

HOUSE OF REPRESENTATIVES—Wednesday, September 13, 1989

The House met at 10 a.m.

Rabbi Edward Paul Cohn, senior rabbi, Temple Sinai of the city of New Orleans, New Orleans, LA, offered the following prayer:

We pray in the words of the Psalmist:

Zeh Hayom Asah Adonai Nagilah V'nism'cha Vo!

This is the day which the Lord has made, let us rejoice and be glad in it. Heavenly Father, in these soul-stirring times, O Lord, when from one corner of the world to the other, the hope of liberty and the hunger for freedom are being proclaimed and celebrated, let us give great thanks for the privilege which is ours to live in this day and age.

Bless Thou, the people of this glorious land of liberty and democracy; all of our Nation's leaders, and each one of the Representatives who serve in this distinguished House. May they successfully labor to address the pressing and complex issues of our times with insight, with compassion, and with wisdom—

For the blessing of all and for the hurt of none;

For the abundance of all and for the scarcity of none;

For the life of all and for the distress of none.

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.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentlewoman from Ohio [Ms. KAPTUR] please come forward and lead the House in the Pledge of Allegiance.

Ms. KAPTUR led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

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. 419. An act to provide for the addition of certain parcels to the Harry S

Truman National Historic Site in the State of Missouri; and

H.R. 1529. An act to provide for the establishment of the Ulysses S. Grant National Historic Site in the State of Missouri, and for other purposes.

The message also announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 2136. An act to amend the District of Columbia Code to limit the length of time for which an individual may be incarcerated for civil contempt in the courts of the District of Columbia, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 2136) "An act to amend the District of Columbia Code to limit the length of time for which an individual may be incarcerated for civil contempt in the courts of the District of Columbia, and for other purposes" and requests a conference with the House on the disagreeing votes of the two Houses thereon.

RABBI EDWARD PAUL COHN, TEMPLE SINAI, NEW ORLEANS, LA

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

Mrs. BOGGS. Mr. Speaker, I rise to offer my expression of gratitude to Rabbi Edward Paul Cohn, for the beautiful prayer with which he has opened our session today. Rabbi Cohn, born in Baltimore, received his B.A. degree from the University of Cincinnati, his master's from Hebrew Union College and his doctorate from the St. Paul School of Theology. He has served in Atlanta, Macon, GA, Kansas City, MO, and in Pittsburgh, PA.

In 1987 he came to us in New Orleans as rabbi of the prestigious Temple Sinai to lead a congregation with a long and distinguished history of service to our city and our State.

This year is one of special preparation for the auspicious celebration of Temple Sinai's 120th anniversary, the length of days of Moses' life and worth of the comparison.

Steeped in the tradition of significant leadership carried forward in recent years by my good friends the late Rabbi Julian Leibelman and Rabbi Murray Blackman, Temple Sinai is fortunate to have Dr. Cohn as rabbi at this precious moment in its history.

Rabbi Cohn is married to the lovely former Andrea Levy and they have two daughters, Jennifer and Debra.

We regret that they are not with us today, but we are pleased to have with us the presence of Dr. Cohn's parents, Rebecca Weiner Cohn and Rudolph J. Cohn, who are celebrating a very special wedding anniversary, and his aunt and uncle, Gertrude Weiner and Ben Weiner.

Welcome, and thank you, Dr. Cohn.

NATIONAL FARM SAFETY WEEK

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

Mrs. SMITH of Nebraska. Mr. Speaker, September 17-23 has been designated "National Farm Safety Week." It is an opportunity to note that farmers and ranchers, America's most productive workers, are faced with an unusually high risk of traumatic death and injury.

During 1988 there were more than 1,500 agriculture-related deaths and 140,000 disabling injuries.

While all industries average 9 accidental deaths per 100,000 workers, agriculture registers 48 per 100,000 workers.

Although my State is, thankfully, often below the national average, this year 10 Nebraska lives have already been lost in farm accidents.

These casualties attest to the occupational risks on the farm, but they also underline one of the critical deficiencies of rural health—emergency medical and trauma care.

Each day, rural residents die from survivable injuries because they are isolated, living miles from doctors and hospitals.

The Government can help by assisting communities develop and improve emergency medical services. The Rural Health Care Coalition has put forth a plan H.R. 1587 that would address the problems of financing emergency medical systems and recruiting quality personnel to staff them.

Farm accidents may also be the result of lax safety regulations. One Federal response would be mandating the use of roll-over-protection structures on all new tractors and providing economic incentives for their installation on older machinery. This would help reduce the No. 1 farm-accident killer—tractor rollover.

First and foremost, however, preventive education programs for occupational health and safety will be key to improving farm safety. The U.S. Department of Agriculture, through its

□ 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.

cooperative extension network, modestly funds an effective farm safety program. We can build on its success to save more rural lives.

As I have reminded my colleagues so often, U.S. farmers and ranchers provide this Nation with the most abundant, diverse, cheapest, and safest food supply in the world. In return, let's consider what we can do to make their work safer.

I urge my colleagues to give this issue their every consideration during Farm Safety Week.

I HOPE PRESIDENT BUSH AND DRUG CZAR BENNETT ARE LISTENING

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

Ms. KAPTUR. Mr. Speaker, I hope that President Bush is listening this morning and also drug czar Bennett. I would like to say to them that fighting this all-out war on drugs with slingshots is not going to be enough.

I was so disappointed in the President's message last week because he offered no immediate relief to communities like my own.

In his message, he did not say anything about making available Federal properties nor vacant military bases nor other facilities to relieve the critical overcrowding that faces us in our prisons and jails. That is our greatest obstacle in getting offenders off the streets.

Just in my home county, our jail capacity is 296 persons. In July this summer, the prison population averaged 370 prisoners. It reached an all-time high of 427 prisoners during the month. In August the jail took an all-time high of 500 prisoners.

Now this cannot continue when over 65 percent of those people that are incarcerated have substance abuse problems.

□ 1010

We cannot wait for the few new prisons that the President says will be built for 2 years from now to solve the problem. Those responsible for selling, using, and distributing cocaine, crack, and other illegal drugs are getting away with murder—and they know it.

This Executive order that the President has signed is supposed to make military facilities available to relieve our local jails. But in the President's order, he gives them a year from now to report. Mr. President, that is not good enough. Our communities need help now. We need to get criminals off the streets now. The President ought to put some heat under his own administration to get them to open available vacant military bases and Federal properties now, not next year. Isn't leadership what Presidents are for?

SO-CALLED USER FEES ARE UNJUST

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

Mr. BALLENGER. Mr. Speaker, in the next few weeks we will be debating reconciliation legislation and I wanted to bring a particular provision to your attention. The House and Senate Labor Committees included new user fees for employee benefit plans filed with the Department of Labor.

I have heard from numerous companies across America and from my congressional district and I wanted to share a few of the comments with you.

From Hickory Springs Manufacturing Co.:

These "user fees" would be imposed on programs we voluntarily maintain for our employees for the "privilege" of filing information reports required by law. In effect, the House Education and Labor Committee has decided that, as an additional cost of maintaining an employee benefit plan, we must pay an extra tax every year in addition to high costs we already pay to maintain and operate the program.

From Tom Brooks Chevrolet-Buick:

Surely had there been a proposal to charge a "user fee" to the American taxpayer for the "privilege" of filing the annual form 1040 or the business community for filing the 1120, such a proposal would have been soundly rejected by Congress. It is clear that such a fee would have met with massive resistance at home.

From Edwards Clinic:

Certainly the fiasco surrounding Section 89 should have alerted Congress to the need to go slowly and with a great deal of care in the employee benefit area. The arbitrary selection of employee benefit plans as a vehicle to reduce the deficit by forcing such plans to pay a new tax is reprehensible.

As the reconciliation process continues you can count on my opposition to this provision which I wholeheartedly believe is detrimental to the expansion of our voluntary private pension system.

REJECT PROVISIONS IN SENATE INTERIOR APPROPRIATIONS BILL

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

Mr. JONTZ. Mr. Speaker, I rise today to express my concern about provisions relating to our national forests in the Senate Interior appropriations bill which will soon be in conference committee. These provisions threaten the basic rights of citizens to enforce our Nation's environmental laws, and the continued existence of a significant portion of the ancient forests of the Pacific Northwest, by prohibiting Federal courts from granting temporary injunctions to halt timber

sales while the legality of sales is being determined.

Mr. Speaker, over the August recess I visited several of our national forests in the Northwest where logging created a patchwork landscape of trees and clearcuts. I spoke with area residents, including Forest Service officials, who agree that the proposed harvest of 8 billion board feet by October 1990 is totally unrealistic.

I appreciate the economic difficulties which face the Northwest, but that does not justify the Senate language preventing enforcement of our laws. In effect, this Senate legislative act would be a legislative ax which fells the Environmental Policy Act, the Endangered Species Act, and other important statutes.

I urge my colleagues to reject the dangerous provisions in the Senate Interior appropriations bill.

FOREIGN AID PACKAGE FOR POLAND

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

Mr. DREIER of California. Mr. Speaker, in December 1981 Soviet tanks rolled into Poland, and the imposition of martial law against Solidarity and the Polish people took place. Who would have believed that at the end of this decade we would see Solidarity and their leadership actually seated following a fair and open election? Just yesterday we saw Tadeusz Mazowiecki formally become Prime Minister of Poland.

Foreign aid is something which in this House is very criticized by many, and within this country it is not terribly popular. But, we clearly have responsibility to assist the first government in history to negotiate itself from Communist totalitarianism to a democratic form of government. We have a responsibility to help these people, and I hope very much we will speedily put together a package which can see a dramatic economic market-oriented turnaround. It is going to take time, and I hope the people of Poland will be patient, and I hope the people of the free world will be patient. If we are, Mr. Speaker, I'm confident that we can see success.

POLAND

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

Mr. YATRON. Mr. Speaker, I want to congratulate the new Prime Minister of Poland. Let me also congratulate the Polish people for the significant achievements toward democratic reform, human rights, and to address

the economic dilemma. Their struggle has not been easy, and the road to success remains treacherous.

However, the courage, determination, and wisdom of the Polish people will enable them to ultimately prevail in their efforts to achieve full democracy and economic success.

Nevertheless, we and the other free countries have a responsibility to help the Polish people during this critical time. The security and economic interests of the United States are greatly advanced by a free Poland. Poland is also the key to greater freedom throughout Eastern Europe.

Debt rescheduling, basic food and medical aid, Export-Import Bank credits and guarantees, greater IMF and World Bank involvement are essential to the development of the private sector economy in Poland.

I call on my colleagues to seize this unprecedented opportunity to usher in an era of freedom and to ensure the forces of communism and repression continue their retreat.

A PLEDGE TO LARKIN SMITH

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

Mr. SCHIFF. Mr. Speaker, I did not intend to be here this morning. This is a presentation that would have been given by my late colleague, Larkin Smith of Mississippi. Before his untimely death, he had embarked on a series of 1 minute presentations to point out, with his career background in law enforcement, that the Congress, in establishing the drug czar program to coordinate all of our efforts against the war against crime and drugs, should, first, coordinate itself. That dozens of committees and subcommittees had jurisdiction over the War on Drugs Program.

In fact, in my last presentation on the House floor just before our recess for the district work period, since I have a background in law enforcement, I commended Representative Smith on making these presentations and bringing this matter to the attention of the Congress. Since Congressman Smith cannot complete the presentations himself, because of his tragic death, those Members who were elected with him in the freshman class intend to complete the presentations for him. I want to bring to the attention of the House that the Science, Space, and Technology Committee is one more committee that has jurisdiction potentially over the war on drugs because, among other things, science and technology is involved in surveillance equipment, as one example.

Mr. Speaker, I serve on the Committee on Science, Space, and Technology. I think this is a very important committee for the Nation, and I am

proud to serve on it. However, I think this committee, like every other committee and subcommittee, should surrender their jurisdiction in the war against drugs to one committee of the Congress so that we can be as coordinated as we want the entire Nation to be in this important struggle.

CONGRESS MUST RESIST CONTINUING RESOLUTION

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

Mr. GEKAS. Mr. Speaker, the fiscal year is fast approaching its end as of October 1, and the Congress of the United States has completed only 1 of the 13 appropriation bills that it is mandated to do. That means we are facing again that monster known as the CR, the continuing resolution.

I have vowed, as have many others, that we could no longer, after the tragedies of the past, support that process which brings about a short-term CR here and another one later, allowing all kinds of mischiefs to be played in the imbedding of resolutions and special interest favors into these large CR's.

I have introduced legislation to say that when a fiscal year ends and an appropriation bill has not been completed, last year's appropriation for that same cycle will repeat itself, thus giving Congress time enough to work on amending or mending whatever ills might be in the last year's appropriation, but not to go into a CR.

Mr. Speaker, I will oppose the CR, and I will go before the Appropriations Committee, the Ways and Means Committee, the gym, or anyplace in order to convince Members that we cannot tolerate the CR again this year.

OUR COMMITMENT IN THE WAR ON DRUGS

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

Mr. TANNER. Mr. Speaker, the President has recently laid out the goals of his national campaign to rid this Nation of what I and many others consider to be its most serious threat—illegal drugs. The question that arises with this or with any other national goal is how to achieve it.

We must not as Federal policymakers simply present goals and leave it to others to attain them. We must commit ourselves to providing the resources needed to assist those in the front line of the antidrug campaign. That means manpower, muscle, and money.

The term, "war on drugs," gets used a lot around here. It is catchy. It

makes a good 30-second sound bite on the 6 o'clock news. Unfortunately, it accurately describes in a few words the complexity of the task ahead. More importantly, it reflects the urgency of the job that we have to do.

What we must do and what this administration must remember is that we cannot engage this enemy without a full commitment to defeating it. Our priority must reflect this concern.

Sadly, Mr. Speaker, in my opinion, the President's proposal falls short in this effort. The American people want to go on the attack, and those of us who are in Congress are ready to march.

PROVIDING THE MEANS TO FIGHT DRUGS

(Mr. DONALD E. "BUZ" LUKENS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DONALD E. "BUZ" LUKENS. Mr. Speaker, the war on drugs has been declared and the strategy has been outlined. We now have 6 months to fine tune that basic policy. Although Colombia grows much less coca than it produces, it is the world's marketer of cocaine. On the other hand, in Peru and Bolivia, growing of coca is one of the primary sources of income and employment for the campesinos—peasants. However, in all three countries, the local drug police, not the military, have the primary responsibility to eradicate the drug trafficking. These agencies need appropriate equipment and the training to operate and maintain that equipment. Make no mistake, this is a land war and each drug agency has different needs to be addressed. Fighter planes and air transports are fine as a show of strength and commitment on the part of the United States. That commitment, I might add, is not being questioned. However, drug police have no need for this heavy armor at the present time. To fight this land war, the drug officials need more personal guns, communication equipment, jeeps, basic computer data systems, local reconnaissance information, et cetera. Most importantly, they need the training on how to effectively operate and maintain this basic equipment. The more the drug police can improve their own firepower and intelligence gathering, the more effective they will become. They need the money and equipment we have given them, but training is the most important.

Our responsibility is to guarantee that each country's drug traffic fighting agency is supplied with appropriate and adequate means in the fight against drugs.

HOW TO CHANGE A PUSSYCAT INTO A TIGER

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

Mr. SMITH of Florida. Mr. Speaker, let me direct my remarks to the President. Mr. President, we appreciate your new strategy on drugs. You labored for 6 months, you mightily labored and brought forth a pussycat. And that is OK, because the pussycat wants to fight drugs.

The problem is, how is this pussycat going to do in a real world full of tigers? The reality is that it is not going to do so well unless we make this pussycat a little bit stronger and a little bit tougher, because right now it does not have enough of the qualities necessary to engage in a real battle against those tigers and to win that battle. And we can do it, but we have to be willing to admit the truth.

We have to spend more, and we do not have to raise taxes to spend more. Most Democrats and most Republicans believe that. We have to come to grips with reality and understand that we have countries around this world that are not producing or not growing, but still are helping the drug trafficking.

We need to hear about Mexico, what you are going to do about Western Europe and the cocaine problem, why you are pulling \$40 million out of juvenile justice programs, and why you are pulling \$300 million out of targeted refugee aid to help with financing.

And, Mr. President, yours is really not a \$7.8 billion program; it is only a \$1.7 billion program, because this body has already agreed, by authorizing and appropriating \$6.06 billion of that money for next year without your plan. We needed more from you than just the \$1.7 billion with the set-offs.

We are going to produce that. We hope that you will decide to feed your pussycat and make your pussycat into the tiger that is needed to win the war on drugs.

BETTER EXPLANATIONS SOUGHT IN U.S.S. "IOWA" TRAGEDY

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

Mr. SCHULZE. Mr. Speaker, the Navy still has some explaining to do regarding the deaths of 47 sailors on the U.S.S. *Iowa*. Frankly, their account of what happened when the gun turret exploded just does not ring true. The families of the sailors who lost their lives must still be wondering whom to believe and what really happened, as are most Americans.

If the Navy's account is correct, then what assurances are they giving that

this will not happen again? What obligation do they have to the families of the deceased? Why have they not been able to come up with a better case explaining this tragedy? What kind of screening procedures exist to weed out potentially unstable individuals?

Mr. Speaker, first the Navy accused an apparently innocent sailor of being homosexual and implicated him in the disaster. Then, the Navy switched gears calling it accident. Finally, they directed the blame at a dead man. Forty seven sailors are dead in a naval disaster and we have no answers. America deserves better.

□ 1030

TAXPAYER-PAID BIRDCAGE LINERS?

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

Mrs. MARTIN of Illinois. Mr. Speaker, the congressional newsletter controversy continues.

The other body, without regard for partisan politics, has passed a legislative appropriations bill that prohibits Members of Congress from sending any unsolicited franked mass mailings after October 1. This would restrict use of the frank by permitting its use only in response to constituent requests.

Does the American public want to continue to see our smiling faces and artfully written, thinly disguised campaign materials sent to their homes up to 6 times each year at taxpayer expense? I doubt it.

Does the American public even read these colorful, four-page mass mailed newsletters? I doubt it.

Have newsletters touting our latest legislative accomplishments and how we have played a part in every measure to come down the pike become expensive, taxpayer paid birdcage liners? Without a doubt!

If the House accepts the other body's measure, our constituents will still remain informed. Reporters will still interview us. Our news will be covered. The pen, the camera and the microphone will continue to record our every move. All our constituents have to do is turn that dial or lift that page to see our latest pronouncement about the legislative well-being of our Nation.

I urge my fellow Members to agree to the other body's ban on the use of the frank for mass mailings. The only ones to miss our newsletters will be the caged canaries.

NATIONAL DRUG CONTROL STRATEGY

(Mr. RICHARDSON asked and was given permission to address the House

for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, the President's national drug control strategy has been out on the street just over a week now. While we in the Congress have had a chance to formulate our own views on the plan—let us not overlook our constituents' views.

I had a chance recently to speak with someone back home who is on the front lines of the war on drugs—a prosecuting attorney from a Republican county. This conservative DA says he welcomes the President's drug plan, as we all do, but he said flatly, we need more resources.

And that's the bottom line—lack of money.

If we want our cops to catch the drug pushers and users, we need more police and that costs money. If we want prosecutors to successfully convict these criminals, our DA's need additional help—manpower, and that costs money. If we want more judges to sentence the criminals, that costs money. And if we want more prison cells to put these criminals away for a long time, that too is going to cost a lot more money than what President Bush is proposing.

I'm afraid the same can be said about the resources committed by the President for drug prevention, treatment, and education programs. They are all underfunded and inadequate.

The President says he is committed to fighting this war—that's all well and good. But unfortunately, the President's national drug control strategy clearly shows he's not willing to adequately arm his troops.

ARMING THE WAR ON DRUGS

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

Mr. NAGLE. Mr. Speaker, when American troops hit the beaches on D-day to fight the scourge of nazism, they were armed with more than a schedule full of photo opportunities and a vestful of speeches.

They were armed with the weapons and resources to get the job done.

Those who will fight America's war on drugs deserve no less.

Unfortunately, the President's drug plan falls far short of that standard.

We need a real war on drugs, not a phony war.

We need an all-effort, not a half-way effort.

The war on drugs will be fought against some of the most treacherous, violent, and vicious criminals and thugs in the world. This is no time for timidity.

The President's Press Secretary—I see in today's paper—suggests that we

in Congress who want to strengthen this effort are merely carping.

May I suggest to the President that it is not carping to point out that, as the plan now stands: 75 percent of the pregnant women who are addicted to drugs in this country won't be able to get the treatment they need; 75 percent of the children under age 16 won't be able to get the treatment they need; education programs will fail to reach millions of school kids; thousands of ships and planes carrying illicit drug cargoes will continue to cross U.S. borders because DOD interdiction efforts remain frozen at current levels; and the Nation's criminal justice system will continue to be short of prosecutors, judges, and jails.

May I suggest to the President that this is an effort which requires the effort of all of us—not just the Republicans and not just the White House public relations staff.

This is a battle which must be fought and won. What the Nation needs now are the tools to get the job done, not another speech, another photo opportunity, and another round of press releases.

COMMODITY FUTURES IMPROVEMENTS ACT OF 1989

Mr. BONIOR. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 235 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 235

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for consideration of the bill (H.R. 2869) to amend the Commodity Exchange Act to improve the regulation of futures and options traded under rules and regulations of the Commodity Futures Trading Commission, establish registration standards for all exchange floor traders, restrict practices which may lead to the abuse of outside customers of the marketplace, reinforce development of exchange audit trails to better enable the detection and prevention of such practices, establish higher standards for service on governing boards and disciplinary committees of self-regulatory organizations, enhance the international regulation of futures trading, regularize the process of authorizing appropriations for the Commodity Futures Trading Commission, and for other purposes. The first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Agriculture now printed in the bill as an original bill for the purpose of amendment under the five-minute rule. Such substitute shall be considered as read. All points of order against such substi-

tute for failure to comply with clause 5(a) of rule XXI are waived. It shall be in order to consider the amendment printed in the report of the Committee on Rules accompanying this resolution, if offered by Representative de la Garza or his designee. All points of order against such amendment for failure to comply with clause 7 of rule XVI are waived. At the conclusion of consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute made in order as original text. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. GEJDENSON). The gentleman from Michigan [Mr. BONIOR] is recognized for 1 hour.

Mr. BONIOR. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Tennessee [Mr. QUILLEN], and pending that I yield myself such time as I may consume.

Mr. Speaker, House Resolution 235 is an open rule providing for the consideration of H.R. 2869, a bill which would improve the regulation of the futures market.

The rule provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture. The bill shall be considered under the 5-minute rule.

The rule further makes in order the Agriculture Committee amendment in the nature of a substitute now printed in the bill as original text to be considered as having been read. Clause 5(a) of rule XXI, prohibiting appropriations in a legislative bill, is waived against the substitute.

The rule makes in order an amendment by Chairman DE LA GARZA or his designee. Clause 7 of rule XVI, prohibiting nongermane amendments, is waived against the amendment.

Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute made in order as original text.

Finally, the rule provides for one motion to recommit with or without instructions.

Mr. Speaker, early this year, a Federal investigation began turning up instances of fraud in the futures industry. The Commodity Futures Improvements Act is a response to these reported abuses.

H.R. 2869 amends the Commodity Exchange Act in several fundamental ways. It would improve the regulation of the futures and options traded under rules and regulations of the

Commodity Futures Trading Commission.

Registration standards for all exchange floor traders would be established. Practices which may lead to the abuse of outside customers of the marketplace would be restricted. And exchange audit trails to detect and prevent such practices would be reinforced.

H.R. 2869 would establish higher standards for service on governing boards and disciplinary committees of self-regulatory organizations, enhance the international regulation of futures trading, and regularize the process of authorizing appropriations for the Commodity Futures Trading Commission.

It is essential that our Nation's farmers, small investors, and businesses have complete confidence in the regulation of our markets. H.R. 2869 will help provide that confidence.

Mr. Speaker, to my knowledge there is no controversy over this rule. It is an open rule. The amendment to be offered by Chairman DE LA GARZA would merely correct an inadvertent error made during consideration of the savings and loan conference report.

House Resolution 235 is an eminently fair rule providing for open and full discussion of a bill important to our Nation's financial security. I urge the adoption of House Resolution 235 so we may proceed to consideration of this legislation.

□ 1040

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

Mr. Speaker, I would like to commend the Agriculture Committee chairman, the gentleman from Texas [Mr. DE LA GARZA], and the ranking Republican, the gentleman from Illinois [Mr. MADIGAN], for their work on this bill. Their committee was faced with a difficult problem, and they have produced a fair and workable solution.

Evidence of the problem surfaced in January of this year when the U.S. attorney in Chicago announced that a grand jury would begin to consider evidence of fraud developed in a 2 year undercover operation by the FBI at two commodity exchanges. Since that time a substantial number of futures traders have been indicted. Just this week it was reported in the Wall Street Journal that:

The Commodity Futures Trading Commission, in a major enforcement action, accused two options brokerage firms of using fraudulent, high pressure sales tactics to bilk customers out of hundreds of millions of dollars.

Mr. Speaker, Congress should act to make certain that Americans trading in the commodity futures market are not cheated.

This bill is a major step in that direction. Among other things, it in-

cludes a requirement that each contract market maintain an audit trail sufficient to rapidly reconstruct an accurate record of transactions.

The bill provides a 3-day cooling off period for new customers solicited by telephone.

It increases penalties for violations.

Mr. Speaker, the administration supports House passage of this bill. But will seek various amendments in the Senate to ensure that the efficiency and competitiveness of U.S. futures markets are preserved.

The provisions of this rule have been fully explained. I will only note that the rule protects a nongermane amendment to be offered by the gentleman from Texas [Mr. DE LA GARZA]. As the gentleman from Texas explained to the Rules Committee, this language was included in the savings and loan bill as it passed the House, but was inadvertently dropped in conference. The amendment would give the Farm Credit Administration the same flexibility in setting salaries that a number of other agencies already have. As Chairman DE LA GARZA explained to the Rules Committee, he cleared this with the only other committees affected, the Banking Committee and the Post Office and Civil Service Committee.

Mr. Speaker, since this is an open rule, the House will have an opportunity to make any further changes it deems necessary. I will support this rule so that the House can get down to business and move this important legislation. Congress should act to ensure honest commodity futures market for Americans.

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

Mr. BONIOR. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 235 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2869.

The Chair designates the gentleman from Florida [Mr. SMITH] as chairman of the Committee of the Whole and requests the gentleman from Iowa [Mr. SMITH] to assume the chair temporarily.

□ 1046

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2869) to amend the Commodity Exchange Act to improve the regulation of futures and options traded

under rules and regulations of the Commodity Futures Trading Commission, established registration standards for all exchange floor traders, restrict practices which may lead to the abuse of outside customers of the marketplace, reinforce development of exchange audit trails to better enable the detection and prevention of such practices, establish higher standards for service on governing boards and disciplinary committees of self-regulatory organizations, enhance the international regulation of futures trading, regularize the process of authorizing appropriations for the Commodity Futures Trading Commission, and for other purposes, with Mr. SMITH of Iowa (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Texas [Mr. DE LA GARZA] will be recognized for 30 minutes, and the gentleman from Missouri [Mr. COLEMAN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am highly pleased to present to the House for its consideration H.R. 2869, the Commodity Futures Improvements Act of 1989, legislation designed to reform the regulation of the Nation's futures markets and to insure the integrity of its markets.

Let me say that the chairman of the subcommittee, the gentleman from Oklahoma [Mr. ENGLISH], the distinguished ranking minority member, the gentleman from Missouri [Mr. COLEMAN] and all the members of the subcommittee and the staff have done perhaps what I think is one of the most in-depth investigations and oversight on any item of legislation which our committee has handled, at least since I have been chairman.

Let me say that no stone was left unturned, that diligent research, investigation, meetings in the field and in Washington were held with expert advice from the industry, from the Commission, from the GAO and everyone who would lend a hand.

□ 1050

We come to the Members, as always not with the perfect piece of legislation, but assuring the Members that this is the consensus arrived at after the most exhaustive assessment of the situation.

Let me add that this was the normal timeframe for us to do this legislation. What happened in Chicago, we had to look at some of the areas, and we addressed that issue. But that was not what triggered the reauthorization of

the CFTC, the Commodities Futures Trade Commission, rather, the timeframe stipulated that we reauthorize this year.

Mr. Chairman, I commend the distinguished gentleman from Oklahoma [Mr. ENGLISH], the ranking member, the gentleman from Missouri [Mr. COLEMAN], and all the other members of the subcommittee.

We proudly bring to the Members this piece of legislation. Let me just quote one item that appeared in the Washington Post of September 5, 1989. I quote:

The bill provides the most sweeping changes in futures regulation since the Commodities Futures Trading Commission was created.

This is where we start from this morning, and I would hope that our colleagues would support the work of the subcommittee and of the committee.

There will be several amendments. This is an open rule. We come to the floor allowing every Member to express their views or offer amendments as they see fit. We think we have handled every circumstance to the limit that we could arrive at consensus. Some of the amendments that will be presented this morning can be accepted, I assume, and some we might not be able to accept.

All of the people, all of the Members who have concerns, we can have a dialog. We can assure them that their interest, their expertise and their suggestions can and will be incorporated into our actions regardless of whether they offer amendments or not or whether their amendments are accepted or not.

I would hope that we can deliberate on this issue during the time of debate, go into the amendment procedure and finish this day with what I think would be a tribute to this House and to this membership for the way that they have supported us and our committee.

I assure the Members that our committee brings to them our intention that the Members work with us continually into the future in the areas that we might yet need to address, for the subcommittee and its chairman will continue aggressive oversight of this issue and hopefully we will be able to get together with our colleagues in the Senate and come up with a final version of the bill as soon as possible.

Mr. Chairman, earlier this year I asked subcommittee Chairman GLENN ENGLISH to carefully review the operations of the Nation's commodity exchanges and to recommend to the Committee on Agriculture legislation to enhance the regulation of these markets and to ensure the protection of the users of the markets. H.R. 2869 is the result of many long hours of

work by Chairman ENGLISH, the subcommittee ranking minority member TOM COLEMAN, and all of the members of the Committee on Agriculture.

H.R. 2869 represents a watershed in the development of the regulation of the Nation's commodity futures markets. The bill was unanimously reported to the Committee on Agriculture by the Subcommittee on Conservation, Credit, and Rural Development, and was ordered to be favorably reported to the House by a voice vote.

Rather than take the House's time reciting the bill's provisions in detail, I will simply emphasize a few highlights of the legislation.

DUAL TRADING

The bill will prohibit the practice of dual trading in any futures contract market with an average daily trading volume of at least 7,000 contracts. The Commodity Futures Trading Commission would be required to exempt a contract market from this prohibition if the contract market can demonstrate that its surveillance systems are fully verifiable and can detect trading violations attributable to dual trading. This provision is designed to encourage the commodity futures exchanges to develop surveillance systems that are accurate as humanly possible. Nevertheless, the Commission will retain the authority of further restrict or completely prohibit dual trading.

AUDIT TRAIL

The bill will require each contract market to maintain an audit trail including the information necessary to rapidly reconstruct an accurate record of the transactions executed on the contract market. The time of execution of such transactions must be verifiable and must be stated in 1-minute increments beginning not later than 1 year, and 30-second increments beginning not later than 3 years, after enactment of the bill.

A board of trade's audit trail for all of the contract markets designated for that board of trade must comply with the 1-minute and 30-second recording requirements before the Commission can designate the board of trade as a contract market for any new contracts. Once again, this provision is designed to urge commodity futures exchanges to comply with the audit trail requirements in order to be eligible to bring new futures contracts to market.

TELEMARKETING FRAUD

H.R. 2869 will require each registered futures association to specify supervisory procedures regarding telephone solicitations that it will impose on certain member companies. Such procedures must include a 3-day cooling-off period during which a member who solicited a new customer by telephone to open a futures or options account may not trade such account on behalf of the customer.

INSIDER TRADING

The bill will make it a felony for exchange employees or certain other persons to use or disclose certain material, nonpublic information. A violation of this prohibition will be punishable by a fine of up to \$500,000, plus any profits realized from such use or disclosure, and imprisonment for up to 5 years.

CONTRACT MARKET EMERGENCY ACTIONS

H.R. 2869 will require each contract market to make every effort practicable to give the Commission prior notification of any emergency action proposed by the contract market. The bill will also require the Commission to notify the contract market and the House and Senate Agriculture Committees of its approval or disapproval of the emergency action within 10 days, or as soon as practicable, after the Commission receives such notification. This provision came about, in part, in light of the recent emergency action by the Chicago Board of Trade to require traders in the soybean futures market to liquidate certain futures market positions. This amendment is designed to ensure that the Commission and the contract market work together closely during such a market emergency.

COMMISSION REGULATORY ENHANCEMENTS

The Commodity Futures Trading Commission submitted a number of recommendations for amendments to the Commodity Exchange Act to the Committee, including amendments to provide for cooperation between the Commission and foreign futures authorities, the registration of floor traders by the Commission, increased flexibility in the imposition of civil money penalties, and nationwide service of process and venue in private rights of action brought under the act. All of these amendments are included in H.R. 2869 as reported by the committee.

Mr. Speaker, it is no secret that the Nation's commodities exchanges are facing tough times. The indictment by the Justice Department of 46 commodities traders in Chicago last month has tarnished the industry's reputation and called its integrity into question. However, we should remember that the overwhelming majority of futures traders are honest, hardworking people, that provide a vital service to the Nation's financial markets.

H.R. 2869 is a comprehensive bill that will send a clear signal to the futures markets that we are serious about providing for the effective regulation of these important financial markets, ensuring the integrity of these markets, and protecting the public interest.

I would once again extend my congratulations to Chairman ENGLISH and ranking minority member TOM COLEMAN for their fine work on H.R. 2869,

and urge my colleagues to support this legislation.

BRIEF EXPLANATION

H.R. 2869 will amend the Commodity Exchange Act [Act] to prohibit dual trading by a floor broker in any contract market in which the Commodity Futures Trading Commission [CFTC] has determined the average daily trading volume to be equal to or greater than a threshold trading level. The bill will establish the threshold trading level at 7,000 contracts, but the CFTC may increase or decrease the threshold trading level if a change is warranted, considering the effects of the prohibition against dual trading on price volatility, bid-ask spreads, or the public interest.

The CFTC must exempt a contract market from the dual trading prohibition if the contract market can demonstrate that its surveillance systems and procedures, including its audit trail: First, can detect those instances of trading violations attributable to dual trading; and second, is fully verifiable.

The CFTC will retain the authority to further restrict or completely prohibit dual trading.

The bill will also limit trading among members of broker associations.

The bill will require each contract market to maintain an audit trail including such information as the CFTC determines necessary to rapidly reconstruct an accurate record of the transactions executed on such contract market. The time of execution of contract market transactions must be verifiable and must:

First, be stated in 1-minute increments beginning not later than 1 year after enactment of the bill; and

Second, be stated in 30-second increments beginning not later than 3 years after enactment of the bill.

A board of trade's audit trail for all of the contract markets designated for that board of trade must comply with the 1 minute and 30 seconds recording requirements before the CFTC can designate the board of trade as a contract market for any new contracts.

H.R. 2869 will require each registered futures association to specify the factors it will consider in determining whether to require a member to adopt special supervisory procedures regarding telephone solicitations. Such procedures must include a 3-day cooling off period during which a member who solicited a new customer by telephone to open a futures or options account may not trade such account on behalf of the customer.

The bill will require the CFTC to continue to request the assistance of and cooperate with the appropriate Federal agencies in conducting investigations, including undercover oper-

ations, under the Commodity Exchange Act.

The bill will require a system of contract market disciplinary committees and a schedule of major violations of the rules of contract markets or registered associations. The bill will prohibit any person found to have committed a major violation of such contract market rules from service on the governing board or a disciplinary committee of any contract market or registered futures association. The bill will also require that outside members comprise at least 20 percent of the governing boards of contract markets and registered futures associations.

The bill will require the registration of floor traders, enhance the CFTC's and contract markets' authority to disqualify registrants, and provide for the suspension of registration and trading privileges for the nonpayment of civil money penalties. The bill will also require that registrants attend periodic ethics training sessions.

The bill will provide for nationwide service of process and venue for parties bringing a private right of action under the act.

The bill will require each contract market to monitor closely the trading activities of any person granted a hedging exemption to ensure that such person does not obtain a position in excess of such exemption.

The bill will increase the penalties for certain felony violations of the act from \$500,000 to \$1 million for corporations and similar legal entities, and from \$100,000 to \$500,000 for individuals.

H.R. 2869 will require each contract market to make every effort practicable to give the CFTC prior notification of any emergency action proposed by the contract market and require the CFTC to notify the contract market and the House and Senate Agriculture Committees of its approval or disapproval of the emergency action within 10 days, or as soon as practicable, after the CFTC receives such notification.

The bill will make it a felony for exchange employees or certain other persons to use or disclose certain material, nonpublic information. A violation of this prohibition will be punishable by a fine of up to \$500,000, plus any profits realized from such use or disclosure, and imprisonment for up to 5 years.

H.R. 2869 will require the General Accounting Office to study the delivery points for futures contracts for agricultural commodities. The bill will also require the CFTC to conduct a study of the competitiveness of U.S. futures exchanges compared to those in foreign countries.

The bill will authorize the CFTC to cooperate with, offer investigative assistance to, accept information from, and disclose certain information to, foreign futures authorities.

The bill will authorize appropriations for the CFTC in the amount of \$40 million for fiscal year 1990 and \$44.5 million for fiscal year 1991.

COMMODITY FUTURES TRADING COMMISSION,

Washington, DC, September 12, 1989.

HON. E. (KIKI) DE LA GARZA,
Chairman, Committee on Agriculture,
House of Representatives, Washington,
DC.

DEAR MR. CHAIRMAN: As you will recall, on January 23 and July 17, 1989, we submitted for consideration by the House Agriculture Committee our recommendations for amendments to the Commodity Exchange Act. As explained in those submissions, these amendments would enhance the enforcement of the Act by providing for cooperation with foreign futures law enforcement authorities, nationwide service of process and venue in private rights of action, flexibility in imposing civil monetary penalties and registration of floor traders. I am pleased that H.R. 2869 as reported by the Committee includes all of these proposals.

Title III of the bill would permit the Commission to assist foreign futures authorities. The bill's definition of foreign futures authority includes a broad range of authorities, including independent governmental regulatory agencies, executive agencies, local governmental authorities, self-regulatory organizations and criminal authorities that administer or enforce rules or regulations as they relate to futures and options matters.

In particular, the bill would permit the Commission to conduct investigations upon the request of a foreign futures authority without regard to whether the facts stated in the request constitute a violation of U.S. law. To facilitate the development of a working relationship with authorities that have the broadest legal mandate to oversee futures and options matters, it is expected that the Commission will act upon such investigative requests from a single authority or only a few authorities in each country, instead of from a wide range of self-regulatory organizations with varying responsibilities. In providing assistance, the Commission would be required to consider the public interest and the agreement of the foreign futures authority to provide reciprocal assistance to the Commission. The Commission believes that investigative assistance from foreign authorities would be a powerful tool in effectively enforcing the Commodity Exchange Act in investigations that require the gathering of information from foreign sources. The Commission expects the availability of its assistance to foreign futures authorities to act as a strong inducement to these authorities to obtain similar authority to assist the Commission. As you are aware, the proposed investigative authority closely parallels the authority obtained by the Securities and Exchange Commission last year in section 6 of the Insider Trading and Securities Fraud Enforcement Act of 1988.

In addition, Title III's amendment to section 8(a) of the Act provides protection from compelled disclosure of information identified in good faith to the Commission by a foreign futures authority as protected from such disclosure under foreign law. However, section 8(a) does not preclude the disclosure of such information in the proceedings referenced therein. This protection from compelled disclosure is necessary to achieve the full measure of effective coop-

eration with foreign futures authorities in enforcement matters, and is consistent with other provisions of section 8 of the Act which already protect certain categories of information from public disclosure, in accordance with subsection (b)(3)(B) of section 552 of title 5, United States Code.

