archdiocese of St. Louis. It is fitting that this nun, who pioneered education and missionary efforts in the new frontier and became an inspiration for all generations, should now receive the recognition she so deserves. Her example embodies the spirit of independence and self-determination which enabled the inhabitants of the frontier to blaze new trails in this Nation under God.

Born in Grenoble, France on August 29, 1769, Blessed Phillipine was surrounded by the fire and rebellion of the French Revolution. As a young girl, she applied her family's characteristic strong will toward a moral and virtuous life. One story tells of how Phillipine "discarded her dolls and threw herself into this ministry. To the children of the families she visited with her mother she gave her small possessions. To the beggars who came to the house she gave her spending money. 'But Phillipine,' her parents protested, 'we give you that for your pleasure.' 'This is my pleasure,' said Phillipine."

Despite her father's objections and the uncertainty of the times, Phillipine's desire to enter the noviceship burned deeply. The year was 1787, and 18-year-old Phillipine was removed from the formal preparation to religious life. The French Revolution resulted in the expulsion of many religious communities, including her teachers, the Visitation Sisters. But, Phillipine continued her personal preparation for service by compassion and immediate contact with human suffering and misery. She was true to her tasks, receiving abilities equal them.

After an effort to resume the Visitation convent's work failed, the determined Duschene discovered the Society of the Sacred Heart, and offered this new group's founder, St. Madeline Sophie Barat, the convent's buildings. Barat brought a new direction and focus to Rose Duschene's life. Mother Barat tempered Duschene's desire to mission to the Indians in North America. Though the idea was reintroduced to Phillipine in 1806, she finally set off for America in 1818. After 11 tumultuous weeks on the Atlanta, Duschene's delegation landed at New Orleans. Forty-seven days later, the group reached St. Louis on May 29, the feast of the Sacred Heart.

Bishop Louis William DuBourg sent Rose and her companions to St. Charles where they found French, Creole, and English Catholics, poor and in need. It was here these women,

opened the first free school west of the Mississippi. Phillipine's efforts blossomed, with the founding of a convent, a boarding school, and a novitiate in Florissant, MS. Her accomplishments would later include an orphanage, academy, free school in St. Louis, and a series of her society's houses from New Orleans to St. Louis.

Despite her success, Blessed Phillipine had still not realized her lifelong dream of working with the Indians. So the 71-year-old future saint embarked on a journey west carrying the dream she had held since her childhood. She arrived in what was to become Kansas with the hope to minister to the Native Americans, but could not master the Potawatomi language. But this builder of Catholic America knew a language spoken among every nation and every race. . . the language of kindness and love. Indians named her "Woman Who Always Prays," inspired by her dedication and unwavering faith.

She returned to St. Charles where on November 18, 1852 her life ended. We remember her now as her sainthood begins. We recall the words of Father Pierre Jean DeSmet: "No greater saint ever died in Missouri," he said, "or perhaps in the whole union."

More important than the death of Mother Rose Phillipine Duschene, however, is the example she gave to both the people of the frontier, and we who reflect today. "I marvel at the power of grace," Mother Duschene said, "which makes me happy in the separation from all I love best and without any success which could make me forget my sacrifices."

Mother Duschene may have thought at one time that she was unsuccessful, in fact she wrote from Florissant in 1820, "Saints are needed for work among souls so little prepared. I am all the more distressed not to be one." This humble frontier missionary has been proven otherwise.

On May 12, 1940 Mother Duschene was given the title of "Blessed" and "declared worthy of veneration and imitation."

Mr. Speaker, I join the people who remember Blessed Phillipine and pray for her intercession as they celebrate her canonization. I congratulate the Archdiocese of St. Louis and those who have worked to honor and commemorate Blessed Phillipine Duschene.

**THE CRISIS IN CIVIL ACTIONS FOR WORKERS INVOLVED IN ASBESTOS-RELATED CLAIMS**

**HON. BRIAN J. DONNELLY**

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. DONNELLY. Mr. Speaker, I would like to submit for the record a copy of a resolution which was recently adopted by the general court of the State of Massachusetts, addressing the problem of judicial review of asbestos-related damage suits. While the crisis in the District Court of Massachusetts is particularly

acute, this situation exists nationally, and I urge my colleagues attention to this growing problem in our civil court system.

**RESOLUTIONS URGING THE U.S. DISTRICT COURT FOR MASSACHUSETTS AND THE MASSACHUSETTS CONGRESSIONAL DELEGATION TO ALLOCATE ALL NECESSARY RESOURCES TO ENSURE THE EFFECTIVE DISPOSITION OF ASBESTOS-RELATED CLAIMS**

Whereas, many citizens of the Commonwealth suffering from asbestos-related diseases are currently seeking redress for their injuries through the U.S. District Court; and

Whereas, there are almost 2800 cases relating to asbestos disease, making up more than one-third of the civil docket, currently pending in the U.S. District Court in Massachusetts; and

Whereas, the plaintiffs in these cases have been subject to long inordinate delays, some spanning more than seven years, in having their cases brought to trial and, along with their families, are enduring the serious hardships resulting from these delays; and

Whereas, there have been many victims who have died from their diseases and whose families are still awaiting court assignment of their cases, therefore prolonging the period of grief and anguish which they have already endured; and

Whereas, the administration of asbestos disease cases in the U.S. District Court in Massachusetts has been shown to be one of the worst in the Nation with the length of disposition averaging over six years, more than five times the length of non-asbestos case dispositions, and the U.S. District Court, is at least nine years away from eliminating the current backlog of asbestos cases under its present rate of scheduling; and

Whereas, these delays and inaction add to the physical, emotional and economic suffering of the victims and their families and are insensitive to their need for support and right to litigation; and

Whereas, the demand for remedial action by the court has been urged by local governmental bodies, community and civic groups, organized labor and thousands of private citizens from across the Commonwealth; therefore be it

*Resolved*, that the members of the Massachusetts House or Representatives join with the victims and their families, and with all others concerned, to urge the U.S. District Court and the U.S. Congress to allocate all necessary resources to ensure that asbestos cases are no longer effectively discriminated against, but are expedited, rather, with the same deliberate speed as non-asbestos cases on the civil docket, and request that the chief justice of the U.S. District Court in Massachusetts commit publicly to a definite timetable and to streamlined procedures which will eliminate the present asbestos-case backlog by a specific date; and be it further

*Resolved*, that a copy of these resolutions be forwarded by the Clerk of the House of Representatives to Chief Justice Frank H. Freedman of the U.S. District Court in Massachusetts and the Massachusetts congressional delegation.