Section 209 of H.R. 2869 would amend the Act to authorize nationwide service of process in private actions brought under section 22 of the Act, the provision which permits customers to seek damages for violations of the Act. The amendment would empower U.S. district courts sitting anywhere in the United States to whether the plaintiff can establish that the defendant had minimum contacts with the state in which the U.S. district court is located. The proposal also includes special venue provisions for section 22 actions to grant plaintiffs greater choice in their selection of the particular forum in which to bring their action.

The amendment is promoted by a 1987 Supreme Court decision which ruled that authorization for nationwide service of process in private actions was not implicit in the Commodity Exchange Act. As a result, without this amendment plaintiffs may be precluded from suing non-U.S. defendants anywhere in this country. And as against U.S. defendants, private plaintiffs will be subject to the burden and expense of providing that the defendant is amenable to service under a state "long-arm statute," and, failing this, they may be relegated to suing in an inconvenient forum. This amendment would place commodity futures customers on the same footing as securities customers, in circumstances where there arises a need for resort to federal litigation, because the federal securities laws expressly provide for nationwide service of process.

Section 207 of H.R. 2869 would amend the Act to (1) eliminate the requirement that CFTC consider a wrongdoer's financial circumstances in assessing a civil penalty and (2) provide that if the wrongdoer does not pay the penalty when due, his existing registration with the CFTC would automatically be suspended and the wrongdoer would automatically be prohibited from trading on all exchanges. This provision will facilitate and provide more flexibility to the Commission's administrative law enforcement process in selecting appropriate sanctions and will provide additional statutory incentives to wrongdoers to pay penalties promptly. Congress has already provided such incentives in connection with unpaid reparations judgments.

Under existing section 6(d) of the Act, the Commission must not only consider the gravity of the violation in imposing a monetary penalty, but also evidence relating to the penalty's effect on the wrongdoer's net worth or ability to continue in business. Because this type of evidence is generally controlled by respondents, the Commission has required them to come forward with a showing that a proposed penalty is excessive in light of their net worth or ability to continue in business. Respondents that did not wish to produce such evidence have been permitted to waive the financial inquiry mandated by the Act. The Commission has viewed its waiver approach as consistent with Congress' intention that respondents have protection from excessive civil penalties. However, disputes over the proper application of section 6(d) have generated considerable litigation, including several appeals to the Courts of Appeals. This litigation itself has been an additional burden on the Commission's enforcement program.

Some courts have interpreted the law less flexibly than the Commission and have required development of an evidentiary record on net worth or ability to pay whenever the Commission imposes a civil monetary penalty in an adjudicatory proceeding. This is particularly difficult when the respondent, who possesses the information, fails or refuses to provide the evidence for the record.

Another troubling aspect of the net worth inquiry has come to light where a respondent claims insolvency. Specifically, a United States bankruptcy court has blocked the Commission's prosecution of an administrative case, in part because the court was persuaded that the Commission's obligation to consider net worth would interfere with the respondents' personal bankruptcy reorganizations. The Commission has appealed that decision.

Thus, the Commission believes that the statutory requirement to consider financial circumstances has been misconstrued to become an inhibition to effective enforcement of the Act and should be deleted as provided by section 207 of the bill. This deletion would not limit the Commission's discretion to consider factors relevant to the remedial purposes of existing section 6(d). These factors may include: (1) the harm to other persons resulting from the violation; (2) monetary or other benefit to the wrongdoer; (3) whether there has been any restitution made to persons injured; (4) prior sanctions imposed by the CFTC or other authorities; (5) factors tending to show mitigation or rehabilitation; and (6) the need to deter the wrongdoer and others from committing these violations.

Registration of floor traders as provided by section 205 of H.R. 2869 would also assist law enforcement. Historically, floor traders have not been required to register under the Act because they do not handle customer trades or money and because exchange rules have established criteria governing their access to the floor. However, if floor traders collude with brokers in violation of the Act or of Commission regulations, they should be subject to the same regulatory sanctions. By requiring floor trader to register, the bill would subject them to statutory disqualification and fitness requirements like other registrants.

Thank you very much for your consideration and assistance during this year's reauthorization process.

Sincerely,

WENDY L. GRAMM,
Chairman.

Mr. Chairman, I yield such time as he may consume to the distinguished chairman of the subcommittee, the gentleman from Oklahoma [Mr. ENGLISH].

Mr. ENGLISH. Mr. Chairman, earlier this year we were all stunned by the report that the FBI had for the past 2 years conducted undercover operations on the floors of two of the major exchanges in this country. At that time the Committee on Agriculture was organizing, and the chairman of the Committee on Agriculture urged that I and the ranking minority member as well as the members of the subcommittee conduct an inquiry into adequacy of the regulatory system for the futures industry.

The gentleman from Missouri [Mr. COLEMAN] and I launched an inquiry,

not into who was guilty of wrongdoing, but to examine the overall system itself. To determine what is working, what is not working, and what is needed to be addressed with regard to any legislation pertaining to the reauthorization of the Commodities Futures Trading Commission. This inquiry took place over some 6 months and was conducted not only by the staff of the subcommittee but included representatives of the General Accounting Office as well as investigators who were borrowed from other Members of Congress as well as other Government agencies. They did an outstanding job in discovering the shortcomings of the system. The groundwork that was laid by those people produced the basic framework for this legislation.

In July the gentleman from Missouri [Mr. COLEMAN] and I jointly introduced the legislation that we have before us today and every member of the subcommittee as well as the entire Committee on Agriculture made contributions to this effort. I appreciate the study and the attention that the Members have put forth.

I think it should also be pointed out, Mr. Chairman, that last Friday the General Accounting Office announced the results of its study which had been requested by the other body, and that report uncovered nothing that had not been revealed by our own inquiry. Therefore, anything covered by the GAO report to the other body has been considered for this legislation.

I think it also is important to point out that this legislation passed the House Committee on Agriculture on the very day that the U.S. attorney in Chicago brought forth some 46 indictments of individuals charged with wrongdoing. I think that it also should be known that those who are most familiar with that particular investigation have reviewed this legislation, and it is my understanding that there is nothing that was uncovered by the FBI investigation that has not been dealt with in this legislation, at least to the extent that it is possible through new law.

I think what we have before us is a very good bill, a very solid bill, and I might say, Mr. Chairman, perhaps the news media have best underscored what this legislation is all about when they describe it as the toughest, most sweeping legislation to affect the futures industry since the creation of the Commodities Futures Trading Commission some 15 years ago.

We are very proud of this legislation. We feel that it certainly will do much to address any shortcomings. It will toughen up the Commodities Futures Trading Commission. It will provide authorization for much-needed additional resources, particularly in the area of carrying out investigations. It provides the authority for the CFTC

to conduct the kind of undercover operations on a regular basis that the FBI conducted over the past 2 years. It sets up some very rigid requirements with regard to the standards that we will accept as far as being able to detect wrongdoing by the system.

It certainly puts the exchanges on notice, that if in fact, they intend to expand their business, adopt new contracts, have new contracts approved, they are going to have to meet some very rigid requirements.

I think that there is no question that the entire futures regulatory system has been tremendously strengthened by this legislation.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. ENGLISH. I am happy to yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Chairman, I want to commend the gentleman from Oklahoma and also the gentleman from Missouri [Mr. COLEMAN] for what they have done with this legislation.

When the act was first passed in 1974, it passed the House in good shape. It went to the Senate, and they amended it. They weakened the bill. Dual trading, insider trading, a number of other things were taken out of the bill which should not have been at that time, but that was the best we could do, and in conference it was adopted that way. Ever since then we have been trying to get dual trading prohibited or at least restricted and a number of other things, but there has been nothing done until this year.

I commend the gentlemen, both the gentlemen, and the committee, for what they have done here to try to strengthen this bill. I am not going to say that further strengthening is not desirable, but I understand that one can only do about so much at one time. I just think that they have done a good job, and this is the first time I have really seen an effort, frankly, by the committee to strengthen the weaknesses in this act.

□ 1100

And with this I think that you can go to the conference and come back with maybe even a little stronger bill. As you know, there are a few places I have pointed out where it could be strengthened, especially with regard to insider trading.

Another thing I would like to point out is that at the time this act was passed we never dreamed that the underlying commodities involved would be in most contracts other than agricultural commodities. That is the reason it is named the Commodity Futures Trading Commission, not the "Stockbrokers Futures Trading Commission." So this has brought forth a whole new perspective that needs to be looked at.

Over 100 contracts have been approved. So the Commodity Futures Trading Commission has a big job. Anything we can do to reduce the hours that they have to put in to monitor these contracts ought to be done, especially when the invitation is there to cheat. They should not have to be there on the job every minute watching to see whether or not cheating is being done. When it can be done, it should be prohibited ab initio.

So I want to commend the gentleman for what he has done. I support the bill.

I will have one amendment. I wish it was possible for two or three others, but I will have one amendment.

I thank the gentleman.

Mr. ENGLISH. I thank the gentleman who certainly has long been recognized for his great expertise in this area, as one of the founding fathers of the Commodity Futures Trading Commission. So we appreciate his input.

Also, as the chairman of the committee has stated, Mr. Chairman, we do not intend to let this matter drop after the passage of this legislation.

We feel that in order for this legislation and for the regulatory system to work to the degree that we would all like, it will be necessary for us to conduct vigorous oversight throughout the implementation of this legislation and beyond.

Let me also say that in an effort to strengthen this legislation, Mr. Chairman, the Commodity Futures Trading Commission will have a permanent status, much the same as the Securities and Exchange Commission and other Government agencies.

We have found that constant reauthorization every 3 or 4 years has had a weakening effect. It raises doubts about its continued existence.

But the underlying fact, Mr. Chairman, is that we have got to have a tough, strong, hands-on regulator, an arm's-length regulator. One that will vigorously exercise its responsibilities and that will assure the American public that any time they are trading in the futures industry they will be protected.

It also should be underscored, Mr. Chairman, that this industry is no longer a national industry; it is one that is trading worldwide.

It is now in competition with similar exchanges throughout the world and its trading is moving toward a 24-hour-per-day operation. It is truly an industry that is growing by leaps and bounds.

As the gentleman from Iowa so aptly noted, we need to make certain that the regulatory system itself, constantly adjusts to the new reality that we face in the futures industry.

But I simply wanted to say again, Mr. Chairman, I appreciate the tremendous support we have gotten from the members of the subcommittee as

well as the full Committee on Agriculture. I particularly want to commend my colleague, the ranking member, the gentleman from Missouri [Mr. COLEMAN], for the outstanding work that he has done on this legislation.

With that, Mr. Chairman, I yield back the balance of my time.

Mr. COLEMAN of Missouri. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, what started out to be a simple routine reauthorization of the Commodity Futures Trading Act has become a thorough review of not only that agency but also the entire futures markets and how they are conducted in this country. And the reason for that of course stemmed from what has already been discussed, that is an undercover investigation, a so-called sting operation which was publicly disclosed when subpoenas were issued in Chicago to a number of people who had connections with the two exchanges in Chicago, who were brokers and traders.

When that became public, much speculation followed. What is fact is that the FBI, Justice Department, and CFTC personnel had been undertaking this endeavor for some time.

That has now resulted in 46 indictments of traders in Chicago.

This bill is not just an attempt to react to that situation but it is in fact an attempt to help restore public confidence to these markets and to assure the highest integrity that these markets must demand and must have if they are going to continue to operate in this country.

Mr. Chairman, I therefore rise with much pleasure to support this bill before us today. I want to also extend my commendation to the gentleman from Oklahoma [Mr. ENGLISH], the chairman of our subcommittee who very diligently pursued the investigation as well as the legislative response to it.

This is a bipartisan effort. It has taken many, many hours of making sure that what we do here today is correct and right.

I also want to commend Chairman DE LA GARZA for expeditiously moving this bill through the committee and on to the floor.

I want to thank the gentleman from Illinois [Mr. MADIGAN] understanding and consideration of this Member as he attempted to work with and, in a bipartisan fashion, to formulate a bill which impacts upon our Nation's futures markets.

While there may be provisions in this bill that frankly I would not have included, I agree now with this bill, that we need to have a reform-minded, get-tough policy. We have brought such a vehicle to the floor this morning for your consideration. I urge my colleagues to support it as I support it.

The Agriculture Committee has long recognized the values of futures markets in this country to our national economy and we recognized that when we wrote the bill. I believe it also clearly understands it is time for Congress to complete the work in mandating certain reforms in the law.

These amendments to the Commodity Futures Trading Act, while giving certain flexibility to the Commodity Futures Trading Commission and retaining the vital concept of self-regulation, will mean a tougher regulatory atmosphere at the Nation's commodity futures exchanges. I think that is the underlying premise of this bill, a get-tough regulatory policy.

This bill moves forward the work of the CFTC in getting the exchanges to toughen their own audit trail system. I know you recall just 3 years ago when we had the last reauthorization on the floor, that the CFTC proposed certain new regulations to require the exchanges to enhance the audit trails, their trade recordation systems.

During the 1986 reauthorization our own House committee report recognized the importance of the suggestion that we have an active audit trail.

But 3 years later the exchanges still have not reached the stated goals of the CFTC's chairman at the time, Dr. Susan Phillips.

Dr. Phillips said then that the transactions on each exchange must be recorded to within 1 minute of execution and that the CFTC should be able to verify that exchanges are in fact recording accurately at least 90 percent of all trades executed on the exchanges. That was in 1986.

This bill goes even further than that.

Now, Mr. Chairman, this bill combines a carrot-and-stick approach that is designed to curb certain kinds of trading practices until each exchange verifies that its total surveillance system is accurate enough to detect trading abuses.

It does this by prohibiting the so-called dual trading activity to take place in a contract market. Any contract which trades at a daily average rate of 7,000 contracts or more must have in place a verifiable surveillance operation which can detect trading abuses that may be associated with dual trading.

Now dual trading, for those of our colleagues who are not familiar with the system, is when a person can go into a pit in Chicago or New York or Kansas City or Minneapolis or wherever the exchange is located and trade for themselves and for other clients and customers. That in itself is not necessarily bad. What is bad and what can be and has been associated with this practice is where the person trades for his own account in front of the customer's account, and, too, can

impact negatively their customer's account. And conversely they might be able to enrich themselves having the knowledge of what the market is doing and what their customer's orders may be doing to the market and impacting the market.

□ 1110

This is so-called dual trading. We want to make sure that this activity, if it does take place, takes place in an atmosphere where the CFTC, the regulator, can find any sort of abuses associated with that activity. This goes to the audit trail issue. Exchange audit trails must meet the 1-minute standard under this bill within 1 year of enactment. Within 3 years, the standard narrows to 30 seconds; within 5 years, the CFTC must report to the Congress on whether an accurate trade recordation system may be captured in real time. Every contract market on each exchange must meet the audit trail standards or be ineligible for new contract designations. That is quite a carrot. If an exchange does not do this, they cannot have new contracts approved for their exchange. We do not want to prohibit new contracts, we just want to make sure that the current contracts are well regulated and that there are no abuses in the system.

This should be sufficient to get the exchanges to make the necessary changes to ensure this accurate, verifiable audit trail system.

I want to say, Mr. Chairman, that the audit trail systems currently in place at the exchange, even in their current form, are useful tools for the officials at the CFTC and for the public. The trading data was used extensively for analysis of transactions that occurred on both the futures and the stock markets in the days back at the market break or so-called "crash" in October of 1987.

The Committee on Agriculture does not criticize the value of the work that the exchanges have made to beef up their capability in this area, to track and record trade executions. This bill is not a bill to punish exchanges for any alleged abuses which individual traders have made on their own and have been indicted for. I want to make that clear.

Mr. Chairman, this bill permanently reauthorizes the CFTC as an agency which will not have to come back to the Congress every 2, 3, or 5 years to be reauthorized. I think this is a very important statement that this Commission has come of age, that it will be on the same basis as the Securities and Exchange Commission, for example, on the securities side. We have faith in this Commission, in this agency, to do a good job. We have given it the regulatory tools to do a good job. We will maintain strong oversight capacity of this agency, and through the appropriation process we will assure the di-

rection of what it is doing. However, it is a permanent reauthorization.

Mr. Chairman, I am not going to speculate on what amendments may be offered today. We can take them up as they come. However, I will say once again, in closing, that this is a bipartisan bill. It is a good bill. It is reform minded. It is strong. It is tough. It is time that the Members here recognized that we have an obligation to protect the public interest. I think we have done it with this bill. Again, I have worked with the chairman, the gentleman from Oklahoma [Mr. ENGLISH]. I have valued that relationship, and I am proud of the product we have brought forth today on the floor of the House.

Mr. MADIGAN. Mr. Chairman, will the gentleman yield?

Mr. COLEMAN of Missouri. Mr. Chairman, I yield to the gentleman from Illinois.

Mr. MADIGAN. Mr. Chairman, I thank the gentleman for yielding, and at the outset, if I may, I would like to comment to both the gentleman from Missouri and the gentleman from Oklahoma about the degree of respect that I have for the two of them for the work that they have done under very difficult circumstances. Of course, my comments would also extend to the chairman of the full committee, the gentleman from Texas [Mr. DE LA GARZA], because this bill was processed through that subcommittee and to the full committee at a difficult time in light of the FBI investigations going on, and other things to which reference has been made here this morning.

I do, at this point, wish to ask a couple of questions of the gentleman from Missouri, the gentleman in the well, who is a cosponsor of this bill. I do that because, as the gentleman knows, being a very accomplished lawyer, when court suits arise as a result of various legislative enactments, the record made on the floor of the House is one of the three things that judges traditionally will look to. So in that regard, I think the record is important both with regard to the audit trail provisions in the bill, and also the dual trading prohibitions provisions.

I would like, at the outset, to first ask the gentleman with regard to this audit trail provision, and the requirement that it be verifiable or fully verifiable, if the gentleman would be able this morning to quantify in some way what the sponsors of the bill intend when they describe the necessity that the audit trail be verifiable; are you talking about 100 percent capability, 90 percent capability? What does the gentleman have in mind?

Mr. COLEMAN of Missouri. There was some discussion about whether or not the word "fully" should precede the word "verifiable" as we marked up

the bill. It may be, in fact, surplus language. If one is verifiable, one could assume that it is going to be totally verifiable. Fully verifiable, I think, leaves no doubt, and I believe the committee report language shows that we are not building in any tolerance for error, but in any human endeavor that we have, we must assume that there may be some human errors involved. Even Ivory soap is only "99.44 percent pure."

Having said that, we feel we have a higher degree of verifiability required than, for example, the previous Commission Chairman who suggested that a 90-percent level would be acceptable. Therefore, I think it is very clear that we want to require the verification, which simply means we can go into a computer system and be able to verify the accuracy of the information contained therein, and the procedures as well as the timeliness of the information that was contained therein.

Mr. Chairman, I yield to the gentleman from Oklahoma [Mr. ENGLISH], who is the author of the original language.

Mr. ENGLISH. Mr. Chairman, the gentleman makes an excellent point. There are three key phrases that have to work together. The gentleman is absolutely correct when he states, and as is stated on page 45 of the report language, there is no sort of tolerance level. The next two key words, "to the degree that it is humanly and technologically possible." So, basically, what is being said is this language that the CFTC and the Congress is saying that we do not accept the violations. We do recognize, however, that there may be human error, and human error is counted for. It is also recognized that technology can only go so far. So it is to the degree that is humanly and technologically possible, whenever we use this phrase of "100 percent detection." So the 100 percent is tied with, to the degree that is humanly and technologically possible.

Mr. MADIGAN. Will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentleman from Illinois.

Mr. MADIGAN. If I may pursue that point with the gentleman who has the time, may I assume then, on the basis of the comments made, both by the gentleman from Missouri and the gentleman from Oklahoma, that if the Commodity Futures Trading Commission at some point in time determines that an 89 percent factor or a 90 percent factor or a 91 percent factor is at that point in time the best that is humanly and technologically possible, that this would then be able to allow the exchanges to move ahead in whatever the exchanges were contemplating?

Mr. COLEMAN of Missouri. My understanding is that would be the case.

We have stayed away from percentages because I think it is inappropriate, and the language we have given to the CFTC is more appropriate to make those decisions and indicate that the state of technology changes by the day, and once computer systems are up, human error goes down. It is a combination.

Mr. Chairman, I yield to the gentleman from Oklahoma [Mr. ENGLISH].

Mr. ENGLISH. I simply say that the key words, again, are "technologically possible" in that kind of a situation.

Obviously, the state of technology is changing, and one of the points that I think makes this a very strong section is that we are never really settled for what is acceptable today. What may be technologically possible today to achieve through the systems that are available to people through the technology that is available to people, is going to be outstripped in what may be here 5 years from now. The exchanges have to constantly improve.

However, again to the degree that it is humanly and technologically possible, that system has to be able to catch 100 percent, to the degree that is humanly and technologically possible.

Mr. COLEMAN of Missouri. Mr. Chairman, I yield to the gentleman from Illinois.

Mr. MADIGAN. Mr. Chairman, I thank both the gentleman from Oklahoma and the gentleman from Missouri for their explanation of their intentions in that record.

□ 1120

Mr. Chairman, if the gentleman will yield further, I wish to insert at this point in the RECORD a letter I have received from the Department of Justice relating to an amendment that may be offered later:

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AFFAIRS,
Washington, D.C. September 12, 1989.

HON. EDWARD R. MADIGAN,
Ranking Minority Member, Committee on
Agriculture, House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN MADIGAN: This is to reiterate the views of the Department of Justice regarding amendments to H.R. 2869, the proposed Commodity Futures Improvement Act, which were adopted by the Subcommittee on Conservation, Credit and Rural Development on July 26, 1989 and deleted by the full Committee on August 2, 1989. We understand that the amendments may be offered again when H.R. 2869 is considered on the floor of the House. These amendments, previously offered by Congressman Tallon, would enact criminal sanctions for an abuse arising from dual trading on futures exchanges. Under these amendments, "front running," in which a broker trades for his own account ahead of his customers, would be prohibited specifically and a knowing violation of that prohibition would be punishable as a felony.

As we previously indicated, the Department reviewed the amendments and determined that the existing antifraud provisions

of the Commodity Exchange Act as well as the mail and wire fraud provisions of Title 18 provide ample statutory authority to proceed against front running offenses. Moreover, prosecution of front running offenses would not be facilitated by these amendments. Front running is in our opinion a violation of the Commodity Exchange Act and Title 18 and thus is adequately addressed by existing law. Accordingly, we urge the defeat of any effort to adopt these amendments when the measure is considered by the full House.

The Office of Management and Budget has advised this Department that there is no objection to the submission of this report from the standpoint of the administration's program.

Sincerely,

CAROL T. CRAWFORD,
Assistant Attorney General.

But more importantly, my second question deals with the question of the prohibition of what is referred to as dual trading. I do not want to go into a discussion of the exemptions from the prohibitions that are allowed in the bill, but I am curious about the treatment with regard to that prohibition that would be visited upon different exchanges in the United States.

In earlier remarks here this morning the gentleman from Iowa [Mr. SMITH] has made reference to dual trading and the conditions that can result from dual trading activity. I note that in the bill there would be one set of procedures to prohibit dual trading on some markets that would not obtain with regard to other markets. If the activity, as I understand it, on a given market in a given contract was below a certain monthly volume, dual trading in that contract would be allowed on that exchange.

My concern is, if there is a belief or a consensus here that dual trading has the potential to be an evil thing, why would we say that this potentially evil thing cannot occur on one market but can occur on another market? I do not understand that distinction, and I wonder if the gentleman could help me with that.

Mr. COLEMAN of Missouri. Mr. Chairman, I appreciate the question. Let me take a stab at it, and then I will yield to the gentleman from Oklahoma [Mr. ENGLISH].

I believe the volume cut-off that we had was 7,000 average daily contracts. I believe it is computed on a monthly basis, but the 7,000 figure that you mentioned is what it was. That was arrived at because of the liquidity issue.

We wanted to make sure that we do not inhibit liquidity in a contract and, therefore, ban dual trading outright in a small number—that would be 7,000 or fewer—of contracts on an average daily basis.

Having said that, also those smaller volume contracts can better verify and track all of the audit information necessary.

There is really no problem in those pits. The problem with dual trading is

only when the possible abuses arise because of the high volume of contracts being traded at certain times of the trading day, so that you can get away from that or get into trading ahead of your customer for your own account prior to his and somehow discriminate against him and advantage yourself.

But nobody has said—and I mentioned this in my opening statement—that dual trading per se is inherently bad. It is just when it is abused, and it can be more abused and camouflaged and masked when you have a high number of contracts being traded. That was the reason for the 7,000 cutoff, because we can see that there are abuses in dual trading. At the same time, you can dual-trade under this bill if you have a system setup that can show fully the verifiability of your audit trail.

So what we are trying to do is give them the carrot, that is, let the exchange come up to the level where they can meet that requirement, and they can dual-trade.

I might say, on behalf on what is happening—and already we are moving the exchanges in this direction—that the Chicago Mercantile Exchange and the Chicago Board of Trade, as the gentleman knows, just recently announced a joint effort in which they are going to spend million dollars of their own money to have hand-held computers, if you will, on the trading floor where they can record instantaneously in real time the transactions that occur. That is what our goal is. We have moved them to that goal. But I believe that as they move toward that goal, we ought not to wink at it or suggest that dual trading should go on until they can come up with a system that is fully verifiable.

Mr. ENGLISH. Mr. Chairman, will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentleman from Oklahoma.

Mr. ENGLISH. Mr. Chairman, I think the gentleman from Missouri has done a good job of explaining it. Basically, it comes down to the fact that these provisions are oriented toward objectives, and the objective is to eliminate or at least put in place a system that will detect abuses that might occur under dual trading.

The so-called cutoff really had two justifications. One is that it is generally perceived that unless a contract is mature and liquid, then the liquidity is in serious question. So with the smaller contracts, with less trading, the question of liquidity arises. We wanted to make certain there was a safety margin built in.

It is not the objective of this legislation to destroy any contract markets. So the level of 7,000 and above is generally perceived to be a mature, liquid contract, if it meets that requirement.

The other part of it is that generally speaking, it is easier to detect wrongdoing when we have low volumes of trading, obviously, because there is not much activity and not as many people trading in those circumstances. But the real objective is not to eliminate dual trading. The real objective of this legislation is to be able to detect abuses that occur under dual trading, and once that is the case and the CFTC finds that the requirements under this legislation are meant to be able to make that kind of detection, the exchanges are free to continue dual trading.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Chairman, I would like to add just one perspective here. I do not think there is any reason for exceptions to dual trading prohibitions on large exchanges in large volumes, but I think when someone walks into a small market, he should know, when there is a small number of people there that might match his offer, that they are probably going to offset their risk at a bigger exchange.

So that is the reason. I do not know what the number ought to be, but if they walk into a small market, then it is somewhat like he is going to his broker. He ought to expect that there is some dual trading there, and he has an opportunity then to do his own surveillance in that instance, where he would not in his own exchange with a big volume.

Mr. COLEMAN of Missouri. Mr. Chairman, I thank the gentleman.

Mr. MADIGAN. Mr. Chairman, if the gentleman will yield just briefly for one further question, is it my understanding, then, that the gentleman from Missouri and the gentleman from Oklahoma intend that on the smaller markets where dual trading would be allowed under the provisions of the bill, the activity on those markets with regard to an audit trail also would be verifiable to the same extent that they are on the larger markets, or do the gentlemen just assume that that is the case?

Mr. COLEMAN of Missouri. Mr. Chairman, let me yield to the chairman of the subcommittee for an answer.

Mr. ENGLISH. I am sorry, Mr. Chairman, but would the gentleman please repeat that question? I am not sure I understood it.

Mr. MADIGAN. I would be happy to, if the gentleman from Missouri would yield further.

Mr. COLEMAN of Missouri. I yield to the gentleman from Illinois.

Mr. MADIGAN. Mr. Chairman, my question goes to permissiveness on the smaller markets with regard to dual trading and the question of the accu-

racy of the audit trail or the verifiability of the audit trail on the larger markets. My question is this: Do the gentleman from Oklahoma and the gentleman from Missouri intend that the audit trail on the smaller markets be the same degree of verifiability as they intend it would be on the larger markets, or do they just assume that it is going to be of the same standard of verifiability?

Mr. ENGLISH. Mr. Chairman, will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentleman from Oklahoma.

Mr. ENGLISH. Mr. Chairman, it has generally been found that the practice has been, at least to this point—

Mr. MADIGAN. Mr. Chairman, if the gentleman will allow me to interrupt, I am not asking about what is generally found; what I am asking for is the gentlemen's intention.

Mr. ENGLISH. I understand. I think, too, that the gentleman needs to have a little bit of history, and then I will be happy to get to the intention part.

Basically, we have found that it is much easier with regard to the smaller markets to reconstruct and keep track of what is taking place, not because they have any better systems, but again because of the volume issue, which goes back to my previous answer, but as far as the intent, no, the intent is that it would apply across the board to all exchanges. All would have to meet the standards.

It may be easier for some of the smaller exchanges to meet those standards than it is for the larger exchanges, or it may be easier for some of the contract pits that have lower volume to meet them than it would be for the bigger ones. We probably have one exchange that could come very close to meeting those standards now, but they have very, very little volume.

But the standard is intended to apply across the board.

Mr. COLEMAN of Missouri. Mr. Chairman, let me respond further. I have a copy of the bill before me now. I was down here answering questions before without having the bill.

I think the situation is even a little bit more flexible or perhaps more restrictive, depending on how the Commission were to handle it. But here on page 6, notwithstanding the 7,000 exemptions the gentleman is asking about, we have given and authorized the Commission to determine and further define terms, conditions, and circumstances under which such dual trading shall be conducted, notwithstanding the 7,000 exemptions.

So in fact, they could put in the same standard that the larger volume contracts have, or they could make some lesser standards, again providing flexibility to the regulatory agency where there does not seem to be an opportunity. We thought this was a

more appropriate way of going about it rather than hamstringing everybody by legislative fiat.

□ 1130

Mr. ENGLISH. Mr. Chairman, will the gentleman yield for one further point on that?

Mr. COLEMAN of Missouri. I yield to the gentleman from Oklahoma.

Mr. ENGLISH. Mr. Chairman, I think one other aspect, too, is again this legislation is oriented toward results, not in attempting to dictate to any one exchange as to how they get there. Because of the differences that we have as far as the markets are concerned and the exchanges vary to such a great degree, this legislation is designed to allow the exchange to reach that point in a manner that they find to be most effective. I think that is certainly in keeping with the recognition that there are major differences between these exchanges.

Mr. COLEMAN of Missouri. Furthermore, Mr. Chairman, I think the axiom, "If it's not broke, don't fix it," also applies. We have not seen any evidence whatsoever that there is anything wrong with these smaller exchanges in these contracts, 7,000 or fewer, that requires a heavy-handed approach under this legislation. So, by implication we should not suggest that there is by the gentleman's question.

Mr. MADIGAN. Mr. Chairman, would the gentleman yield further?

Mr. COLEMAN of Missouri. I yield to the gentleman from Illinois.

Mr. MADIGAN. Mr. Chairman, I apologize for belaboring this, but sometimes the answers one is given beg other questions.

So, in what I hope would be my final, and I ask this question because the possibility exists now as a result to this legislation that some activities or some actors responsible for those activities might choose to move from one exchange to another because of the provision in the legislation, and my question would be: Is it the desire then of the two gentlemen who are the sponsors of this bill to have the CFTC in the event of the discovery of some improper activity on one of these smaller exchanges to shut down that exchange with regard to dual trading?

Mr. COLEMAN of Missouri. Mr. Chairman, if the Commission finds that under the terms that we have provided for, which have great flexibility to do so, and finds that determination, they can do that, yes.

Mr. ENGLISH. Mr. Chairman, will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentleman from Oklahoma.

Mr. ENGLISH. Mr. Chairman, I think the other point is very clearly, if the CFTC is unable to insure the public that they can be protected, they have that responsibility to do so

today. I think what we are insisting on here is we are providing, as the gentleman from Missouri [Mr. COLEMAN] stated in his opening remarks, a carrot and stick approach. It is our hope through offering a carrot; namely, the possibility of acquiring new contracts, that they will take this action. However should they refuse to take the action to give us the possibility of, and I should not say "possibility," but making sure that we can to the degree that is humanly and technologically possible detect all types of errors, and I should not say "errors," all types of wrongdoing, then in effect what we are saying is that, yes, they are to shut the exchange down. But I think what we are going to find is, given the broad range of contracts, what is likely to happen is it would be a contract in itself. It will be a certain pit because within each exchange, and particularly this is true of the larger exchanges, they have got a large volume difference. It would be much easier for exchanges to meet these requirements in some pits than it will in others, so there is no balancing out, there is no averaging out. It is a pit-by-pit case.

Mr. COLEMAN of Missouri. Mr. Chairman, I thank both the gentleman from Oklahoma [Mr. ENGLISH] and the gentleman from Illinois [Mr. MADIGAN].

Mr. ENGLISH. Mr. Chairman, I yield such time as he may consume to the gentleman from Iowa [Mr. NAGLE].

Mr. NAGLE. Mr. Chairman, I understand that the gentleman from Missouri [Mr. COLEMAN] wishes to engage in a colloquy.

Mr. COLEMAN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. NAGLE. I yield to the gentleman from Missouri.

Mr. COLEMAN of Missouri. Mr. Chairman many of us have been asked about the intent of section 213 of the bill. Generally, it would codify existing rules banning CFTC personnel and exchange members and staff from knowingly trading for their own benefit on the bases of confidential information obtained during the performance of their regulatory duties. It would also prohibit the disclosure of material nonpublic information, by a principal or employee of a given firm, about commodity transactions of that firm to third persons for trading purposes unrelated to the firm's legitimate business.

The latter provision has raised concern among co-ops, country elevators, and regional grain and brokerage companies, as to how much and what kind of routine market information they can continue to pass on to their members and customers.

I would like to ask the gentleman from Oklahoma, the chairman of our subcommittee, if he would clarify the purpose of this subsection.

Mr. ENGLISH. Mr. Chairman, if the gentleman will yield, I thank the gentleman from Missouri for raising this issue. One of the things that has concerned a number of Members has been the fact that farmers and small public investors often seem to be the last to know about information which bears on the direction of the markets. Now I will be the first to admit there is nothing this Congress can do to completely resolve that. One thing we can do about it, however—and this provision does so—is stop people who are privy to their employer's nonpublic trading intentions from selectively leaking that information to the personal benefit of a chosen few at the expense of everyone else.

I compliment the bipartisan efforts of the two gentlemen from Iowa who have authored this provision, and I yield to them for further clarification of its intent.

Mr. NAGLE. Mr. Chairman, if I may reclaim my time, I appreciate both the gentleman's compliment and his own contribution to the successful inclusion of this important section in the bill. First, let me say the gentleman from Oklahoma is correct.

The disclosure prohibition is designed to prevent a kind of privatization of secret corporate trading information. This activity benefits only those fortunate enough to have an inside benefactor who will selectively lead critical market information about his firm's intentions or positions. Presumably, of course, the benefactor gets something in return. Trading on that information, which is completely unrelated to the legitimate business of either the insider's employer or the recipient of the information, abuses the purpose of the futures markets and ought not be tolerated.

Let me be even more specific by way of example. If Nagle Grain Co. transacts a large sale of wheat to the Soviet Union, this bill makes it a criminal felony for a Nagle employee to trade for his own account on the basis of that information. The bill also makes it a felony for him to pass that information to his brother-in-law so that he, or they together, might take extra advantage of the news for their own personal benefit before the rest of the market knows about it.

There are many variations of that example which I could give, but in a nutshell, that is what this provision is designed to stop.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. NAGLE. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Chairman, I think country elevators were mentioned here. I want to point out that this applies only to reportable positions. I do not know of any country elevator that ever has a reportable position. I do not think that employees of

country elevators need to be concerned about this at all.

Mr. NAGLE. Mr. Chairman, the gentleman from Iowa [Mr. SMITH] is correct. Subsection C states quite specifically that the normal dissemination of information that is a legitimate business purpose of the business entity is not prohibited.

Mr. SMITH of Iowa. Mr. Chairman, if the gentleman will continue to yield, if it is a country elevator or smaller than the reportable requirements, it is not going to have an impact on the market anyway. So, we are talking about large positions here.

Mr. NAGLE. Mr. Chairman, the gentleman from Iowa [Mr. SMITH] is correct.

Mr. GRANDY. Mr. Chairman, will the gentleman yield?

Mr. NAGLE. I yield to the gentleman from Iowa.

Mr. GRANDY. Mr. Chairman, will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the distinguished gentleman from Iowa.

Mr. GRANDY. I too appreciate the compliment of the gentleman from Oklahoma, and I join my colleague from Iowa in thanking both he and the gentleman from Missouri, the ranking member of our subcommittee, for their active support of this provision.

I only want to add to the excellent summary my colleague has provided by saying we have no intention of disrupting the vital and constant exchange of information which is the lifeblood of the most efficient agricultural markets in the world.

Dozens, if not hundreds, of firms spend millions of dollars gathering as much information as can possibly be gathered every day about weather conditions, available transportation, supply factors, demand factors and countless other variables which impact commodity prices in the cash—and therefore also the futures—markets. Much of this effort directly benefits producers and small agribusinessmen. Without this kind of information, small market users would be at a serious disadvantage compared to larger players with enough resources to obtain similar information on their own.

Our amendment requires the CFTC to adopt implementing regulations within 1 year. We expect those regulations will make clear that the traditional exchange of cash and futures market information during the constant intercourse that takes place literally around the clock between producers, processors, merchants, and users, will not be disrupted by this provision.

□ 1140

It is the surreptitious inside deals we intend to stop. The amendment is aimed at people who would usurp material nonpublic information from the privileged vantage of their place of employment and convert or disclose it for their own personal gain unrelated to the legitimate commodity business of their employer.

Mr. COLEMAN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. NAGLE. I am happy to yield to the gentleman from Missouri.

Mr. COLEMAN of Missouri. Mr. Chairman, I thank all these gentlemen for their responses. This colloquy should reassure not only those in the grain business who may have had concerns, but also those in all the other areas of commerce who use the futures markets to offset risks. We intend on the committee to carefully monitor the CFTC's development of these implementing regulations to ensure they conform to this legislative intent.

Mr. ENGLISH. Mr. Chairman, I yield 2 minutes to the gentleman from Kansas [Mr. GLICKMAN].

Mr. GLICKMAN. Mr. Chairman, first of all, I want to compliment the gentleman from Texas [Mr. DE LA GARZA], the gentleman from Oklahoma [Mr. ENGLISH], the gentleman from Missouri [Mr. COLEMAN], and the gentleman from Illinois [Mr. MADIGAN]. They have done a good job on this bill under very difficult circumstances, the indictments in Chicago and all sorts of public concerns that have arisen and they have produced a good piece of legislation.

This futures industry is important to America. It plays a vital role in our modern economy and is a model for the rest of the world. It is part of our global economy; however, in order to make sure it functions well and functions honestly, we have to provide public confidence in these futures market. That is what this bill tries to do. It expands the responsibilities of Commodity Futures Trading Commission to regulate the futures market.

The seventies and eighties were a period of extreme deregulation in America. The financial deregulation we saw with respect to our banks and savings and loans produced a very chaotic and extensive burden for American taxpayers.

We also saw the effects of some of that same deregulation as it affected our futures and securities industries. This bill, while not reregulating the futures industry, toughens up the market surveillance and enforcement of our futures laws.

The gentleman from Oklahoma [Mr. ENGLISH] has taken the lead to make sure that the American people believe that the futures markets are honest. That is the heart of this bill, to make these markets honest so that farmers

and ranchers and users of the markets know that they are safe. I think the American people need to realize that we have done some good things in this bill to give them that confidence; however, I am concerned that the CFTC may not have the resources to adequately implement these new initiatives, these market surveillance initiatives, and these enforcement initiatives, recognizing that the heart of this bill is enforcement, to make sure the law is being adequately enforced so that we do not have any more scandals on any of the futures exchanges.

Therefore, I will offer an amendment requiring an independent assessment by the General Accounting Office of the adequacy of the CFTC's resources, and I will examine possible or alternative ways to finance the activities of the CFTC, including transaction or user fees. It is a study. It is not a mandatory requirement, but we want to make sure that they have the resources to do their job well.

Mr. Chairman, I rise in strong support of H.R. 2869, the Commodity Futures Improvements Act of 1989. I want to commend the chairman of the subcommittee, Mr. ENGLISH, for a thorough and exhaustive examination of the issues surrounding the reauthorization of the Commodity Futures Trading Commission and the chairman of the full Agriculture Committee, Mr. DE LA GARZA, for bringing this legislation to the floor in a timely fashion.