## FALSE PROMISES

## HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. McEWEN. Mr. Speaker, Nicaraguan Dictator Daniel Ortega is off on an official visit to see his Marxist comrade-in-arms and fellow Dictator Fidel Castro, who welcomed his recent arrival in Havana with a 21-gun salute and a bear hug.

Commandante Ortega deserves such fine treatment from his long-time mentor and island neighbor. He has had a very successful year. Not in Nicaragua, Mr. Speaker, where the economy is in ruins. No, this is not where he has made his most impressive marks. It is the U.S. Congress.

The Nicaraguan dictator has racked up a list of foreign policy successes that would make Lenin and Stalin proud.

He has won a majority in the House with his false promises of democratization and peace while his Interior Ministry thugs take to the streets of Managua and fill Thomas Borge's prisons and harass the opposition newspaper *La Prensa*.

As the dictators meet to affirm their solidarity against the United States and democracy, the freedom fighters starve in the jungles—courtesy of the majority leadership in Congress.

## PRICE CAPS: A CONCEPT TO EXAMINE

## HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mrs. COLLINS. Mr. Speaker, in May, the Federal Communications Commission [FCC] adopted a further notice of proposed rulemaking regarding price cap regulation. As one who has been critical of many FCC operations in the past, I was pleased to see that this new proposed rulemaking, comprising nearly 300 pages in length including appendices, put more "meat on the bones" on this concept than did the first FCC effort in August, 1987.

Price caps are a marked departure from the current rate-of-return regulation now imposed on the regulated telecommunications industry. I believe we should thoroughly examine this effort to ascertain if benefits to consumers are increased by price caps, if cross-subsidies can be eliminated, if quality of service can be accurately monitored, and if it would encourage innovation by providing marketplace incentives to lower prices and encourage companies to deploy new technologies and services for consumers more rapidly. All of us would agree, I believe, that rate-of-return regulation is badly outdated. For nearly 50 years, this has been the method of regulating telecommunications utilities. Rate-of-return regulation has placed more emphasis on profits companies can make rather than on what prices consumers must pay.

The telecommunications environment is changing rapidly and State, as well as Federal, jurisdictions are evaluating regulatory alternatives to rate-of-return regulation. Nearly one-half of the States have evaluated or are evaluating a variety of alternatives to rate-of-return in their legislatures or public utility commissions. In my home State of Illinois, the General Assembly in 1985 passed a major rewrite of the Public Utility Act introducing more competition in the telecommunications industry, while preserving protection for those consumers who are unable to easily afford universal service.

It is my understanding from reading the proposed rulemaking that price caps will not affect the State commissions' ability to regulate local rates since the plan applies only to the Federal interstate portion of telephone regulation. That is an important distinction to be made in order that we do not try to radically alter regulation of the local loop in this process.

In conclusion, Mr. Speaker, I look forward to ongoing discussions about this new form of regulation. A hearing is planned in the House Telecommunications Subcommittee, on which I serve, for mid-July and others may follow. I believe that as we deliberate on this important matter, the regulatory process should go forward. Mid-course corrections to the plan can and should be made. Price caps are worth examining to see if they meet the key test: "Will the American consumers markedly benefit from them or not?"

## ONE MAN'S VIEW

## HON. JAMES H. BILBRAY

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. BILBRAY. Mr. Speaker, I rise today to call to the attention of my colleagues an article recently published in the Henderson Home News concerning the Great Basin National Park in Nevada, and of the rightful pride Senator HARRY REID may take in his efforts in bringing this magnificent area to the Nation's attention and to protect it for generations of Americans to come.

Senator REID, who preceded me in representing Nevada's First Congressional District in the Congress, recognized the unique beauty of these lands had to be preserved. Leading efforts within Nevada, and working closely with our colleagues on the Interior Committee, Senator REID led the Nation's focus to the majestic beauty of Wheeler and Baker Peaks, and rallied congressional action to dedicate this crown jewel as a national park. Without his leadership and efforts, the Great Basin National Park would not have been dedicated last year.

Mr. Speaker, I commend the article, written by the respected former Governor of Nevada, Mike O'Callaghan, to my colleagues:

The article follows:

## ONE MAN'S VIEW

(By Mike O'Callaghan)

Great Basin National Park is everything that Sen. Harry Reid hoped it would be when he was fighting to make it a legal reality. The snow on towering, 13,063 foot Wheeler Peak and on lesser 12,298 foot Baker Peak greeted the visitors from rapidly heating Clark County last week.

The campgrounds all the way from Lower Lehman Creek at 7,500 feet up to the 9,950 foot level Wheeler Peak Campground were filled for the long Memorial Day weekend. The license plates on the vehicles of visitors were from at least 11 states including Ohio and Michigan.

Carolyn, my wife, and I stopped for refreshments with Juanita Miller at Major's Place before making the sharp turn east on the way to Baker last Thursday. During our stop at Major's Place we learned the trout were biting on Silver Creek and in the reservoir. The next day before heading up to the park we caught our limit of trout in the Silver Creek Reservoir to make certain we had dinner that evening.

A short hike on a park nature trail and up a couple of ridges to get some photos of Wheeler Peak was a good way to start the visit. Then we jumped in our rig and drove to the snow and Wheeler Peak Campground.

The air was crisp and the camp fires were surrounded by entire families getting ready for dinner. The kids, in warm clothes, were throwing snowballs and some grandparents were taking pictures of the young ones. You could easily imagine they were taking pictures of the present activities but their minds probably were wandering back over the years to their earlier days.

The following morning was spent at Cave Lake, which was surrounded by Las Vegas, and then on for a visit in Ely with pal Nobuo Nakashima. Later in the day we viewed the Robinson mining project at Ruth and then attended services at St. Michael's Church in McGill.

We planned to spend the next day, Sunday, hiking into Stella and Teresa Lakes and up to the bristlecone pines in the park. Mother Nature took over and early Sunday morning the temperature in Baker dropped to the thirties and a snowstorm along with even colder weather dominated the upper levels of Great Basin National Park. Several inches of fresh snow covered the mountains and by late afternoon, while we were busy catching another dinner at Silver Creek Reservoir, the storm continued to swirl around the cloud covered peaks. It wasn't a day for a pleasant hike at the 10,000 foot level of the park.

I'm glad we had to settle for more Silver Creek trout that evening as we watched the snow stick to the sagebrush outside of Baker. The trout were delicious and planning for our next trip to hike into the lakes was like dessert.

If you are planning a summer trip with the family don't overlook White Pine County or the Great Basin National Park near Baker. If it is during a recess of Congress let's hope you run into the Harry Reid family enjoying the mountains. After all, the legislative leader who helped create the Great Basin National Park should find time to enjoy it at every opportunity.

**ASSURING THE COMPETITIVENESS OF U.S. FINANCIAL INSTITUTIONS**

**HON. JOHN J. LaFALCE**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, June 30, 1988*

Mr. LaFALCE. Mr. Speaker, as we approach this holiday weekend during which we celebrate the most important single event in our history as a nation, I would like to discuss a matter that will have significance in our economic history. The Congress is now considering whether to shed the shackles of the Glass-Steagall Act from our Nation's banks and declare them independent to compete in world markets. I believe this action will be necessary in order to preserve the preeminence of the United States in the world's financial markets.

The potential loss of our place at the top of financial markets was brought home to me by a very good white paper prepared by the Institute of International Bankers entitled "Global Survey of Permissible Activities for Banking Organizations in Major Financial Centers Outside the United States." The Institute prepared this study to show the developments in the powers of banking organizations in nine major countries and in the European Economic Community. It is clear that the trend in other countries is to permit banks to engage in securities, insurance, and real estate activities as well as to hold investments in industrial companies.

The developments in the European Community are of particular interest. Just as 1776 is a noteworthy date here, 1992 will take on a great deal of significance for banks that are based in European Community member states. By that year, a unified banking system will be implemented that will include authority for banks from different member states to conduct full securities activities in all of the other member states. Thus, there will be a single banking market in Europe in which banks will have access to 321 million people. This is but one example of the progressiveness on the issue of bank powers in other countries.

It is worthy of note that American banks are taking advantage of the authority to engage in full securities activities as well as other business lines abroad. However, if they can engage in these activities overseas and provide services to their customers abroad, why should consumers of financial products and services come to New York, Chicago, or Los Angeles where banks and other U.S. financial institutions are narrowly and artificially limited in the financial products and services that they may offer?

The Institute is to be commended for making this valuable contribution as we debate the future of the financial industry in this country. We did not hesitate to look to the work of philosophers from abroad to formulate the fundamentals of the American ideal of government. Accordingly, we also should not shy away from the learning in other countries on how best to structure our financial system in the context of an increasingly global and

internationally integrated market for financial services and products.

**SANTA BARBARA VICTORIA STREET COMMUNITY HOUSE**

**HON. ROBERT J. LAGOMARSINO**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, June 30, 1988*

Mr. LAGOMARSINO. Mr. Speaker, I would like to take this opportunity today and recognize the remarkable efforts of those members of the Santa Barbara community who worked toward the purchase of the Victoria Street Community House to provide a permanent home for three local charities. They include the Council of Christmas, the Retired Seniors Volunteer Program, and the Child Abuse and Listening Mediation.

Mr. Speaker, under the outstanding leadership and direction of Larry Crandell and Richard Berti, several business and civic leaders of the Santa Barbara community donated hundreds of hours of their time and energy on behalf of the charities to gain the financial support of the community in order to purchase the building site located at the corner of Chapa and Victoria Streets in Santa Barbara. The group was able to raise the \$1,250,000 through several major grants, gifts, small donations, individual loans, and a consortium of five Santa Barbara lending institutions who provided the mortgage financing for the purchase of the building.

The building will provide space for the three agencies benefitting abused children and their families, as well as the elderly and the indigent. In addition, the building will also provide space to other community nonprofit agencies serving the needs of the Santa Barbara community.

Mr. Speaker, community cooperation is the hallmark of this project. I applaud the efforts of these devoted citizens showing real volunteer spirit through pooling resources to provide services to the community in a more efficient manner.

**RALPH "SAM" SPENCER**

**HON. PETER H. KOSTMAYER**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, June 30, 1988*

Mr. KOSTMAYER. Mr. Speaker, on Tuesday, June 28, 1988, Ralph "Sam" Spencer passed away at age 71. With Sam's passing, I lost a friend and the people of Bucks County and Tullytown lost a dedicated citizen, devoted to community service. Sam was born and raised in Apollo, PA, served his country in World War II as a member of the U.S. Navy, and spent the last 27 years living and serving the people in the community of Tullytown, PA.

Sam dedicated much of his life to local government. Sam served as a member of the Tullytown Borough Council for the last 3 years, he was a Borough Democratic Committeeman for 20 years, he had been a member of the Bucks County Executive Board for the Demo-

cratic Party, and was a founding officer of the Tullytown Democratic Club.

Fortunately, Sam's energies were not spent on politics alone. He was a vital member of many of the area's volunteer organizations. Sam was a lifetime member of the Volunteer Firemen of Armstrong County, and was also a member of the Tullytown Volunteer Fire Company. He was an active member of both American Legion Post 961 of Tullytown and Fallsington American Legion Post 834. Sam was involved with many service projects as a member of the Bristol Moose Lodge, the Tullytown Lions Club, and the Fairless Works Retirement Club. In recognition of his long years of community service he received the Tullytown Lifetime Community Service Award.