Mr. Chairman, I have long been a strong supporter of the futures industry. I believe that it plays a vital role in our modern economy, and U.S. futures industry is a model for the rest of the world, indeed, it is an integral part of our global economy. Our markets are in fact the world's markets.

To make sure we retain that preeminent role, we have to make sure that the users of these markets have utmost confidence in their integrity. I believe this legislation will help bolster that confidence. It is no secret that over the last several months, many have raised questions about the markets. While serious, legitimate questions have been raised, I am confident that these investigations will show that there are no fundamental problems with the markets; however, the investigations do show that constant vigilance is the price of confidence.

This legislation will make several important strides in that area. Before addressing specifically the amendment I will be offering, let me note one other amendment which the full committee offered during its consideration of the legislation. This amendment will make sure that market users do not abuse the exchange and CFTC rules with respect to hedging and speculative limits.

The Commodity Exchange Act permits users who are also producers, processors, exporters, or otherwise have a legitimate need to hedge their cash market positions in the futures markets to exceed the position limits that otherwise apply. It is my concern however that with that exemption in hand, some market participants, if not policed carefully, might abuse that exemption from the position limits. That amendment which I offered during committee consideration and which is contained in that bill will require the exchanges to monitor traders to make sure that positions they acquire are not excessive and bear a relationship to their legitimate hedging needs. I believe it will give the exchanges an important new tool in preventing potential market distortions.

This amendment, like so many other provisions of the bill, will make severe demands on the resources of the CFTC. Through its actions, in addition to the requirements imposed by the Congress through this legislation, the CFTC will be much more actively involved in overseeing and regulating the industry. Also, as the industry grows and becomes more complex, the demands on the CFTC are going to continue to grow.

I want to make sure that the CFTC has the resources it needs to implement adequately these initiatives. As I noted earlier, I believe the regulatory structure of the CFTC is fundamentally sound, so long as the regulatory structure is rigorously enforced. Adequate enforcement will take an adequate budget, for staff and new technology.

The amendment I am offering will require an independent assessment of the adequacy of the CFTC's resources and will, specifically, examine possible alternative ways to finance the activities of the CFTC. For example, the securities industry contributes to the operations of the Securities and Exchange Commission and as activity in that industry increases, and the demands of the SEC increase, so do these contributions and thus the demands of the SEC.

While I am not saying this is the only way to go with the CFTC and I appreciate the theoretical argument that to ensure truly independent regulation, the regulator's source of financing should be separate and independent from the regulated industry, I also believe we should not overlook possible alternatives, to exclusive reliance on appropriated funds, to meet the financial needs of the CFTC under this legislation.

My amendment will require the General Accounting Office to conduct a study of the resource needs of the CFTC under this bill and to study whether an assessment on transactions regulated by the bill would

enable the CFTC to acquire the resources it needs to better regulate the industry. In conducting the study, the CFTC will have to pay special attention to the interests of market users, including the agricultural producers of the commodities traded on our futures exchanges. In asking the GAO to conduct the report, it is also my hope that the Congress will receive a balanced, unbiased view on whether we should implement such a financing plan in the future.

Mr. Chairman, I want to close by reiterating my strong support for this bill and to urge my colleagues to support the amendment I am offering and also the legislation as a whole.

Mr. ENGLISH. Mr. Chairman, I yield 1 minute to the gentlewoman from Indiana [Ms. LONG].

Ms. LONG. Mr. Chairman, I rise in support of H.R. 2869, the Commodity Futures Improvements Act of 1989. As a member of the Agriculture Committee, I know that my colleagues worked hard to move this important legislation through the committee and to the floor today.

If passed into law, the provisions of this bill would increase the responsibilities of the CFTC and require improved self-regulation by the futures industry. This legislation would put in place mechanisms to improve the accuracy and verifiability of transactions executed on a contract market.

I offered an amendment to this legislation, in committee, which was adopted. The provision would require the exchanges to make every attempt to give the CFTC prior notification of certain emergency actions. It further requires the CFTC to notify the House and Senate Agriculture Committees and the exchanges of its approval or disapproval of the emergency action within 10 days.

I would like to point out to the membership that the CFTC is the Government watchdog expressly established to monitor the contract markets and in my opinion, should be fully involved in certain emergency actions. There should be no doubt that the CFTC is the body charged with ensuring that emergency actions are appropriate.

Mr. Chairman, I feel that we should do all that we can to ensure that the CFTC play a more active role in regulating the exchanges, especially in light of the emergency actions involving the July soybean futures contracts and the indictments of commodity traders in Chicago. The existing language in H.R. 2869 enables the CFTC to be the full-fledged oversight partner that it should be.

I commend the gentleman from Texas [Mr. DE LA GARZA] the chairman of the Agriculture Committee, the gentleman from Oklahoma [Mr. ENGLISH] the chairman of the Agriculture Subcommittee on Conservation, Credit and Rural Development, and the rank-

ing members of the full and subcommittees, Mr. MADIGAN and Mr. COLEMAN, for their hard work in bringing this legislation to the floor. The markets, farmers, and taxpayers deserve to have this legislation enacted, and I urge passage of the bill.

Mr. ENGLISH. Mr. Chairman, I yield 1 minute to the gentlewoman from Illinois [Mrs. COLLINS].

Mrs. COLLINS. Mr. Chairman, I rise to speak on H.R. 2869. Though I have many concerns about this legislation, I commend the efforts of the chairman of the Agriculture Committee for the extensive efforts he and his subcommittee have undertaken to understand the complexities of the futures industry. However, although I know that this is a piece of legislation that has been thoroughly investigated, I do have some concern about the legislation.

First of all, let me say that I have a great deal of concern about the continuous bashing of the Chicago Board of Trade and the Chicago Mercantile Exchange, which happen to be in the Seventh Congressional District of Illinois that I represent. Many efforts have been made on their part, as you are well aware, to see to it that some of the practices that took place in the past are not happening at this time.

I think the gentleman from Illinois [Mr. MADIGAN] has expressed many of the concerns that I have, and so I will not enumerate those at this particular time; however, I do think that this legislation is being a bit too heavy-handed in its approach and that we are attempting to micromanage the Commodities and Futures Exchange. For instance, the bill specifies that at least 20 percent of members on an exchange's governing board must be outsiders. Clearly this is an area where the exchanges can be allowed to use their discretion and best judgment to determine the makeup of their governing boards. To balance the legislative approach we are taking, I urge the CFTC to be flexible in the new rule-making authority it is being granted. I am further concerned that with stifling regulatory constraints, innovation in our markets could be stymied, leaving the door open for competitors in Japan and Europe to seize more of the United States market share. Our futures industry is strong and holds its own against international competition. However, we cannot expect our exchanges to continue to hold their strong posture if we micromanage their operations. I support oversight and regulation of the industry, and feel that due to the extremely esoteric nature of futures contracts, we must do all that we can to maintain the integrity of the markets and ensure continued public confidence, but we must not do so at the expense of the health and stability of the industry. Too many people seem to think that change can be brought to the futures

industry at a drop of a hat and without thorough consideration of the consequences.

Finally, I commend the exchanges for the efforts they have undertaken on their own to fortify the markets and bolster their integrity. I think it is a testament to the already strenuous policing of the industry and the exchange's own diligence in self-regulation that even stronger legislative measures were not proposed. Ordinarily, this would have been a time for the wolves to howl for extensive changes in regulation, but because of the strength of the markets, activist enforcement of regulations by the CFTC and the exchanges themselves, we see that Draconian measures are not called for.

I look forward to continuing to work with the Agriculture Committee toward the betterment of our futures industry.

Mr. PENNY. Mr. Chairman, I support H.R. 2869, the Commodity Futures Improvement Act of 1989. This legislation will strengthen the oversight of this country's commodity futures industry and improve safeguards against fraudulent trading practices.

The commodity exchanges play an important role in this Nation's agricultural economy. Recent events at several of the futures exchanges and the subsequent response by the Commodity Futures Trading Commission have indicated, however, that something is amiss in the regulation of the futures markets.

The Agriculture Subcommittee on Conservation, Credit, and Rural Development held a number of hearings to look into these problems and recommend improvements in the regulation of the industry. Already, several of the exchanges have announced changes in their operations and the CFTC has agreed to look into the problems of industry self-regulation.

A result of the subcommittee's work, this bill will address the problems that have come to light in the commodity futures industry, will strengthen the Federal oversight of the futures exchanges, and will protect the interests of those persons who participate in the futures markets.

I applaud the hard work by the subcommittee chairman, Mr. ENGLISH, the ranking member, Mr. COLEMAN, and the subcommittee staff who have produced a tough bill that will directly and immediately address the concerns we have about regulation of the futures industry. We are sending a strong message to the commodity exchanges and traders that business as usual on the trading floors is no longer acceptable to those people most affected by the futures markets, the farmers and ranchers of this country.

The CHAIRMAN. All time has expired.

Pursuant to the rule, the committee amendment in the nature of a substitute now printed in the reported bill shall be considered as an original bill for the purpose of amendment, and shall be considered as having been

read and open to amendment at any point.

The text of the committee amendment in the nature of a substitute is as follows:

H.R. 2869

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) **SHORT TITLE.**—This Act may be cited as the "Commodity Futures Improvements Act of 1989".

(b) **TABLE OF CONTENTS.**—The table of contents is as follows:

TABLE OF CONTENTS

Sec. 1. Short title; table of contents.

TITLE I—LIMITATIONS ON CERTAIN TRADING PRACTICES

Sec. 101. Dual trading.

Sec. 102. Trading among members of broker associations.

TITLE II—ENHANCEMENT OF REGULATORY AND ENFORCEMENT ACTIVITIES

Sec. 201. Audit trails.

Sec. 202. Telemarketing fraud.

Sec. 203. Undercover operations and enforcement.

Sec. 204. Self regulatory organization disciplinary committees and governing boards.

Sec. 205. Required registration of floor traders.

Sec. 206. Enhancement of registration requirements.

Sec. 207. Enforcement of civil money penalties.

Sec. 208. Ethics training for registrants.

Sec. 209. Nationwide service of process and venue.

Sec. 210. Monitoring of hedge exemptions.

Sec. 211. Penalties for felony violations.

Sec. 212. Contract market emergency actions.

Sec. 213. Prohibition against insider trading.

Sec. 214. Study of delivery points for agricultural commodity contracts.

Sec. 215. Competitiveness study.

TITLE III—ASSISTANCE TO FOREIGN FUTURES AUTHORITIES

Sec. 301. Definition of foreign futures authority.

Sec. 302. Subpoena authority.

Sec. 303. Cooperation with foreign futures authorities.

Sec. 304. Investigative assistance to foreign futures authorities.

Sec. 305. Disclosure of information received from foreign futures authorities.

Sec. 306. Disclosure of information to foreign futures authorities.

TITLE IV—AUTHORIZATION OF APPROPRIATIONS; TECHNICAL AMENDMENTS; EFFECTIVE DATE

Sec. 401. Authorization of appropriations.

Sec. 402. Technical amendments.

Sec. 403. Effective date.

TITLE I—LIMITATIONS ON CERTAIN TRADING PRACTICES

SEC. 101. DUAL TRADING.

(a) **PROHIBITION.**—Section 4j of the Commodity Exchange Act (7 U.S.C. 6j) is amended by—

(1) redesignating subsection (2) as subsection (b); and

(2) amending subsection (1) to read as follows:

"(a)(1) The Commission shall issue regulations to prohibit dual trading by a floor broker in any contract market in which the Commission determines that the average daily trading volume is equal to or greater than the threshold trading level established pursuant to this paragraph. For the purposes of this subsection, the threshold trading level shall be seven thousand contracts, based on a six-month moving average of the number of contracts traded daily on such contract market. The Commission may provide for increases or decreases in the threshold trading level for specific contract markets if, in the judgment of the Commission, such a change is warranted. In determining whether such a change is warranted, the Commission shall consider the effects of this paragraph on the liquidity of the contract market, price volatility, bid-ask spreads, and the public interest. Any action by the Commission to adjust the threshold trading level of a contract market pursuant to this paragraph shall be reported to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate not later than 3 days after the Commission takes such action.

"(2) The regulations issued by the Commission to implement paragraph (1) for such contract market shall—

"(A) define the term 'dual trading';

"(B) specify the methodology by which the Commission shall determine the average daily trading volume of contracts on a contract market;

"(C) provide for transition measures, as determined necessary by the Commission to prevent market disruption or to protect the public interest, for a contract market when the average daily trading volume on such contract market increases to or above, or decreases below, the threshold trading level;

"(D) provide that a floor broker may dual trade in a newly designated contract market until the average daily trading volume on such contract market has increased to or above the threshold trading level;

"(E) provide for limited exceptions, as the Commission determines necessary, to the prohibition against dual trading required by paragraph (1) with respect to spread trades and trades to correct errors;

"(F) provide that a floor broker affected by paragraph (1) shall indicate prior to the opening of trading for any given trading session whether such floor broker shall trade solely for such broker's own account or solely for customers' accounts for the entire trading session, with limited exceptions as determined by the Commission pursuant to subparagraphs (E) and (G); and

"(G) provide that a customer may designate an individual floor broker to execute such customer's orders for future delivery and trade for such broker's own account, notwithstanding the provisions of paragraph (1), if such customer, not less than once annually, executes a written form so designating such broker by name;

unless the Commission determines with respect to the subparagraph involved that the action required by such subparagraph is unnecessary because of action taken by the Commission pursuant to paragraph (3). Such regulations may also provide that if the average daily trading volume on a contract market increases to or above, or decreases below, the threshold trading level, any change in the status of dual trading otherwise required by paragraph (1) may be delayed or suspended if the Commission determines that such increase or decrease is a temporary, unusual occurrence.

"(3) Notwithstanding paragraphs (1), (2), and (4), the Commission shall, as it determines necessary, make a determination from time to time, by rule, regulation, or order, whether or not dual trading, as that term may be defined in regulations issued by the Commission, by a floor broker may be allowed in contract markets where such trading is not prohibited pursuant to paragraph (1). If the Commission determines that dual trading by a floor broker shall be permitted, the Commission shall further determine the terms, conditions, and circumstances under which such dual trading shall be conducted. Any such determination shall, at a minimum, take into account the effect of dual trading on the liquidity of trading in each contract market. Nothing in this subsection shall be construed to prohibit the Commission from making separate determinations for different contract markets when such are warranted in the judgment of the Commission, or to prohibit contract markets from setting terms and conditions more restrictive than those set by the Commission.

"(4) The Commission shall issue an order to exempt a contract market from the provisions of paragraph (1) if the applicable board of trade can demonstrate to the Commission that the surveillance systems and procedures, including but not limited to the audit trail, for that contract market—

"(A) can detect those instances of trading violations that the Commission determines to be attributable to dual trading; and

"(B) are fully verifiable.

The Commission shall approve or deny any application by a board of trade for such an order no later than sixty days after receipt of the application. The Commission shall submit a report of the issuance of any such order to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate no later than three days after the issuance of such order."

(b) **REGULATIONS.**—(1) The Commodity Futures Trading Commission shall issue the regulations required by section 4j(a)(2) of the Commodity Exchange Act, as added by subsection (a), no later than two hundred and seventy days after the date of enactment of this Act. The Commission shall issue regulations to implement section 4j(a)(4) of such Act, as added by subsection (a), no later than two hundred and forty days after the date of enactment of this Act or thirty days before the issuance of the regulations required by section 4j(a)(2), whichever occurs earlier.

(2) If, no later than two hundred and seventy days after the date of enactment of this Act, a board of trade submits an application to the Commission for an order for a contract market pursuant to section 4j(a)(4) of the Commodity Exchange Act, the Commission may, pending the completion of its review of such application, temporarily waive the application of section 4j(a)(1) of such Act to that contract market if the Commission determines that there is a likelihood that the contract market meets the conditions of section 4j(a)(4) of such Act.

SEC. 102. TRADING AMONG MEMBERS OF BROKER ASSOCIATIONS.

(a) **PROHIBITION.**—Section 4j of the Commodity Exchange Act (7 U.S.C. 6j), as amended by section 101(a), is amended by adding at the end the following:

"(c) It shall be unlawful, pursuant to regulations issued by the Commission—

"(1) for a member of a broker association, for or on behalf of any customer, to execute a transaction such that another member of the same broker association, trading for such other member's own account, or the account of the association, takes the opposite side of such transaction;

"(2) for any member of a broker association to trade with another member of the same broker association, whether such brokers are trading for such brokers' own accounts, for customers, or for the account of the broker association, if such transactions in any month total more than 25 per centum of the total number of transactions of such broker; and

"(3) for any member of a broker association to engage in such other practices as the Commission determines necessary to prohibit or curb abuses, and otherwise to protect the interests of customers from potential trading abuses by members of broker associations.

Such regulations shall include a definition of the term 'broker association' and may provide for exceptions from the provisions of this subsection in the case of trades executed through trading systems in which the identity of the opposite broker is unknown at the time of the trade. Nothing in this subsection shall be construed to prohibit the Commission or contract markets from prohibiting trading by broker associations or their members or from setting terms and conditions for such trading that are more restrictive than those set by this subsection."

(b) REGULATIONS.—The Commodity Futures Trading Commission shall issue regulations to implement section 4j(c) of the Commodity Exchange Act, as added by subsection (a), no later than two hundred and seventy days after the date of enactment of this Act.

(c) REPORT TO CONGRESS.—The Commodity Futures Trading Commission shall determine whether the public interest would best be served by placing alternative restrictions on trading by broker associations and their members, and whether broker associations or trading by broker associations should be prohibited. The Commission shall submit a report describing its determination and containing any recommendations by the Commission for regulatory or legislative initiatives to implement such recommendations to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate no later than two hundred and seventy days after the effective date of the regulations required under this section.

TITLE II—ENHANCEMENT OF REGULATORY AND ENFORCEMENT ACTIVITIES

SEC. 201. AUDIT TRAILS

(a) AUDIT TRAIL REQUIREMENTS FOR CONTRACT MARKETS.—Section 4g of the Commodity Exchange Act (7 U.S.C. 6g) is amended—

(1) by redesignating subsections (1) through (6) as subsections (a) through (f), respectively;

(2) in subsection (b), as so redesignated—

(A) by inserting "(1)" after "(b)"; and

(B) by adding at the end the following:

"(2)(A) Each contract market shall maintain or cause to be maintained by its clearinghouse a single record that shall show for each futures or options trade the transaction date, time of execution (as required by subparagraph (B)), quantity, and such other information as the Commission determines necessary. Such record shall enable such contract market to rapidly reconstruct an accurate record, as determined by the Commission, of the transactions executed on such contract market.

"(B) For the purposes of subparagraph (A), the time of execution of a transaction shall be verifiable and shall—

"(i) be stated within an increment of no more than 1 minute in length, beginning not later than one year after the date of enactment of the Commodity Futures Improvements Act of 1989; and

"(ii) be stated within an increment of no more than thirty seconds in length, beginning not later than three years after the date of enactment of the Commodity Futures Improvements Act of 1989.

"(C) The Commission shall submit a report on the status of compliance with the standards imposed by this paragraph to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate within one hundred and eighty days after the expiration of the one-year and three-year periods specified in subparagraphs (B)(i) and (B)(ii), respectively.

"(D) The Commission shall—

"(i) determine whether the record required by this paragraph has enabled the affected contract markets to rapidly reconstruct an accurate, verifiable record of the transactions executed on such contract markets, as determined necessary by the Commission to provide for the effective enforcement of the applicable provisions of this Act and the rules or regulations thereunder;

"(ii) determine whether the recording and reconstruction of the time and sequence of trades can more accurately represent the real times of such trades through the use of improved technologies or other means and determine whether any regulatory or legislative changes would be necessary or appropriate to implement such improvements; and

"(iii) report in writing its findings pursuant to this subparagraph to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate no later than five years after the enactment of the Commodity Futures Improvements Act of 1989; and

(3) in subsection (c), as so redesignated, by striking "subsection (2)" and inserting "subsection (b)".

(b) AUDIT TRAIL COMPLIANCE AS CONDITION FOR CONTRACT MARKET DESIGNATION.—Section 5 of the Commodity Exchange Act (7 U.S.C. 7) is amended by—

(1) indenting the left margin of subdivisions (a) through (g) by 2 ems;

(2) striking "(a)", "(b)", "(c)", "(d)", "(e)", "(f)", and "(g)", and inserting "(1)", "(2)", "(3)", "(4)", "(5)", "(6)", and "(7)", respectively; and

(3) adding at the end the following:

"(8) When such board of trade demonstrates that every contract market for which such board of trade is designated complies with the requirements of sections 4g(b)(2)(B)(i) and 4g(b)(2)(B)(ii) of this Act."

SEC. 202. TELEMARKETING FRAUD.

Section 17 of the Commodity Exchange Act (7 U.S.C. 21) is amended by adding at the end the following:

"(s) Each futures association registered under this section shall, subject to the approval of the Commission pursuant to subsection (j), adopt a rule specifying the factors it will consider in determining whether to issue a summary member responsibility action or other disciplinary action to require a member to adopt special supervisory

procedures relating to telephone solicitations for new futures or options customer accounts. Such procedures shall require at a minimum that, with respect to an individual with no previous futures or options trading experience who was solicited by telephone, the member may not enter any order for such individual for a period of not less than three days after the individual signs the required acknowledgment of receipt of the applicable risk disclosure statement."

SEC. 203. UNDERCOVER OPERATIONS AND ENFORCEMENT.

Section 8(a) of the Commodity Exchange Act (7 U.S.C. 12(a)) is amended by—

(1) inserting "(1)" after "(a)"; and

(2) adding at the end the following:

"(2) In conducting investigations authorized under this subsection or other provision of this Act, the Commission shall continue, as the Commission determines necessary, to request the assistance of and cooperate with the appropriate Federal agencies in the conduct of such investigations, including undercover operations by such agencies."

SEC. 204. SELF REGULATORY ORGANIZATION DISCIPLINARY COMMITTEES AND GOVERNING BOARDS.

(a) DISCIPLINARY COMMITTEES AND MAJOR VIOLATIONS.—Section 8c of the Commodity Exchange Act (7 U.S.C. 12c) is amended—

(1) by redesignating subsections (1) through (4) as subsections (a) through (d),

(2) in subsection (a), as so redesignated—

(A) by striking "(A)" and inserting "(1)"; and

(B) by striking "(B)" and inserting "(2)";

(3) in subsection (c), as so redesignated, by striking "subsection (2)" each place it appears and inserting "subsection (b)";

(4) in subsection (d), as so redesignated, by striking "subsection (1)" and inserting "subsection (a)"; and

(5) by adding at the end the following:

"(e)(1) The Commission shall issue regulations to require the establishment of a system of contract market disciplinary committees. Under such system, each board of trade designated as a contract market shall—

"(A) establish one or more disciplinary committees which shall be authorized by such board of trade to determine whether violations of the rules of the board of trade have been committed, to accept offers of settlement, and to impose appropriate penalties;

"(B) provide that disciplinary committees established pursuant to subparagraph (A) be composed of members of the board of trade, or staff members of the board of trade, such that the committee, or any hearing panel formed by the committee to conduct disciplinary hearings, shall be composed of a majority of persons who are of a different trading status than the respondent; and

"(C) provide that a hearing panel formed by the committee to conduct disciplinary hearings may be composed of fewer than the total number of members of the committee.

"(2) For the purposes of paragraph (1), a disciplinary committee member's trading status shall be determined by whether such member is a—

"(A) floor broker or floor trader;

"(B) member of the board of trade other than a member who acts primarily as a floor broker or floor trader; or

"(C) staff member of such board of trade.

"(f)(1) The Commission shall issue regulations requiring each contract market to establish and make available to the public a

schedule of major violations of any rule within the disciplinary jurisdiction of such contract market.

"(2) The regulations issued by the Commission pursuant to this subsection shall prohibit, for a period of time to be determined by the Commission, any individual who is found to have committed any major violation from service on the governing board of any contract market or registered futures association, or on any disciplinary committee thereof."

(b) REGISTERED FUTURES ASSOCIATIONS.—Section 17 of the Commodity Exchange Act (7 U.S.C. 21), as amended by section 202, is amended by inserting after subsection (q) the following:

"(r)(1) The Commission shall issue regulations requiring each registered futures association to establish and make available to the public a schedule of major violations of any rule within the disciplinary jurisdiction of such registered futures association.

"(2) The regulations issued by the Commission pursuant to this subsection shall prohibit, for a period of time to be determined by the Commission, any member of a registered futures association who is found to have committed any major violation from service on the governing board of any registered futures association or contract market, or on any disciplinary committee thereof."

(c) OUTSIDE REPRESENTATION ON GOVERNING BOARDS.—(1) Section 5a of the Commodity Exchange Act (7 U.S.C. 7a) is amended by—

(A) striking "and" at the end of paragraph (11); and

(B) adding at the end the following:

"(13) Ensure that outside members, as defined in regulations issued by the Commission, comprise at least 20 percent of the governing board of such contract market."

(2) Section 17(b) of the Commodity Exchange Act (7 U.S.C. 21(b)) is amended—

(A) in subparagraphs (A) and (B) of paragraph 3 by striking "or" at the end;

(B) in paragraphs (3)(D), (4)(A), (4)(B), (4)(C), (4)(D), (4)(E), (5), (6), (7), (8), (9), (9)(A), (9)(B), and (9)(D) by striking the period at the end and inserting a semicolon;

(C) in paragraphs (4)(E), (9)(C), and (10) by striking the period at the end and inserting "; and"; and

(D) by adding at the end the following:

"(11) at least 20 per centum of the members of the governing board thereof are outside members, as defined in regulations issued by the Commission."

(d) REGULATIONS.—The Commodity Futures Trading Commission shall issue the regulations required by sections 5a(13), 8c(e), 8c(f), 17(b)(11), and 17(r) of the Commodity Exchange Act, as added by this section, no later than one hundred and eighty days after the date of enactment of this Act.

SEC. 205. REQUIRED REGISTRATION OF FLOOR TRADERS.

(a) DEFINITION.—Section 2(a)(1)(A) of the Commodity Exchange Act (7 U.S.C. 2) is amended by inserting after the sentence beginning "The words 'floor broker'" the following: "The words 'floor trader' shall mean any person who, in or surrounding any 'pit', 'ring', 'post', or other place provided by a contract market for the meeting of persons similarly engaged, shall purchase or sell solely for such person's own account any commodity for future delivery on or subject to the rules of any contract market."

(b) FLOOR TRADER REGISTRATION.—Section 4e of the Commodity Exchange Act (7 U.S.C. 6e) is amended to read as follows:

"Sec. 4e. It shall be unlawful for any person to act as floor trader in executing

purchases and sales, or as floor broker in executing any orders for the purchase or sale, of any commodity for future delivery, or involving any contracts of sale of any commodity for future delivery, on or subject to the rules of any contract market unless such person shall have registered, under this Act, with the Commission as such floor trader or floor broker and such registration shall not have expired nor been suspended nor revoked."

(c) REGISTRATION PROCEDURE.—Section 4f(1) of the Commodity Exchange Act (7 U.S.C. 6f(1)) is amended by striking "or floor broker" and inserting "floor broker, or floor trader".

(d) REPORTS; BOOKS AND RECORDS.—Section 4g(a) of the Commodity Exchange Act (7 U.S.C. 6g(1)), as so redesignated by section 201(a)(1), is amended by striking "or floor broker" and inserting "floor broker, or floor trader".

(e) JURISDICTION OF THE STATES.—(1) Section 6d(1) of the Commodity Exchange Act (7 U.S.C. 13a-2(1)) is amended by striking "or floor broker" and inserting "floor broker, or floor trader".

(2) Section 6d(8)(A) of the Commodity Exchange Act (7 U.S.C. section 13a-2(8)(A)) is amended by inserting ", floor trader," after "floor broker".

(f) COMMISSION AUTHORITY TO REGISTER FLOOR TRADERS.—Section 8a(1) of the Commodity Exchange Act (7 U.S.C. 12a(1)) is amended by striking "and floor brokers" and inserting "floor brokers, and floor traders".

(g) REFUSAL TO REGISTER.—(1) Section 8a(2)(C)(i) of the Commodity Exchange Act (7 U.S.C. 12a(2)(C)(i)) is amended by inserting "floor trader," after "floor broker".

(2) Section 8a(2)(D)(ii) of the Commodity Exchange Act (7 U.S.C. 12a(2)(D)(ii)) is amended by inserting "floor trader," after "floor broker".

(3) Section 8a(3)(E)(ii) of the Commodity Exchange Act (7 U.S.C. 12a(3)(E)(ii)) is amended by inserting "floor trader," after "floor broker".

(h) REGULATIONS.—The Commodity Futures Trading Commission shall issue any regulations necessary to implement the amendments made by this section no later than one hundred and eighty days after the date of enactment of this Act.

SEC. 206. ENHANCEMENT OF REGISTRATION REQUIREMENTS.

(a) INJUNCTIONS.—Section 8a(2)(C)(ii) of the Commodity Exchange Act (7 U.S.C. 12a(2)(C)(ii)) is amended to read as follows:

"(ii) engaging in or continuing any activity where such activity involves embezzlement, theft, extortion, fraud, fraudulent conversion, misappropriation of funds, securities or property, forgery, counterfeiting, false pretenses, bribery, gambling, or any transaction in or advice concerning contracts of sale of a commodity for future delivery, concerning matters subject to Commission regulation under section 4c or 19 of this Act, or concerning securities."

(b) CERTAIN VIOLATIONS OF LAW.—Section 8a(2)(D)(iv) of the Commodity Exchange Act (7 U.S.C. 12a(2)(D)(iv)) is amended by—

(1) inserting "1001," after "152,";

(2) striking "or" after "1342,";

(3) inserting "1503, 1623, 1961, 1962, 1963, or 2314," after "1343,"; and

(4) inserting ", or section 7201 or 7206 of the Internal Revenue Code of 1986" after "Code".

(c) OTHER VIOLATIONS OF LAW.—Section 8a(2)(E) of the Commodity Exchange Act (7 U.S.C. 12a(2)(E)) is amended—

(1) by striking "by any court of competent jurisdiction," and inserting "in a proceeding brought"; and

(2) in clause (i) by inserting "chapter 96 of title 18 of the United States Code," after "1977,".

(d) REGISTRATION REVOCATION BASED ON INACCURATE STATEMENTS.—Section 8a(2)(G) of the Commodity Exchange Act (7 U.S.C. 12a(2)(G)) is amended by—

(1) striking "subparagraphs (A) through (F) of this paragraph," and inserting "this paragraph and paragraph (3),";

(2) striking "material" the first place it appears and inserting "materially"; and

(3) striking "application" and inserting "application or any update thereto".

(e) GENERAL FELONY CONVICTIONS.—Section 8a(3)(D) of the Commodity Exchange Act (7 U.S.C. 12a(3)(D)) is amended by—

(1) inserting "pleaded guilty to or" after "person";

(2) inserting a comma after "section" the first place it appears;

(3) striking "within ten years preceding the filing of the application or at any time thereafter,";

(4) striking "including a felony"; and

(5) striking "more than" and inserting "more than".

(f) SPECIAL FELONY CONVICTIONS.—Section 8a(3)(E) of the Commodity Exchange Act (7 U.S.C. 12a(3)(E)) is amended—

(1) by inserting "pleaded guilty to or" after "person";

(2) by striking "within ten years preceding the filing of the application for registration or at any time thereafter"; and

(3) in clause (iv) by inserting "or section 7203, 7204, 7205, or 7207 of the Internal Revenue Code of 1986" after "Code".

(g) REGISTRATION DENIED OR CONDITIONED BASED ON INACCURATE STATEMENTS.—Section 8a(3)(G) of the Commodity Exchange Act (7 U.S.C. 12a(3)(G)) is amended by—

(1) striking "material" the first place it appears and inserting "materially";

(2) striking the comma after "application";

(3) inserting "or any update thereto," after "application";

(4) striking "thereunder, or" and inserting "thereunder,"; and

(5) inserting "or in any registration disqualification proceeding" after "Commission".

(h) NON-FEDERAL CRIMINAL CONDUCT.—Section 8a(3)(H) of the Commodity Exchange Act (7 U.S.C. 12a(3)(H)) is amended by inserting "in a United States military court," after "State court".

(i) EXISTING RESTRICTIONS ON MEMBERSHIPS.—Section 8a(3)(J) of the Commodity Exchange Act (7 U.S.C. 12a(3)(J)) is amended by—

(1) striking "or" after "association," the first place it appears;

(2) inserting "or any foreign regulatory body that the Commission recognizes as having a comparable regulatory program," after "organization," the first place it appears;

(3) striking "or" after "association," the second place it appears; and

(4) striking "organization," and inserting "organization, or foreign regulatory body,".

SEC. 207. ENFORCEMENT OF CIVIL MONEY PENALTIES.

(a) MONEY PENALTIES.—Section 6 of the Commodity Exchange Act (7 U.S.C. 8 et seq.) is amended—

(1) by redesignating subsections (a) through (d) as subsections (b) through (e), respectively;

(2) by inserting "(a)" after "Sec. 6.";

(3) in subsection (a), as so redesignated, by striking "paragraph (a)" and inserting "subsection (b)";

(4) in subsection (d), as so redesignated—
(A) by striking "paragraph (b) of this section" and inserting "subsection (c)"; and
(B) by striking "section 6(b) of this Act" and inserting "subsection (c)"; and

(5) by amending subsection (e), as so redesignated, to read as follows:

"(e)(1) In determining the amount of the money penalty assessed under subsection (c), the Commission shall consider the appropriateness of such penalty to the gravity of the violation.

"(2) Unless the person against whom a money penalty is assessed under subsection (c) shows to the satisfaction of the Commission within fifteen days from the expiration of the period allowed for payment of such penalty that either an appeal as authorized by subsection (c) has been taken or payment of the full amount of the penalty then due has been made, at the end of such fifteen-day period and until such person shows to the satisfaction of the Commission that payment of such amount with interest thereon to date of payment has been made—

"(A) such person shall be prohibited automatically from trading on all contract markets; and

"(B) if such person is registered with the Commission, such registration shall be suspended automatically.

"(3) If a person against whom a money penalty is assessed under subsection (c) takes an appeal and if the Commission prevails or the appeal is dismissed, unless such person shows to the satisfaction of the Commission that payment of the full amount of the penalty then due has been made by the end of thirty days from the date of judgment on the appeal—

"(A) such person shall be prohibited automatically from trading on all contract markets; and

"(B) if such person is registered with the Commission, such registration shall be suspended automatically.

If the person against whom the money penalty is assessed fails to pay such penalty after the lapse of the period allowed for appeal or after the affirmation of such penalty, the Commission may refer the matter to the Attorney General who shall recover such penalty by action in the appropriate United States district court."

(b) CONFORMING AMENDMENTS.—The Commodity Exchange Act (7 U.S.C. 1 et seq.) is amended—

(1) in section 2(a)(1)(B)(iv)—

(A) in subclause (I) by striking "section 6(b)" and inserting "section 6(c)"; and
(B) in subclause (II) by striking "section 6(a)" and inserting "section 6(b)";

(2) in section 5(6), as so redesignated by section 201(b)(2), by striking "paragraph (b) of section 6" and inserting "section 6(c)";

(3) in section 5b by striking "paragraph (a) of section 6" and inserting "section 6(b)";

(4) in section 6a(1) by striking "paragraph (a) of section 6" and inserting "section 6(b)";

(5) in section 6b by striking "paragraph (a) of section 6" and inserting "section 6(b)";

(6) in section 8a—

(A) in the first proviso to paragraph (2) by striking "section 6(b)" and inserting "section 6(c)";

(B) in the second proviso to paragraph (3) by striking "section 6(b)" and inserting "section 6(c)"; and

(C) in paragraph (4) by striking "section 6(b)" each place it appears and inserting "section 6(c)";

(7) in section 14(e) by striking "paragraph (b) of section 6" and inserting "section 6(c)"; and

(8) in section 17—

(A) in subsection (b)—

(i) in paragraph (3)(B) by striking "section 6(b)" and inserting "section 6(c)"; and
(ii) in paragraph (4)(F) by striking "subsection (b) of section 6" and inserting "section 6(c)";

(B) in subsection (i)(4) by striking "section 6(b)" and inserting "section 6(c)"; and

(C) in subsection (o)(4) by striking "section 6(b)" and inserting "section 6(c)".

SEC. 208. ETHICS TRAINING FOR REGISTRANTS.

(a) MANDATORY TRAINING FOR REGISTRANTS.—Section 4p of the Commodity Exchange Act (7 U.S.C. 6p) is amended by—

(1) inserting "(a)" after "Sec. 4p."; and

(2) adding at the end the following:

"(b) The Commission shall issue regulations to require new registrants, within six months after receiving such registration, to attend a training session, and all other registrants to attend periodic training sessions, to ensure that registrants understand their responsibilities to the public under this Act, including responsibilities to observe just and equitable principles of trade, any rule or regulation of the Commission, any rule of any appropriate contract market, registered futures association, or other self-regulatory organization, or any other applicable Federal or State law, rule or regulation."

(b) REGULATIONS.—The Commodity Futures Trading Commission shall issue the regulations required by section 4p(b) of the Commodity Exchange Act, as added by subsection (a), no later than 180 days after the date of enactment of this Act.

SEC. 209. NATIONWIDE SERVICE OF PROCESS AND VENUE.

Section 22(c) of the Commodity Exchange Act (7 U.S.C. 25(c)) is amended to read as follows:

"(c) The United States district courts shall have exclusive jurisdiction of actions brought under this section. Any such action shall be brought not later than two years after the date the cause of action arises. Any action brought under subsection (a) of this section may be brought in any judicial district wherein the defendant is found, resides, or transacts business, or in the judicial district wherein any act or transaction constituting the violation occurs. Process in such action may be served in any judicial district of which the defendant is an inhabitant or wherever the defendant may be found."

SEC. 210. MONITORING OF HEDGE EXEMPTIONS.

(a) MONITORING BY CONTRACT MARKETS.—Section 4a of the Commodity Exchange Act (7 U.S.C. 6a) is amended—

(1) in subsection (1) by striking "subparagraphs 2 (A) and (B)" and inserting "paragraphs (1) and (2) of subsection (b)";

(2) in subsection (3) by—

(A) striking "subsection (1)" and inserting "subsection (a)";

(B) striking the last sentence; and

(C) adding at the end the following:

"The Commission shall issue regulations to require each contract market to monitor closely the trading activities of any person granted an exemption from subsection (a) under this subsection to ensure that such person has not acquired or is not maintaining any position in excess of any position

limit established pursuant to this section other than what is shown to be a bona fide hedging position, or otherwise exempt pursuant to this section, or otherwise acts in a manner inconsistent with the conditions for an exemption granted under this subsection. If the contract market determines that such person has acquired or is maintaining a position in excess of any position limit established pursuant to this section other than what is shown to be a bona fide hedging position, or otherwise exempt pursuant to this section, or is otherwise acting in a manner inconsistent with the conditions for such exemption, the contract market shall notify such person and take such action as is appropriate under the circumstances. Nothing in this subsection shall be construed to affect the authority of the Commission or a contract market to act immediately to restrict such person's transactions or positions in accordance with the limits established under this section."

(3) by redesignating subsections (1) through (5) as subsections (a) through (e), respectively; and

(4) in subsection (b), as so redesignated, by redesignating paragraphs (A) and (B) as paragraphs (1) and (2), respectively.

(b) REGULATIONS.—The Commodity Futures Trading Commission shall issue the regulations required by section 4a(c) of the Commodity Exchange Act, as so redesignated by subsection (a), no later than one hundred and eighty days after the date of enactment of this Act.

SEC. 211. PENALTIES FOR FELONY VIOLATIONS.

Section 9 of the Commodity Exchange Act (7 U.S.C. 13) is amended—

(1) in subsection (a)—

(A) by striking "\$500,000" and inserting "\$1,000,000"; and

(B) by striking "\$100,000" and inserting "\$500,000";

(2) in subsection (b)—

(A) by striking "\$500,000" and inserting "\$1,000,000"; and

(B) by striking "\$100,000" and inserting "\$500,000";

(3) in subsection (d) by striking "\$100,000" and inserting "\$500,000"; and

(4) in subsection (e) by striking "\$100,000" and inserting "\$500,000".

SEC. 212. CONTRACT MARKET EMERGENCY ACTIONS.

(a) PRIOR COMMISSION NOTIFICATION REQUIRED.—Section 5a(12) of the Commodity Exchange Act (7 U.S.C. 7a(12)), as amended by section 204(c), is amended by striking the last 2 sentences and inserting the following: "The Commission shall issue regulations to specify the terms and conditions under which, in an emergency as defined by the Commission, a contract market may, by a two-thirds vote of its governing board, make a rule (hereafter in this section referred to as an 'emergency rule') effective on a temporary basis without prior Commission approval, or without compliance with the ten-day notice requirement under this paragraph, or during any period of review by the Commission, if the contract market makes every effort practicable to notify the Commission of such emergency rule, along with a complete explanation of the emergency involved, prior to making the emergency rule effective. If the contract market does not provide the Commission with such notification and explanation before making the emergency rule effective, the contract market shall provide the Commission with such notification and explanation at the earliest possible date. The Commission may delegate the power to receive such notification

tion and explanation to such individuals as the Commission determines necessary and appropriate. Within ten days of the receipt from a contract market of notification of such an emergency rule and an explanation of the emergency involved, or as soon as practicable, the Commission shall approve or disapprove such emergency rule and submit a report justifying its approval or disapproval of such emergency rule to the affected contract market, to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate. If such report is submitted more than ten days after the Commission's receipt of notification of such an emergency rule from a contract market, the report shall include a full explanation and justification as to why submission within such ten-day period was not practicable. Nothing in this paragraph shall be construed to limit the authority of the Commission under section 8a(9); and."

(b) **REGULATIONS.**—The Commodity Futures Trading Commission shall issue regulations to implement section 5a(12) of the Commodity Exchange Act, as added by subsection (a), no later than ninety days after the date of enactment of this Act. Until the effective date of such regulations, any regulation of the Commission that implements the last two sentences of section 5a(12), as such sentences were in effect immediately before the date of enactment of this Act, shall remain in effect.

SEC. 213. PROHIBITION AGAINST INSIDER TRADING.

(a) **PROHIBITION.**—Section 9 of the Commodity Exchange Act (7 U.S.C. 13) is amended by adding at the end the following:

"(f) It shall be a felony for any person who is an employee, member of the governing board, or member of any committee of a board of trade, contract market, or registered futures association to willfully use or disclose, in violation of a regulation adopted by the Commission, for any purpose other than the performance of such person's official duties as such employee or member, any material, nonpublic information obtained in the performance of such duties. Such felony shall be punishable by a fine of not more than \$500,000 plus that amount of any profits realized from such use or disclosure made in violation of this subsection, or imprisonment for not more than five years, or both, together with the costs of prosecution.

"(g)(1) It shall be a felony for any individual willfully, and in violation of a regulation issued by the Commission, to use as the basis for any commodity contract transaction for the account of such individual any material, nonpublic information as to one or more present or anticipated cash commodity transactions or commodity contract transactions by any person of whom such individual is a principal or employee, if such present or anticipated transactions, in the aggregate, are in amounts greater than the reporting levels specified by the Commission pursuant to section 4i. Such felony shall be punishable by a fine of not more than \$500,000 plus that amount of any profits realized from such use in violation of this subsection, or imprisonment for not more than five years, or both, together with the costs of prosecution.

"(2) For purposes of paragraph (1)—

"(A) the term 'commodity contract transaction' shall mean any transaction in a contract for the purchase or sale of any commodity for future delivery, or in any option to purchase or sell any commodity or any such contract, made or to be made on or subject to the rules of any contract market; and

"(B) the term 'principal' shall mean a general partner, officer, director, or individual occupying a similar status or performing similar functions, and any holder or beneficial owner of 10 per centum or more of the outstanding shares of any class of stock of the person.

"(h)(1) It shall be a felony for any individual willfully, and in violation of a regulation issued by the Commission, to disclose any material, nonpublic information as to one or more present or anticipated cash commodity transactions or commodity contract transactions by any person of whom such individual is a principal or employee if—

"(A) such transactions, in the aggregate, are in amounts greater than the reporting levels specified by the Commission pursuant to section 4i;

"(B) such disclosure is with the intent that any recipient of the information engage in commodity contract transactions on the basis of the disclosed information; and

"(C) such disclosure is unrelated to the legitimate business of the person of whom the individual is a principal or employee.

Such felony shall be punishable by a fine of not more than \$500,000 plus that amount of any profits realized from such disclosure in violation of this subsection, or imprisonment for not more than five years, or both, together with the costs of prosecution.

"(2) For the purpose of paragraph (1), the terms 'commodity contract transaction' and 'principal' shall have the same meaning as specified in section 9(g)."

(b) **REGULATIONS.**—The Commission shall issue regulations to implement the amendments made by this section not later than three hundred and sixty days after the date of enactment of this Act.

SEC. 214. STUDY OF DELIVERY POINTS FOR AGRICULTURAL COMMODITY CONTRACTS.

(a) **STUDY.**—The Comptroller General of the United States shall conduct a study of the provision for, and functioning of, delivery points regarding contracts of sale for future delivery of any agricultural commodity to determine whether the objectives of section 5a(10) of the Commodity Exchange Act are being achieved. The study shall also examine such issues as—

(1) whether the objectives of such Act relative to such delivery points need to be revised;

(2) whether the availability and adequacy of storage facilities for agricultural commodities at such delivery points affect prices;

(3) whether the number, accessibility, and volume of storage facilities at such delivery points contribute to consistency and reasonableness in price discovery in the contract market; and

(4) such other issues relating to such delivery points as the Comptroller General determines relevant to the efficient operation and improvement of contract markets for agricultural commodities.

(b) **REPORT.**—Not later than one year after the date of enactment of this Act, the Comptroller General shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report containing the results of the study conducted under subsection (a), together with any appropriate recommendations.

SEC. 215. COMPETITIVENESS STUDY.

No later than eighteen months following the enactment of this Act, the Commodity Futures Trading Commission shall study the competitiveness of boards of trade over

which it has jurisdiction compared with the boards of trade (or their foreign equivalent) over which foreign futures authorities, as defined in section 2(a)(1)(A) of the Commodity Exchange Act (7 U.S.C. 2(a)(1)(A)), have jurisdiction, and submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report of its findings with respect to—

(1) the overall competitive status of United States boards of trade in the world market;

(2) a comparison of applicable statutes, rules, or regulations as they relate to futures and options administered and enforced by the Commission and those administered and enforced by foreign futures authorities;

(3) any trends in, or movements of, volume of futures and options trading to or from United States boards of trade during the period of the study;

(4) whether the trends or movements, if any, were the result of the adoption of statutes, regulations, or other enforcement mechanisms in foreign countries or the United States; and

(5) any recommendations the Commission may have as a result of its study to enhance the competitive status of United States boards of trade in the world market that will not impair customer confidence in United States boards of trade.

TITLE III—ASSISTANCE TO FOREIGN FUTURES AUTHORITIES

SEC. 301. DEFINITION OF FOREIGN FUTURES AUTHORITY.

Section 2(a)(1)(A) of the Commodity Exchange Act (7 U.S.C. 2), as amended by section 205(a), is amended by adding at the end the following: "The term 'foreign futures authority' means any foreign government, or any department, agency, governmental body or regulatory organization empowered by a foreign government to administer or enforce laws, rules, or regulations as they relate to futures or options matters, or any department or agency of a political subdivision of a foreign government empowered to administer or enforce laws, rules or regulations as they relate to futures or options matters."

SEC. 302. SUBPOENA AUTHORITY.

The third sentence of section 6(c) of the Commodity Exchange Act (7 U.S.C. 15), as so redesignated by section 207(1), is amended by inserting "or for purposes of any action taken under section 12(f) of this Act," after "under this Act."

SEC. 303. COOPERATION WITH FOREIGN FUTURES AUTHORITIES.

Section 12(a) of the Commodity Exchange Act (7 U.S.C. 16(a)) is amended by inserting after "thereof," the following: "any foreign futures authority, any department or agency of a foreign government or political subdivision thereof."

SEC. 304. INVESTIGATIVE ASSISTANCE TO FOREIGN FUTURES AUTHORITIES.

Section 12 of the Commodity Exchange Act (7 U.S.C. 16) is amended by adding at the end the following:

"(f)(1) On request from a foreign futures authority, the Commission may, in its discretion, provide assistance in accordance with this section if the requesting authority states that the requesting authority is conducting an investigation which it deems necessary to determine whether any person has violated, is violating, or is about to violate any laws, rules or regulations relating to futures or options matters that the requesting authority administers or enforces. The Commission may conduct such investi-

gation as the Commission deems necessary to collect information and evidence pertinent to the request for assistance. Such assistance may be provided without regard to whether the facts stated in the request would also constitute a violation of the laws of the United States.

"(2) In deciding whether to provide assistance under this subsection, the Commission shall consider whether—

"(A) the requesting authority has agreed to provide reciprocal assistance to the Commission in futures and options matters; and

"(B) compliance with the request would prejudice the public interest of the United States.

"(3) Notwithstanding any other provision of law, the Commission may accept payment and reimbursement, in cash or in kind, from a foreign futures authority, or made on behalf of such authority, for necessary expenses incurred by the Commission, its members, and employees in carrying out any investigation, or in providing any other assistance to a foreign futures authority, pursuant to this section. Any payment or reimbursement accepted shall be considered a reimbursement to the appropriated funds of the Commission."

SEC. 305. DISCLOSURE OF INFORMATION RECEIVED FROM FOREIGN FUTURES AUTHORITIES.

Section 8 of the Commodity Exchange Act (7 U.S.C. 12) is amended—

(1) by adding at the end of subsection (a)(1), as so redesignated by section 203(1), the following:

"The Commission shall not be compelled to disclose any information or data obtained from a foreign futures authority if—

"(1) the foreign futures authority has in good faith determined and represented to the Commission that disclosure of such information or data by that foreign futures authority would violate the laws applicable to that foreign futures authority; and

"(2) the Commission obtains such information pursuant to—

"(A) such procedure as the Commission may authorize for use in connection with the administration or enforcement of this Act; or

"(B) a memorandum of understanding with that foreign futures authority;

except that nothing in this subsection shall prevent the Commission from disclosing publicly any information or data obtained by the Commission from a foreign futures authority when such disclosure is made in connection with a congressional proceeding, an administrative or judicial proceeding commenced by the United States or the Commission, in any receivership proceeding commenced by the United States or the Commission, or in any proceeding under title 11 of the United States Code in which the Commission has intervened or in which the Commission has the right to appear and be heard. Nothing in this subsection shall be construed to authorize the Commission to withhold information on data from Congress"; and

(2) by adding at the end of subsection (b) the following: "This subsection shall not apply to the disclosure of data or information obtained by the Commission from a foreign futures authority."

SEC. 306. DISCLOSURE OF INFORMATION TO FOREIGN FUTURES AUTHORITIES.

Section 8(e) of the Commodity Exchange Act (7 U.S.C. 12(e)) is amended—

(1) in the fifth sentence—

(A) by inserting "or any foreign futures authority" after "jurisdiction," the first place it appears; and

(B) by inserting "foreign futures authority," after "such"; and

(2) in the last sentence—

(A) by inserting "foreign futures authority or to a" after "information to a";

(B) by inserting "foreign futures authority," after "disclosed by such"; and

(C) by inserting "or foreign futures authority" after "or agency thereof".

TITLE IV—AUTHORIZATION OF APPROPRIATIONS; TECHNICAL AMENDMENTS; EFFECTIVE DATE

SEC. 401. AUTHORIZATION OF APPROPRIATIONS.

Section 12(d) of the Commodity Exchange Act (7 U.S.C. 16(d)) is amended to read as follows:

"(d) There are authorized to be appropriated to carry out this Act—

"(1) \$40,000,000 for fiscal year 1990; and

"(2) \$44,500,000 for fiscal year 1991."

SEC. 402. TECHNICAL AMENDMENTS.

The Commodity Exchange Act (7 U.S.C. 1 et seq.) is amended—

(1) by striking "commission" in—

(A) section 4a, as amended by section 210(a), each place it appears other than in subsection (d) as so redesignated;

(B) section 6(b), as so redesignated by section 207(a)(1), each place it appears;

(C) section 6(c), as so redesignated by section 207(a)(1);

(D) section 13(c);

and inserting "Commission";

(2) in section 4b—

(A) by redesignating subdivisions (A) through (D) as subdivisions (i) through (iv), respectively;

(B) by striking "(a)", "(b)", and "(c)", and inserting "(A)", "(B)", and "(C)", respectively;

(C) by inserting "(a)" after "Sec. 4b."; and

(D) by inserting "(b)" before "Nothing in this section or"; and

(E) by inserting "(c)" before "Nothing in this section shall";

(3) in section 4c(d)(2)—

(A) in subparagraph (A)(iv) by striking "(15 U.S.C. 78c(a)(12))" and inserting "(15 U.S.C. 78c(a)(12))"; and

(B) in the matter following subparagraph (C) by striking "section (2)(a)" and inserting "section 2(a)";

(4) in section 4j(b), as so redesignated by section 101(a)(1), by striking "within nine months after the effective date of the Commodity Futures Trading Commission Act of 1974, and subsequently" and inserting a comma;

(5) in section 6(c), as so redesignated by section 207(a)(1), by striking "offending person." and inserting "offending person";

(6) in section 6(c), as so redesignated by section 207, and in section 8(f) by striking "subpena" and "subpenas" each place they appear and inserting "subpoena" and "subpoenas", respectively;

(7) in section 6a, as amended by section 207(b)(4), by redesignating subsections (1) and (2) as subsections (a) and (b), respectively;

(8) by striking "the Secretary of Agriculture or"—

(A) in the first sentence of section 6(b), as so redesignated by section 207(a)(1);

(B) in the first sentence of section 6(c), as so redesignated by section 207(a)(1); and

(C) in section 13(c);

(9) in section 8a—

(A) in paragraph (5) by striking "and" at the end; and

(B) in paragraph (7) by striking "matters as." and inserting "matters as—";

(10) in section 14(g) by striking "fifteen months" the second place it appears and inserting "15-month";

(11) in section 17—

(A) in subsection (a) by indenting the left margin of paragraphs (1) and (2) by 2 ems; and

(B) in subsection (1)(2)(B)—

(i) by striking "the Commodity Exchange" and inserting "this"; and

(ii) by striking the period at the end and inserting "; and";

(12) by striking section 21;

(13) in section 22(a)—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A) by striking "clauses (A) through (D)" and inserting "subparagraphs (A) through (D)"; and

(ii) in subparagraph (D) by striking "clause (B)" and inserting "subparagraph (B)"; and

(B) in paragraph (2) by striking "17b(10)" and inserting "17(b)(10)"; and

(14) by striking section 23.

SEC. 403. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect on the date of enactment of this Act.

Mr. DE LA GARZA. Mr. Chairman, I move to strike the last word.

This is to inform our colleagues that we ran out of time on general debate. Other Members who wanted to participate in the debate could not be allotted time, but we are under an open rule and under the 5-minute rule they can avail themselves of time for whatever comments they might wish to make, or they may incorporate them into their amendments if they have amendments. I have taken this time for that purpose.

AMENDMENT OFFERED BY MR. GLICKMAN

Mr. GLICKMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GLICKMAN: At the end of title II of the bill insert the following new section:

SEC. . STUDY OF ASSESSMENTS ON TRANSACTIONS.

(a) STUDY.—The Comptroller General of the United States shall conduct a study to determine whether—

(1) it is feasible to fund some or all of the enforcement and market surveillance activities of the Commodity Futures Trading Commission, as required by the amendments to the Commodity Exchange Act made by the Commodity Futures Improvements Act of 1989, through the imposition of an assessment on commodity futures and options transactions executed pursuant to the Commodity Exchange Act; and

(2) a program of assessment-based funding for some or all of such enforcement and market surveillance activities would better provide resources to the Commodity Futures Trading Commission to enable the Commission to—

(A) protect the interests of market users (including hedgers and speculators), producers of commodities traded on the futures markets, and the general public; and

(B) maintain and enhance the credibility of such futures and options markets.

(b) REPORT.—Not later than one year after the date of enactment of this Act, the Comptroller General shall submit to the

Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report containing the Comptroller General's determinations pursuant to subsection (a), together with any appropriate recommendations for the implementation of such a program of assessment-based funding for some or all of the Commodity Futures Trading Commission's enforcement and market surveillance activities.

In the table of contents, insert the following item in the appropriate place:

Sec. . Study of assessments on transactions.

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

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. GLICKMAN. Mr. Chairman, I have discussed this amendment with the gentleman from Oklahoma [Mr. ENGLISH] and the gentleman from Missouri [Mr. COLEMAN].

The purpose of this amendment is to ask the General Accounting Office to do a study on the imposition of an assessment on commodity futures and options transactions executed pursuant to the Commodities Exchange Act. It is essentially a study of user fees as a way to fund part or all of the Commissions enforcement activities. This amendment is not a user fee on transactions, but is a study of whether such a user fee would be appropriate.

The reason for this amendment has to do with the fact that in this bill we have created significant additional enforcement and market surveillance activities for the CFTC to monitor futures trading in this country. I am concerned that the agency may not have enough resources to do the job well, and if the CFTC does not have the necessary complement of market surveillance and enforcement staff, then the legislation will not be very meaningful in protecting the public interest. What this amendment would do is to allow an arm of Congress, the GAO, to look at it to determine in fact whether these additional resources would be needed and whether a user fee would be appropriate or not.

This is not to pre-judge this issue. This issue was fairly controversial when it was raised several years ago, but the amendment does reflect that the gentleman from Oklahoma [Mr. ENGLISH], the gentleman from Missouri [Mr. COLEMAN] and others have worked very hard to give the CFTC additional responsibilities to enforce the futures laws. I just want to make sure that those regulators have enough resources to do their job correctly, and that is the purpose of my amendment.

Mr. ENGLISH. Mr. Chairman, will the gentleman yield?

Mr. GLICKMAN. I am happy to yield to the gentleman from Oklahoma.

Mr. ENGLISH. Mr. Chairman, I thank the gentleman for yielding to me.

Let me say that the legislation as it stands now increases substantially the authorization for funding of the CFTC. There is no question that the CFTC needs substantial strengthening.

□ 1150

The aspects that are contained within the legislation as it stands now really increases that number as rapidly as the CFTC felt that they could digest those numbers.

We need additional enforcement. I think the gentleman's study is a good idea.

As he knows, I have traditionally opposed user fees, but in this case we have to make sure the funding is there, and I think a user fee study would be a useful tool to certainly have in hand.

Mr. GLICKMAN. Mr. Chairman, it might also be a little bit of an incentive to make sure the appropriation which is contemplated in the gentleman's bill gets accomplished.

Mr. COLEMAN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. GLICKMAN. I am happy to yield to the gentleman from Missouri.

Mr. COLEMAN of Missouri. Mr. Chairman, I do not oppose the gentleman's amendment, but I want the record to show that without prejudging what the report might come back as, we are in a very important time here internationally where our markets compete with overseas markets, and, in fact, there is a great concern that some of ours may be moving offshore to Tokyo, London, and elsewhere, and as the General Accounting Office studies this matter, that they ought to take into consideration the competitive factor that if in fact user fees are recommended or there is a conclusion drawn, the impact on our competitive position internationally. We do not want to lose what we have here, which are the main markets of the world.

Mr. GLICKMAN. I agree with the gentleman. I would hope that that would be part of the legislative history. I would say that the biggest factor, in my judgment, to ensure that people use our futures markets is that they are in fact honest markets.

Mr. COLEMAN of Missouri. If the gentleman will yield further, that has nothing to do with user fees. We are trying to make these markets honest, and the highest integrity, and the gentleman is absolutely right. I do not think what we are doing is going to force people offshore.

As I said, the additional costs and burden of user fees are quantified. Therefore, it might make a difference.

Mr. GLICKMAN. I have no objection to what the gentleman says.

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

Mr. WALSH. Mr. Chairman, I move to strike the requisite number of words and I rise in support of H.R. 2869.

Mr. Chairman, I rise in support of H.R. 2869, the Commodity Futures Improvement Act. As a member of the Committee on Agriculture, I have been carefully watching the activity of the CFTC. The CFTC trading process is a complicated one and due to these complexities, we have found that some of the trading has not been conducted according to the rules of the market.

Consequently, the necessity of this bill is clear. The CFTC needs the additional powers written into his legislation to more closely monitor trading activity and practices. H.R. 2869 establishes higher standards of practice by brokers and offers a closer check on potential fraud.

Farmers deserve better and this is our opportunity to ensure that their money is properly accounted for. When farmers invest their hard earned money, it should be with the satisfaction that it is going into the market and not into a broker's pocket. Not all brokers abuse the current system but better auditing and monitoring of all transactions should clear up any problems that currently exist.

I am pleased that the board of the Chicago Exchange have decided to investigate their internal problems. I am convinced that their investigation in conjunction with this new legislation will certainly clear up any misappropriation of our farmers funds. I encourage your support of this well crafted legislation.

Mr. GUNDERSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this is the proper time for me to get up to make some comments regarding the entire bill, because it also relates a little bit to the amendment that is offered and now before us.

I want to join with those who have commended the distinguished chairman of our subcommittee and the ranking member. If there is a best-of-time, worst-of-time scenario in which to reauthorize the CFTC, this year has to be that year. A new sitting chairman of a subcommittee could not be asked for a worse environment to deal with a more complicated piece of legislation than the gentleman from Oklahoma [Mr. ENGLISH] and the gentleman from Missouri [Mr. COLEMAN] have had to deal with this year. I think they both deserve a great deal of credit for bringing out a very comprehensive bill.

I think it is going to be echoed today in the lack of significant or substantive amendments that are going to be offered. I am not going to spend a lot of time focusing on the different areas

that have been changed in this bill as we move to a more permanent reauthorization.

I think that it is important to recognize that we were not only trying to deal with the investigations now ongoing in dealing with the issue of trader confidence and trader protection, but I think we are also trying to respond to the issue of growth. Obviously there has been a significant growth since 1986 in the amount of transactions and contracts that have been conducted.

Third, I think as the amendment now before us so reflects, we also need to deal with a much broader issue that is a concern of mine and is the one area that I brought to the gentleman from Oklahoma [Mr. ENGLISH] that I felt we were lacking in the committee print that was provided to us, and that was responding to the international competition, recognizing that it was my amendment that was offered that created an 18-month study by the Commodity Futures Trading Commission on the competitiveness of our boards of trade compared with foreign boards.

Anybody who is at all involved in the whole issue of futures transactions knows that we are now seeing 24-hour trading in some places. We are seeing clearly the emergence of various Tokyo and London exchanges coming over here. The potential for traders and brokers to be moving from one exchange to the other, and especially in commodities to be moving from one trading place to another becomes very, very important, and I think it is absolutely essential that one area in addition to the consumer protection is the area of modernization relative to the international marketplace that exists.

Like my ranking member, the gentleman from Missouri [Mr. COLEMAN], I certainly have no opposition to the amendment offered by the gentleman from Kansas, but I do think it is important as that study is being done by GAO that we also be sensitive to the study that we are asking the CFTC to do in regard to international competition.

There was a question raised as to why we asked the CFTC rather than GAO to conduct this particular study, and I think it is important for the record that everyone understand that it is the CFTC that is now working with the international exchanges. They are meeting with them periodically. They are working with them. They are being given the authority under this legislation to work with them in various investigations relating to fraud, et cetera.

I think it is important that we, on a monitoring basis, continue to see the proper role of the CFTC here as well as what GAO may look at in terms of resources and financing.

Mr. ENGLISH. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. I am happy to yield to the gentleman from Oklahoma.

Mr. ENGLISH. Mr. Chairman, I want to commend the gentleman for the fine contributions he has made to this legislation. Certainly he was a big help in developing it, and I think certainly the fine work he has done needs to be underscored, and I deeply appreciate it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas [Mr. GLICKMAN].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ENGLISH

Mr. ENGLISH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ENGLISH: At the end of title II of the bill add the following new section:

Sec. . QUALIFICATIONS OF COMMISSIONERS.

Section 2(a)(2)(A) of the Commodity Exchange Act (7 U.S.C. 4a(a)(1)) is amended by striking the second and third sentences and inserting the following: "The Commission shall be composed of five Commissioners who shall—

"(i) be appointed by the President, by and with the advice of the Senate; and

"(ii) each have demonstrated knowledge in futures trading or its regulation, or the production, merchandising, processing or distribution of one or more of the commodities or other goods and articles, services, rights, and interests covered by this Act.

In nominating persons for appointment, the President shall seek to ensure that the demonstrated knowledge of the Commissioners is balanced with respect to such areas."

In the table of contents, insert the following item in the appropriate place:

SEC. . Qualifications of commissioners.

Mr. ENGLISH. Mr. Chairman, in the original legislation creating the Commodity Futures Trading Commission, this language exists:

In nominating persons for appointment, the President shall seek to establish and maintain a balanced Commission including, but not limited to, persons of demonstrated knowledge in futures trading or its regulation, and persons of demonstrated knowledge in the production, merchandising, processing, or distribution of one or more of the commodities or other goods and articles, services, rights and interests covered by this act.

Mr. Chairman, there is no question that the original intent of this particular provision was that the President would, recognize and respond to it, but of the 15 Commissioners who have been appointed since this act was enacted, 7 had demonstrated knowledge at the time of the appointment. There is no question that we have had some very fine people who have been appointed to these positions, but the issue that faces us is whether or not we are going to continue this process of on-the-job training for Commissioners.

Given the new responsibilities and certainly given the needs for strong enforcement, we simply cannot continue with an on-the-job-training program for Commissioners as they are appointed to the CFTC.

Mr. Chairman, with that in mind, this particular amendment would require that there would be a demonstrated ability by the Commissioners in one of these categories and areas. I think that under the circumstances that was the original intent of the legislation, and this makes certain that is going to be the case.

Mr. MADIGAN. Mr. Chairman, will the gentleman yield?

Mr. ENGLISH. I am happy to yield to the gentleman from Illinois.

Mr. MADIGAN. Mr. Chairman, if I might just briefly question the gentleman again with regard to intent. We all want to have very qualified people serving on these Commissions.

I am not sure what these particular things would require, so if I may, I would like to ask the gentleman whether he would consider someone who had served on the Committee on Agriculture of the House and/or Senate for a number of years to be qualified under the terms of his amendment.

Mr. ENGLISH. Reclaiming my time, certainly, if he served as Chair of the Conservation, Credit and Rural Development Subcommittee, I would think so.

Mr. MADIGAN. If the gentleman will yield further, what about if he had been ranking member of the full committee?

Mr. ENGLISH. And ranking minority member.

Mr. MADIGAN. If the gentleman would yield further, would a farmer who had been an active trader on one or more of these exchanges for a number of years be considered by the gentleman to be qualified under the terms of this amendment?

□ 1200

Mr. ENGLISH. Indeed, that would be one of the individuals who would be recognized.

Mr. MADIGAN. Or if the gentleman will yield further, someone employed by one of the grain companies who has responsibility for buying and selling for the grain company on the market would be qualified?

Mr. ENGLISH. If that individual certainly had demonstrable knowledge, there is no question.

Mr. MADIGAN. I thank the gentleman for yielding.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma [Mr. ENGLISH].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. NAGLE

Mr. NAGLE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. NAGLE:

SEC. . PROHIBITION ON VOTING BY INTERESTED MEMBERS.

Section 5a of the Commodity Exchange Act (7 U.S.C. 7a) is amended by inserting at the end the following:

"(14) ensure that no member of a governing board or committee thereof votes on any rule, as defined in paragraph (12), if, as determined in accordance with regulations promulgated by the Commission—

"(A) the member;

"(B) a legal entity of which the member is an officer or employee;

"(C) a legal entity in which the member owns a substantial interest; or

"(D) a legal entity which is the parent or subsidiary of any legal entity specified in subparagraph (B) or (C);

has a direct financial interest in the subject matter of the rule. Any member prohibited from voting on a rule pursuant to this paragraph shall not be included in determining whether there has been a two-thirds vote of a governing board for purposes of paragraph (12). For purposes of this paragraph the term 'legal entity' includes a corporation, partnership, sole proprietorship or joint venture."

On page 18, line 9, strike "Ensure" and insert "ensure".

On page 18, line 12, strike "market." and insert "market; and".

On page 34, line 13, strike "and".

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

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. NAGLE. Mr. Chairman, in offering this amendment I have to reflect on the process of the markup and the testimony that the House subcommittee and full committee received.

At the time of the Chicago Board of Trade, the CBTC decision to force an Italian firm to liquidate a position, we made inquiries as to whether or not any of the members of the Chicago Board of Trade's governing body, their board, in fact had a position on the market that would be directly impacted on by the decision, by the ruling, and I inquired of the director, Wendy Gramm, of the CBTC whether or not any employer of a board member had a position. We received very evasive answers.

We were told by one of the major grain exchanges that they did not, in fact, have a position. As we were told that there was no way that it could be determined if they did or did not have a position, as to who was long or short who was short. As a matter of fact, I specifically asked the CFTC director, Wendy Gramm, whether or not we could tell who won and who lost, and she assured me it would not be possible to tell.

On Monday in the other body during the consideration of this legislation it came out that in fact six CBTC direc-

tors, firms, employers, or employers' firms owned by others had direct positions in the market that were positively impacted by the rulemaking decision.

CFTC, in an article in the Wall Street Journal, announced they saw nothing wrong with that.

What my amendment is meant to do is simply prohibit that employer from having an employee on the board, and have them make a decision on a rule-making in which that employer has a direct and substantial interest.

CFTC has not found anything wrong with that practice in the past, and I say it is wrong. If it is not wrong in fact, it is wrong because it gives the appearance of impropriety. It is very, very difficult to go out and convince a farmer in Iowa to go out and have confidence in the market if Cargill is voting on rules that affect positively or in fact adversely impact their position.

So my amendment very simply says that if you are on the board and your employer or a company who owns your employer or a subsidiary of a parent corporation or a parent corporation has a position that will be affected, you should recuse yourself.

It does not provide for criminal penalties for failure to do so. But it makes it absolutely clear and certain that we will not allow the appearance of impropriety in the rulemaking process of the various exchanges, and it is for that purpose that I offer this amendment.

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. NAGLE. I am happy to yield to the gentleman from Texas.

Mr. DE LA GARZA. Mr. Chairman, we have no problem with the amendment. We think that it is a good addition to the legislation, and on this side, pending the approval of the chairman of the subcommittee, we are prepared to accept the amendment.

Mr. ENGLISH. Mr. Chairman, will the gentleman yield?

Mr. NAGLE. I am happy to yield to the gentleman from Oklahoma, chairman of the subcommittee.

Mr. ENGLISH. Mr. Chairman, I want to say I think the gentleman has a very fine amendment, an excellent addition to this legislation, and I deeply appreciate his contribution and the fine work that he and the other gentleman from Iowa do. I think it is outstanding, and I just want to commend him for his amendment and for the fine work he has done on this bill.

Mrs. SMITH of Nebraska. Madam Chairman, I move to strike the last word.

Madam Chairman, although I have reservations over certain aspects of this legislation, today I rise in support of H.R. 2869, the Commodity Futures Improvement Act of 1989.

I congratulate the subcommittee chairman, Mr. ENGLISH, and the ranking minority member, Mr. COLEMAN, for their ability to sift through the extremely complex issues that surround the futures industry and develop a bill that strikes at the heart of my concern with the commodity futures market—trading abuse.

And I commend my colleagues on the Agriculture Committee for their close attention and timely action on this legislation, which I hope will prevent future illegal and unfair trading practices.

H.R. 2869 takes a number of positive and important steps toward protecting the many producers in my district who have written to me and expressed deep concern over the effects of fraudulent activities in futures trading on cash market prices. Farmers and ranchers do not have the resources to adequately and accurately monitor the market for possible illegal and unethical practices.

I believe that requiring all floor traders to register with the Commodity Futures Trading Commission [CFTC], and strengthening the Commission's ability to oversee trading activities is one of the most positive aspects of this legislation.

To ensure the integrity of our commodity markets, penalties to deter illegal and fraudulent activities should exist and must be used.

The Agriculture Committee has properly developed tougher penalties and provided greater powers of enforcement to the CFTC, and allowed private individuals a better opportunity to recover possible damages.

I applaud the committee's decision to require training in ethics.

In light of the scandals and so-called white collar crimes that bombard the evening news, it might be beneficial if a great many people were required to learn right from wrong—ethically and legally.

Although we may all agree that more steps should have previously been taken to root out trading abuses—such as trading ahead of customers and prearranged trading—we must resist the temptation to micro-manage our agencies. We should be very careful to instill the wishes of Congress without creating unnecessary rigidity in the law.

The CFTC has the statutory power under current law to undertake a rule-making process whenever a problem area is identified. This process allows the greatest flexibility for effectively protecting the interests of farmers and other market participants, while at the same time developing standards that are appropriate for the industry as a whole.

There is little doubt that the practice of dual trading may lead to trading abuses; however, the practice of

dual trading is very important for enabling specific contract markets to properly serve as price discovery mechanisms. Statutorily defining a volume level at which dual trading would be allowed may not be appropriate.

The audit trail requirements proposed in H.R. 2869 are another example of inappropriate statutory requirements. Requiring all contract markets traded within an exchange to meet rigorous, verifiable accuracy standards before new contracts can be designated could prevent new and potentially important products from being introduced—curtailing our ability to compete in global markets.

The United States faces increasing competition from foreign markets, and we must maintain the proper climate for meeting that challenge.

We should utilize the expertise of the CFTC and allow them to assess an exchanges overall performance before designating new contracts. Setting improper standards for performance is contrary to our goal of creating effective methods for reducing commodity price volatility.

During the past three decades, futures markets have expanded to virtually all areas of significant economic activity that involve free price movement and price volatility. In today's global marketplace, futures markets have become a critical element in matching supply with demand.

We must step carefully and purposefully in our efforts to regulate the commodity markets so that we build on previous success and do not impede future progress.

In 1974, we created the CFTC to serve as our technical expert for understanding commodity markets, and to ensure market integrity and fairness. We all desire to protect the public from illegal and unethical trading practices; however, we must use the most appropriate avenues to serve those interests.

Although I offer my support for H.R. 2869, I am concerned that we may be establishing certain inappropriate, improper, and inflexible statutory requirements that will create as many problems as they solve and will require Congress to return to this issue too soon in the future.

Again, I thank my dedicated colleagues, Mr. ENGLISH and Mr. COLEMAN, and the members of the Agriculture Committee for their hard work on this matter of great importance to the members of my district.

I urge my colleagues to vote for H.R. 2869, the Commodity Futures Improvement Act of 1989.

Mr. COLEMAN of Missouri. Madam Chairman, I move to strike the requisite number of words and rise only to say that this side accepts the amendment offered by the gentleman from Iowa [Mr. NAGLE].

The CHAIRMAN pro tempore (Ms. SLAUGHTER of New York). The question is on the amendment offered by the gentleman from Iowa [Mr. NAGLE]. The amendment was agreed to.

Mr. TALLON. Madam Chairman, I move to strike the last word.

Madam Chairman, I congratulate the chairman of the Agriculture Committee and the subcommittee chairman as well the minority chairmen for their hard work on this bill. A great deal of study and hard work went into this legislation and I believe the product is one that will ensure greater consumer confidence and market stability.

Throughout the consideration of this bill, I have shared with fellow members of the committee my concern that we make it as difficult as possible under the law for floor brokers and futures commissions merchants to defraud a customer by trading ahead or withholding an order. Deliberately trading ahead or withholding a customer order is fraud under section 4(b) of the Commodities Exchange Act and will be prosecuted as such by the U.S. attorney in Chicago.

My interest is in making it easier to prosecute on the grounds of trading ahead or withholding an order in the future by designating these as specific criminal offenses in addition to fraud. Not only would this narrow the definition of fraud with regard to trading ahead by floor brokers but this would also clearly restrict trading ahead or withholding an order by FCM's and their employees, who are not currently prohibited from trading ahead by CFTC rules.

My original intent was to offer an amendment to this effect this morning. However, some concern has been expressed that language narrowing the definition of fraud may be interpreted in the Chicago prosecution as invalidating it. To prevent this possibility, I am not going to offer my amendment now. But I plan to introduce and actively promote this legislation once the Chicago investigation has been completed and I hope that I can count on the subcommittee chairman and Members support.

□ 1210

Mr. ENGLISH. Madam Chairman, will the gentleman yield?

Mr. TALLON. I yield to the gentleman from Oklahoma.

Mr. ENGLISH. I thank the gentleman for yielding.

Madam Chairman, I just want to say that I do not think there is any question as far as the sentiment of the committee is concerned, and I would think the sentiment of the entire Congress, is along the lines the gentleman is talking about. As he well knows, there are prosecutions taking place, indictments have come down. As soon as that is cleared out of the way so there is no question of in any way muddying

the water, I want the gentleman to know that I intend to hold hearings and look into the legislation that he has. I think certainly in spirit everyone is with him.

Mr. TALLON. I certainly want to thank the chairman of the subcommittee, the gentleman from Oklahoma [Mr. ENGLISH], who has done such an outstanding job on this legislation, and I look forward to working with him on this in the future.

Mr. COLEMAN of Missouri. Madam Chairman, will the gentleman yield?

Mr. TALLON. I yield to the gentleman from Missouri.

Mr. COLEMAN of Missouri. Madam Chairman, I thank the gentleman for yielding.

We have had our differences over the gentleman's amendment in committee. I have always said that the gentleman has the highest and most positive motive for offering his amendment. And I agree with what the chairman said. I agree with what the gentleman from South Carolina [Mr. TALLON] has said, that trading ahead of your customer is in fact a violation of the antifraud section of the current law which is incorporated into this bill. The gentleman is absolutely right; the 46 indictments pending in Chicago, I believe every one of them has, as part of the charge, trading ahead as interpreted under the antifraud section of the law.

So the gentleman is absolutely correct. We do not need to do anything additional.

We do not need to jeopardize pending cases by questioning and raising the question as to whether or not we included this originally.

We all agree that we included it originally. What the gentleman wants to do is to make it easier in the future, at a future date when these investigations have culminated and proper notice has been given to the Justice Department so that they can wrap up these investigations and prosecutions.

I thank the gentleman for withholding this amendment on the floor and thank him for yielding.

Mr. TALLON. I thank the ranking member of the subcommittee, the gentleman from Missouri [Mr. COLEMAN], and commend him for the diligent and hard work he has done on this legislation.

AMENDMENT OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Iowa:

On page 7, line 7 insert after "paragraph (1)" the following: "If the Commission determines that such exception is in the public interest and".

Mr. SMITH of Iowa. Madam Chairman, the purpose of this amendment is to require the CFTC to find that

any exemption from CFTC regulations prohibiting dual trading is consistent with the public interest before the exchange can qualify for the exception. Smaller exchanges are exempt so the legislation refers to larger exchanges.

As this section is currently drafted, a contract market is entitled to an exception to the dual trading prohibition if it can demonstrate that its surveillance system and procedures are adequate to detect violations and are fully verifiable. Any exception would result in many hours of additional work to assure that the exchange remains qualified for the exception. Until or unless an exchange employs a fully computerized system, I don't believe an exception could be justified but my amendment would make it clear that the CFTC's principal goal and function is to regulate the futures industry in a way that protects the public interest in these important financial institutions and that before the CFTC issues an order granting an exception to any exchange under this section that the CFTC makes a determination that the public interest is also protected.

Mr. ENGLISH, one of the sponsors of this legislation, and the chairman of the subcommittee with jurisdiction over this bill has repeatedly and I believe correctly asserted that the purpose of this legislation is to ensure that we have a fair system for regulating commodity futures transactions that recognizes that protecting the public interest is the first priority. I believe that this amendment is consistent with that purpose.

Mr. ENGLISH. Madam Chairman, will the gentleman from Iowa yield?

Mr. SMITH of Iowa. I yield to the gentleman from Oklahoma.

Mr. ENGLISH. I thank the gentleman for yielding.

Madam Chairman, I think the gentleman is absolutely correct. There is no question there should be no action taken by the exchanges unless it is in the public interest. That is one of the founding requirements, I think, for the exchanges' very existence. I think the gentleman makes a good point by underscoring that once again.