Tullytown Borough is a small community of only 2,500 souls. Sam Spencer's efforts were felt by everyone who lived there and many people throughout the entire county. Personally, he was a source of great support, and taught me invaluable lessons about life and human nature. Sam Spencer passed away with the knowledge that he was loved and respected by many, and that he made the lives of people around him better. Sam is survived by his wife, Francis, his daughter, Linda Mazenko, four grandchildren and one great grandchild.

**URANIUM REVITALIZATION ACT**

**HON. HOWARD C. NIELSON**

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

*Thursday, June 30, 1988*

Mr. NIELSON of Utah. Mr. Speaker, on behalf of my colleague, Mr. CHENEY, who is absent today because of illness, and 27 other Members of the House, I have today introduced legislation to revitalize the domestic uranium industry and reform the Government's enrichment operations.

The background of this legislation is as follows: Back in April, 47 of us introduced H.R. 4489, the Uranium Revitalization, Tailings Reclamation and Enrichment Act. This legislation was patterned after S. 2079, which was approved by the other body on March 30 by a vote of 62 to 28.

H.R. 4489 includes three titles. Title I would repeal the requirement of section 161(v) of the Atomic Energy Act that enrichment of foreign uranium be restricted in order to maintain a viable domestic industry. Instead, it imposes for an interim period charges for the use of foreign uranium above specified levels.

Title II of H.R. 4489 creates a system for funding the reclamation of mill tailings based on contributions by the Federal Government, nuclear utilities and the owners or licensees of mill tailings sites.

Title III creates a Government enrichment corporation to operate the Federal Enrichment Program as a commercial enterprise.

The pending free trade agreement with Canada has a direct bearing on H.R. 4489 because it would repeal with respect to Canadian uranium the statutory requirement for restrictions on the enrichment of foreign uranium without providing any alternate program to preserve a viable domestic industry.

It has been proposed that the administration include in the legislation implementing the free trade agreement the program of charges for the use of foreign uranium contained in title I of H.R. 4489.

In an effort to develop an alternative to this proposal, the administration has conducted extensive negotiations in recent weeks with the utility industry and the uranium producers. There has emerged from these negotiations a compromise alternative to the title I program. The compromise proposes a 5-year \$750 million procurement program to buy domestic uranium for use in enrichment operations. The Secretary of Energy would purchase the uranium through competitive bidding with funds from a uranium revitalization fund, which would also be used to fund the reclamation of mill tailings. The fund would be financed by a \$450 million contribution from the U.S. Enrichment Corporation, a \$300 million contribution from uranium producers and a \$1 billion contribution from the licensees of nuclear reactors. \$1 billion would be available from the fund for the reclamation of mill tailings in accordance with existing law.

The compromise includes the provisions of title II of H.R. 4489 for the reclamation of mill tailings, and title III, which creates the enrichment corporation.

Mr. Speaker, it is not yet clear whether the compromise I have described can be included in the legislation implementing the free trade agreement. Discussions are still ongoing between Congress and the administration on that issue and many of us continue to believe that it would be appropriate to include the compromise as part of the agreement.

On Tuesday, June 28, Chairman UDALL held hearings before the Interior Committee on H.R. 4489 and the compromise proposal. Because of interest expressed by other members, we are today introducing the compromise in legislative form so that both the original bill, H.R. 4489, and the compromise will be formally pending before the appropriate committees of the House.

#### NATIONAL MEDICAL RESEARCH DAY

### HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. HOYER. Mr. Speaker, today it is my great pleasure to introduce a resolution which designates September 14, 1988, as "National Medical Research Day." This year we are celebrating the centennial of the National Institute of Health, and it is indeed appropriate that to continue the momentum generated by this 100th anniversary celebration we commemorate the priceless contributions made to the health and well-being of the citizens of the United States and the world by America's medical research enterprise.

The breakthroughs in health promotion and disease prevention generated by the Federal centers for medical research—the National Institutes of Health, the Alcohol, Drug Abuse, and Mental Health Administration, the Centers for Disease Control, and the Veterans' Admin-

istration—as well as research undertaken through private sector initiatives has saved countless lives and improved the health of virtually every American and member of the world community. The list of health and economic benefits provided by medical research and the promise of new treatments and potential cures for the diseases and illnesses that still plague humankind serve as ample justification for the celebration of October 1 as National Medical Research Day.

Diseases that once killed or incapacitated millions—such as tuberculosis and polio—have been virtually eradicated. Medical research has also led to the discovery of DNA as the molecular basis for inheritance, the development of new, innovative pharmacological and surgical techniques to combat cancer and heart disease, the discovery of the causative agents and possible treatment and cures for infectious diseases such as AIDS and legionnaire's disease and the identification of the genetic basis for addictive disorders. As the result of these and other advances, American medical research has become the envy of the entire world.

#### ASSURE TIMELY DELIVERY OF CIVIL SERVICE, RAILROAD AND MILITARY RETIREMENT, AND BLACK LUNG BENEFIT CHECKS

### HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. DWYER of New Jersey. Mr. Speaker, today I have introduced a package of four bills to insure the timely delivery of Federal pension checks to railroad retirees, military retirees, civil service annuitants and recipients of black lung benefits.

Currently, the Post Office receives benefit checks on a specified date, usually the first or third of the month. In the event the date of disbursement falls on a Saturday, Sunday or a holiday, the Post Office will deliver the checks on the next available business day. As a result, retirees many times must wait several days before they receive their check. In some instances, these checks have already been delivered several days in advance to the Postal Service, which must then hold the checks until the designated date of delivery. For those individuals who depend on their monthly checks as their sole source of income, this delay can pose an unnecessary hardship.

As a result, in 1977 Congress approved Public Law 65-216, which included a provision to provide for the early delivery of Social Security benefit checks whenever the regular delivery date for payment of either Social Security or Supplemental Security Income checks falls on a Saturday, Sunday, or a legal public holiday. Unfortunately, Congress never extended this courtesy to the 4.4 million recipients of civil service, railroad and military retirement benefits and black lung benefits.