Mr. COLEMAN of Missouri. Madam Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Missouri.

Mr. COLEMAN of Missouri. I thank the gentleman for yielding.

Madam Chairman, we certainly support what the gentleman is doing and have no opposition to it.

Mr. MARKEY. Madam Chairman, I move to strike the last word and I rise in support of the amendment.

Madam Chairman, I rise in very strong support of the gentleman from Iowa's amendment. I think it represents a very important contribution increasing enforcement in this area.

I also would like to compliment the chairman of the full committee, the gentleman from Texas [Mr. DE LA GARZA] and the subcommittee chairman, the gentleman from Oklahoma, [Mr. ENGLISH] who have aggressively put together a piece of legislation today which I think should be supported by all Members.

In looking at Mr. SMITH's amendment, I think that we have to reflect also upon related issues that have to be dealt with if we are to get at the heart of what has been uncovered through the 46 indictments of commodity traders in Chicago just weeks ago. We must ultimately correct what it was that these traders were exploiting in the trading system and discover why such an attractive opportunity existed for so many traders to defraud investors across this country.

On August 2, 1989, according to the Chicago Tribune,

[a] Federal grand jury charged 46 commodity traders * * * with systematically cheating hundreds of customers, in Chicago's futures markets in the first indictments from one of the most sweeping financial fraud investigations in history.

News of these indictments had been publicized earlier in the year. The exchanges, the regulatory authorities, the U.S. Congress, the General Accounting Office initiated reviews of trading and surveillance systems to ascertain what systematic and regulatory shortcomings allowed such illegal activity to flourish.

On Friday of this past week the General Accounting Office released its findings before the Senate Committee on Agriculture.

Senator LEAHY requested that the GAO examine the audit trail system in place at the exchanges and put forth recommendations to improve such systems to prevent ongoing and future market abuses.

Here is what the GAO concluded:

Weaknesses in controls over futures trading provide dishonest floor participants with the opportunity to cheat customers by non-competitively executing orders and to conceal this cheating by manipulating the recorded price and time of trades. * * * [M]ost of the types of abuses alleged in the Justice Department indictments could also have been detected and documented with independent, precise, and complete timing of trades. CFTC needs to require that the exchanges achieve this result. To the extent that trade timing and, therefore, sequencing remain imprecise, surveillance systems that use this information will have limited ability to detect trading rule violators.

The piece of legislation which we are considering on the floor at this time unfortunately has been put together in a timeframe which has made it impossible to include the GAO recommendations. That is understandable.

However, it is the full intention of the Senate Agriculture Committee to include the recommendations of the GAO concerning this audit trail issue.

It is my hope that the conference committee will be able to work out language to eliminate the regulatory black hole which has been exploited by the 46 traders who have been indicted and by others who have not been apprehended.

I think that the GAO's recommendations can be worked out over the next several weeks, even though it was difficult to do so in the short timeframe provided for consideration of the House bill.

Mr. ENGLISH. Madam Chairman, will the gentleman yield?

Mr. MARKEY. I yield to the gentleman from Oklahoma.

Mr. ENGLISH. I thank the gentleman for yielding.

Madam Chairman, I think the gentleman is correct. Certainly we want as precise, as independent, as complete a system as we possibly can have, if we can figure out exactly what that definition is. I think that is a goal we ought to go for.

I think it also needs to be recognized that certainly the legislation that we have before us would move us to the definition that the General Accounting Office has defined, namely to the extent that we have announcements by the two largest exchanges in this country that they are going to a handheld computerized system which is, as I understand it, while the GAO cannot define what they mean, this would fit in it, whatever a complete and precise definition may be.

□ 1220

The CHAIRMAN pro tempore (Ms. SLAUGHTER of New York). The time for the gentleman from Massachusetts has expired.

(On the request of Mr. ENGLISH and by unanimous consent, Mr. MARKEY was allowed to proceed for 2 additional minutes.)

Mr. MARKEY. I yield to the gentleman from Oklahoma.

Mr. ENGLISH. The other point, that while we are moving rapidly in that direction, obviously, as far as the futures industry is concerned, and it appears that that definition is already on the way of being met, I think we have also to make sure, and I know the gentleman is interested in dealing with the securities industry as well. It is my understanding that the securities market, that 20 percent of the volume of the New York Stock Exchange and American Exchange would meet that definition, which means 80 percent would not. Fifteen percent of the trades in the Chicago Board of Options Exchange would meet that definition. Only 7 percent of those of the National Association of Securities Dealers. There is a lot of room on both sides of the security and futures industry as far as dealing with that, and I hope the gentleman is coming here of-

fering that he will work with Members, and can give Members assurance that we will see that same kind of precision, and the same kind of far-reaching efforts coming forth from his own subcommittee as we have had coming forth from this subcommittee.

Mr. MARKEY. Madam Chairman, if I could reclaim my time, the gentleman from Oklahoma is precisely correct. What we find right now is, across the securities and the futures market, regulators are relying on the honor code. We are relying on the individual trader, who has an economic interest in the outcome of the trade, in being honest with regard to his relationships with the customer. So I agree with the gentleman, improvements have to be across the board, and I am glad the subcommittee chairman has identified and agreed to rectify problems in this bill, and, to the extent possible, use these reforms as a model for other marketplaces. I would emphasize the point made by the gentleman from Oklahoma, that the GAO did undertake a comparison between the securities and futures markets and found that a percentage of security transactions already meet the standard advocated by the GAO—namely, that such trades are independently, precisely, and completely recorded. In addition, the GAO found that the futures exchanges were spending approximately \$10.7 million on regulatory budgets and staffs, while the securities exchanges were spending \$165.2 million.

I firmly believe that the securities markets have attained higher standards on terms of audit trails, and that the futures exchanges should follow suit.

We have a system that works something like this: There are cards that have to be filled out on the floor. The cards indicate trading information—the amount, and a time bracket, but the card is left in the hands of the trader. The trader then, in the course of the day, has the ability to modify the time bracket and trading information on the trading card, in a way that could be to his benefit, and in such a way would be able to protect himself against losses that might affect his own business.

So what we are trying to do now is to cut down the amount of time and opportunity that the trader would have to alter the time that the trade occurred and other information, so that such information would be locked in. The audit trail standard which is in this present bill, is to be able to verify trades within a 1-minute standard, with the goal to get down to 30 seconds. But what we have to ask in addition is, how much time do we want traders to have in order to hand trading information in? Do we want such information in their possession, or do we want to independently verify what they have stated happened which af-

fects investors' money. I think what we have to really achieve as our goal is to get the recording of such trading information to $\frac{1}{100}$ of a second.

The CHAIRMAN pro tempore. The time of the gentleman from Massachusetts has expired.

(By unanimous consent, Mr. MARKEY was allowed to proceed for 2 additional minutes.)

Mr. MARKEY. In essence, what we are trying to do is make sure that the traders are forced to put down the exact time in which the trade occurred, so that there is confidence that the marketplace is protecting the investor over the trader.

What I would like to suggest to the gentleman is that this goal should apply across the entire financial marketplace, and ought not just be required in the Chicago marketplace. It ought to be uniform. I understand the difficulty in trying to come up with definitions at this time that would define with precision, what "independently" means and what types of technologies we might be encouraging. But I think it is very important that we establish unequivocally as our goal that we restore investor confidence in the marketplace, and that the trader not be able to alter a trade for his benefit, ex post facto, after the fact, to the disadvantage of an investor. As long as we make that our unequivocal goal to adopt the GAO recommendation that trades be independently, precisely and completely recorded—I would be happy.

Madam Chairman, I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. The gentleman has raised very important matters here. Until we get computerized trading, we will have the problem. That is the answer to it. In the meantime, let me recall that a few years ago, I believe it was some of the staff down at the CFTC Commission that suggested, they suggested that the pencil or the pen that they used have at the top ends of it a little clock, and a little stamp. All they had to do was turn it upside down and stamp the time. That was ridiculed. Members cannot believe how they ridiculed it. It is still a better idea than anything they have come up with.

Mr. MARKEY. I thank the gentleman, and yield to the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. If the gentleman will proceed, I have some comments after the gentleman concludes.

Mr. ENGLISH. Madam Chairman, if the gentleman will yield, I will be happy to work with the gentleman, and hopefully we can bring the securities industry regulation up to the level that we find in this legislation for futures industry.

Mr. MARKEY. The gentleman will work with Members to include the GAO recommendations?

Mr. ENGLISH. If the gentleman will yield, we are always happy to work with everyone.

Mr. DE LA GARZA. Madam Chairman, I move to strike the requisite number of words.

I rise primarily to thank and commend our distinguished colleague from Iowa, and say that we have no problem with his amendment. As a matter of fact, we think that it is a welcome and forceful addition to our legislation. Our commitment is, and I appreciate the gentleman from Massachusetts's concern, we share his concern. We have tried to address, to the utmost possible, those concerns in the legislation before the Members.

This amendment adds a little bit more. The goal, of course, is the same: that we would like for the public to be protected to the 7th degree if at all possible. There is a mechanical function to it, even the fastest computer has its failures, so it is very easy for Members sometimes to say this is what we would like done, but whether it can be done or not remains to be seen. So we need to proceed as best we can to the utmost that we can, to continue working to that ultimate goal.

Correcting human error, we cannot do. Many thousands of years ago it was written in stone, "Thou shall not kill." Every country in the world has incorporated this into their basic law, "Thou shall not kill." They are doing so every day. So the propensity of the human element for weakness in some areas cannot be eradicated, but our concern and our commitment here is that we would provide the commission, and hopefully will implement in the trading pits, and in the futures industry, the tools necessary to limit that element to the 7th degree.

The gentleman from Iowa has been very diligent in working with Members on this legislation. His advice and counsel has been of utmost value. We would be very happy to accept his amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Iowa [Mr. SMITH].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. TAUKE

Mr. TAUKE. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TAUKE:

At the end of title II, add the following:

SEC. 216. INVESTIGATION OF CERTAIN TRADING IN SOYBEAN FUTURES.

(a) INVESTIGATION.—The Comptroller General of the United States shall conduct an investigation to determine with respect to each person who was a member of the board of directors of the Chicago Board of Trade on July 11, 1989—

(1) whether such person voted in favor of the order issued on July 11, 1989, by the Chicago Board of Trade to compel the sale

of certain contracts of sale of soybeans for delivery in July 1989; and

(2) such person's holdings at the end of July 9, 1989, at the end of July 10, 1989, and at the end of July 11, 1989, of—

(A) contracts of sale of soybeans for delivery in July 1989; and

(B) options on such contracts.

(b) REPORT.—Not later than January 1, 1990, the Comptroller General shall transmit to the Speaker of the House of Representatives and the President pro tempore of the Senate a report—

(1) stating the results of the investigation required by subsection (a); and

(2) containing recommendations regarding any legislative or administrative action considered by the Comptroller General, based on such investigation, to be appropriate.

In the table of contents, insert the following after the item relating to section 213: Sec. 216. GAO investigation of certain trading in soybean futures.

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

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. TAUKE. Madam Chairman, I want to take this opportunity to commend the chairman of the subcommittee, the gentleman from Oklahoma, and the ranking Republican, the gentleman from Missouri for the outstanding work they have done on this legislation. I think that this legislation is a major step forward in restoring public confidence in the commodities market.

Madam Chairman, as Members know, that confidence was shattered to some extent on July 11 when the directors of the Chicago Board of Trade ordered the emergency sale of large holdings of dry soybean futures. That order, obviously, has been the subject of a good deal of discussion since that time, and the chairman of the Commodity Futures Trading Commission and I have had several conversations relating to it, and the CFTC has investigated and is investigating what happened during that period in July.

However, information that I have received personally, and quite by happenstance from a number of people who have been directly involved in trading on the Board of Trade, had suggested to me that there may be problems with the way in which the CFTC has conducted that investigation. Therefore, this amendment calls for the General Accounting Office to, in essence, review what the CFTC is doing, and determine for itself exactly what happened, and whether or not there were improprieties connected with the July 11 order.

□ 1230

So, Madam Chairman, I hope that the committee will accept this amendment to have the GAO investigate this incident.

Mr. DE LA GARZA. Madam Chairman, will the gentleman yield?

Mr. TAUKE. I am happy to yield to the gentleman from Texas.

Mr. DE LA GARZA. Madam Chairman, we appreciate the gentleman's concern, and we will be very happy to work with him. I wonder, however, if I might not explain to the gentleman, in order that we might not put an additional burden on the legislation, that we already have an amendment that requests a GAO report. We were going to do so nonetheless in some areas of concern, and if I could assure the gentleman that his request would be incorporated into our request to the GAO, I wonder if that would take care of his interest. That would be our commitment that the content of his amendment and his desire would be incorporated in our request to the GAO with other matters.

Would this satisfy the gentleman's concern?

Mr. TAUKE. Madam Chairman, my objective is simply to get the GAO to look at it, and I would be very pleased to have the support of the gentleman in assuring that that would be established. I am not insisting that it be included in the legislation as long as it can be assured that the GAO will do it.

Mr. ENGLISH. Madam Chairman, will the gentleman yield?

Mr. TAUKE. I am happy to yield to the gentleman from Oklahoma.

Mr. ENGLISH. Madam Chairman, I would also point out that there is report language on the bill as it stands right now. I concur with what the chairman of the committee is saying, that we should get the GAO in it. We also have the CFTC in the report language that is charged with this responsibility as well. So I do not think it hurts to have both the CFTC and the GAO look at it.

Mr. TAUKE. Madam Chairman, I thank the gentleman from Oklahoma.

As I pointed out earlier, in essence what I want to make certain of is that the GAO is looking at what the CFTC is doing to insure that the investigation is complete.

Madam Chairman, with the assurances of the chairman of the committee that this would be included in a request for a broader study, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN pro tempore (Ms. SLAUGHTER of New York). Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. DE LA GARZA. Madam Chairman, I move to strike the last word.

Madam Chairman, we have covered the extent of explanation of the legislation, we have engaged in the colloquies that have been offered, and the amendments that Members have offered have been addressed. We find

ourselves in an awkward situation, in that we have a member of our committee who was to have offered several amendments, and we had agreed with him that we would protect him. Unfortunately, he had to be absent from the floor for a few minutes here during this time. We have been asked by the leadership to rise, whether we have concluded or not, at 12:45 in order that Members might participate in the memorial service to our dear departed colleague, Mr. Leland.

Mr. ENGLISH. Madam Chairman, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from Oklahoma.

Mr. ENGLISH. Madam Chairman, I just want to say that with regard to our colleague, the gentleman from Louisiana [Mr. HUCKABY], he did have three amendments he wanted us to look at. We are carefully weighing those amendments, and I think they could be disposed of rather quickly. But I do think the chairman of the committee is correct, that the proper thing to do is to protect the gentleman from Louisiana and give him the opportunity to offer his amendments.

Mr. DE LA GARZA. Madam Chairman, I have been informed that the leadership will allow us to conclude this legislation after the Leland memorial. All that would be left would be the amendments to be offered by the gentleman from Louisiana [Mr. HUCKABY] and they, I think, can be disposed of promptly.

So with that, Madam Chairman, I move that the Committee do now rise. The motion was agreed to.

Accordingly the Committee rose and the Speaker pro tempore [Mr. TALLON] having assumed the chair, Ms. SLAUGHTER of New York, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2869) to amend the Commodity Exchange Act to improve the regulation of futures and options traded under rules and regulations of the Commodity Futures Trading Commission, establish registration standards for all exchange floor traders, restrict practices which may lead to the abuse of outside customers of the marketplace, reinforce development of exchange audit trails to better enable the detection and prevention of such practices, establish higher standards for service on governing boards and disciplinary committees of self-regulatory organizations, enhance the international regulation of futures trading, regularize the process of authorizing appropriations for the Commodity Futures Trading Commission, and for other purposes, had come to no resolution thereon.

RECESS

The SPEAKER pro tempore. Pursuant to the order of the House of Tuesday, September 12, 1989, the Chair declares the House in recess subject to the call of the Chair to allow Members to attend the memorial service for the late honorable Mickey Leland of Texas. The recess will continue until approximately 2 p.m. Bells will be rung 15 minutes before the House reconvenes.

Accordingly (at 12 o'clock and 35 minutes p.m.), the House stood in recess until approximately 2 p.m., subject to the call of the Chair.

□ 1425

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mrs. Boggs) at 2 o'clock and 25 minutes p.m.

COMMODITY FUTURES
IMPROVEMENT ACT OF 1989

The SPEAKER pro tempore. Pursuant to House Resolution 235 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2869.

□ 1426

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2869) to amend the Commodity Exchange Act to improve the regulation of futures and options traded under rules and regulations of the Commodity Futures Trading Commission, establish registration standards for all exchange floor traders, restrict practices which may lead to the abuse of outside customers of the marketplace, reinforce development of exchange audit trails to better enable the detection and prevention of such practices, establish higher standards for service on governing boards and disciplinary committees of self-regulatory organizations, enhance the international regulation of futures trading, regularize the process of authorizing appropriations for the Commodity Futures Trading Commission, and for other purposes, with Mr. AuCOIN, Chairman pro tempore, in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose earlier today, the bill was open for amendment at any point.

Are there further amendments to the bill?

AMENDMENTS OFFERED BY MR. HUCKABY

Mr. HUCKABY. Mr. Chairman, I offer three amendments, and I ask

unanimous consent that they be considered en bloc.

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

There was no objection.

The CHAIRMAN pro tempore. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. HUCKABY:

At the end of title II of the bill insert the following new section:

SEC. . MONITORING OF MARGINS ON EQUITY
INDEX INSTRUMENTS.

Section 2(a) of the Commodity Exchange Act (7 U.S.C. 2, 2a, 4, and 4a) is amended by adding at the end the following:

"(12)(A) The Commission shall monitor the margin level initially required and subsequently maintained on any contract of sale for future delivery of a group or index of equity securities (or any interest therein or based upon the value thereof) to ensure that such margin level is sufficient—

"(i) to maintain the integrity of the futures markets; and

"(ii) to protect the public interest.

"(B) If the Commission determines that such margin level on any such contract presents a clear and present danger to the interests specified in subparagraphs (A)(i) and (A)(ii), the Commission shall, after consultation with the relevant contract market, take such action as it deems necessary to ensure that such margin level is sufficient to protect such interests. If the Commission takes action pursuant to this subparagraph with respect to any contract market, the Commission may, notwithstanding the provisions of section 5a(12), require such contract market to submit all rules, as defined in section 5a(12), relating to the setting of levels of margin to the Commission for the Commission's prior approval or for review in accordance with the ten-day notice provisions of section 5a(12)."

In the table of contents, insert the following item in the appropriate place:

Sec. . Monitoring of margins on equity index instruments.

At the end of title II of the bill insert the following new section:

SEC. . MONITORING OF INDEX ARBITRAGE TRADING.

Section 2(a) of the Commodity Exchange Act (7 U.S.C. 2, 2a, 4, and 4a) is amended by adding at the end the following:

"(12)(A) The Commission shall monitor arbitrage trading, including the use of computers to execute such arbitrage trading, on contracts of sale for future delivery of a group or index of equity securities (or any interest therein or based upon the value thereof) to ensure that such arbitrage trading does not—

"(i) threaten the integrity of the futures markets;

"(ii) create excessive volatility in the futures markets; or

"(iii) otherwise adversely affect the public interest.

"(B) It is the sense of Congress that if the Commission determines that such arbitrage trading presents a clear and present danger:

"(i) to the integrity of the futures markets;

"(ii) of creating excessive volatility in the futures markets; or

"(iii) of otherwise adversely affecting the public interest;

the Commission should take such action pursuant to its existing authority as it deems necessary to ensure that such arbitrage trading does not present such a clear and present danger."

In the table of contents, insert the following item in the appropriate place:

Sec. . Monitoring of index arbitrage trading.

At the end of title II of the bill insert the following new section:

SEC. . COMPUTERIZED FUTURES TRADING.

(a) STUDY.—The Commodity Futures Trading Commission (hereinafter in this section referred to as "the Commission") shall conduct a study to determine—

(1) whether it is or may be feasible for all, or substantially all, trading in futures and options subject to the jurisdiction of the Commission under the Commodity Exchange Act to be conducted by a system of computers or by other electronic means; and

(2) whether such a system of trading would enhance access to the futures and options markets by potential market participants, improve the ability of the Commission to audit the activities of the futures and options markets, reduce the opportunity for trading abuses, and otherwise be in the public interest.

(b) REPORT.—Not later than two years after the date of enactment of this Act, the Commission shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report containing the results of the study conducted under subsection (a), together with any appropriate recommendations.

(c) PILOT PROGRAM.—Effective two years after the date of enactment of this Act, the Commission shall establish a pilot program to collect information on, and encourage, the use of computers and other electronic means to effect trading in the futures and options markets within the regulatory jurisdiction of the Commission.

In the table of contents, insert the following item in the appropriate place:

Sec. . Computerized futures trading.

Mr. HUCKABY (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

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

There was no objection.

Mr. HUCKABY. Mr. Chairman, I have three amendments pending before the committee at this time. Two of these amendments regard the commodity futures trading as far as equity index futures contracts are concerned.

As the gentleman from Iowa pointed out this morning, we call this a commodity futures trading commission, but we have evolved today into numerous other type contracts. I will give my colleagues an example.

I have in my hand this morning's Wall Street Journal. There is page after page of stock lists, the New York Stock Exchange. Then over here is one little column titled "Futures." Yesterday there were more dollars traded right here than in the entire New York Stock Exchange combined. That takes place every day in the United States. More dollar volume is

traded on the S&P 500 futures in Chicago than the entire New York Stock Exchange.

Back prior to October 1987 that volume doubled. Today one can buy a \$175,000 contract, S&P futures contract in Chicago for \$9,000, 5 percent margin requirement.

One of the amendments that I have pending before us simply states that the CFTC shall monitor the margin levels required by the Chicago Mercantile Exchange for the S&P 500 Index and other such type futures indexes, and shall see that such margin levels are sufficient to maintain the integrity of the futures market and to protect the public interest.

A second amendment does the same in the area regarding index arbitrage and says that the CFTC shall monitor the activities of index arbitrage to protect the public interest.

And finally, Mr. Chairman, the third amendment requires a feasibility study of computerized futures trading to authorize the computerized futures trading pilot project in the future.

I would suggest that we are approaching the time that we evolve into computers during trading instead of the open cry pit system that we have today. This is the first step to move in this direction.

Mr. ENGLISH. Mr. Chairman, will the gentleman yield?

Mr. HUCKABY. I yield to the gentleman from Oklahoma.

Mr. ENGLISH. I thank the gentleman for yielding.

Mr. Chairman, with regard to the gentleman's first amendment I did want to clarify it. There is a provision in there that would state that should the Commission take this emergency action that changes could not be made in margins without the approval of the Commission, there the gentleman is speaking only of lowering the margins, is that not correct? If the exchange found it necessary under those conditions to increase the margins, he would not object, is that correct?

Mr. HUCKABY. Yes, the gentleman is absolutely correct.

Mr. ENGLISH. This would apply only in that type of situation in which the Commission had previously taken action?

Mr. HUCKABY. Yes, that is correct. The Commission is required first of all to consult with the exchange and then if they cannot reach agreement then they take action and then after that action is taken for the exchange to take any other action lowering, only lowering, would they have to go to that, just as the gentleman pointed out.

Mr. DE LA GARZA. Mr. Chairman, will the gentleman yield?

Mr. HUCKABY. I yield to the chairman, the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. I thank the gentleman for yielding.

I thank the gentleman for his cooperation in working with us in drafting the amendments so that they might comply with what we perceive to be the intent. We will be very happy to accept the amendments on this side pending further colloquy with members of the minority, the ranking minority member and the chairman of the subcommittee, and if there be any further question by the chairman of the subcommittee getting that in order, then we will be happy to accept the gentleman's amendments.

Mr. MADIGAN. Mr. Chairman, will the gentleman yield?

Mr. HUCKABY. I yield to the gentleman from Illinois.

Mr. MADIGAN. I thank the gentleman for yielding.

Mr. Chairman, I asked the gentleman to yield so that I might very briefly engage the distinguished chairman of the full committee in a brief colloquy.

As I understand we are under some time constraints here because there is business coming behind this that people have been waiting on. My understanding of where we are right now is that we have agreed so as to expedite the procedure, we have agreed to accept the amendments en bloc by the gentleman from Louisiana with the understanding that as the process goes forward and we approach the conference, if we can find language that more clearly addresses the objectives of the gentleman from Louisiana, that the distinguished chairman of the committee and myself will be receptive to looking at that language.

Is that the understanding of the gentleman from Texas?

Mr. DE LA GARZA. If the gentleman would yield further, that is the understanding, that if any better language or more concise language or more finite language to express the intent that all of us agree on, that we would be receptive to that language.

Mr. MADIGAN. If the gentleman would yield further, with that understanding and recognizing the desire to move along here, I would raise no objection to the amendments en bloc.

Mr. HUCKABY. I thank the gentleman.

As the gentleman from Missouri is concerned, and the gentleman from Illinois, existing authority as we understand it only applies for emergency situations, emergency being defined when a market has been cornered or adverse impact by a foreign government.

This amendment attempts to go beyond that to protect the public interest, which is what I think we all desire and feel that the regulatory agency of this Congress should do.

Mr. COLEMAN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. HUCKABY. I yield to the gentleman from Missouri.

Mr. COLEMAN of Missouri. I thank the gentleman for yielding.

Mr. Chairman, as previously stated, I am not going to make an issue of the gentleman's amendments. I do not think, still, that I agree with him on the first one. We will try to make it better in conference if that is possible.

I just want to understand that we are not confusing margin requirements in the futures industries and trying to somehow equate them with margin requirements in the securities industries. They are two different types. The securities margins are a down payment on the stock in question, it is a credit arrangement. In the futures industry it is basically a performance bond to make sure both buyer and seller can perform the contract.

The CHAIRMAN pro tempore (Mr. AU COIN). The time of the gentleman from Louisiana [Mr. HUCKABY] has expired.

(By unanimous consent Mr. HUCKABY was allowed to proceed for 2 additional minutes.)

Mr. HUCKABY. I continue to yield to the gentleman from Missouri.

Mr. COLEMAN of Missouri. I thank the gentleman.

So under the understanding we have I will not oppose or object to the gentleman's procedure; but at least let the record show that I am not totally supportive of what the gentleman is doing. I frankly do not think we have had a need. We have not had evidence presented to the committee that this needs to be done in this particular bill. I hope that we will be able to resolve this in conference.

The gentleman's amendment at first glance appears harmless enough, but subparagraph (B) gives the Commission control of margin-setting authorities. The CFTC now has that authority only if it should declare a market emergency.

The setting of margins is a key to the operation of futures markets, and this self-regulatory obligation of the exchanges should be left exactly where it now is—with the exchanges.

Following the 1987 market break, each regulator and the Congress looked carefully at the role of futures margins. While the Brady report examined margin-setting authorities and ultimately recommended that margins should be consistent across markets, the Presidential Working Group later repudiated that recommendation.

Let me quote from the Working Group's report:

While margins requirements may be thought to serve a variety of purposes, the crucial one analyzed—by the Working Group—is the setting of margin requirements to yield a reasonable level of protection against default, i.e., prudential maintenance margins.

I do not understand why we need to get into the discussion of margins today. They have been thoroughly examined. Even though

we use the term "margins" in both securities and futures markets, they are completely different. Securities margins is a downpayment on the price of the stock; it is a credit arrangement. As the Working Group noted—for those of my colleagues who are not familiar with the Presidential Working Group on financial markets, let me add that this group is composed of the Chairman of the Federal Reserve, Under Secretary for Finance in the Treasury Department, and Chairmen of the CFTC and the SEC; Federal financial regulators at the highest levels—futures margins guard against adverse price movements that might cause a market user to default. Futures margins are a performance bond required of both buyers and sellers, and when in conjunction with futures markets' marking to the market each day, daily settlement in other words, futures margins to make certain that market obligations are settled in full at the end of each day.

In the securities markets, final settlement takes place in a week; in futures markets, if a trader does not meet a margin call by the beginning of the next trading day, he is out of the market.

Because of this role of futures margins, they are adjusted constantly, based on current market conditions as well as historical data. As the Chicago Board of Trade noted in a report dated December 1987, during the first 10 months of that year, it made 163 margin changes on 79 separate occasions. The Commission is not in a position to adjust margins when conditions demand it.

Quoting the Working Group once again:

The purpose of prudential margins is maintaining the financial integrity of the obligation, i.e., assuring that market participants who take positions in securities, futures, or options can fulfill their obligations to brokers and other intermediaries so that brokers and clearinghouses can fulfill their obligations as well.

During the biggest market move in our Nation's history, futures margins worked well. No traders defaulted; the integrity of exchange clearinghouses was maintained. There is no reason to change this vital relationship between the Commission and the exchanges. I oppose the amendment.

The CHAIRMAN pro tempore. The question is on the amendments offered by the gentleman from Louisiana [Mr. HUCKABY].

The amendments were agreed to.

AMENDMENT OFFERED BY MR. DE LA GARZA

Mr. DE LA GARZA. Mr. Chairman, I offer an amendment authorized by the Committee on Rules.

The Clerk read as follows:

Amendment offered by Mr. DE LA GARZA:

SEC. . AMENDMENT TO TITLE 5, UNITED STATES CODE.

Section 3132(a)(1)(D) of title 5, United States Code, is amended by inserting "the Farm Credit Administration" after "Corporation,".

Mr. DE LA GARZA. Mr. Chairman, this is an amendment that has been agreed to. It was inadvertently left out of the Savings and Loan Institutions Report.

The committee agrees that we should move forward with it. The

Committee on Rules has authorized us to do so.

Mr. Chairman, I would urge my colleagues to adopt the amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Texas [Mr. DE LA GARZA].

The amendment was agreed to.

The CHAIRMAN pro tempore. Are there other amendments to the bill?

If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. BARNARD) having assumed the chair, Mr. AuCOIN, Chairman pro tempore of the Committee of the Whole on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2869) to amend the Commodity Exchange Act to improve the regulation of futures and options traded under rules and regulations of the Commodity Futures Trading Commission, establish registration standards for all exchange floor traders, restrict practices which may lead to the abuse of outside customers of the marketplace, reinforce development of exchange audit trails to better enable the detection and prevention of such practices, establish higher standards for service on governing boards and disciplinary committees of self-regulatory organizations, enhance the international regulation of futures trading, regularize the process of authorizing appropriations for the Commodity Futures Trading Commission, and for other purposes, pursuant to House Resolution 235, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. de la GARZA. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the

point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 420, nays 0, not voting 10, as follows:

[Roll No. 228]

YEAS—420

Ackerman	Dellums	Hoagland
Akaka	Derrick	Hochbrueckner
Alexander	DeWine	Holloway
Anderson	Dickinson	Hopkins
Andrews	Dicks	Horton
Annunzio	Dingell	Houghton
Anthony	Dixon	Hoyer
Applegate	Donnelly	Hubbard
Archer	Dorgan (ND)	Huckaby
Armedy	Dornan (CA)	Hughes
Aspin	Douglas	Hunter
Atkins	Downey	Hutto
AuCoin	Dreier	Hyde
Baker	Duncan	Inhofe
Ballenger	Durbin	Ireland
Barnard	Dwyer	Jacobs
Bartlett	Dymally	James
Barton	Dyson	Jenkins
Bateman	Early	Johnson (CT)
Bates	Eckart	Johnson (SD)
Beilenson	Edwards (CA)	Johnston
Bennett	Edwards (OK)	Jones (GA)
Bentley	Emerson	Jones (NC)
Bereuter	Engel	Jontz
Berman	English	Kanjorski
Bevill	Erdreich	Kaptur
Bilbray	Espy	Kasich
Bilirakis	Evans	Kastenmeier
Bliley	Fascell	Kennedy
Boehert	Fawell	Kennelly
Boggs	Fazio	Kildee
Bonior	Feighan	Kleczka
Borski	Fields	Kolbe
Bosco	Fish	Kolter
Boucher	Flake	Kostmayer
Boxer	Filippo	Kyl
Brennan	Foglietta	LaFalce
Brooks	Ford (MI)	Lagomarsino
Broomfield	Frank	Lancaster
Browder	Frenzel	Lantos
Brown (CA)	Frost	Laughlin
Brown (CO)	Galleghy	Leach (IA)
Bruce	Gallo	Leath (TX)
Bryant	Gaydos	Lehman (CA)
Buechner	Gejdenson	Lehman (FL)
Bunning	Gekas	Lent
Burton	Gephardt	Levin (MI)
Bustamante	Gibbons	Levine (CA)
Byron	Gillmor	Lewis (CA)
Callahan	Gilman	Lewis (FL)
Campbell (CA)	Gingrich	Lewis (GA)
Campbell (CO)	Glickman	Lightfoot
Cardin	Gonzalez	Lipinski
Carper	Goodling	Livingston
Carr	Gordon	Lloyd
Chandler	Goss	Long
Chapman	Gradison	Lowery (CA)
Clarke	Grandy	Lowey (NY)
Clay	Grant	Lukens, Thomas
Clement	Gray	Lukens, Donald
Clinger	Green	Machtley
Coble	Guarini	Madigan
Coleman (MO)	Gunderson	Manton
Coleman (TX)	Hall (OH)	Markey
Collins	Hall (TX)	Marlenee
Combest	Hamilton	Martin (IL)
Conte	Hammerschmidt	Martin (NY)
Cooper	Hancock	Martinez
Costello	Hansen	Matsui
Coughlin	Harris	Mavroules
Cox	Hastert	Mazzei
Coyne	Hatcher	McCandless
Craig	Hawkins	McCloskey
Crane	Hayes (IL)	McCollum
Crockett	Hayes (LA)	McCrery
Dannemeyer	Hefley	McCurdy
Darden	Hefner	McDade
Davis	Henry	McDermott
de la Garza	Herger	McEwen
DeFazio	Hertel	McGrath
DeLay	Hiler	McHugh

McMillan (NC)	Ravenel	Snowe
McMillen (MD)	Ray	Solarz
McNulty	Regula	Solomon
Meyers	Rhodes	Spence
Mfume	Richardson	Spratt
Michel	Ridge	Staggers
Miller (CA)	Rinaldo	Stallings
Miller (OH)	Ritter	Stangeland
Miller (WA)	Roberts	Stark
Mineta	Robinson	Stearns
Moakley	Roe	Stenholm
Mollohan	Rogers	Stokes
Montgomery	Rohrabacher	Studds
Moody	Ros-Lehtinen	Stump
Moorhead	Rose	Sundquist
Morella	Rostenkowski	Swift
Morrison (CT)	Roth	Synar
Morrison (WA)	Roukema	Tallon
Mrazek	Rowland (CT)	Tanner
Murphy	Rowland (GA)	Tauke
Murtha	Roybal	Tauzin
Myers	Russo	Thomas (CA)
Nagle	Sabo	Thomas (GA)
Natcher	Saiki	Thomas (WY)
Neal (MA)	Sangmeister	Torres
Neal (NC)	Sarpalius	Torricelli
Nelson	Savage	Towns
Nowak	Sawyer	Trafficant
Oaker	Saxton	Traxler
Oberstar	Schaefer	Udall
Obey	Scheuer	Unsoeld
Olin	Schiff	Upton
Ortiz	Schneider	Valentine
Owens (NY)	Schuetz	Vander Jagt
Owens (UT)	Schulze	Vento
Oxley	Schumer	Visclosky
Packard	Sensenbrenner	Volkmer
Pallone	Sharp	Vucanovich
Panetta	Shaw	Walgren
Parker	Shays	Walker
Parris	Shumway	Walsh
Pashayan	Shuster	Watkins
Patterson	Sikorski	Waxman
Paxon	Sisk	Weber
Payne (NJ)	Skaggs	Weiss
Payne (VA)	Skeen	Weldon
Pease	Skelton	Wheat
Pelosi	Slatery	Whittaker
Penny	Slaughter (NY)	Whitten
Perkins	Slaughter (VA)	Williams
Petri	Smith (FL)	Wilson
Pickett	Smith (IA)	Wise
Pickle	Smith (NE)	Wolf
Porter	Smith (NJ)	Wolpe
Poshard	Smith (TX)	Wyden
Price	Smith, Denny	Wylie
Pursell	(OR)	Yates
Quillen	Smith, Robert	Yatron
Rahall	(NH)	Young (FL)
Rangel	Smith, Robert	(OR)

NAYS—0
NOT VOTING—10

Conyers	Garcia	Smith (VT)
Courter	Molinari	Young (AK)
Florio	Nielson	
Ford (TN)	Schroeder	

Mr. WHEAT and Mr. DANNE-MEYER changed their vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: "A bill to amend the Commodity Exchange Act to improve the regulation of futures and options traded under rules and regulations of the Commodity Futures Trading Commission; to establish registration standards for all exchange floor traders; to restrict practices which may lead to the abuse of outside customers of the marketplace; to reinforce development of exchange audit trails to better enable the detection and prevention of such practices; to establish higher standards for service on gov-

erning boards and disciplinary committees of self-regulatory organizations; to enhance the international regulation of futures trading; to regularize the process of authorizing appropriations for the Commodity Futures Trading Commission; and for other purposes."

A motion to reconsider was laid on the table.

□ 1500

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 2869, COMMODITY FUTURES IMPROVEMENTS ACT OF 1989

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill (H.R. 2869), the Clerk be authorized to correct the table of contents, section numbers, punctuation, citations, and cross references, and to make such other technical and conforming changes as may be necessary to reflect the actions of the House in amending the bill.

THE SPEAKER pro tempore (Mr. MOAKLEY). Is there objection to the request of the gentleman from Texas?

There was no objection.

GENERAL LEAVE

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2869, the bill just passed.

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

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 2788, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATION, 1990

Mr. YATES. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2788) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1990, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

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

There was no objection.

MOTION OFFERED BY MR. REGULA

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

The Clerk read as follows:

Mr. REGULA moves that the managers on the part of the House, at the conference on the disagreeing votes of the two Houses on

the bill H.R. 2788, be instructed to agree to the amendment of the Senate numbered 168 and to address the concerns contained in Senate amendment numbered 153.

THE SPEAKER pro tempore. The gentleman from Ohio [Mr. REGULA] is recognized for 30 minutes.

Mr. REGULA. Mr. Speaker, I have 30 minutes, and the gentleman from Illinois [Mr. YATES] has 30 on this motion. I intend at the appropriate time, as requested by the gentleman from California [Mr. ROHRBACHER], to yield 15 minutes of my time to him or to his designated speakers for debate only.

Mr. ROHRBACHER. Mr. Speaker, will the gentleman yield for a question?

Mr. REGULA. I yield to the gentleman from California.

Mr. ROHRBACHER. Mr. Speaker, will the gentleman yield to me for the purposes of offering an amendment that would set standards in keeping the National Endowment for the Arts funding from going to obscene and indecent art?

Mr. REGULA. Mr. Speaker, I will not yield at this time.

THE SPEAKER pro tempore. The gentleman from Ohio [Mr. REGULA] is recognized for 30 minutes.

Mr. REGULA. Mr. Speaker, in my motion to instruct there will be two items covered. I will address each of these in order.

The first item is the Byrd amendment. The Byrd amendment was not included in the House bill. It is an extensive amendment, and I will describe the impact of it.

Mr. Speaker, in 1980 I offered an amendment to all 13 appropriations bills that required that the use of public funds for consulting services be a matter of public record. This amendment was adopted in each of the appropriation bills, and it has become part of the bills since that time.

I mention this as background because I have had a strong interest in sunshine in terms of consultants and lobbyists and an interest in making sure that the information concerning these is out front. My original amendment was prompted by disclosure of abuse, waste, conflicts of interest and the use of private contractors and consulting services.

Mr. Speaker, the existing problem—and we have seen a lot of it in the HUD discussions—is the question of the integrity of the process by which the Government awards grants and contracts. The Byrd amendment supplements my 1980 amendment. I would point out, as the Repository, my largest local newspaper headlined an editorial recently, as follows, "Lobbying Reform Priority Item," and the editorial goes on to say:

[From the Canton (OH) Repository, Aug. 28, 1989]

LOBBYING REFORM PRIORITY ITEM

When Congress goes back to work after its summer recess, one item of business to be considered will be a proposal to toughen disclosure laws for lobbyists and ban the use of federal funds to pay for lobbying activities.