My legislative package would simply assure other Federal retirees the same treatment already afforded to recipients of Social Security benefits. Under my legislation, railroad retir-

ees, military retirees, civil service annuitants and recipients of black lung benefits would be assured early delivery of their benefit checks in the event the day regularly designated for delivery falls on a weekend or a legal public holiday. Thus my legislation would place this smaller group of retirees on equal footing with recipients of Social Security benefits. I urge my colleagues to support this long overdue legislation.

#### HONORING JOE ANDERSON

### HON. J. DENNIS HASTERT

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. HASTERT. Mr. Speaker, one of the most outstanding civil leaders in my congressional district, Joe K. Anderson of St. Charles, has just recently been selected to receive one of the highest honors in Scouting, the Distinguished Eagle Scout Award.

During the past four decades, Joe Anderson has focused his attention on his community. He has provided leadership to many organizations including serving as president of the Kane County Livestock Association, as president of the St. Charles Community Chest, as commander of American Legion Post 342 in St. Charles and as president of the Rotary Club.

He was founder of the Tri-City Salvation Army and has been a 25-year member of the Tri-City Red Cross Board of Directors. He has served three terms on the St. Charles School Board and one term as a member of the board of directors of Augustana College. A decade ago, he was selected as recipient of the Charlemagne Award for outstanding contribution to his community, St. Charles.

His career with Scouting dates back more than 50 years. He earned his Eagle Scout Badge in 1933 and became an assistant Scoutmaster in 1937. He has served as chairman of the Two Rivers Council annual golf outing and has helped raise more than \$50,000 in support of Scouting activities. Just last year he received the Silver Beaver Award in recognition of his distinguished service to youth.

Mr. Speaker, today I salute Joe K. Anderson and commend him for his sense of service to his community and to youth, our future leaders.

#### EXTENSION OF AMERICAN CANAL PROJECT

### HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. COLEMAN of Texas. Mr. Speaker, I rise today to introduce a piece of legislation that directs the Secretary of State acting through the Commissioner of the International Boundary and Water Commission to construct, operate, and maintain an extension of the American Canal in El Paso, TX.

The construction and operation of an extension of the American Canal which would lie wholly in the United States would provide for a more equitable distribution of waters between the United States and Mexico, reduce water losses, and eliminate many hazards to public safety.

In 1976, this construction program was authorized to be administered by the U.S. Bureau of Reclamation. The American Canal Extension, a feature of the Rio Grande project, would be located along the Rio Grande within the city of El Paso, county of El Paso, in southwestern Texas. The extension project would consist of enlarging about 1.4 miles of the existing American Canal, constructing a 13-mile extension of the American Canal, modifying traffic and drainage structures, and eliminating a portion of the existing Franklin Canal.

This project would bestow numerous benefits upon this area in southwest Texas, and the canalization effort enjoys the support of local, State and Federal agencies. The two most directly involved Federal agencies, the Bureau of Reclamation and the International Boundary and Water Commission, have voiced favorable opinions for this project in view of the fact that numerous benefits would arise from the extension of the American Canal.

Primarily, this extension would result in the salvage of between 12,000- and 22,000-acre feet of water lost annually due to seepage. Water transportation losses fluctuate greatly in the Franklin Canal as well as the Rio Grande due to the dirt lining and seepage losses, and salvaged water could increase annual allotments to each water right acre if a cement lined canal was available. The value of this amount of water that would be conserved to a community such as El Paso is enormous.

Another benefit would be derived would be the elimination of health and safety hazards to the citizenry of El Paso. The current use of the Franklin Canal, located in a downtown area, has created a health and safety problem in that refuse and garbage are illegally dumped in the canal, creating a breeding ground for bacteria. Disease-carrying mosquitos, spiders, scorpions, and snakes breed and live in the vegetation along the canal, and stagnant water during the months when irrigation is not carried through the Franklin Canal creates further health problems due to contamination.

In addition, a number of drownings occur every year in the canal because of its proximity to public housing. The 5.5 miles of the Franklin Canal I am proposing to eliminate have the heaviest density of population per square mile than any other area of El Paso. The average size of family in this area is 5.6 persons, and the largest percentage of children in the families are less than 13 years of age and have no access to public or private swimming pools. The proposed extension would render the Franklin Canal obsolete and it could be filled in for some more beneficial public use in the area.

The possibility of international friction between Mexico and the United States would also be reduced if the American Canal is extended. The present canal does not allow optimal control over the portion of water belong-

ing to the United States and illegal diversion of water is taking place by Mexican farmers. It is widely believed that potentially disruptive international issues might arise from the commingling of the waters of the United States and the waters of Mexico in this reach of the Rio Grande, while such issues would not arise if a canal extension were constructed and operated wholly on the American side of the river. The proposed extension would eliminate that diversion and would eliminate the source of potential disputes and tension.

This project would have the added benefit of creating construction jobs as well as other employment opportunities in a border area that is beset with economic problems and high unemployment as well as address numerous problems involving this community's most vital natural resource—water.

I ask for the support of my colleagues for this worthwhile project.

#### A TRIBUTE TO OBIE HENEGAR

### HON. MARILYN LLOYD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mrs. LLOYD. Mr. Speaker, today I proudly rise to pay tribute to Obie Henegar, a most special resident of my district. Mr. Henegar will retire from service to the city of Oak Ridge on July 8, 1988, where he has been director of the Oak Ridge Senior Center since its 1977 opening. Under his leadership, the Senior Center has grown dramatically in progress and attendance. Mr. Henegar should receive special commendation for his involvement with the Senior Olympics, a much acclaimed and much needed program.

The proud father of five children and seven grandchildren, he has served his nation and his city well these last 40 years. After service in the U.S. Marine Corps from 1948 to 1950, he worked at the Oak Ridge Gaseous Diffusion Plant and joined the city of Oak Ridge Recreation and Parks Department in 1964.

Mr. Speaker, I am deeply honored to be given the opportunity to herald such a fine public servant. In fact, I hope to personally thank and congratulate Mr. Henegar in the very near future. We must always remember the importance of those who demonstrate their love for our institutions and our people with devoted service. Mr. Henegar is just such a man, and I know his importance to the great city of Oak Ridge will long continue.

#### LEGISLATION TO PUMP \$1 BILLION INTO THE SAVINGS AND LOAN INDUSTRY INTRODUCED

### HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. ANNUNZIO. Mr. Speaker, today I am introducing legislation that will pump roughly \$1 billion into the savings and loan industry, and it will be done without costing the taxpayers 1 cent.

Mr. Speaker, in December 1984 the Federal Home Loan Bank Board created 15 million shares of participating preferred stock of the Federal Home Loan Mortgage Corporation [Freddie Mac]. The stock was distributed to the savings and loan industry to improve the capital position of individual institutions. However, the value of the stock has never really increased because of a restriction that the stock can only be held by members of the Federal Home Loan Bank System. In short, that means that savings and loan institutions can only sell the stock to each other, an extremely small market. Because of the small market, the price of the stock has been undervalued and there has been little sales activity in the Freddie Mac stock.

The legislation that I am introducing today, along with the gentleman from Ohio [Mr. WYLIE], and the gentleman from Indiana [Mr. HILER], would remove the ownership restriction on the Freddie Mac stock. It would allow the stock to be sold to anyone, regardless of their affiliation with the Federal Home Loan Bank System. It must be pointed out that while this bill will indeed raise an impressive amount of money for the savings and loan industry, it will in no way interfere with the operation of the Federal Home Loan Mortgage Corporation since this is nonvoting stock.

I want to commend Senator ALFONSE D'AMATO of New York, who introduced this legislation in the Senate earlier this month. Senator D'AMATO has indeed come up with an important way to raise money for the thrift industry and at no cost to the taxpayers. I commend him for his vision in this area, and I am happy to be the House sponsor of the companion legislation.

At the present time, the Freddie Mac stock is held by some 2,900 savings institutions. For the most part, since the issuance of the stock, the trading price has remained fairly constant. However, since the first introduction of the legislation to lift the restrictions, there has been a dramatic increase in the price of the stock. On June 3, the stock was being traded at a price of \$62 per share. On Monday of this week, June 27, the value of the stock had increased to \$91.50. Nearly a \$30 jump in 3 weeks. This increase was brought about by the belief that the restrictions on Freddie Mac stock ownership would be removed by the Congress. If the stock has increased in value merely on speculation that Congress will act, you can imagine the increase that will take place once the restrictions are lifted.

Savings and loan officials have estimated that at the very least, passage of this legislation will increase the total value of the outstanding Freddie Mac shares by nearly \$1 billion. That money will immediately boost the capital position of savings and loans throughout the country. That is money that can be used to make housing loans, which in turn will generate more income for the savings and loan industry.

Mr. Speaker, it is my fondest hope that this legislation can be passed by the House quickly, so that we can get the money to the savings and loan industry as quickly as possible. I hope that we can use whatever expedited procedures are available to pass this much needed legislation.

## LOGAN AIRPORT FEE STRUCTURE

### HON. AMO HOUGHTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. HOUGHTON. Mr. Speaker, unfortunately a point of order was made against language in the Department of Transportation appropriation bill concerning MASSPORT's PACE Program to boost landing fees at Logan Airport for operators of small private planes.

This was unfortunate because the MASSPORT proposal blatantly discriminates against smaller and lighter aircraft and could have profound and far-reaching consequences for air service throughout this country.

MASSPORT's plan departs from the traditional method of determining airport landing fees and instead uses a per landing basis. The increases, which are scheduled to go into effect July 1, could hurt the economies of more than 40 communities in the northeast and mid-Atlantic regions that depend either exclusively or primarily on commuter aviation for access to the major carriers at hub airports.

Logan Airport has decided that it can ignore Secretary Burnley's request to delay implementing a radical landing fee structure and the U.S. District Court in Boston is being asked to rule that the PACE plan violates Federal statutes that prohibit airports from unjustly discriminating against air carriers.

Mr. Speaker, Logan Airport is the beneficiary of Federal funding as evidenced by the money appropriated in this transportation bill. Logan Airport is introducing a discriminatory fee structure that goes against Federal policy. At the very least, Logan should give the Federal Government time to investigate this fee structure.

## JUNETEENTH DAY

### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. RANGEL. Mr. Speaker, I would like to share the passing of a special occasion with my colleagues. It is called Juneteenth Day, the day which commemorates the freeing of the last black slaves in America. Juneteenth Day is celebrated on June 19; and it represents a very important date in black history; and in America's movement toward a truly democratic society.

When Abraham Lincoln made the Emancipation Proclamation on January 1, 1863, he declared all slaves in the Confederate States free. These States were still resisting the Union, and hence ignored the proclamation. On June 19, 1865, Gen. Gordon Granger landed near Galveston, TX, and informed the slaves of their freedom. The news quickly spread through the remaining Confederacy, thus marking the beginning of the celebration of Juneteenth Day.

With the Fourth of July celebration only a few days away, I believe it is fitting to share

## EXTENSIONS OF REMARKS

this special day with you and my colleagues. This is a part of the American experience that we must take note of.

Juneteenth Day is celebrated with a lot in mind: The pain and suffering of the road toward the abolition of slavery was a long and emotional one. In celebrating this day we can capture the joy and thanksgiving with which our forefathers celebrated their freedom.

## ST. LOUIS POSTAL SERVICE RATED NO. 1 IN QUALITY OF SERVICE

### HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. CLAY. Mr. Speaker, I want to share with my colleagues the article in the spring issue of the Postal Life magazine praising the St. Louis Division of the U.S. Postal Service for being No. 1 in delivering quality service. Postal employees in St. Louis are to be commended for their hard work in turning around the St. Louis Postal Division.

It was not long ago that St. Louis was ranked 56th out of 58 cities in a nationwide study by the banking industry of post offices on how fast mail gets from point to point. Back in 1984 and 1985 I was in constant contact with the Postmaster General about St. Louis' mail delivery. While the St. Louis Postal Service was being unfairly maligned by certain elements in the business community which used its own unscientific methods to rate the St. Louis postal system, nevertheless there was ample concern expressed by my constituents about their mail delivery. The Postmaster General responded quickly to my request for an investigation into the quality of postal services in St. Louis and steps were taken to improve mail service. One of the corrective steps was the assignment of John Goodman as the executive assistant for customer relations in St. Louis. Goodman, now St. Louis Postmaster, has worked closely with the postal employees to make St. Louis No. 1 in delivering quality service. John Goodman credits postal employees for the turnaround and the success they have achieved. Cooperation between management and employees proves that teamwork pays off. The ultimate winners are the postal customers who expect and are receiving prompt, courteous and efficient service.