Before Congress adjourned for its summer break, Sen. Robert Byrd, D-W.Va., attached an amendment to a Department of the Interior appropriations bill that would require the changes in the lobbying process—the first major revision in more than four decades.

If the amendment survives outside sniping and a Senate-House conference committee, and becomes law, it will not eliminate all the negatives in the lobbying process. But it will at least help those who are interested to keep track of influence peddling, and it certainly will reduce the number of tax-supported peddlers.

Lobbyists aren't going to like the provision in the amendment that requires anyone soliciting grants, contracts, loans or other federal favors to report the name of the private lobbyists obtained to help in the process, the amount lobbyists are to be paid and for what.

Present laws are so riddled with loopholes that the millions of dollars paid to influential Republicans as consulting fees in the Hud scandal are not reportable. And such tainted fees can be paid with tax money.

That would all change with the adoption of the Byrd amendment.

Even though the American League of Lobbyists agrees that reform is needed, it says the Byrd proposal should be set aside until a comprehensive review is made by Congress.

The fact is reforms were proposed a decade ago and the league had a hand in killing them.

Some concern has been expressed that the Byrd amendment would hurt small social-service agencies, cities and counties competing for federal grants. Not true. These agencies can still lobby just as hard as before, and they can get their legislators to lobby their causes. The Byrd amendment merely prevents them from using federal funds to pay private lobbyists.

We've had enough of the private fixing, inside maneuvering and sleazy deals that secrecy and cronyism produce.

We would like to see Congress hop on this right away after its recess. The reform is long overdue.

Mr. Speaker, I think it should be included all along the way, and I might say that it not only impacts on the Interior bill, but it impacts on all Federal funds. It does not inhibit or prohibit lobbying allowable under present law. The present procurement regulations prohibit Federal funds from being used for lobbying or grants. What the Byrd amendment does is to put sunshine on these by making this information available to the public.

Mr. Speaker, the Byrd amendment is very important. The Byrd amendment will supplement what Congress began in 1980 by having the same kind of information available in terms of lobbying efforts on behalf of bills.

Mr. Speaker, I think it is a very important amendment. That is the

reason that among other things I have this motion to instruct.

The second part of my motion is to instruct the conferees to address the concerns expressed in the Helms amendment. Absolutely no one in this body supports any type of obscenity or pornography funded by tax dollars. We abhor this. I abhor it. We all abhor it. Mapplethorpe and Serrano were outrageous examples of misjudgment on the part of NEA and those who were delegated to make these grants.

However, Mr. Speaker, I would have to say in fairness to NEA that that these are two out of 85,000 grants awarded since the endowment was authorized in 1965.

□ 1510

Out of 85,000 grants, two have gone sour. I deplore that fact. We all do, but I think the question is not whether we should do something about this problem, but it is how to accomplish that objective.

Unfortunately, I could not include in my motion to instruct language on how to do it, because it would have been subject to a point of order.

If this motion to instruct is agreed to, I will urge the conference very strenuously to establish an independent commission to be appointed by the President.

This commission would be created to review the question of what standards, procedures and guidelines should be applied to public funding of the arts and humanities, particularly in dealing with the subjects of pornography, obscenity and denigration of religion, with the requirement that there be a report back in 3 months. This will not only be helpful to our committee, it will be very helpful and constructive to the NEA and to the NEH, and very importantly, to the authorizing committee.

I would point out to my colleagues that the National Endowment for the Arts has to be reauthorized in 1990 or we can no longer fund it. There is where we should address this problem in addition to some language in our own bill.

The proponents of the Helms amendment portray it as a vote for or against public funding of obscene art. Let me point out to you, my colleagues, that the Helms amendment goes far beyond the National Endowment for the Arts and the National Endowment for the Humanities. What I propose in my motion to instruct, if it is agreed to, would be to limit any new standards to the arts and the humanities. The Helms amendment would apply to parks, forests, the Department of Energy, the Bureau of Land Management, the Fish and Wildlife Service, the Bureau of Indian Affairs, the trust territories, the Smithsonian, the Kennedy Center, and to

probably hundreds of colleges and universities that receive some form of grant through the Interior bill. It would apply to the Woodrow Wilson Center. It would apply to Wolf Trap. It would apply to the Zoo. It would apply to the Washington cultural groups. It would apply to the Indian health facilities. It would apply to Indian education, and there are probably many others, because the Helms amendment covers the entire \$11 billion that is expended in the Interior appropriations bill, funding a multitude of agencies.

I think it is very important that we zero in on the problem. I am strenuously opposed to tax funding for any form of obscenity or pornography or any of the things that are covered in the Helms measure; but I think we need to do it in a constructive way. We need to do it in a way that will work.

So, Mr. Speaker, I urge my colleagues to support this motion to instruct. We need the Byrd amendment to insure that we know what is happening, that we avoid the HUD's of the future. Also we need strong language in the bill to prevent any future exhibits such as Mapplethorpe and Serrano in the arts and the humanities. Two out of 85,000 is still too many, and let us not let this happen again.

Mr. YATES. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I support the motion of the gentleman from Ohio [Mr. REGULA].

We should support the Byrd amendment in conference. We do support it now in principle. There will have to be much discussion and a great number of possible amendments that we will consider during the conference on the Byrd amendment, but essentially I think it presents the kind of approach that we want to support.

Now, Mr. Speaker, with respect to the so-called Helms amendment, which the gentleman from California [Mr. ROHRBACHER] supports, I would like to say that this is another form of the kind of death for the NEA that the gentleman from California [Mr. ROHRBACHER] attempted to persuade the House to accept when our bill was on the floor. At that time the gentleman from California [Mr. ROHRBACHER] offered an amendment to kill all funding for the NEA. The difference from his approach at that time is that in this instance, in supporting the Helms amendment, the gentleman proposes a lingering death for the NEA and for the humanities, which is totally unacceptable.

I indicated that there has been a distortion of the amendment. The gentleman from California [Mr. ROHRBACHER] in his letter to Members of the House, his Dear Colleague letter, has said that he will make the vote on

the previous question a question on pornography. Those who support the previous question will be branded as supporting pornography by the gentleman from California [Mr. ROHRBACHER] and those who support him. Well, that is a distortion, an outright distortion of what the Helms amendment contains. Nothing is further from the truth.

Let me read the Helms amendment to you. It is not only addressed to the NEA. Listen to this. This was an amendment that was made to the general provisions of the Interior appropriations bill, not just the NEA, which was the target of the attacks in the House of Representatives. Senator HELMS puts it in the general provisions so that it is applicable to all of the Interior appropriations bill, and listen to what the Helms amendment does. It says this:

None of the funds authorized to be appropriated pursuant to this Act may be used to promote, disseminate or produce—

Whatever that means—

(1) Obscene or indecent materials, including but not limited to depictions of sadomasochism, homoeroticism, the exploitation of children or individuals engaged in sex act;

That is the pornographic part of it.

(2) Material which denigrates the objects or beliefs or the adherents of a particular religion or nonreligion.

What is a nonreligion? Is it the Manson cult in California, for example, by the killer, Charles Manson? Is this a nonreligion? Could you speak against that under this amendment? Is that pornography? Obviously, it is not pornography.

I continue with the Helms amendment:

(3) Material which denigrates, debases or reviles a person, group or class of citizens on the basis of race, creed, sex, handicap, age or national origin.

Is that pornography? Not at all. So the Helms amendment goes way beyond the question of pornography and establishes a broad and sweeping pattern of censorship, not just for the NEA, not just for the NEH, but listen to the list of the other agencies that would come beneath the weight of the Helms amendment: The National Gallery of Art continue to show its Renoirs? Could it continue to show its Matisse's? Could it continue to show its Degas, all the art that all the world has acclaimed and which is bringing such fabulous prices on the art markets? And yet some of them would fall within the restrictions, the censorship of the Helms amendment. The Smithsonian Institution would be covered by this amendment. Not only the art galleries, but all the publications of the Smithsonian Institution; the Institute for Museum Services, the National Park Service, the pamphlets put out by the National Park Service would have to be reviewed for each of these

restrictions; the National Forest Service, the Indian Health Service come before our agency.

A very interesting question is presented in Indian health and hospitals. Could the pamphlets put out by Dr. Koop be distributed when they discussed AIDS?

Mr. Speaker, I am delighted to see my friend, the gentleman from Illinois [Mr. HYDE], on the floor. Will the gentleman permit me to finish my statement, and then I will yield to him.

The SPEAKER pro tempore (Mr. BROWN of California). The time of the gentleman from Illinois [Mr. YATES] has expired.

Mr. YATES. Mr. Speaker, I yield myself another 5 minutes, after which I will yield to my friend, the gentleman from Illinois [Mr. HYDE].

The Holocaust Memorial Council and about 20 other agencies which are funded under the bill; the Holocaust Memorial Council, can you say anything against the Nazis, a group of those hating race, under this bill?

More than that, Mr. Speaker, what have all the other agencies in the Interior Department done that they should be placed within the purview of this restriction, this band of censorship that Mr. HELMS proposes?

There were two NEA grants out of 4,000 in fiscal year 1989 which have caught everybody's attention because of what has been declared to be pornographic; two grants out of 4,000.

□ 1520

The amount of taxpayers' money that is invested in the two grants is \$45,000, which was recognized by the House in cutting NEA funds by \$45,000 when the bill was before the House. The amount of taxpayers' money that was spent for these abusive pictures, to use the term some have used, totals approximately one-tenth of one-quarter of 1 percent of the \$170 million appropriation.

With respect to what the Helms amendment will do, the expanse of the amendment is enormous. Its consequences are unknown, except it would appear that every publication in whatever form issued or approved by the agencies funded in the bill would have to be reviewed carefully to assure they do not violate the Helms restriction. Every college or university in the country which gets a grant under the Interior bill would be required to observe the amendment's restrictions. If any of the money could be used for its publications or activities, any college in the country that comes before the NEA or the NEH or the libraries, would have to observe the restrictions in the Helms amendment. Every museum in the country, and I spoke about the National Gallery of Art a moment ago, and every museum in the country which receives Interior funding, as it does under the Institute of

Museum Services and under NEA, would have to review every artifact it displays, either new or in its permanent collection, to determine if there is a breach of the Helms restrictions, like the National Gallery of Art's masters.

Mr. Speaker, this is the start of George Orwell's Big Brother, the start of George Orwell's Big Brother. This is the Communist approach to art. That is what the Helms amendment brings forward.

I ask the House: Is that the kind of censorship that we want to create?

I urge Members of the House to let our committee go to conference, let us negotiate freely without having to bear the burden of supporting the Helms amendment, and there are many important matters in dispute without worrying this much about the Helms amendment.

There are 168 matters in dispute in the conference between us and the Senate. For all we would know, judging by what we read in the papers, judging by what we see in the letters by the gentleman from California [Mr. ROHRBACHER], this is the only amendment that counts. There are 168 amendments that are in dispute including these questions that we have to worry about.

The first question is that the Senate bill is \$80 million below our bill, and we have to bring down our bill to come within the Senate bill. Second, the Senate has stricken out just about every grant for land acquisition or for construction that was placed in the bill on behalf of Members in the House. We have to protect the interests of the Members, and, Mr. Speaker, we have to worry about that.

Third, there is the possibility of the new Byrd amendment that we have read about in the papers which proposes an additional \$2.2 billion to be taxed against every agency in all of the budget bills, so we would have to endure in the Interior bill approximately another \$50 to \$75 million cut that we have to deal with.

We have all of these various problems with which we have to deal. Please, do not burden us with the weight of the Helms amendment.

Mr. Speaker, I urge the Members to vote for the Regula motion, and I urge them to support the previous question.

Mr. Speaker, I yield myself 1 additional minute.

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

Mr. YATES. Mr. Speaker, I am happy to yield to the gentleman from Illinois.

Mr. HYDE. Mr. Speaker, I thank the gentleman very much, my colleague and dear friend.

Mr. YATES. Mr. Speaker, I am glad to see the gentleman from Illinois [Mr. HYDE] looking so thin again.

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

Mr. YATES. And enjoying such good health.

Mr. HYDE. Mr. Speaker, let me make two comments in all candor to my dear friend.

I concede the Helms amendment may well be an imperfect vehicle. Very few things are perfect.

Mr. YATES. That is an understatement.

Mr. HYDE. But let me say to my friend, and I may be wrong, but I wish to assert this in any event, that viewing a crucifix submerged in urine may well be somebody's idea of first-amendment expression or art. I understand that. But I would suggest the emotive response would be quite different if it was a Star of David submerged in urine. I dare say that if it was a bust of Martin Luther King, it would last about a minute and a half, and the gentleman would be here leading the fight to bar that kind of abuse.

Mr. YATES. I am leading the fight. I see the point that the gentleman is making. I am just as opposed to the crucifix in the jar of urine as I would be to a Star of David or to Martin Luther King's image in a jar of urine, and I have told the House and I have told others that this artist missed his mark and made a mistake. I said that there are two mistakes that were made, two mistakes out of 4,000 grants.

What other agency of the Federal Government has such a fine record? There is not any that does not make a mistake.

Mr. HYDE. Was it Justice Powell or Justice Potter Stewart who said, "I can't define pornography, but I sure know it when I see it"?

Mr. YATES. That was Justice Potter Stewart.

Mr. REGULA. Mr. Speaker, I yield 7 minutes to the gentleman from California [Mr. ROHRBACHER].

Mr. ROHRBACHER. Mr. Speaker, I rise in support of the motion to instruct offered by the gentleman from Ohio [Mr. REGULA]. I agree that we should instruct the conferees on this bill to make certain that Federal funds are not used for lobbying. However, those are not the only instructions the conferees should have.

Mr. Speaker, American taxpayers are furious that their hard-earned money can be spent on so-called art that is obscene, indecent, blasphemous and racist. If we pass the gentleman from Ohio's motion to instruct without my amendment, we will be abrogating our responsibility, our sacred trust, to see that the dollars taxed away from our hard-working citizens are spent effectively and for ends consistent with their moral standards.

Mr. Speaker, a few weeks ago, I stood before the House and offered a simple amendment to the Interior

appropriations bill. My amendment would have struck all Government funding of the National Endowment for the Arts.

Those who truly oppose Government control of the arts should oppose Government funding of the arts. Money for the arts should be left with the people, rather than taxed away, so they can make their own free determination as to what art they will or will not support, rather than giving that power to the state. But if the Government does tax away our people's hard-earned money in the name of supporting the arts, at the very least, standards should be set so that those funds are not used to subsidize obscenity or indecency, or used to denigrate someone's religion, or race, or sex.

Opponents of my amendment suggest that establishing standards for the use of taxpayer's money is a form of censorship. What kind of cocaine logic is that? The question is sponsorship, not censorship. At a time of high deficit spending, when it is difficult to provide funds for the health needs of our elderly and for prenatal care, spending the taxpayer's dollars on art is itself questionable. Spending it on obscenity or indecent art, or art that insults one's religion, is outrageous.

There has been a great deal of posturing on this issue. One wonders how many of those who are aggressively opposing the setting of these standards would be doing so, if it had been a photo of Martin Luther King or a symbol of the Jewish faith that had been submerged in a bottle of urine at taxpayers expense.

Now we hear that the Helms language, which passed by the Senate without opposition, is too broad, unclear, a threat to legitimate art and freedom of expression. This strawman argument is being used to oppose the setting of any standards. The language of this amendment is direct, clear and understandable. It prohibits the use of tax dollars, and I quote,

To promote, disseminate, or produce (1) obscene or indecent materials, including but not limited to depictions of sadomasochism, homo-eroticism, the exploitation of children, or individuals engaged in sex acts; or (2) material that denigrates the objects or beliefs of a particular religion or non-religion; or (3) material which denigrates, debases or reviles a person, group, or class of citizens on the basis of race, creed, sex, handicap, age, or national origin.

If there are some in this hall who have trouble understanding this clear and direct language, I am certain there are voters around this country who are willing to explain it to them in the next election. Americans believe in freedom of speech, but let there be no doubt, the American people do not want their tax dollars spent on obscenity and indecency or for denigrating christianity or any other religion.

In defense of Federal involvement in the arts, we have heard that the vast majority of funded projects are upstanding and of unquestioned value. If this is true, what is wrong in setting standards so our Federal tax dollars are used for those projects, rather than being drained off to sexually explicit projects, or projects that denigrate religion, or racial groups?

If my amendment passes and is accepted in the conference report, the NEA will still be free to subsidize those many other invaluable creations that are not obscene or indecent, that do not denigrate people's religion, race, sex or handicap. The NEA will still be free to give our tax dollars, as they have, to those who are culturally uplifting our society by throwing paper maché out of an airplane window, in an attempt to sculpture the sky.

And then there is the lady in my own congressional district who tells me she is receiving an NEA grant to promote poetry reading for the homeless. Our tax dollars could even again be spent for submerging a photo of Senator HELMS in a bottle of urine, a political comment that no doubt reflects its creator's intellect, values, and ability to communicate rather than that of Senators HELMS.

Yes, the NEA could still sponsor submerging photos of myself or Senator HELMS or any other politician, but they could not use our tax dollars to put a crucifix of Jesus Christ in a bottle of urine, or denigrate any other religion; and do not tell the American people that they are bigoted, or tyrannical for insisting that standards be set so their hard earned tax dollars are not used for such trash and mean spirited invective against, race, religion, sex or handicap.

Time magazine said that had Federal authorities chosen to do so, they could have prosecuted Robert Mapplethorpe for child pornography. Other projects sponsored by the NEA, have included drawings of homosexual orgies, bestiality, and a Statue of Liberty turned into a transvestite, complete with male sex organs.

Why in the world are we permitting Federal tax dollars to be used to finance such trash? How in the name of representative government can anyone oppose the setting of standards to prevent this obscene misuse of tax dollars?

The censorship argument is without merit. Artists can do whatever they want on their own time and with their own dime. We, on the other hand, have a responsibility to see that tax dollars are spent for the betterment of our country.

A vote for the previous question is a vote against standards that will prevent our tax dollars from being used for obscenity, indecency, and attacks on

religion or race. I call on my colleagues to vote against the previous question. Let us have accountability, standards, and a proper use of Federal tax dollars.

□ 1530

Mr. REGULA. Mr. Speaker, I yield such time as he may wish to the gentleman from Illinois [Mr. CRANE].

Mr. CRANE. Mr. Speaker, I support the statements made by the previous speaker.

Mr. Speaker, we have the opportunity today to send a message to the National Endowment for the Arts [NEA] regarding the way Congress and the American people feel about certain taxpayer funded art exhibits.

Some in the art community have taken great offense to the concept that Congress should have any say in the type of art that may be exhibited by the NEA. Somehow these individuals feel that such interference stifles creative ability and free artistic expression. Frankly, I have no sympathy at all for that argument. I have seen some of the pictures that were apparently displayed at the Mapplethorpe exhibit, and I have seen descriptions of others. This "art" is in my humble opinion absolutely obscene.

Although I do not honestly see how any of the pictures described in the NEA exhibit can even remotely pass for art, the question is does the public want to have their tax dollars spent for such a display. If an art museum wants to display such art and pay to exhibit it out of its own funds or through admission fees, that is one thing. However, having the NEA display art at taxpayer expense, which 99.9 percent of Americans would categorically define as obscene garbage, is quite another matter.

Congress has the right to husband the expenditure of public funds. If the public does not want its money spent on a certain type of "art" then it is certainly the prerogative of Congress to so inform the NEA that it does not want taxpayer dollars spent in that fashion.

Mr. Speaker, I am submitting an editorial from Frederick E. Hart which appeared in the August 22, 1989 Washington Post which raises some interesting points with regard to this issue and the general debate over the nature of contemporary art. I believe my colleagues will find the article worth reading.

CONTEMPORARY ART IS PERVERTED ART
(By Frederick E. Hart)

The air is becoming suffocatingly pungent with the incense of pious indignation from the art world concerning Congress' reaction to the way the National Endowment for the Arts is spending taxpayers' money.

What is taking place is yet another perverse manipulation of the public by the contemporary art establishment. The public, through its instrument, Congress, has reached to the baiting and taunting of its sense of decency by the art world through its instrument, the NEA. Underneath its outrage, the art world can barely contain its secret delight at this publicity bonanza featuring a heroic scenario of free spirits versus troglodytes.

What eludes the public is the current philosophy and practice of art, which not only delights in but thrives on a belief system of

deliberate contempt for the public. In order to understand this, you have to understand the values of art today and how contemporary art is intellectually packaged for the marketplace. To grasp this is also to grasp the sorry moral condition of art today and how this is shriveling art, making it less and less a meaningful endeavor.

Since the beginnings of bohemianism in art in the late 19th century, rejection by the public has become the traditional hallmark of what comes to be regarded as great art. An offended public is a critical necessity for the attainment of credentials by any artist. The idea that art and artist must be initially misunderstood and rejected has become doctrine in the mythology of great art, and consequently it has become one of the primary criteria in evaluating the historical importance of a given artist. The art world embraced this fable in the late 19th century and has been running hard with it ever since.

There is, however, a critical difference between then and now. Life in the late 19th century was heavily regimented by strict societal mores: the public expression of emotion and sexuality was severely repressed. When art and literature broke through those layers of repression, people were offended, outraged and ill at ease about the truths they discovered about themselves. But we live in a different world. Today, "repression" is a bad word. Nothing is ever, ever repressed. Everything is discussed, analyzed and ventilated by people ranging from Phil Donahue in the morning to Larry King at night, day in and day out. It's gotten damned hard if not almost impossible to offend anyone anymore.

But art persists. Every artist worth his salt yearns to create works of art that are (mistakenly perceived, of course) so offensive, so insulting to the public as to earn him a clear judgment of genius for his success at being misunderstood.

It has become the intense pastime of contemporary art to pursue controversy, the bigger the better, as a form of art. But the artist has had to reach farther and deeper to find some new twist with which to offend. A simple-minded little sophomoric gimmick of making people walk on the flag to make a cute point arouses vast passion and national controversy—for which artist and art world pat each other on the back.

What is really going on is the cynical aggrandizement of art and artist at the expense of sacred public sentiments—profound sentiments embodied by symbols, such as the flag or the crucifix, which the public has a right and a duty to treasure and protect.

When one looks back at the majestic sweep of art in history and its awesome and magnificent accomplishments, how nasty and midget like are so many of the products and so much of the philosophy of contemporary art by comparison. Once, art served society rather than biting at its heels while demanding unequivocal financial support. Once, under the banner of beauty and order, art was a rich and meaningful embellishment of life, embracing—not desecrating—its ideals, its aspirations and its values.

Not so today.

Look about you. The artlessness of contemporary life has come about because of a breakdown in the fundamental philosophy of art and who it is created for. The flaw is not with a public that refuses to nourish the arts. Rather it is with a practice of art that refuses to nourish the public. The public has been so bullied intellectually by the pro-

ponents of contemporary art that it has wearily resigned itself to just about any idiocy that is put before it and calls itself art. But the common man has his limits, and they are reached when some of these things emerge from the sanctuary of the padded cells of galleries and museums and are put in public places, where the public is forced to live with them and pay for them.

If one visited a town or a city in Renaissance Italy, the motive of art and its resulting products would come off entirely differently. Art was not then thought of as an end in itself but as another form of service. When the Italian peasant looked about, he saw an array of dedicated embellishments from his church to his public buildings, fountains and plazas. The artwork, which was exquisitely created, embraced his values, his religious beliefs, his history, his aspirations and his ideals. It was meant to give enrichment through its artistry but, more important, to give purpose through its meaning. It was, as Dante called sculpture, "visible speech." It was not created for art's sake but for his sake.

The measure of achievement in art was determined by the degree to which that art was considered ennobling. Art and society had achieved a wonderful responsibility for each other. Art summarized, with masterful visual eloquence born of a sense of beauty, the striving of civilization to find order and purpose in the universe. This service to truth was more important than the endeavor of art itself. And it was this dedication to service that gave art its moral authority.

This moral authority is the critical element by which a society regards art either as an essential and meaningful part of life, as in Renaissance Italy or, as today, a superfluous bit of fluff, mainly indulged in by a small snobbish minority. Art is regarded by contemporary society much the same way architects now regard art—not as an essence, but as a high-rent amenity.

The most touching and noble impulse toward "visible speech" in recent times was the short-lived creation of the Statue of Democracy in Tiananmen Square. Natively executed, it was nonetheless a wonderful display of the unique ability of art to embody and enhance concisely and movingly a deeply felt public yearning for an ideal of a just society. The profound meaning the statue had for tens of millions of people gives the art a value and moral authority of profound significance.

In ancient Greece, which generated 2,500 years of Western art, there existed no distinction between aesthetics and ethics in the judgment of a work of art. Works of art achieved greatness by embodying great ideas, as well as by sheer mastery of the medium. The inspiration and the motivation for that mastery were in the nobility of the ideas pursued.

It is the contemporary renunciation of the moral responsibility of art that is the source of the recent hostilities between art and public. The cutback of funds by Congress is a graphic display of the public's declining conviction of the importance of art, caused by a self-absorbed art that has lost all sense of obligation to the public good and the betterment of man. It is possible to live without art, and if the nourishment provided by art continues to be so nauseating, life without art will become, for some, desirable.

If art is to flourish in the 21st century, it must renew its moral authority by philosophically and fundamentally rededicating itself to life rather than art. Art must again touch our lives, our fears and cares. It must

evoke our dreams and give hope to the darkness.

Mr. REGULA. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. HERGER].

Mr. HERGER. Mr. Speaker, should Federal funds be given to assemble a photography exhibit that contains child pornography? I do not think so, and I believe most of my colleagues will agree.

The National Endowment for the Arts disagrees, however. They paid \$30,000 in taxpayer money for such a display, calling it art. That is why 106 of us wrote to the NEA demanding tougher grantmaking guidelines.

The NEA, however, told us in essence we do not know much about art, and that we should mind our own business. The people I represent disagree. That is why I urge support for the motion to instruct conferees to adopt the Senate amendments to the Interior appropriations bill providing guidelines for the NEA.

This is not a question of censorship. It is a question of whether or not the public is going to be forced to subsidize artworks that offend the ethical or moral sensibilities of the vast majority of Americans.

Mr. YATES. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. Mr. Speaker, I rise in support of the motion to instruct offered by the gentleman from Ohio [Mr. REGULA].

This motion will give the House an opportunity, for the first time, to address a very important issue that was included in the Senate-passed bill. The "truth-in-lobbying" amendment authored by the chairman of the Senate committee is an important first step in restoring public confidence in American governmental institutions.

The ethical crisis that we've seen unfold on the pages of newspapers across the country takes many forms, and one aspect is addressed by this Senate amendment. The perception exists—whether true or false—that our Government is up for sale, that a well-paid political machine in Washington will ensure success in the legislative process or in influencing executive branch decisionmaking.

This amendment is not the final answer to the ethical crisis in America. It only addresses a small part of the problem, and frankly the amendment may need a bit of reworking. But it sends a clear message that the Congress views the current situation with distress and that a watchful eye is focused on those intent on abusing the system.

In closing, let me say to the gentleman from California that I recognize his sincerity in wanting to offer a motion to instruct on the Helms amendment. He has put a tremendous amount of time and energy into this

issue, and I respect his right to raise these serious questions. However, I oppose his motion at this time for two reasons.

First, as I have already mentioned, the truth-in-lobbying provision is an important issue that ought to be considered by the House free and clear from any intervening issues. Second, I have grave concerns about the impact of this censorship provision. We have a tradition in this country of independent thought and freedom of cultural expression, and we should preserve that.

Now that does not mean that I or any Member who opposes the Helms amendment supports taxpayer-funded pornography. That is ridiculous. The examples cited by my friend from California involve two grants. Together these grants account for less than three one-hundredths of 1 percent of the total 1988 arts endowment budget. In fact, since it was created 25 years ago, the NEA has awarded over 85,000 grants, and less than 20 have been considered controversial. It just does not make sense to stifle the works of thousands across the country in every congressional district for the mistakes of a few.

Mr. Speaker, I strongly support the motion offered by the gentleman from Ohio, and I urge all Members to vote in favor of ordering the previous question. It is a good-government vote all the way.

PARLIAMENTARY INQUIRY

Mr. WALKER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore (Mr. BROWN of California). The gentleman will state it.

Mr. WALKER. Mr. Speaker, we are in the process of discussing certain artworks which have been paid for by taxpayers' money. What would be the ruling of the Chair should those particular artworks be brought on the floor for display as a part of the debate? Can the Chair tell me that?

□ 1540

The SPEAKER pro tempore. The Chair would respond that it would be the intention of the Chair under rule I to prevent any activity which would disrupt the decorum of the Chamber and he would rule such action to be a disruption of the proper decorum of the Chamber.

Mr. WALKER. I have a further parliamentary inquiry, Mr. Speaker.

So, in other words, the material that we are talking about is so bad that it would disrupt the decorum of the House if this were displayed and so, therefore, the Chair would have to rule against that display, is that correct?

The SPEAKER pro tempore. The Chair would rule as the Chair has already stated.

Mr. YATES. Mr. Speaker, with further reference to the gentleman's inquiry, I think part of the Chair's decision is based, is it not, on the fact that the Mapplethorpe show contains 150 photographs out of which only 5 or 6 are controversial and that if the material is shown, all of it should be shown and not just the controversial part of it?

The SPEAKER pro tempore. The Chair is trying to make it clear that he is ruling only on the decorum of the Chamber, not on the content of the material.

Mr. WALKER. But the material is such that the Chair believes that it would violate the decorum of the Chamber, is that correct?

Mr. YATES. Regular order, Mr. Speaker.

The SPEAKER pro tempore. The Chair has that belief and would so rule if certain materials are displayed during debate.

Mr. WALKER. I thank the Chair.

Mr. REGULA. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. DANNEMEYER].

Mr. DANNEMEYER. Let us see where we are now.

Mr. YATES, on behalf of the opposition, says that we do not believe in censorship but, to Mr. ROHRBACHER, "You will not be permitted to offer your amendment."

Mr. YATES. On behalf of what? If the gentleman would yield, on behalf of what opposition? I am opposed to Mr. ROHRBACHER's motion. Am I the opposition?

Mr. DANNEMEYER. I think the gentleman is in the position of being opposed to ROHRBACHER, right?

Mr. YATES. That is correct.

Mr. DANNEMEYER. And then the gentleman is saying he does not believe in censorship, right?

Mr. YATES. That is correct.

Mr. DANNEMEYER. But then the gentleman does not believe in censorship, right?

Mr. YATES. That is correct.

Mr. DANNEMEYER. But the gentleman does not want to let him offer his amendment, right?

Mr. YATES. For the reason that I do not believe in censorship, I do not think so.

Mr. DANNEMEYER. That is where I do not follow it.

Mr. YATES. If the gentleman wants to meet me after the discussion I will be glad to explain it to him.

Mr. DANNEMEYER. I thank the gentleman very much.

You know, the movie "Cabaret" that depicts the Weimar Republic during the 1920's just before its collapse tells the story of what is going on in this whole issue. That movie depicted the growth of the toleration of homosexuality in Germany in the era that we are talking about. Let us not kid our-

selves. The toleration of pornography and homosexuality is not the decline, the cause of the decline of a civilization; it is the symptom of a moral decay in a society that has lost the ability to say that there are standards in this world that governed mankind down through time and that are valid, traditional family values, where we have the courage as leaders of the country to stand up and say what is junk, what is good literature, what is pornographic, and what we are going to tolerate.

Mr. ROHRBACHER has eloquently pointed out he does not care what happens in this country, what people do with their own money in the form of art. But when they come to the Congress of the United States and they want Federal taxpayers' money, we have the responsibility of saying under what conditions that money would be expended.

I am prepared to suggest it is perfectly appropriate for us to adopt this language and defeat the previous question.

Mr. YATES. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. HENRY].

Mr. HENRY. I thank the chairman for yielding.

Mr. Speaker, I support the Regula motion, and I hope we will support the previous question. I think perhaps it would be helpful if we put today's debate in the perspective of the debate last month.

The very people who are not seeking to legislate in an appropriations bill objected to the efforts of the chairman, Mr. YATES, and the ranking member, Mr. REGULA, to put new restrictions on the NEA, to hold it more accountable for the grant process, to hold the NEA Administrator directly accountable.

It was the gentleman from California who objected and said we are going to legislate in an appropriations bill. Now he comes to us and says, "Well, this isn't censorship, but I have got all kinds of legislation I want to pursue."

The same gentleman last month said, "I am not for censorship. I am just against all public arts funding."

Now he comes and says, "I am for all this kind of restriction on procedure."

I have to be very honest, the history of this shows such inconsistency that it lends me to question, quite frankly, the ethics involved in the process of debating a matter of ethics.

Now I want the record to show that in my case I was among those who communicated with the NEA my personal and strong objections to the funding of the Serrano project.

And I happen to believe that there are distinctions in censorship in terms of the Bill of Rights and making reasonable distinctions in terms of the use of public funds.

I believe the chairman does, and I believe Mr. REGULA does. That is why they tried to bring it in their bill. That is why they brought this issue forth again in their instructions to the conferees. I believe in those distinctions.

I was offended by the Serrano exhibit.

I am offended personally, I have to say, by the Mapplethorpe exhibit.

I want to speak very personally and perhaps—I hope—not offensively to other Members in this body. I am an evangelical Christian. I have every reason to be particularly enraged. But my Lord said let you aye be aye and your nay be nay. I am opposed to the duplicity that I think has surrounded this entire debate beginning last month.

I will not be collared into being a complicit partner in what I view personally to be moral duplicity in terms of how the issue has been brought to this House. I will not squander my reputation as one concerned with Judeo-Christian ethics on a procedure which I think is built on fabrication and falsehood.

Let us put an end to political phariseism and vote for the political question. Let us put a vote against political pornography and vote for the previous question. And above all, let us stand by the gentleman from Illinois [Mr. YATES] and the gentleman from Ohio [Mr. REGULA], who have taken the slings and arrows for every Member of this body, who have suffered distorted attacks and misrepresentation as to what their position has been on this issue all along.

Let us uphold our chairman and ranking member. I urge a vote for the previous question.

Mr. REGULA. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri [Mr. COLEMAN], the ranking member of the subcommittee of the Committee on Education and Labor which has the question of NEA authorization.

Mr. COLEMAN of Missouri. Mr. Speaker, just to clarify the record, the gentleman from California [Mr. DANENMEYER] is talking about the context of our vote and trying to represent that this somehow is the Weimar Republic. Let me remind my colleagues what followed the Weimar Republic in Germany. It was National Socialism. So if you want to put it in the historical context, that may be the road that we are going down if we are going to support the Helms amendment by defeating the previous question.

Now I want to stipulate and I want the record to show that I am against obscenity, I am against including indecent material at public funding. But who is to say what is obscene and what is indecent? Are we going to have every agency out here in this bill determining on their own what is obscene and what is indecent?

We are going to have 10,000 pieces of litigation going to the Supreme Court to make these decisions. How much money are we going to dissipate on these types of issues in these agencies?

Let me remind my colleagues where we are: We are in conference. Do you know how much we cut off of the appropriations bill? We cut \$45,000 off the appropriations here, which represented the two showings in question. That is how much the grants were for. We did it here on the floor of the House. The majority of you voted for it.

What did the other body do? They cut \$450,000 out of the arts, which was nine times more than we did and nine times more than the two questionable exhibits in question.

Now we have already settled this matter. We have taken the money away. We have prohibited, at least the other body did, for 5 years from these two organizations, the so-called Southeastern Center for Contemporary Art and the Institute for Contemporary Art at the University of Pennsylvania, that subversive organization, the University of Pennsylvania; they have taken that money away. So they are prohibited from coming in here and doing it again.

Now the gentleman from Ohio is trying to put together some commission, some review panel independently to try to get us out of the mess we are in.

We may end up with Mr. ROHRBACHER's hope, and that is the total destruction of Federal support for the arts.

□ 1550

We may be there. Whether we may be there by authorization which we need to take up in our committee next year because maybe we can never find a way out of this issue, and maybe we ought to if that is the case. I will not prejudice it.

Right now we have a real question, and that is, we are in conference. Four hundred and fifty thousand dollars is cut, \$45,000 has been cut over here. We have settled this issue. There are some who do not want the arts to be funded. Members had their choice. Members had their votes. Members lost it overwhelmingly before, and I say this is a red herring, and any Member who tries to characterize my vote, and I am talking to my side of the aisle, as being in favor of obscenity and pornography, those Members deal with me off the floor on that one.

The Speaker pro tempore [Mr. MOAKLEY]. The gentleman from Ohio [Mr. REGULA] has 10 minutes remaining, and the gentleman from Illinois [Mr. YATES] has 12 minutes remaining.

Mr. YATES. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Oregon [Mr. AU COIN].

Mr. AuCOIN. Mr. Speaker, as I listened to the gentleman from California, who wants Members to defeat the previous question and vote for instructing the conferees to adopt the Helms amendment, I got the impression that the National Endowment for the Arts is a rogue elephant spewing out money across the country to spread filth and pornography to every community. I thought the gentleman from Massachusetts [Mr. CONTE's] remarks and the remarks of the gentleman from Michigan, and the remarks of the gentleman from Missouri [Mr. COLEMAN] answer that question extremely well.

In the 25-year history of that agency, 80,000 grants have been granted, and only about 2 dozen controversies have ever arisen. Now, those are the facts.

This is no rogue elephant. This is an agency that gives grants to artists who are producing art which improves the caliber of lives in communities across the country that otherwise would not have a chance. Unfortunately, there are some who want to create a political issue out of two mistakes made in the last year's funding process. I think that is a very sad thing that Members would cripple an agency to score some political points. I hope the Members will not go along with that, and will resist that tactic.

I have in my hand a letter from Joe Cash a professor of English, and the head of the department of languages at McNeese University in Louisiana. He made a very important point in this letter. He indicated that the issue is not standards which the gentleman from California suggests, it is the question of who will sit in this new academy that will provide the judgments that Mr. HELMS wants Members to impose on works of art around the country? Who will decide? Who will these people be that will grant these judgments?

I think that is an important question. Who will be the thought police that will enforce these works of art? I leave the answer to that question to my colleagues to answer, because I think that should chill every Member of the House.

In the same letter from this professor from the State of Louisiana who is the head of the Department of Languages at McNeese State University, he makes an interesting point. He said:

After reading the specific details of the proposed amendment, I could not help wondering if even the Bible could pass the test.

He said:

Few books of lasting value and merit contain more sordid, violent, or sexual-filled passages than it does. Consider the sensuality of the Song of Solomon; the rape of Dianah and the deceitful slaughter of the Hivite men; the adultery of the psalmist David with Bathsheba and the murder of her husband; and the daughters of Lot who got their father drunk on wine so that they

could "lie with him" in order to "preserve the seed" of their father by bearing children who would become the founders of the Moabite race.

Any amendment which is so broadly written that its standards call into doubt the acceptability of the Bible should be defeated. I urge my colleagues to support the motion of the gentleman from Ohio [Mr. REGULA].

Mr. REGULA. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Speaker, the moral infrastructure of our country has been eroding at an ever-increasing pace over the last 20 years because of intellectual dancing on the head of a pin over obscenity, decency, and in the case of what brought this to the House's attention, blasphemy.

Now the Tuesday papers in the town carried an article that a National Endowment for the Arts funded show in Phoenix had the picture of a Member of Congress in a jar of amber fluid. Whether or not it was urine or not, only the people who do this with NEA money know. That was just Monday of this week. What a disgrace. One of our colleagues immersed in a jar of urine. When it was done with Jesus Christ, what many Members consider to be our Redeemer, the Son of God, and that did not get tempers up here, then it is understandable why on both sides of the aisle some of our Constitutional scholars are willing to set aside these blasphemous affronts and still dance on the head of a pin in eroding the moral structure of our country.

There is the headline. In the lobby are pictures that the Sergeant at Arms took down, and I agree they should have been taken down. However, how do we fight something so insidious, so inherently evil? If it goes in the RECORD, people object. If you put the pictures in the lobby, they have to be taken down because some child may walk by the outside, or we may have some Members of this Chamber still so innocent of heart that they do not want to look at this Mapplethorpe pederasty child molestation type of child pornography out there, let alone some of the examples of blasphemy against Jesus Christ.