The St. Louis Division of the Postal Service received the "Eagle Award" for having the best overall quality/service performance in its region. In addition, St. Louis soared from a 56th place finish to first place nationwide in how fast it moves mail. The St. Louis statistics speak for themselves: 6 percent reduction in mishandlings and 14 percent reduction in delayed mail; 28 percent improvement in parcel post service performance, 16 percent in express mail service, and 5 percent in priority mail service.

The U.S. Postal Service increasingly has come under attack by the Reagan administration which advocates turning over mail services to the private sector. This would destroy universal mail service by allowing private com-

panies to skim off the profits of delivering mail to the cities while forcing the Postal Service to serve the less profitable rural areas. The House recently voted to remove the Postal Service from the Federal budget, a status it had from 1973 to 1985, which would stop the administration's back door attempt at privatization and remove the Postal Service from the annual budget battles waged by Congress and the administration. Last year's budget battle resulted in cuts in post office retail window hours, curtailed weekend mail sorting and suspension of some 700 capital-improvement projects. These cutbacks resulted in a public outcry for better service. Hopefully, the Senate will follow the House's lead on the off-budget bill to permit the Postal Service to operate an efficient national mail system. The St. Louis Postal Service is making its contribution in providing quality service, we in Congress should as well:

#### DELIVERING QUALITY

They were at the bottom of everybody's list. They ranked 56th out of 58 cities in the Phoenix-Hecht Report, a nationwide study by the banking industry of post offices and how fast mail gets from point to point. In studies conducted by the Chamber of Commerce and local newspapers, more than 60 percent of the people interviewed said that the Postal Service "hurt their business." They were even at the bottom of their own region's quality and service ratings. St. Louis had nowhere to go but up.

And up it went. Last year, the St. Louis Division was number one in the Central Region in terms of quality and service, winning the region's coveted "Eagle" quality award, an award given each fiscal year to the division in the Central Region having the best overall quality/service performance. And what about that 56th place in the Phoenix-Hecht Report? St. Louis finished the year tied for first place.

#### THE SEARCH FOR QUALITY

The amazing turnaround of the St. Louis Division illustrates that quality service can be achieved. Throughout the nation, companies and organizations in both the private sector and in the government have implemented quality programs in order to make "Made in the U.S.A." once again synonymous with quality.

American companies such as Ford, Chrysler, Alcoa, and Xerox have made the same kind of comeback as St. Louis. Through emphasizing quality, they have turned themselves around and have begun to regain the markets they had lost to foreign manufacturers.

But quality defects still nag American business—and the Postal Service, too.

Consider these facts:

One quarter of American workers don't produce anything; they simply fix other workers' mistakes, a recent article in Business Week reported.

IBM estimated last year that it would take \$2.66 billion of additional revenue to generate the same amount of profit that could be realized if each employee removed work product defects.

More than two-thirds of postal customer complaints originate in areas of misdelivery, delay, nonreceipt and change of address, all areas having to do with making errors.

Reworked mail costs and Postal Service more than \$300 million a year, and that's just the tip of the iceberg.

Quality control experts in the Postal Service estimate that just a 1 percent reduction in machine letter mishandlings could save more than \$30 million a year.

Clearly, this is a big money game. It costs the Postal Service millions to redo, rework, or repair what wasn't done right the first time. And not only does it cost money, it drives customers to competitors and endangers the very survival of the Postal Service. Today, the organization faces tough competition from private industry in many areas of its business, particularly Express Mail and Parcel Post, and the threat of dismemberment if those who espouse privatization have their way.

The message is clear, John G. Mulligan, Senior Assistant Postmaster General for Operations Support, said, recently: "The Postal Service has to deliver quality or get beaten by its competitors."

#### A WINNER

Delivering quality became the number one concern of the St. Louis Division employees when they set out to change their service and their image. As impossible as it seemed at the time, they decided to set their cap for the "Eagle" award.

And in 1987, they won it all. The victorious division had the greatest overall improvement in the quality control testing area with a 6 percent reduction in mishandlings and a 14 percent reduction in delayed mail. Its composite First-Class Mail Origin-Destination Information System (ODIS) score of 92.0 was tied for best in the region and amounted to a 12 percent improvement over the fiscal year '86 score.

In addition, St. Louis achieved a 28 percent improvement in Parcel Post service performance, 16 percent in Express Mail service, and a 5 percent improvement in Priority Mail service.

How did this happen? How did St. Louis transform itself from the bottom of the heap to become No. 1?

#### UPBEAT ATTITUDE

General Manager/Postmaster John C. Goodman, a man who is enthusiastic about his job and about the people with whom he works, says it was postal people who turned the division around. "When we started our quality campaign in 1986," he says, "we had an attitude problem. So attitude is what we concentrated our efforts on."

"We immediately embarked on a program to tell our people how necessary they are, how good they already were, and how much better they could be. Things were so bad here, and the press was so down on us that we were willing to try anything to boost morale. We appealed to everyone's sense of pride and gave them a dose of good, old-fashioned praise.

Goodman says mailings were sent to employees' homes telling them how important the team was and how important they were to the team. Articles were placed in the division newsletter praising postal people for their work and encouraging them to do even better. New training programs were established to help employees know their jobs better. "We appealed to their competitive spirit," says Goodman.

"Our plan was very basic. We wanted to give our employees the information, the training and the tools they needed to do their jobs and then praise them when they did them right. Very simple, very basic. But it works.

"As soon as any office showed progress," continues Goodman, "we would immediately make up signs thanking everyone for the

job they had done. We visited stations and branches and associate offices, telling the people how appreciative we were of their work.

"Managers sometimes spend a lot of time on about 5 percent of workers—those who do a lousy job—and let the 95 percent who are doing a good job fend for themselves. We made a conscious effort to devote our time to that 95 percent. We made a decision to always have an upbeat attitude. We would be honest about our situation, but we always tried to leave employees with a positive attitude.

"We had all the tools for success here in St. Louis. Our people are professionals, but after being beaten on the head for three years with negative comments, they had understandably developed some bad feelings. Now they have a lot to be proud of."

#### GOOD PLANNING

Planning also played a bit part in St. Louis' comeback. "In 1985, we developed plans for everything," says quality control manager Thomas Fields. "How to sort mail, how to label it, how to transport it. And as long as we conform to that plan, which is the textbook definition of quality, everything turns out fine. It's when we don't that problems crop up."

Part of the plan was to begin to emphasize quality in every phase of division operations and involve everyone who worked there. "We started with quality talks to all mail processing people in small groups of about 20," says Fields. "I went armed with statistics about the operations. I talked about missorts and mishandlings and what they cost us, and I asked for their help. The intent of those talks was to increase understanding and create awareness of the problems and gain commitment for change."

"I remember one SLM [letter sorting machine] group I talked with. I gave them the statistics for their unit and asked for their help. They came up to me after the talk and said, 'We're better than that, and we're going to prove it,' and they did.

"The interesting point is that those talks worked. I think it's because we sent a clear message that quality is all important—plus it was a signal to employees that we cared about their work.

"We often don't give employees sufficient credit. The average postal employee is highly motivated and dedicated and cares about this business, and if you involve them in solving problems, they will do their share."

Supervisor of mails Ernestine Hendricks agrees. She thinks that part of the secret to St. Louis' success is tapping employee's wealth of skills and knowledge. "I try to listen to my people," she says. "No one knows the job better than they do. If you've got a problem, ask for their help. As a supervisor, I'm not afraid to admit my employees might know more than I do."

#### BEAUTIFUL MACHINES

Fields says the division also has made an intense effort to introduce quality into its automation program. "Optical character readers and bar code sorters are beautiful machines," he says with genuine pride, "but they tend to be fragile. By that I mean something can go wrong very quickly without you knowing it. It's the kind of operation that you have to give attention to on an ongoing basis, day-in and day-out.

"The beauty is that most of the problems in automation can be traced to a very small number of underlying causes. For example, one of the problems with the sorters is that

they will sometimes overlap two letters, and the back one will not get a bar code sprayed on it. When that happens, it just tags along wherever the one overlapping it goes. That means a missort.

"But the solution to the problem is simple. You just have to make sure the belts in the machine are not worn or loose. The trouble is, the machine runs along just fine when the belts are loose or worn, so you are unaware that this is happening unless you take the time to check. If lots of letters don't have bar codes, then you can bet the cause is worn belts. All a supervisor has to do to prevent this problem is to check for uncoded missorts periodically. It's that simple, but it takes a commitment to doing things right the first time."

#### THE RIGHT TOOLS

Telling people to "do it right the first time" becomes an empty slogan unless management enables them to do just that. Employees must be motivated and provided with the tools to do the job right: A clear message of what is expected, good training, supplies, praise, pleasant surroundings, and the information necessary to do their jobs—all of these are important to a quality operation.

St. Louis employees, justifiably proud of their "Eagle" award and their improved status, believe that most people want to do a good job and will do so if given a little help from management. Window clerks Alva Mosley and Levi Loggins think that getting the right information to employees is crucial to doing a good job. "For instance," says Mosley, who has been a window clerk for 18 years, "take the recent rate raise. We are the ones people always ask questions of during a rate raise, so when prices go up, we need to be told what is happening as soon as possible."

Loggins, a 28-year postal veteran agrees: "We also need to have enough new stamps too, particularly three-cent ones. During the rate increase three years ago, we ran out of two-cent stamps and that made the customers mad. They think if we raise the rates, we ought to keep the right stamps on hand. The current rate change went a lot smoother because we were informed and had the necessary supplies."

Lula Brown, a mail handler in St. Louis for 17 years, believes a pat on the back motivates her to do a good job. More than anything, "It doesn't cost anything to say 'thank you, you did a good job.'"

She also sees training as crucial to the ability to do a good job. "When I first came into the Postal Service, we didn't have on-the-job-training like we do now. Now we have instructors who show you how to do it the right way. One woman told me she had been putting mail in this one section in the wrong place for months, because no one had ever shown her the right way. You have to know the right way from the start."

Brown's fellow mail handler for 17 years, William Caldwell agrees that training is important. "In earlier years there was very little training. A new person would come in, and they would say 'go over there,' and that was about it for training. It was kind of sink or swim."

Caldwell, now an acting 204 B supervisor three days a week, says training has improved 100 percent over what it used to be. "I recently was assigned to a new position and a supervisor spent the whole day with me. When the day was done, I knew every job on the floor."



Anita Brown, a distribution clerk in St. Louis for 20 years, says that supervisors sometimes find it difficult to set aside the time they need to train employees or check their work because they've got so much to do. "But supervisors should always be given the time to instruct and show," she says. "That is the biggest help."

A sign is prominently displayed in the St. Louis Postal Employee Development Center (PEDC) that goes a long way to explain how the division made itself No. 1 against a lot

of odds: "If you think training's expensive, try ignorance."

TEAM WORK

Letter carrier Lenson Staples, a big, soft-spoken man who has been delivering the mail for 29 years, exemplifies the kind of employee who helped boost St. Louis to the top. He realizes how important he and the mail he carries are to his customers. "The other day," he explains, "an elderly woman on my route told me that she had come down to wait for me at 9:30, and I don't even

get to her house until 1:30. Now I can't fail a customer like that."

When a customer is waiting for a letter or a check that's due on a certain day, and when that day comes, nothing about this job pleases Staples more than being able to pull that letter out of his bag and give it to the customer—on time. "And to be able to provide that kind of quality service," he says, "requires the cooperation and team work of a whole lot of people in the Postal Service."

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This report contains the text of the speech as delivered, with such changes as may be necessary to conform to the House style. The text of the speech as delivered is available in the House Record.