Not one Senator, not even the distinguished gentleman, Mr. METZENBAUM from Ohio, would voice a nay vote in a voice vote over in the other Chamber. I will not characterize any Member's vote, but I hope we win, and we win big, and support the language of the Senator from the other body. Members owe it to themselves to look at that scum out there in the lobby that they have to hide behind the curtains.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would like to announce that Members should avoid reference to Members of the Senate in debate.

Mr. YATES. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. HALL].

Mr. HALL of Texas. Mr. Speaker, I support the arts. I question no Member's motives. I question no Member's votes. I do not think any Member approves of the filth that the NEA funded, even if it is one one-hundredth of 1 percent, and if Members do not think it is filth, all that Member has to do is go out and look.

I rise today to ask my colleagues to vote against the previous question on the motion to instruct conferees to agree to the Byrd amendment. I would like to stress that I am not opposed to the gentleman from Ohio [Mr. REGULA's] amendment. I, too, believe that the House conferees should accept the Byrd amendment. Federal funds should not be used to pay a lobbyist to influence the award of a Federal grant, contract, loan, or cooperative agreement.

If we will instruct the House Conferees to accept the Byrd amendment, I believe that we should also instruct them to accept the Helms amendment. After all, isn't it just as bad to use Federal money to fund offensive art as to allow lobbyist to influence the use of Federal money? I do not see any difference. Both are obscene in my mind, and both should be stopped.

Opponents of the Helms amendment argue that by approving this amendment we will be putting the Federal Government in the position of censoring art—of deciding what is and is not acceptable art. The issue here is not one of censorship. The issue is how Federal funds should be used. As Members of Congress we have a right to decide how taxpayers money will be spent. The language of the Helms amendment does not tell any artist what he or she may or may not depict in his or her work. Artists would still be free to produce whatever material they want.

Senator HELMS' provisions simply sets standards for the use of Federal tax dollars. Setting standards for the use of taxpayers money is not a new practice here.

I believe that the majority of American people do not want their tax money used to fund this obscene and indecent artwork. The Federal Government is not obligated to fund this material and we must agree to the Helms amendment to stop this funding from continuing.

I ask Members only to read the Helms amendment. Simply read it. It speaks of use of Federal funds and no restrictions on the scum that caused the Helms amendment. If those do not know what it means when we say material which denigrates, debases, or reviles a person or group, go look at the pictures. That is all I am asking Members to do.

Mr. YATES of Illinois. Mr. Speaker, I just wanted to indicate that I yielded time to the gentleman from Texas [Mr. HALL], knowing he was speaking in support of the Rohrabacher amendment. I thought he presented an interesting case.

Mr. Speaker, I yield 1 minute to the gentleman from New Mexico [Mr. RICHARDSON].

□ 1600

Mr. RICHARDSON. Mr. Speaker, I would like to enter into a colloquy with the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Speaker, if the gentleman will yield, I will be glad to enter into a colloquy.

Mr. RICHARDSON. Mr. Speaker, I commend Senator BYRD for his well-meaning efforts to respond to abuse by certain Federal contract consultants. I agree that Congress must move decisively to end such abuse. However, Indian tribes in my district have expressed concerns that the Byrd amendment could have a detrimental impact upon Indian tribes who operate social service programs for their members under the Indian Self-Determination Act, and other Federal laws. Would the chairman be willing to enter into a colloquy to discuss this matter with me?

Mr. YATES. Yes, I would be more than happy to enter into a colloquy with the gentleman from New Mexico.

Mr. RICHARDSON. Mr. Speaker, more than any other segment of society, Indian tribes depend upon Federal funding for their daily operations. Passage of the Indian Self-Determination Act allows tribes to apply for social service grants and contracts and directly operate programs for their members rather than have the Federal bureaucracy do it for them. I fear the Byrd amendment could disrupt this successful program by prohibiting tribal contractors from using appropriated funds to pay employees to influence agency officials in order to extend, renew, amend, or modify social service grants or contracts. Many of these modifications, extensions, and renewals are routine and necessary to the successful operation of social services by Indian tribes.

Mr. Speaker, I would hope that, in fashioning a solution to abuse in other sectors of the Government, we not unintentionally overturn our longstanding policy of self-determination for native Americans. Do I have the gentleman's agreement that he will take into account the unique situation of native Americans, and seek to protect their activities in conference, including the use of statutory language if necessary?

Mr. YATES. Mr. Speaker, if the gentleman will yield, I understand his concern about the possible detrimental impact the Byrd amendment could

have on the current operation of Indian social service grants and contracts. I will seek to protect these activities in conference, to include the use of statutory language if need be.

Mr. RICHARDSON. Mr. Speaker, I thank the gentleman for his response. All I am trying to do is insure the amendment does not have a detrimental impact upon tribes which operate social service programs for their members under the Indian Self-Determination Act.

Mr. REGULA. Mr. Speaker, may I inquire, how much time do I have remaining?

The SPEAKER pro tempore (Mr. MOAKLEY). The gentleman from Ohio [Mr. REGULA] has 8 minutes remaining, and the gentleman from Illinois [Mr. YATES] has 5 minutes remaining.

Mr. REGULA. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. ARMEY].

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

Mr. Speaker, let me say that I support the Regula motion to instruct. It is a good motion and a necessary motion, and it ought to be supported. But in point of fact, the world will little note nor long remember the Regula motion if it were not for the fact that today it has drawn heat by the efforts of the gentleman from California [Mr. ROHRBACHER] to amend it on this issue.

This issue is of major concern to this Nation and the people of this Nation. We have seen the passions aroused by this issue. The dollar magnitudes are little; the principles are large.

What of this motion that would be offered by the gentleman from California [Mr. ROHRBACHER]? What we are trying to do is to make an agency of the Federal Government understand that they exist by virtue of the grace of this Congress, that they receive their appropriations by virtue of the grace of this Congress and that they must comply with the will of this Congress. They are not a free-agent agency. They cannot operate by their will alone.

It is not a matter of what artists will or will not produce. It is a matter of what an agency will do by way of spending under the supervision of this Congress the taxpayers' dollars, and it is only a matter of who is going to govern responsibility, with a sense of decency, with a sense of sensitivity, and with respect to the people who provide this money, and who is going to be responsible for the expenditure of the money.

Yes, Mr. HELMS has a perfect right to offer such language that defines the limits within which such expenditures will be made. We do it all the time. Yes, we have it within our prerogative to endorse such an effort, and, yes, this agency, like all other agencies, can only exist if it recognizes

that we have created its right to exist. It is a fiduciary responsibility, it must comply, and it does not receive a blank check from the American people.

Mr. Speaker, let me again remind the Members that this is not an issue of censorship. The agency exists. We do have today in existence an agency of the Federal Government that defines which art is worthy to support and which is not. We are only saying that that agency must conduct the affairs of the American people with a sensitivity for the feelings of the American people.

Mr. REGULA. Mr. Speaker, I yield 30 seconds to the gentleman from Colorado [Mr. BROWN].

Mr. BROWN of Colorado. Mr. Speaker, I thank the gentleman for yielding this time to me, and I rise in support of the Regula amendment.

Mr. Speaker, let me also say this: Some very fine and honorable gentlemen have risen in this Chamber to express a concern about the potential of censorship. I believe I share that concern about censorship in this body, but let me make this point: Denying someone the opportunity to offer an amendment is censorship. We do not advance the cause of freedom, we do not advance the cause of opposing censorship by refusing to allow an idea to be voted upon.

Mr. YATES. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. ATKINS].

Mr. ATKINS. Mr. Speaker, I rise in support of the Regula motion.

Mr. Speaker, we have two different approaches here to a very serious problem, a problem of two grants that were made that should not have been made and that shocked and offended, I believe, all of us.

One approach is the Regula approach, which would allow the conferees the freedom and the opportunity to use the peer review system that has been used remarkably well for 86,000 grants over a period of 25 years and that refines and adjusts that to assure that Federal moneys will not be used to finance something which shocks and offends the general value system.

The Rohrabacher approach, however, as evidenced by the Helms amendment, would replace that peer review system by a censorship committee that would get away from the Potter Stewart concept, which is that it is impossible statutorily to define what is obscene or what is blasphemy. As Potter Stewart said, "I cannot define pornography, but I know it when I see it."

The peer review system uses that concept and says we should have the President appoint people who can make those judgments and do it in the context of preserving and protecting freedom of artistic expression.

What we are really talking about here is hypocrisy, because while

people objected, as I did, to the Mapplethorpe and Serrano exhibits, proponents of the amendment and proponents of eliminating the funding of the arts because of those exhibits went themselves and used taxpayers resources to reproduce the Mapplethorpe exhibits and to mail them to congressional offices.

I will have to say that in my office I had a summer student intern, a young woman, who was especially shocked to open my congressional mail and find this under the congressional frank. What we are talking about is a situation where the National Endowment for the Arts has advanced pornography and called it art and people strongly objected to that, as I do, but then Members of Congress used that spare resource, those taxpayer resources, to produce and disseminate pornography. They called it pornography, and then they called that righteousness. That is hypocrisy.

Mr. REGULA. Mr. Speaker, I yield 30 seconds to the gentleman from California [Mr. ROHRBACHER].

Mr. ROHRBACHER. Mr. Speaker, we have heard the words "duplicious" and "hypocrisy." We have been called Nazis and censors. The fact is that no one is calling for a censorship committee. We are talking about setting standards that will prohibit the use of taxpayers' money for sponsoring obscene and indecent art.

All of us can talk all we want about being opposed to the using of taxpayers' money for the supporting of obscenity and indecency, but unless we are willing to do something about it, those words do not mean anything to the American people.

Mr. Speaker, the American people are watching. They are asking for a "no" vote on the previous question, and they are asking for standards to do this.

Mr. REGULA. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. GREEN], a member of the full committee.

□ 1610

Mr. GREEN. Mr. Speaker, I rise to ask my colleagues to vote for the previous question. I do so for two reasons.

First, Mr. Speaker, it seems to me that we are entitled to a vote, up or down, on the position that this House wants to take on the Byrd amendment on academic lobbying, and we are entitled to that vote unencumbered by another extremely controversial position; namely, support for the Helms amendment. The only way under our rules that we can put the House on record with respect to the Byrd amendment is to vote yes on the previous question, and then vote yes on the Regula motion unamended, and everyone ought to understand that.

I say to my colleagues, "If you want to stand up to fight academic lobby-

ing, the only way to do that is to vote yes on the previous question and then yes on the Regula amendment. If you vote no on the previous question, we never get a vote, just on the Byrd amendment, and we ought to understand that. Mr. Speaker, that is absolutely critical.

The second point I want to make is that the Helms amendment is so broad that it is hard for me to see how anyone can support it. How could my colleagues support an amendment which would prevent the depiction of Bible stories, as has previously been pointed out, an amendment which would prevent the depiction of anatomically correct Cupids, an amendment which would give an Ayatollah Khomeini or the like the right to veto the grants of the National Endowment of the Arts? It is absurd, and that is the difficulty one gets into in trying to get into the censorship business.

So, Mr. Speaker, I urge my colleagues to vote yes on the previous question, and let us give us an up-or-down vote unencumbered by a foolish Helms amendment. Give us an up-or-down vote on the issue of the Byrd amendment and this whole question of academic lobbying that we have been plagued with these many years.

Mr. YATES. Mr. Speaker, I yield 1 minute to the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Speaker, I rise in support of the motion by the gentleman from Ohio [Mr. REGULA], and I urge my colleagues to vote yes on the previous question.

Mr. Speaker, the half-baked language of the Senate amendment is, make no mistake about it, iron-clad, copper-riveted censorship. There may be some short-term political coinage in voting against some bizarre photographs of the moment, but the long history of this House rejects this kind of censorship.

My colleagues, do not be timid. Vote against censorship. Vote yes on the previous question.

Mr. YATES. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Speaker, when the National Endowment for the Arts and Humanities was created, there was a clear demand dictated by the Congress of the United States that political considerations and politics ought to be kept out of the decisionmaking process. We ought to adhere to that philosophy.

Mr. Speaker, the argument that this is not censorship fails, if my colleagues read, as the distinguished chairman, the gentleman from Illinois [Mr. YATES] said, what in fact this language says. The Helms amendment says it pertains to material which denigrates objects or beliefs or which denigrates, debases, or reviles persons or people. I looked up the definition in the diction-

ary in the back of the Hall: to cast aspersions on the character or reputation or to lower esteem by a verbal attack. Do we want to get into that business at this stage of the game?

My colleagues, vote yes on the previous question. Let us not have a repeat of Helms in the House of Representatives.

The SPEAKER pro tempore (Mr. MOAKLEY). The gentleman from Ohio [Mr. REGULA] has 3 minutes remaining, and the gentleman from Illinois [Mr. YATES] has 1½ minutes remaining. The gentleman from Ohio has the right to close debate.

Mr. YATES. Mr. Speaker, I will permit the gentleman from Ohio [Mr. REGULA] to close debate.

Mr. REGULA. Mr. Speaker, I think it is important that we get this all in perspective as we approach the vote on this issue. We have heard a lot of debate. I have tried to be fair. I have given half of my time to those on my side who have a different point of view.

However, Mr. Speaker, what my motion to instruct does is two things. First, it instructs the conferees to support the Byrd amendment. This is to provide full disclosure on the use of Federal funds for lobbying this body, and it applies to all Federal spending. I think this is necessary.

Mr. Speaker, in 1980 I put in a similar amendment for consultants. We have seen what happened on the HUD cases. We have been embarrassed by it as a nation. We do not want it to happen again, and the Byrd amendment is critical in my judgment as far as establishing a national policy.

My colleagues, a vote for the previous question is a vote for the Byrd amendment. It is a vote for sunshine in terms of lobbyists. It is a vote for full disclosure.

Mr. Speaker, I recognize the concerns that have been expressed here on the arts. I have the same concerns. But we must be careful how we address those concerns. I would point out that even the conservative Heritage Foundation in their publication "Mandate for Leadership Policy Management" for a conservative administration recognized the uniqueness of the arts. Quoting from that document:

A rigorous attempt must be made to allow art, whatever its sources of funding, to exist in a free market place of aesthetic ideas because art does not move in obedience to social dictates, because it cannot be planned in advance, and because it grows according to its own (mostly unarticulated) rules, it must be granted an existence independent from the proclaimed social goals of the state.

I have been a hairshirt on the Appropriations Committee on the NEA, but the Helms amendment goes far beyond the NEA. It goes to the Bureau of Indian Affairs. It goes to the Kennedy Center, to the Smithso-

nian, to the Park Service, to the Forest Service, to the Trust Territories. Some Governor out in Samoa would have to decide whether he was violating the Helms amendment, and it reaches out to colleges and universities. Probably a couple hundred of them at least get money coming through this bill. They would have to examine their libraries. They would have to examine their publications. They would have to police their professors to be sure that they in no way violated the so-called Helms amendment.

My colleagues have talked about standards on the Helms amendment. There are no clearly defined standards. It does not say how standards would be enforced. What are these standards, and how are they enforced? Are we going to name a czar for the United States that is going to decide whether an Indian chief speaking to his tribe is violating the Helms amendment?

My colleagues I can see all kinds of enormous problems. Proponents of the Helms amendment have tended to focus on the National Endowment for the Arts and ignore the fact that this amendment reaches far beyond that, and I think it would create enormous problems for a lot of people and my colleagues' constituents. Almost all of us would have a university or a college that could be subjected to the Helms amendment. Former President Ronald Reagan may have said it best in 1985 when he said:

Artists have to be brave; they live in the realm of idea and expression, and their ideas will often be provocative and unusual. Artists stretch the limits of understanding. They express ideas that are sometimes unpopular. In an atmosphere of liberty, artists and patrons are free to think the unthinkable and create the audacious; they are free to make both horrendous mistakes and glorious celebrations. Where there's liberty, art succeeds. In societies that are not free, art dies.

I say to my colleagues, If you listened carefully to my motion to instruct, I said that we would instruct the conferees to take into account the concerns expressed by those who are for the Helms amendment, the concerns in Amendment 153. I urge you to vote for the previous question. I urge you to vote for the previous question and by so doing to instruct the conferees to take into account the concerns expressed in the Helms amendment as well as to stop the lobbying without accountability.

Mr. TALLON. Mr. Speaker, at issue before us is the question of whether or not Congress should be funding, through the National Endowment for the Arts, controversial works of art that some find repulsive.

Certainly, it is impossible to justify to taxpayers why Congress is funding many of these controversial works when the money could be spent on other worthwhile projects.

When the House considered H.R. 2788 I supported an amendment introduced by Congressman STENHOLM to restore all but \$45,000 of the NEA budget—an amount equivalent to the funding for the two controversial projects. I firmly believe that the Government should not patronize art that the majority of Americans find esthetically offensive. I supported the Stenholm amendment because I believed it to be adequately punitive. It deleted funding for the Mapplethorpe and Serrano projects. To go beyond this is to threaten the many worthwhile projects sponsored by the NEA. To go beyond this is to step into the bounds of censorship.

Why use a sledgehammer to kill a gnat?

Fortunately for us, discussion of censorship and what is and is not art have been mostly avoided, because these are issues that have never been clearly defined.

When Michelangelo created his statue of David, it was thought to be scandalous. Van Gogh died alone and destitute because people dismissed his art. Now what do we think of these works?

People travel from around the world just to admire the statue of David, and Van Gogh's work sells for record millions.

Obscenity and indecency are topics that the Supreme Court has been grappling to define over the years—and only because they have been forced to decide in several cases.

We must be clear on this: We cannot let political pressure kill the arts.

The National Endowment for the Arts has provided an excellent forum for the arts development. They participate in everything from school projects to private shows to educational television. They have become indispensable to the art world.

And, in our haste to deal with things that are wrong in this world, let us not upset the things that are right.

Mr. CHANDLER. Mr. Speaker, I support the motion instructing conferees to accept the Senate-passed Helms amendment concerning grants for the arts.

While I am an advocate of Federal art funding, I support this motion because I believe taxpayers should not foot the bill for art that reasonable people would find offensive.

My constituents have told me in scores of letters and personal meetings that they do not want their tax dollars spent on artistic trash. I understand their outrage. I don't want my tax dollars spent on artistic trash, either.

Members on the other side tell us the Government has no right infringing on artistic freedom or imposing censorship on works it doesn't like. Would they also tell us that the Government has no right to ask that certain standards be met when it awards a grant for education, public works, or social services? Of course it has the right. Why should the arts be treated differently.

If artists want to produce works that shock or offend average Americans, let them do it at their own expense.

Mr. REGULA. Mr. Speaker, I move the previous question on the motion to instruct.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the yeas appeared to have it.

Mr. ROHRBACHER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 264, nays 153, not voting 13, as follows:

[Roll No. 229]

YEAS—264

Ackerman	Foglietta	Matsui
Akaka	Ford (MI)	Mavroules
Alexander	Ford (TN)	Mazzoli
Andrews	Frank	McCandless
Annunzio	Frenzel	McCloskey
Anthony	Frost	McCurdy
Aspin	Gallo	McDade
Atkins	Gejdenson	McDermott
AuCoin	Gephardt	McGrath
Baker	Gibbons	McHugh
Bateman	Gilman	McMillen (MD)
Bates	Glickman	Meyers
Bellenson	Gonzalez	Mfume
Bereuter	Gordon	Miller (CA)
Berman	Goss	Miller (WA)
Bevill	Gradison	Mineta
Bilbray	Grandy	Moakley
Boehlert	Gray	Mollohan
Boggs	Green	Moody
Bonior	Guarini	Morella
Borski	Gunderson	Morrison (CT)
Bosco	Hall (OH)	Morrison (WA)
Boucher	Hamilton	Mrazek
Boxer	Harris	Murtha
Brennan	Hatcher	Nagle
Brooks	Hawkins	Natcher
Browder	Hayes (IL)	Neal (MA)
Brown (CA)	Henry	Neal (NC)
Bruce	Hertel	Nelson
Bryant	Hoagland	Nowak
Buechner	Hochbrueckner	Oakar
Bustamante	Hopkins	Oberstar
Byron	Horton	Obey
Campbell (CA)	Houghton	Olin
Campbell (CO)	Hoyer	Owens (NY)
Cardin	Hughes	Owens (UT)
Carper	Johnson (CT)	Oxley
Carr	Johnson (SD)	Pallone
Clay	Johnston	Panetta
Clement	Jones (GA)	Paxon
Clinger	Jontz	Payne (NJ)
Coleman (MO)	Kanjorski	Payne (VA)
Coleman (TX)	Kaptur	Pease
Collins	Kastenmeier	Pelosi
Conte	Kennedy	Penny
Cooper	Kennelly	Perkins
Costello	Kildee	Pickett
Coughlin	Kleczka	Pickle
Coyne	Kolbe	Porter
Crockett	Kostmayer	Poshard
Darden	LaFalce	Price
de la Garza	Lancaster	Rahall
DeFazio	Lantos	Rangel
Dellums	Laughlin	Ray
Dicks	Leach (IA)	Regula
Dingell	Lehman (CA)	Rhodes
Dorgan (ND)	Lehman (FL)	Richardson
Downey	Lent	Roe
Durbin	Levin (MI)	Rogers
Dwyer	Levine (CA)	Rose
Dymally	Lewis (CA)	Rostenkowski
Early	Lewis (GA)	Rowland (GA)
Eckart	Lightfoot	Roybal
Edwards (CA)	Lipinski	Russo
Engel	Long	Sabo
Erdreich	Lowery (CA)	Salki
Espy	Lowey (NY)	Sangmeister
Evans	Lukens, Thomas	Sarpallus
Fascell	Machtley	Savage
Fazio	Madigan	Sawyer
Feighan	Manton	Saxton
Fish	Markey	Scheuer
Flake	Martinez	Schneider

Schumer	Stark	Vento
Sharp	Stenholm	Visclosky
Shays	Stokes	Volkmer
Sikorski	Studds	Walgren
Slitsky	Swift	Walsh
Skaggs	Synar	Watkins
Slattery	Tallon	Waxman
Slaughter (NY)	Thomas (CA)	Weiss
Smith (FL)	Thomas (GA)	Wheat
Smith (IA)	Torres	Whitten
Smith (NE)	Torricelli	Williams
Solarz	Towns	Wise
Spratt	Traxler	Wolpe
Staggers	Udall	Wyden
Stallings	Unsoeld	Yates

NAYS—153

Anderson	Hastert	Ritter
Applegate	Hayes (LA)	Roberts
Archer	Hefley	Robinson
Armey	Hefner	Rohrabacher
Balenger	Herger	Ros-Lehtinen
Barnard	Hiler	Roth
Bartlett	Holloway	Roukema
Barton	Hubbard	Rowland (CT)
Bennett	Huckaby	Schaefer
Bentley	Hunter	Schiff
Billrakis	Hutto	Schuetz
Bliley	Hyde	Schulze
Brown (CO)	Inhofe	Sensenbrenner
Bunning	Jacobs	Shaw
Burton	James	Shumway
Callahan	Jenkins	Shuster
Chandler	Jones (NC)	Skeen
Chapman	Kasich	Skelton
Clarke	Kolter	Slaughter (VA)
Coble	Kyl	Smith (NJ)
Combest	Lagomarsino	Smith (TX)
Cox	Leath (TX)	Smith, Denny
Craig	Lewis (FL)	(OR)
Crane	Livingston	Smith, Robert
Dannemeyer	Lloyd	(NH)
Davis	Lukens, Donald	Smith, Robert
DeLay	Marlenee	(OR)
Derrick	Martin (IL)	Snowe
DeWine	Martin (NY)	Solomon
Dickinson	McCollum	Spence
Donnelly	McCrery	Stangeland
Dorman (CA)	McEwen	Stearns
Douglas	McMillan (NC)	Stump
Dreier	McNulty	Sundquist
Duncan	Michel	Tanner
Dyson	Miller (OH)	Tauke
Edwards (OK)	Montgomery	Tauzin
Emerson	Moorhead	Thomas (WY)
English	Murphy	Traffant
Fawell	Myers	Upton
Fields	Ortiz	Valentine
Flippo	Packard	Vander Jagt
Gallely	Parker	Vucanovich
Gaydos	Parris	Walker
Gekas	Pashayan	Walsh
Gillmor	Patterson	Watkins
Goodling	Petri	Waxman
Grant	Pursell	Weber
Hall (TX)	Quillen	Weldon
Hammerschmidt	Ravenel	Whittaker
Hancock	Ridge	Whitten
Hansen	Rinaldo	Williams
		Wilson
		Wise
		Wolf
		Wolpe
		Wyden
		Yates
		Yatron
		Young (FL)

NOT VOTING—13

Broomfield	Garcia	Schroeder
Conyers	Gingrich	Smith (VT)
Courter	Ireland	Young (AK)
Dixon	Molinari	
Florio	Nielson	

□ 1637

Mr. ENGLISH and Mrs. BENTLEY changed their vote from "yea" to "nay."

Messrs. BERMAN, LENT, PAXON, and MOLLOHAN changed their vote from "nay" to "yea."

So the previous question was ordered.

The SPEAKER pro tempore (Mr. MOAKLEY). The question is on the motion to instruct offered by the gentleman from Ohio [Mr. REGULA].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. REGULA. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 410, noes 3, not voting 17, as follows:

[Roll No. 230]

AYES—410

Ackerman	Dellums	Holloway
Akaka	Derrick	Hopkins
Alexander	DeWine	Horton
Anderson	Dickinson	Houghton
Andrews	Dicks	Hoyer
Annunzio	Donnelly	Hubbard
Anthony	Dorgan (ND)	Huckaby
Applegate	Dorman (CA)	Hughes
Archer	Douglas	Hunter
Armey	Downey	Hutto
Aspin	Dreier	Hyde
Atkins	Duncan	Inhofe
AuCoin	Durbin	Ireland
Baker	Dwyer	Jacobs
Balenger	Dymally	James
Barnard	Dyson	Jenkins
Bartlett	Eckart	Johnson (CT)
Barton	Edwards (CA)	Johnson (SD)
Bateman	Edwards (OK)	Johnston
Bates	Emerson	Jones (GA)
Beilenson	Engel	Jones (NC)
Bennett	English	Jontz
Bentley	Erdreich	Kanjorski
Bereuter	Espy	Kaptur
Bevill	Evans	Kasich
Billray	Fascell	Kastenmeier
Billrakis	Fazio	Kennedy
Bliley	Feighan	Kennelly
Boehlert	Fields	Kildee
Boggs	Fish	Kleczka
Bonior	Flake	Kolbe
Borski	Flippo	Kolter
Bosco	Foglietta	Kostmayer
Boucher	Ford (MI)	Kyl
Boxer	Ford (TN)	LaFalce
Brennan	Frank	Lagomarsino
Brooks	Frenzel	Lancaster
Browder	Frost	Lantos
Brown (CA)	Gallely	Laughlin
Brown (CO)	Gallo	Leach (IA)
Bruce	Gaydos	Leath (TX)
Bryant	Geddeson	Lehman (CA)
Buechner	Gekas	Lehman (FL)
Bunning	Gephardt	Lent
Burton	Gibbons	Levin (MI)
Bustamante	Gillmor	Levine (CA)
Byron	Gilman	Lewis (CA)
Callahan	Glickman	Lewis (FL)
Campbell (CA)	Gonzalez	Lewis (GA)
Campbell (CO)	Goodling	Lightfoot
Cardin	Gordon	Lipinski
Carper	Goss	Livingston
Carr	Gradison	Lloyd
Chandler	Grandy	Long
Chapman	Grant	Lowery (CA)
Clarke	Gray	Lowey (NY)
Clay	Green	Lukens, Thomas
Clement	Guarini	Lukens, Donald
Clinger	Gunderson	Machtley
Coble	Hall (OH)	Madigan
Coleman (MO)	Hall (TX)	Manton
Coleman (TX)	Hamilton	Markey
Collins	Hammerschmidt	Marlenee
Combest	Hancock	Martin (IL)
Conte	Hansen	Martin (NY)
Cooper	Harris	Martinez
Costello	Hastert	Matsui
Coughlin	Hatcher	Mavroules
Cox	Hawkins	Mazzoli
Coyne	Hayes (IL)	McCandless
Craig	Hayes (LA)	McCloskey
Crane	Hefley	McCollum
Crockett	Hefner	McCrery
Dannemeyer	Henry	McCurdy
Darden	Herger	McDade
Davis	Hertel	McDermott
de la Garza	Hiler	McEwen
DeFazio	Hoagland	McGrath
DeLay	Hochbrueckner	McHugh

McMillan (NC)	Ravenel	Snowe
McMillen (MD)	Ray	Solarz
McNulty	Regula	Solomon
Meyers	Rhodes	Spence
Mfume	Richardson	Spratt
Michel	Ridge	Staggers
Miller (CA)	Rinaldo	Stallings
Miller (OH)	Ritter	Stangeland
Miller (WA)	Roberts	Stark
Mineta	Robinson	Stearns
Moakley	Roe	Stenholm
Mollohan	Rogers	Stokes
Montgomery	Rohrabacher	Studds
Moody	Ros-Lehtinen	Stump
Moorhead	Rose	Sundquist
Morella	Roth	Swift
Morrison (CT)	Roukema	Synar
Morrison (WA)	Rowland (CT)	Tallon
Murphy	Rowland (GA)	Tanner
Murtha	Roybal	Tauke
Musso	Russo	Tauzin
Nagle	Sabo	Thomas (CA)
Natcher	Salki	Thomas (GA)
Neal (MA)	Sangmeister	Thomas (WY)
Neal (NC)	Sarpallus	Torres
Nelson	Savage	Torricelli
Nowak	Sawyer	Towns
Oakar	Saxton	Traffant
Oberstar	Schaefer	Traxler
Obey	Scheuer	Udall
Olin	Schiff	Unsoeld
Ortiz	Schneider	Upton
Owens (NY)	Schuetz	Valentine
Owens (UT)	Schulze	Vander Jagt
Oxley	Schumer	Vento
Packard	Sensenbrenner	Visclosky
Pallone	Sharp	Volkmer
Panetta	Shaw	Vucanovich
Parker	Shays	Walgren
Parris	Shumway	Walker
Pashayan	Shuster	Walsh
Patterson	Sikorski	Watkins
Paxon	Slitsky	Waxman
Payne (NJ)	Skaggs	Weber
Payne (VA)	Skeen	Weldon
Pease	Skelton	Wheat
Pelosi	Slattery	Whittaker
Penny	Slaughter (NY)	Whitten
Perkins	Slaughter (VA)	Williams
Petri	Smith (FL)	Wilson
Pickett	Smith (NE)	Wise
Pickle	Smith (NJ)	Wolf
Porter	Smith (TX)	Wolpe
Poshward	Smith, Denny	Wyden
Price	(OR)	Yates
Pursell	Smith, Robert	Yatron
Quillen	(NH)	Young (FL)
Rahall	Smith, Robert	
Rangel	(OR)	

NOES—3

Dingell	Fawell	Weiss
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NOT VOTING—17

Berman	Florio	Rostenkowski
Broomfield	Garcia	Schroeder
Conyers	Gingrich	Smith (IA)
Courter	Molinari	Smith (VT)
Dixon	Mrazek	Young (AK)
Early	Nielson	

□ 1655

So the motion to instruct was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. MOAKLEY). Without objection the Chair appoints the following conferees: Messrs. YATES, MURTHA, DICKS, AU COIN, BEVILL, ATKINS, WHITTEN, REGULA, McDADDE, LOWERY of California, and CONTE.

There was no objection.

PARLIAMENTARY INQUIRY

Mr. YATES. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. YATES. Mr. Speaker, is it in order for this Member to thank the Chair for the excellent way in which he conducted the hearing?

The SPEAKER pro tempore. If he does it by letter.

GENERAL LEAVE

Mr. YATES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the motion to instruct conferees on the bill (H.R. 2788) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1990, and for other purposes.

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

There was no objection.

PERSONAL EXPLANATION

Mrs. SCHROEDER. Mr. Speaker, I was absent on the afternoon of September 13, 1989. Had I been present, I would have voted as follows:

Roll No. 228: commodity futures regulation, H.R. 2869: "yea."

Roll No. 229: previous question on fiscal year 1990 Interior appropriations: "yea."

Roll No. 230: instruction of conferees on fiscal year 1990 Interior appropriations: "yea."

COMMUNICATION FROM THE CHAIRMAN OF THE COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Standards of Official Conduct:

COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT,

Washington, DC, September 12, 1989.

HON. THOMAS S. FOLEY,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Pursuant to House Rule X, clause 4(e)(2)(E), Representative Chester G. Atkins, a member of the Committee on Standards of Official Conduct, has submitted an affidavit of disqualification in the matter of Representative Barney Frank.

Enclosed herewith is a copy of Representative Atkins' affidavit, along with a copy of a motion adopted by the Committee at its meeting on September 12, 1989.

This letter is to notify you and request that you designate a Member of the House to act as a member of the Committee in any Committee proceeding relating to the matter of Representative Barney Frank.

Sincerely,

JULIAN C. DIXON,
Chairman.

Enclosures.

HOUSE OF REPRESENTATIVES,
Washington, DC.

Chester G. Atkins, being duly sworn, deposes and says:

Pursuant to House Rule X, clause 4(e)(2)(E), I hereby state I am unable to

render an impartial and unbiased decision in connection with any Committee proceeding relating to the conduct of Congressman Barney Frank.

I certify under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

CHESTER G. ATKINS.

MOTION, SEPTEMBER 12, 1989

Pursuant to House Rule X, clause 4(e)(2)(E), the Committee on Standards of Official Conduct approves and accepts the affidavit of disqualification submitted by Representative Chester G. Atkins in any Committee proceeding relating to the conduct of Representative Barney Frank.

DESIGNATION OF MEMBER TO SIT WITH AND ACT AS A MEMBER OF THE COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT IN THE MATTER OF REPRESENTATIVE BARNEY FRANK

The SPEAKER pro tempore. Pursuant to rule X, clause 4(e)(2)(E), the Chair announces that the Speaker designates the gentleman from Ohio [Mr. STOKES] to sit with and act as a member of the Committee on Standards of Official Conduct in all committee proceedings relating to the committee's investigation in the matter of Representative BARNEY FRANK of Massachusetts.

□ 1700

ORDER OF BUSINESS

Mr. GEKAS. Mr. Speaker, I ask unanimous consent that the special order that is designated on today for the gentleman from New Hampshire [Mr. DOUGLAS] be scheduled to immediately follow that granted to the gentleman from Mississippi [Mr. MONTGOMERY].

The SPEAKER pro tempore (Mr. MOAKLEY). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

SOLID WASTE TRANSPORTATION ACT

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

Mr. OLIN. Mr. Speaker, today I have introduced the Solid Waste Transportation Act to stop the unwanted flow of out-of-State garbage into a privately owned landfill in Virginia.

The Kim-Stan Landfill in Selma, VA, was sold last year, and the new owners began accepting garbage from other States, now amounting to 65 tractor trailer loads of trash each day! They're building a mountain of garbage that will leach out foul and dangerous liquids for years.

This landfill is bad news for the residents of Selma. They don't want this

operation in their backyard, but they've been told there's nothing they can do.

Well, there is something Congress can do about the Kim-Stan landfill and operations like it around the country. My bill would make it possible for States to decide whether they want to accept out-of-State garbage, and would require every State to develop a plan for dealing with their own trash.

The Kim-Stan landfill is operating today against the wishes of local government and everyone who lives near it. It is a glaring example of why we need a new law to regulate the interstate transport of solid waste.

The Solid Waste Transportation Act will amend the Solid Waste Disposal Act to place certain restrictions on the interstate disposal of solid waste. The bill will require every State to adopt a solid waste management plan. The plan, which must cover a 20-year period, must, first, identify the amount and type of waste the State expects to generate; second, certify the State's capacity to handle its own solid waste; and third, identify the volume of solid waste it expects to reduce by source reduction and recycling.

The plan can only include provisions for exporting waste to other States if the State can justify that it doesn't have the capacity to dispose of it within its own borders. (This would require States presently exporting trash to address the issue of handling their own waste before shipping it out of State.)

The bill gives the Environmental Protection Agency 12 months to promulgate regulations for enforcing the bill and an additional 12 months for each State to prepare a plan and submit it to the EPA.

After the EPA approves a State's plan, two actions are prohibited in that State: First, disposal of waste outside the State other than in accordance with its approved plan; and second, treatment or disposal of solid waste in that State other than in accordance with the approved plan.

The bill will require each State to establish a permit program for sites that complies with the State plan and would prohibit the disposal of waste at any facility that didn't have a permit.

This bill will give any State that has an approved plan the authority to place limitations on the amount of solid waste that is transported into the State, including a prohibition on the transportation into the State of all solid waste originating from other States, and a prohibition on certain types of waste, such as medical waste.

The bill will also establish some record keeping requirements so that sources and types of waste can be identified. It would first, impose record keeping requirements on the transporters of the solid waste, second, limit shipments of waste to facilities that have a permit; require shipments of waste to be accompanied by a manifest form that includes the name and address of the transporter, the name and address of the generator of the waste being transported, a description of the type of solid waste being transported, the quantity of waste being transported, and the

name and address of the facility that's to receive the waste. This manifest form would be kept at the facility where the solid waste is received and would be available for inspection. The bill also includes inspection and enforcement provisions. If a State fails to submit a plan for approval or fails to have its plan approved by the EPA, that State would incur a civil penalty not to exceed \$5,000 for each day after the deadline that it is not in compliance.

H.R. —

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 "Solid Waste Transportation Act".

SEC. 2. INTERSTATE TRANSPORTATION AND DISPOSAL OF SOLID WASTE.

(a) IN GENERAL.—Subtitle D of the Solid Waste Disposal Act (42 U.S.C. 6941 et seq.) is amended by adding at the end the following new section:

"SEC. 4011. INTERSTATE TRANSPORTATION AND DISPOSAL OF SOLID WASTE.

"(a) STATE PLAN.—(1) Each State shall prepare a plan in accordance with this section for the management in the State of all solid waste generated in the State. The plan shall cover a 20-year period and shall provide that the State, directly or through regional or local planning units—

"(A) shall identify the amount of solid waste by waste type that is reasonably expected to be generated in the State or accepted from another State for disposal in the State during the next 20 years;

"(B) shall establish a process to assure the availability of facilities with adequate capacity to treat (through recycling or other treatment) or dispose of such amount of solid waste in a manner that is protective of human health and the environment; and

"(C) shall identify the volumes of waste planned to be reduced through source reduction and recycling.

"(2) The plan may include provisions for disposal outside the State of solid waste generated in the State only if the State determines that the State does not have, and cannot develop within a reasonable period of time, the landfill or other capacity to handle the disposal of such waste in the State. If such out-of-State waste disposal is included in the plan, the plan shall provide for the establishment of such enforcement mechanisms as may be necessary to prevent the out-of-State disposal of waste in amounts that are in excess of the amounts provided for in the plan.

"(3) Not later than 12 months after the date of the enactment of this section, the Administrator shall promulgate regulations to carry out this section. Such regulations shall include such criteria for approval of plans as the Administrator considers necessary.

"(4) Not later than 12 months after regulations are promulgated to carry out this section, each State shall prepare a plan as required under paragraph (1) and submit such plan to the Administrator for approval.

"(b) APPROVAL OF PLAN.—Upon receipt of a plan from a State under subsection (a), the Administrator shall evaluate the plan and shall approve or disapprove the plan.

"(c) PROHIBITION ON ACTIONS NOT IN ACCORDANCE WITH PLAN.—Upon approval of a plan for a State, the following actions are prohibited in that State:

"(1) Disposal of waste outside of the State in a manner other than in accordance with the approved plan.

"(2) Treatment or disposal of solid waste in the State in a manner other than in accordance with the approved plan.

"(d) STATE PERMITS.—Upon approval of a plan for a State, the State shall establish a permit program under which the State shall issue permits to facilities in the State that comply with all applicable requirements of the approved plan (including protection of human health and the environment) and with all applicable requirements of State law. After the establishment of such a permit program in a State, the transportation of solid waste for treatment (including recycling and incineration) or disposal, or arranging for such transportation, treatment, or disposal, at any facility that has not been issued a permit is prohibited.

"(e) STATE AUTHORITY TO RESTRICT ACCEPTANCE OF SOLID WASTE ORIGINATING IN OTHER STATES.—(1) Subject to paragraph (2), any State that has an approved plan under this section may place limitations on the amount of solid waste that is transported into the State for purposes of disposal, including—

(A) a prohibition on the transportation into such State of all solid waste originating from other States; and

(B) a prohibition on certain types of waste, such as medical waste.

(2) The authority under paragraph (1) may be used only if the plan of the State justifies the imposition of such a limitation or prohibition on the basis of lack of capacity in such State to handle the disposal of solid waste generated in such State.

(f) RECORDKEEPING REQUIREMENTS.—(1) Any person who transports any quantity of solid waste in excess of 100 pounds from one State to another State for purposes of disposal in the other State shall register with both the Administrator and with the State in which the solid waste will be disposed of.

(2) Each shipment of waste described in paragraph (1) may be transported only to a facility with a permit under a State permit program established under subsection (d).

(3) Each shipment of waste described in paragraph (1) shall be accompanied by a manifest form. At a minimum, the manifest form shall include the following information:

(A) The name and address of the transporter.

(B) The name and address of the generator of the waste being transported.

(C) A description of the type of solid waste being transported.

(D) The quantity of waste being transported, including the number and type of containers.

(E) The name and address of the facility designated to receive the waste.

(F) Such other information as the Administrator or the State may require by regulation.

(4) The manifest form shall be kept at the facility at which the solid waste is received. Such forms shall be available for inspection pursuant to subsection (g).

(g) AUTHORITY TO INSPECT.—(1) For purposes of enforcing the provisions of this section, any person who generates, transports, treats, disposes of, or otherwise handles solid waste shall, upon request of any officer, employee or representative of the Environmental Protection Agency or of a State—

(A) furnish information relating to such waste; and

(B) permit such officer, employee, or representative to have access to, and to copy,

all records of such person relating to such waste.

(2) For purposes of implementing the authority of this subsection, such officers, employees, and representatives may enter at reasonable times any establishment or other place where solid waste is or may have been treated, disposed of, or otherwise handled and to inspect and obtain samples from any person of any such waste or of any container or label for such waste.

(h) ENFORCEMENT.—A State that fails to submit a plan under subsection (a), or fails to have such plan approved by the Administrator, shall be liable to the United States for a civil penalty in an amount not to exceed \$5,000 for each such violation. Each day such a violation continues shall constitute a separate violation.

(i) SUBTITLE C HAZARDOUS WASTE.—Nothing in this section shall apply to any hazardous waste subject to the provisions of subtitle C of this Act."

(b) TECHNICAL AMENDMENT.—Section 1001 of the Solid Waste Disposal Act is amended in the table of contents by inserting after the item relating to section 2008 the following new item:

"Sec. 4010. Interstate transportation and disposal of solid waste."

FUNDING THE WAR ON DRUGS

(Mrs. BOXER asked and was given permission to address the House for 1 minute, and to revise and extend her remarks, and include extraneous matter.)

Mrs. BOXER. Mr. Speaker, President Bush has launched a war on drugs, and we are glad. I like his speeches, but I do not like hypocrisy.

If the President thinks that more and more words and speeches will cure the drug babies and the drug addicts and jail the pushers and the kingpins, he is in for a rude shock. And he should know better; after all, he has been in charge of the drug war for 8 years.

In April, President Bush killed our transfer of funds from the star wars program to the drug war program. He said we did not need this priority shift, even though Vice President QUAYLE has admitted that the original star wars program was really political jargon.

We need more than political jargon for this drug war or it will be a 100-year war and we will lose it at that.

Our local Gannett paper has put it well in an editorial, and I am going to include that editorial in the RECORD. It said: "More of the same in the so-called war on drugs isn't good enough."

It goes on to say that President Bush's budget director "offered a glimpse at some of the cuts that could be made to finance the Bush plan: \$50 million from subsidies to rid public housing of drugs and \$40 million from grants for juvenile justice programs."

Mr. Speaker, they conclude by saying this: "If Bush thinks it's okay to make such cuts to pay for his plan,

the Nation is in for a long deepening drug crisis."

Mr. Speaker, the text of the complete editorial is as follows:

[From the Marin Independent Journal, Sept. 8, 1989]

MORE NEEDED TO FIGHT DRUGS

More of the same in the so-called war on drugs isn't good enough. President George Bush's attempt at a new strategy would direct 70 percent of its effort to law enforcement. That would be at the expense of drug education, prevention and treatment programs that already get short shift.

Bush also called for stiffer sentences for everyone caught by beefed-up drug forces—international drug dealers as well as occasional users. In effect, Bush admitted that programs to stop drugs at the border have failed. Instead, he wants to switch the focus to the street.

The president's earnest tone about the scourge of drugs sounded sincere, but his attempt to talk tough only underscored the hollowness of his effort to do something effective about the problem. Without significant new revenue and bold, imaginative programs, the drug problem is certain to continue to grow. Bush at least can't be charged with throwing money at the problem; his plan called for a 9 percent boost in spending to combat drugs next fiscal year.

Perhaps Bush meant it when he said the drug problem is "the toughest domestic challenge" faced in decades, but we wonder what he'd say about the crises in the economy and education if he were to face them.

Bush, the man who coined the phrase "voodoo economics," assured the nation it can pay for his plan "without raising taxes or adding to the budget deficit." His budget director, Richard Darman, offered a glimpse at some of the cuts that could be made to finance the Bush plan: \$50 million from subsidies to rid public housing of drugs and \$40 million from grants for juvenile justice programs.

If Bush thinks it's okay to make such cuts to pay for his plan, the nation is in for a long deepening drug crisis.

SECTION 89 REPEAL

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

Mr. GEKAS. Mr. Speaker, we have had rather accurate reports floating around the Chamber that section 89 is, indeed, about to be repealed. That is, the latest news reports indicate that the chairman of the Committee on Ways and Means, and members of the Committee on Ways and Means themselves are eager to finally end the agony we have been under, going on section 89, and agree to the repeal. We cannot tell at this juncture whether the chairman of the Committee on Ways and Means will have that done within the chamber of the Ways and Means itself, or whether later it will be debated on the floor. We who are eager for the repeal of section 89 will make sure that one way or another we are going to get a final vote on that measure.

I urge other Members to accompany me when the time comes to the Com-

mittee on Rules so that if the Committee on Ways and Means itself has not acted to fully repeal it as part of their reconciliation package, to accompany me to urge the Committee on Rules to allow an amendment to accompany the reconciliation bill when we reach the floor, so that we can do the final work of repeal of section 89.

This development, as it were, has come about because of the strong momentum of our small businessmen and large business corporate people who have seen right from the start the entangling capacity that the section 89 has, not only for the bookkeeping purposes, not only for the tax purposes, but for the rank-and-file members of the working force who can be adversely affected by the passage of section 89. Why? Not only because of the complicated features of section 89, but because many employers will have opted to eliminate health plans altogether for rank-and-file employees, should section 89 go into effect.

This is good news for everyone—for the working fellow, for the owner of a company, for the accountants who have to do all this analysis that section 89 compels, for the Members of Congress who are responding to the will of the people back home to do something about this odious measure, and now the news reports are good. However, we are not going to rely completely on the news reports. I want Members to help me proceed before the Committee on Rules.

Mr. Speaker, I yield to the gentleman from Alabama [Mr. CALLAHAN].

Mr. CALLAHAN. Mr. Speaker, I appreciate the gentleman yielding.

We are receiving calls from our district. As Members know, President Bush delayed the implementation of section 89 only until October 1. These policies that these small companies have in my district are concerned. They want to be in compliance.

I wonder if the gentleman thinks we will be able to act in some manner before October 1, or what should their position be with respect to being in possible violation of the law?

Mr. GEKAS. Mr. Speaker, I thank the gentleman for his question. I believe very strongly that either way, our people will not have to comply with section 89, because even if full repeal does not occur, we have already acted through the Committee on Appropriations, both here in the House and as I understand, in the Committee on Finance over in the Senate, to at least allow a 1-year postponement of the effective date of compliance.

So either way we want to repeal, and we think we can do it before October 1 if everything works out well, but even if it should not, the other part, that 1-year moratorium, as it were, probably would go into effect.

Mr. CALLAHAN. If the gentleman will further yield, under these circum-

stances, does the gentleman think we ought to possibly contact President Bush and ask him to extend the October 1 deadline, say, to November, so we can have an opportunity to act because these businesses are in a bad position at this point?

Mr. GEKAS. Yes. While the gentleman and I are having a colloquy about this, we will begin the request, saying the Treasury Department should, by regulation, postpone the effective date, if it is within their power to do so. That will not keep Members from moving headstrong into repeal.

Mr. CALLAHAN. If the gentleman will further yield, I think we should encourage the Treasury or whomever to go ahead and extend this, to give these people an opportunity. We are having people who are saying they must notify their insurance companies of cancellations of policies, and we need to give them that extension, to afford people the time to act within the next 30 or 45 days, but we need to have an announced extension of the delaying of 89, and we need that announcement relatively soon.

Mr. GEKAS. We will do that. I ask the gentleman to join me in that effort.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and received permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, I yield to the distinguished majority leader to inquire as to the program for tomorrow.

Mr. GEPHARDT. I thank the gentleman for yielding. The program will begin at 10 in the morning, and the effort will be to appoint conferees for the defense conference. There will likely be two votes. There will likely be a motion to instruct, and there could well be a rollcall vote; and a motion to close the conference. That requires a rollcall vote. Since we come in at 10, it is my belief we can finish the business around noon.

Mr. MICHEL. Mr. Speaker, I appreciate the information.

Mr. WEISS. Mr. Speaker, I ask unanimous consent that the remarks I am about to make be considered as part of the special order which was taken by the distinguished gentleman from Texas [Mr. Brooks], yesterday, in memory of Representative Mickey Leland.

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

There was no objection.

□ 1710

MINE DISASTER AT WILLIAM STATION MINE

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

Mr. HUBBARD. Mr. Speaker, this morning at approximately 9:30 a.m. c.d.t. methane gas exploded underground in a coal mine in western Kentucky, killing 10 miners and injuring at least 2 according to reports I have received from the Mine Safety and Health Administration here in Washington and the Kentucky State Police.

The underground mine disaster at Pyro Mining Co.'s William Station Mine near Wheatcroft in Webster County, KY, which is in my congressional district, was the Nation's worst coal mine disaster since 27 miners were killed in 1984 in a mine in Utah.

While reports of the accident continue to develop, it is known that rescue teams were working inside the mine.

Early reports indicate that 13 miners were in the vicinity when the explosion occurred. Three miners are said to have escaped.

The mine, which employs about 350 miners, is about 140 miles southwest of Louisville and 35 miles southwest of Evansville, IN.

The mine is a highly mechanized longwall operation.

In longwall mining, a mining machine continuously moves a cutter from side to side along a long exposed coal face.

As the cutter is moved forward, with conveyors which remove the loosened coal, hydraulic jacks are positioned to support the newly exposed mine roof. Behind the jacks, the layers of rock that form the roof are allowed to collapse.

In closing, Mr. Speaker, I extend to the families and friends of these 10 brave coal miners who were killed today my sincere and heartfelt sympathy.

I urge my colleagues in the House to be reminded of the dangers our Nation's coal miners encounter each day and to take the necessary steps with me to ensure that our Federal and State governments are doing everything we can to prevent such a terrible accident such as this from reoccurring.

□ 1720

AMERICAN COMPANIES WILL NOT JOIN JAPAN IN DEVELOPING NEXT SUPERSONIC JET

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

Mrs. BENTLEY. Mr. Speaker, the matter of the transfer of F-16 technology to Japan in a codevelopment agreement is of major interest to this country. Although many factors are at play here, the major issue, at this eleventh hour should be—what data is already in the possession of the Japanese?

A recent magazine story from inside Japan reports that in 1979 a MITI employee working in the United States for the Japanese External Trade Organization—a man named Motoo Shiina—transferred the plans for the F-16 plane to Moscow. Craig Spence, the American lobbyist who worked with Shiina, recently told an American reporter that Shiina not only gave the Russians the plans, he also gave them to Mitsubishi.

Seems reasonable to me. Certainly, if a MITI employee had plans for a major United States defense aircraft which he would sell to the Russians, then he would not slight his own companies.

These stories would explain not only the stunning breakthrough of the Russians on the Mig-29 and the SU-27, but it would also explain Mitsubishi's independent attitude toward our attempted controls over the export of F-16 technology. Japan has stated all along that if we control "too much", they will "go it alone." They do not "need" our "black box."

I bring this to the floor today, Mr. Speaker, because I am frankly puzzled that these stories are out—in print both in Japan and in America—and there seems to be no official investigation into what—to me—are very grave charges.

Mr. Spence claims that he was aware of the microfilming of the F-16 plans—plans which are to be in the basis of the projected jointly developed new plane—the FSX. Since Mr. Shiina reportedly purchased the house in which Mr. Spence lived and entertained during much of his career as a high profile Washington lobbyist, there seems little reason to doubt his story.

And I'm sure, good investigators would be able to locate the microfilming operation. And to question people who had control of those plans back in 1979 as to how they could have gotten away.

I have a hundred questions I would like to ask—coming up on this possible codevelopment deal—but, none of my committees have oversight.

It is a rather amazing thing that all of the circumstantial evidence that has surfaced never made people question what was happening. The Russian breakthrough in manufacturing—in the late seventies—which enabled them to handle carbon technology—for a lighter, faster aircraft was "accepted" by the West as nothing short of miraculous.

The Russian aircraft engine hasn't changed. It's the same old Russian engine it always has been, ah, but the differences are in the wings and the tail of the craft—just like the F-16.

And then there is the more recent behavior of Mitsubishi toward our wonderful F-16. Pretty cavalier, if you ask me. They seemed really not to be too interested in whether we "gave" it to them or not. And then when we began to talk about "controlling" source codes—the black box, they announced they didn't need it. They would "supply" their own.

The big question to me—and it should be to a lot of people—is whose black box will they be working from to develop their own.

If you think these speculations are harsh, too many Japanese leaders have gone down in recent years in the clouds of scandal involving corporate payoffs to not accept "payoffs" as being part of the Japanese business ethic.

Toshiba sold milling machines to the Soviets. Mitsubishi and several other Japanese firms have been involved in Libya in the efforts to build poison gas plants. Hitachi was willing to purchase stolen IBM technology in the early 1980's and so it has been in the history of our dealings with modern Japan.

This story fits into a pattern which increasingly becomes believable.

I have been against the sale of the F-16 to Japan. And, if it is going to go—it certainly must be controlled as closely as possible. The General Accounting Office reports that our past performance in coproduction efforts with other countries are grim. In every instance we have given away much too much, always more than the original agreements called for. Every single time we have been guilty of sloppy oversight and carelessness.

This agreement must signal a turnaround in the country's attitude toward the value of its wonderful technologies! And the signal should not only be going to Japan, but to the rest of the world.

Therefore, Mr. Speaker, I was very heartened by the announcement yesterday in the Seattle Post-Intelligencer newspaper which said Boeing and other American companies have declined to join the Japanese and Europeans in the consortium to develop the next generation supersonic airplane. The Battelle Institute, organizer of the consortium, said that the Americans' refusal may thwart development of the plane to succeed the Concorde. The U.S. manufacturers, Boeing and McDonnell Douglas and Pratt & Whitney and General Electric, came to the conclusion that there did not seem to be a driving need for an independent organizing body for putting together a consortium, and this was said by Mike

Henderson, Boeing's manager of high-speed civil transport.

"We decided that if the supersonic airplane was to be built, the American manufacturers could build it, and if there was a good reason to have a consortium, we could put it together ourselves," he said.

While some have interpreted the move as an attempt by domestic manufacturers to protect their proprietary technology, Henderson said Boeing was motivated more by a lack of firm plans for the next-generation jet.

But at least, Mr. Speaker, they are now thinking of America first, and I would like to place the rest of this article into the *RECORD* at this point.

The text of the article is as follows:
[From The Seattle (WA) Post-Intelligencer, Sept. 12, 1989]

BOEING BOWS OUT OF HSCT (By Susan Smith)

Boeing and other American companies have declined to join the Japanese and Europeans in a consortium to develop the next-generation supersonic airplane.

The Battelle Institute, organizer of the consortium, says the Americans' refusal may thwart development of a plane to succeed the Concorde.

"The U.S. manufacturers—Boeing and McDonnell Douglas and Pratt & Whitney and General Electric—came to the conclusion that there didn't seem to be a driving need for an independent organizing body for putting together a consortium," said Mike Henderson, Boeing's manager of high speed civil transport (HSCT).

"We decided that if the supersonic airplane was to be built, the American manufacturers could build it, and if there was a good reason to have a consortium, we could put it together ourselves," he said.

While some have interpreted the move as an attempt by domestic manufacturers to protect their proprietary technology, Henderson said Boeing was motivated more by a lack of firm plans for the next-generation jet.

"Battelle did a very nice job organizing some symposiums, but as far as going the next step—Battelle being the organizer of a consortium—there didn't seem to be a necessity for that, especially since we are as unsure about the airplane as we are," Henderson said.

Plans for the consortium have been brewing for the past three years at Battelle's Center for High Speed Commercial Flights in Columbus, Ohio.

Director James Loomis said he had letters of intent from five European and four Japanese companies to participate, but their cooperation was contingent upon an American airframe and engine manufacturer joining in.

"General Electric was prepared to do so, and they helped in promoting the program in the U.S. among airframe manufacturers, but their efforts were not successful," Loomis said. "Without them, the idea of international cooperation is kind of a hollow point."

Loomis declined to name any of the companies involved, but two European concerns often mentioned in connection with the HSCT are British Aerospace and Aerospatiale in France. The Japanese also have committed billions to develop such a plane.

Battelle, which calls itself the world's largest private research and development company, has spent about \$770,000 so far on

the project and will now "pull back out of a heavy investment mode," Loomis said.

He learned that the American companies would not participate about three weeks ago and is awaiting a response from the Japanese and Europeans.

The high-speed transport, which would travel at between two and three times the speed of sound, could cost more than \$17.5 billion to develop and would sell for \$250 million to \$400 million apiece. The companies were looking at six or eight years to get the consortium in place.

The cost and effort alone, Loomis said, would make it difficult for one company to undertake such a project.

But the lack of cooperation when it comes to cross-border landing rights and certification might be even more of an obstacle, he said.

"There are a good many of the companies worldwide that feel that there is no playing field now, no game rules, and that means that this airplane will be subject to blackmail," Loomis said. "It will be difficult for any country, or two countries, to have access for operating in countries that did not have a piece of the action."

Loomis, while disappointed, said he knew from the start that the American companies would be the most difficult to convert.

For one thing, Boeing and McDonnell Douglas are doing just fine as it is with huge backlogs for subsonic jetliners, and may not have the incentive to develop a new product before they need to.

For another, he pointed out that the American airframe manufacturers, while working with subcontractors abroad, have yet to undertake true cross-cultural joint ventures.

"If you've been in the driver's seat in the past, you might need extra persuasion that the time is right for doing something differently," he said. "There is a lot of maneuvering and positioning right now. Maybe they feel that if they go it alone they will be operating from a stronger position downstream somewhere."

Boeing's Henderson said, however, that the company has not ruled out joint venturing with a foreign concern.

"What we saw in our studies was that there is nothing about a supersonic airplane that we wouldn't do in the same way as other large commercial airplane products," he said. "That doesn't mean that it would or wouldn't be international. . . . We are not far enough along in defining a business plan to know whether or not it would be a good idea."

Boeing has about 70 people in Seattle working on the concept. The company has said it will be early next century before environmental, economic and technological bridges are crossed that would make the plane a reality.

A new supersonic jet would be designed to fly faster and farther and carry more people than the 13 Concorde expected to be retired by around 2000. But new technology will be required to cut down on noise and questions will have to be answered about depletion of the Earth's ozone layer, Boeing has said.

Mr. Speaker, I hope my congressional colleagues who also are heartened by this announcement will join in commending these companies, and, Mr. Speaker, as I yield back the balance of my time I want to join in with the remarks of my colleagues regarding the late Mickey Leland and also with

those coming up by the gentleman from Mississippi [Mr. MONTGOMERY], the gentleman from Mississippi [Mr. PARKER] and the gentleman from New Hampshire [Mr. DOUGLAS] regarding also the loss of the late LARKIN SMITH. Mickey Leland and LARKIN SMITH were killed, oddly enough, in airplane accidents about 1 week apart. They are great losses to this body.

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

TRIBUTE TO LARKIN SMITH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 60 minutes.

Mr. MONTGOMERY. Mr. Speaker, I have taken this time today to pay tribute to our friend and colleague, LARKIN SMITH, and my colleague, the gentleman from New Hampshire [Mr. DOUGLAS] also has an hour's time if that would be necessary.

Mr. Speaker, it was a month ago today that LARKIN SMITH lost his life in an aircraft tragedy, and the date was August 13. I happened to be with LARKIN SMITH that night at a baseball ceremony for the Dixie Youth Baseball in Hattiesburg, MS. We talked about the sadness of Mickey Leland, that he had been lost several days before, and I happened to mention to LARKIN that I wanted him to be careful and that we, all Members, should be more careful when we traveled, and when we traveled that we should not drive too fast on the two-lane highways, and we should be careful in flying by not taking unnecessary chances. I told him that the people at the other end understood if we did not get there on time or if we did not make it at all. He laughed. He nodded. However, Mr. Speaker, he made no comments.

Last week a memorial service was held for LARKIN here on Capitol Hill, and the church was filled with Members, staff, and friends, who were there to pay respects to one of the truly bright rising stars in this House of Representatives.

□ 1730

I was honored that his wife, Sheila, gave me the opportunity to speak at the memorial service. I feel a great personal loss because LARKIN was my friend. We feel a great loss in the Mississippi delegation as well.

LARKIN was an easy person to like. He had such a wonderful laugh that could win you over to his side of the argument.

LARKIN was a Member of Congress for only 7 months, but he was making a difference. He brought a unique experience to this House.

He was former policeman. He was a sheriff. He knew firsthand about the

drug problem and he had some definite ideas on how to improve the way that we are fighting the drug war.

I went to the funeral on the Mississippi Gulf Coast, I might point out, Mr. Speaker, over 22 Members of this House were there, including the Minority Leader, the gentleman from Illinois [Mr. MICHEL] and the gentleman from New York [Mr. WEISS]. BOB MICHEL served on his subcommittee and LARKIN SMITH also served on that subcommittee. He came the longest distance and it was a problem for those 22 Members in that the House was not in session and they had to get their own means of transportation to get to that funeral, so it was certainly appreciated by Sheila and the family and by Members of the Mississippi Congressional delegation, that the 22 Members would come to the Mississippi Coast and pay their respects for LARKIN.

We were all impressed by the number of police officers and law enforcement officers who were there to honor LARKIN SMITH, one of their own. They were devastated by the loss of this great person. They saw in LARKIN that as a law enforcement officer, as a policeman on the street, that you can move out in this country, that you can get to higher planes if you so desire. LARKIN had proven to them that you can move in high public official positions. When LARKIN went down, they were just devastated.

He was unique in that he sought a seat on the Judiciary Committee and became the first non-lawyer in the Judiciary Committee. He really offered a lot to that committee, as well as to this House, because he had been on the streets fighting drugs.

Mr. Speaker, we will miss our friend, but we will have the wonderful memories of his work and as a Member of this body. He will mainly be missed for his warm friendship that he made with a number of us in the short 7 months that he was here.

Mr. Speaker, I will hold up on my remarks to yield in my hour to some of my colleagues who have been patiently waiting to make some comments.

Mr. MICHEL. Mr. Speaker, we often refer to the House of Representatives as a microcosm of the country, drawing men and women from all walks of life to serve. Unfortunately as it is in life, so it is in death.

When one has served as long as I have, we're all too frequently called upon to experience the grief and sorrow of losing a dear friend. And in most cases, one whom we might never have come to know were it not for the nature of our job.

I believe it's worth noting that at least to this Member, we've lost an inordinate number of our colleagues over the years to plane accidents and I suspect it's because we do take chances in our efforts to cover as much ground in as little time as possible.

Such was the case with LARKIN SMITH and yes with MICKEY LELAND too. We owe it to

their memory to at least take heed. And even then, we have no assurances of what God's plan may be for us.

Because the Congress was in recess there were many of LARKIN's colleagues who could not attend the funeral, but there were a number of us from both sides of the aisle who were there, and it was a beautiful service.

It had to be one of the largest funerals I've attended, held as it was in the Civic Center of Biloxi. Floral remembrances completely encircled the arena.

In addition to the outpouring of Mississippi citizens, there were a host of law enforcement officials who came from neighboring States to pay their respects.

There was no question but that LARKIN was most popular, loved, and well respected with the home folks.

For those of us who attended from afar, we learned that the professional law man and legislator we had come to know in Washington, was so much more as a citizen and family man at home.

He came to us with personal integrity, a moral vision, and a friendly, warm personality.

As Republican leader, I watched with pride as LARKIN SMITH moved into his congressional responsibilities with the ease and grace of one to the manner born.

I watched in admiration as he took the floor for a series of 1-minute speeches, outlining in detail the twisting path that antidrug legislation has to take through a maze of committees.

He knew we needed a better system if we were going to seriously fight drugs. He informed us with the facts and persuaded us with his sincerity.

It is given to very few of us to make such a good impression in such a short time. His leaving us so suddenly, so tragically, makes his loss the harder to bear.

When we think of his potential, of the esteem in which he was held, of the great promise for his future, we can only recall the words of the poet:

"For of all sad words of tongue or pen The saddest are these: 'It might have been!'"

And yet I believe we are wrong if we think the gifts he brought to us are gone.

I believe his personal strength, his vision, his love of family, his country, his State, and his district left an indelible mark on all who were fortunate enough to know him.

Today, we honor his memory. But it is more important to remember he honored us with his friendship and graced the institution of the House with his fine work.

The true mark of a good legislator is the quality of the work he does, not the quantity of years he serves.

By that standard LARKIN achieved a level of excellence that any congressional veteran would envy. It is his legacy to us.

We certainly are going to miss him and our unbounded sympathy goes out to Sheila, Tracy, the other members of the family, and to LARKIN's staff.

Mr. MONTGOMERY. Mr. Speaker, I yield to the gentleman from Mississippi [Mr. PARKER], one of our colleagues and also who attended the funeral and made some remarks at the memorial that was held here this last week.

Mr. PARKER. Mr. Speaker, I thank my friend, the chairman from Mississippi, for yielding to me. It was indeed an honor to take part in the memorial service for LARKIN.

There are few times in a person's life when one is able to meet and know someone who is special simply because he understands. LARKIN SMITH was just such a friend. LARKIN understood there was a distinct difference between the past, the present, and the future. He understood that life is ever-changing. That life is dynamic. That life is always in turmoil because time brings change and change brings turmoil. However, he also understood that there are constants. He understood that the more the world changed—the more we, as a society, needed those constants.

He understood, to a large degree, because he remembered. He remembered when there was a time when children needed stability; he remembered when our young needed parameters and needed to be assured that life is not all uncertainty. He knew that some things are permanent and you can count on them. He remembered when a handshake was a contract that no one would break—he remembered when being faithful to your word was more important than any gain you could ever imagine. He remembered when wealth was only important if you could do good for your fellow man. He remembered and knew that for every right an individual enjoys, there is a corresponding responsibility. He remembered when a man was a man and acted as a man and accepted responsibility as a man because it was his duty. He remembered a time when an individual would be punished if he committed a wrong. He remembered a society which felt a person should receive that punishment. He remembered a time when being a good, decent person was a goal that was self-initiated, rather than some perception-oriented facade that you hired ad agencies to create—yes, LARKIN SMITH was special.

There are many trees in the forest. Some are tall, some are short, some are weak, some are strong. All of them are important. Occasionally, you find a large, healthy tree—a tree whose shade spreads out and gives protection to all who are under its limbs. There is a peace in that place—a peace that one enjoys and recalls with contentment.

LARKIN SMITH was just such a tree. His influence touched and protected many people. His branches were massive. His shade was unbounded.

Suddenly, that large tree has now fallen. The opening that is left is much larger than we thought. The full extent of his branches, we never quite comprehended. Now, when we look at the forest, we know that it is forever changed and we are sad.

But, the good news is that there are young, healthy saplings underneath. They are many. They are strong. They are not as large, but they are healthy. They have been nurtured and protected by those massive branches. They now must and, I believe they are ready, to grow on their own. We thank LARKIN SMITH, for what he gave. He gave when we didn't even know we were taking. His influence will be felt for good throughout our lives. For that, we will always be grateful.

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman from Mississippi, my colleague and LARKIN's colleague.

Mr. Speaker, I yield to the gentleman from Alabama [Mr. CALLAHAN].

Mr. CALLAHAN. Mr. Speaker, I thank the gentleman from Mississippi for yielding to me.

Mr. Speaker, last month was a painful reminder that in life there is death, in death there is sorrow, and in sorrow there are memories—some very fond, special memories.

The news spread rather quickly that Congressman LARKIN SMITH of Mississippi had been involved in a tragic airplane crash on Sunday evening, August 13.

The first reports were simply that LARKIN's plane was missing. Early indications were that a plane had gone down but there was no evidence of a fire or explosion. Everyone wanted to believe that LARKIN was going to be OK.

But, unfortunately, our hopes were dashed when the numbing news came on Monday morning that, in fact, LARKIN's plane had crashed and there were no survivors.

Coming so soon on the heels of the tragedy involving another colleague, Congressman Mickey Leland, of Texas, the news of LARKIN SMITH's death was almost too hard to believe.

LARKIN's district in Mississippi is a lot like mine in Alabama. In fact, the two districts border each other, and as a result of many mutual interests, we had become good friends during his short time here in Congress. You could say we were like next-door neighbors.

But much of the LARKIN SMITH story predates his days here on Capitol Hill. You see LARKIN was first and foremost an officer of the law. That's where he got his start, and by his own admission, that was his first love.

And from all accounts, LARKIN must have been a darn good lawman. In fact, I would go so far as saying that LARKIN SMITH was probably one of the finest men to ever wear a badge.

As a young boy looking toward the future, LARKIN wanted to be an FBI agent when he grew up. Unfortunately, financial hardships at home as well as an accident that left his brother paralyzed delayed his career in law enforcement. And although he never

became that FBI agent he had always dreamed of being, to suggest he was anything but a winner would be a serious mistake.

LARKIN SMITH devoted 23 years of his life to law enforcement. He climbed to the rank of police chief for the city of Gulfport and was later elected sheriff of Harrison County and this background provided a tremendous foundation to what would almost certainly have become a brilliant career in Congress.

He was elected to Congress just last November, replacing TRENT LOTT who moved over to the U.S. Senate, and he came to Washington with a smile on his face as broad as the Mississippi River itself. In fact, some of his friends joked that this was the real Mr. Smith who was finally coming to Washington, referring to the 1939 movie starring Jimmy Stewart.

LARKIN loved living and was having the time of his life here in his new surroundings, the U.S. House of Representatives. But LARKIN SMITH was no actor.

He was a sincere, genuine, and devoted man of the highest integrity and principles. He stood for what was right in America and when LARKIN SMITH gave you his word about something, you knew you could go to the bank on his promise.

In just 7 short months, he had quickly earned the respect of his peers on both sides of the political aisle. In fact, he was the only nonattorney to sit on the prestigious Judiciary Committee and in addition, he was one of only two Republicans named by the Speaker to serve on the National Advisory Commission on Law Enforcement.

During his days in Washington, Congressman LARKIN SMITH was already making a name for himself as a leading advocate of stronger anticrime and related antidrug efforts. He knew from firsthand experience how to successfully wage a war on drugs and his insight in this area would have been most beneficial to our Nation had he lived.

As some of you may know, I appear on a television show each Sunday morning when Congress is in session, reporting back to the residents of my district. Joining me on the program is my friend Congressman EARL HUTTO, and since he was sworn into office in January, LARKIN SMITH.

I will never forget the first TV show that we taped early in the new year. LARKIN was making his initial appearance and just like I had been a few years before, he was as stiff as a board—uncomfortable with the bright lights, the microphones, and the cameras that zoom right up in your face.

But in no time LARKIN had turned into a pro, taking his turn hosting the show and grasping the issues of the day as though they had been the better part of his life. He was a rising

star on the political horizon and was well suited to become a real leader, both in the Republican party and for our Nation as well.

LARKIN SMITH's last official act before his plane crashed was throwing out the first ball at a Little League baseball tournament in Hattiesburg, MS. He was truly an all-American.

Naturally, those of us who knew LARKIN are going to miss him the most. He is survived by his widow, Sheila, his daughter, Tracy, and his grandson, Bryce Anthony. They are a fine family and have suffered a tremendous loss. No words of condolences or expression of sympathy can truly help ease their pain or fill their void right now.

Mr. Speaker, this special order is most appropriate, for indeed, LARKIN SMITH made his mark here in Congress. But I think one of the most fitting tributes to LARKIN was a small arrangement of flowers that was delivered to his funeral. For the record, those flowers were sent by a group of inmates LARKIN SMITH had put in jail back when he was sheriff. Those prisoners just wanted LARKIN's family to know that they, too, had lost a man they respected.

LARKIN SMITH was a good man. He was my friend. And we are all better people because of him.

□ 1740

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman for his very fine statement. He certainly knew LARKIN SMITH, and he covered a wonderful range of what LARKIN was involved in.

Mr. Speaker, I yield to the gentleman from New York [Mr. WEISS], who also came to know LARKIN quite well in that I know LARKIN was the ranking minority member on the Human Resources and Intergovernmental Relations Subcommittee of the Committee on Government Operations.

Mr. WEISS. Mr. Speaker, I thank my friend for taking this special order and for yielding time to me.

Mr. Speaker, in the few months that LARKIN SMITH was in the U.S. Congress, I did come to know him as a man of sincere conviction and remarkable dedication to the service of his constituents and to his country.

His reasoned advocacy and warmth will be missed by all of us.

I had the privilege, as the gentleman from Mississippi [Mr. MONTGOMERY] says, of serving with LARKIN on the Committee on Government Operations and worked closely with him in his role as ranking minority member on the Subcommittee on Human Resources and Intergovernmental Relations, which I have the privilege of chairing.

Even though we sometimes had different positions on the matters before

the committee, LARKIN was an exceptionally sophisticated freshman member, especially in his ability and willingness to work with varying points of view. I came quickly to respect him, and it was evident that he would be one of the new rising stars in the House.

The Committee on Government Operations, as my colleagues know, is an oversight committee, and what was most impressive about LARKIN SMITH, brand new to the Congress of the United States, not having been in a legislative body before, was his ability to grasp almost instinctively that that committee really was not a committee addressing issues from a partisan point of view but from an institutional point of view, and from the very beginning, although we may have had policy differences, there was never any question of his support of the work of the committee and of the work of the subcommittee.

When we had issues relating to matters of health and welfare and scientific research, which was benefiting supposedly competitiveness of American industry but in fact was benefiting the competitiveness of international companies which were not focused on the United States, he quickly understood the institutional role that we were playing on that committee.

As is too often the case, it was not until LARKIN died that I learned much about his distinguished career as a chief law enforcement officer and county sheriff and his long-time crusade against corruption and illegal drugs. As I sat with my wife among his many colleagues who attended his funeral in Mississippi last month, I was genuinely touched by the character of this man as it was seen by his friends and family and members of his community, this man who had left public school at an early age in order to care for others in his family but who nevertheless had the perseverance to continue on and complete his college education at age 35.

One need only meet and listen to LARKIN's wife, Sheila, to realize where he must have gained much of his strength. She gave one of the most remarkable and moving eulogies that I have ever had the privilege of hearing. She said in the course of her comments that as difficult as it was to bear LARKIN's loss, she was consoled somewhat by the fact that she knew that those past 7 months with his service in Congress and the birth of his grandson were among the happiest months of LARKIN's life. He was obviously a hero to his family and to his community.

Mr. Speaker, I know that many Members had not really had enough opportunity to know LARKIN SMITH as well as they would have liked. I feel fortunate to know that I had that op-

portunity, and I certainly came to respect and like what I did know.

He will be missed in my subcommittee and in the Congress and, of course, especially in his community and by his family.

Again, I thank the distinguished gentleman for yielding time to me.

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman from New York for his comments on LARKIN SMITH and for his comments on Sheila Smith. I was, like the gentleman, very, very impressed with the remarks at the funeral and also at the memorial service up here. She is a strong person. She is working with this sadness in her own way, and I agree with her; she says that LARKIN is in heaven, and that is where he belongs, and he is looking down at us tonight.

Mr. WEISS. They were a remarkable couple.

Mr. MONTGOMERY. Mr. Speaker, I yield to the gentlewoman from Maryland [Mrs. MORELLA].

□ 1750

Mrs. MORELLA. Mr. Speaker, I thank the gentleman from Mississippi [Mr. MONTGOMERY] and the gentleman from New Hampshire [Mr. DOUGLAS] for arranging this very appropriate special order to pay tribute to our colleague, Congressman LARKIN SMITH. This has been a very sad time in this Congress having lost two of our great statesmen, and it does make one recognize the fragility of life and the need for remembering the inspiration that they have given to us.

Mr. Speaker, even as a freshman Member of Congress, LARKIN SMITH was able to have a profound effect on this body. As a sheriff of Harrison County in his native Mississippi, LARKIN pursued his dedication to the promotion of law enforcement activities and the protection of individual rights. When he arrived in Washington, LARKIN sought to continue his efforts in this area, through his involvement to eradicate the scourge of drugs across our country.

I first had a chance to meet LARKIN upon his arrival to Congress during the freshman orientation. I was impressed by his desire to serve from the very first. Unfortunately, I only had the privilege of serving with him for 7 short months. Yet, in his short term in the House, LARKIN was able to make many friends on both sides of the political aisle and was known for his thoughtfulness and reasonableness on many of the difficult issues which confront us as legislators. His enthusiasm was clear and his commitment to serve the people of the Fifth District of Mississippi was evident. Tragically, it was that very same commitment that took LARKIN from us. At the time of the crash of his small-engine aircraft, he was returning to Gulfport from Hattiesburg, where he tossed out the first

ball at a Little League baseball tournament.

Although his tenure in Washington was short, LARKIN had built up a great reservoir of goodwill and developed a deep sense of camaraderie within Congress. I, and my fellow colleagues, will miss him tremendously. We will remember his wife, Sheila, and his daughter, Tracy, in our hearts and prayers.

Mr. MONTGOMERY. Mr. Speaker, I certainly want to thank the gentlewoman from Maryland for being here tonight and taking time. I know she had a schedule over in Maryland, and Sheila appreciates very much her being here.

Mr. Speaker, I yield to the gentleman from Florida [Mr. HUTTO].

Mr. HUTTO. Mr. Speaker, I appreciate very much the gentleman from Mississippi arranging this special order so that we may pay tribute to our departed friend, LARKIN SMITH.

One of the great rewards of serving in Congress I believe is the friendships we gain here and being able to know people, to work with them. Very early in his tenure I was introduced to LARKIN SMITH, and, as has been alluded to by our colleague from Alabama, SONNY CALLAHAN, we do a television program on channel 5 in Mobile, AL that reaches the district of all three of us. With the election of TRENT LOTT to the Senate we were wondering just who this person was who would be coming in to Congress and working with us on our congressional report television program.

Of course when LARKIN SMITH did come, both Sonny and I were delighted because he is an easy fellow to work with. He has that big kind of broad smile, and although he might have been a little slow starting, he is one who wants to do something methodically. He worked hard to come to grips with the many issues that we face here in Congress. So at the outcome LARKIN did not say a whole lot on our television program, but as we moved along from week to week one could see him gaining confidence, and with his knowledge that he had gained and was gaining on many of the issues, he was a very valued member of our television program.

So Members can imagine the shock I received when in the Soviet Union with our delegation from the House Armed Services Committee we first received word about the downing of the plane of our colleague from Texas, Mickey Leland, and then almost on the heels of that to hear about the fatal plane crash involving LARKIN SMITH. We were all deeply saddened.

LARKIN was one who had gained a lot of experience in law enforcement, as has been pointed out. He came up through the ranks. He worked hard.

He is the kind of person that we like to have making laws because he understood I believe the average person. He believed in a law and order society, and dedicated his life to law enforcement.

So he was a good addition to the Congress. We shall all miss him very much. I would like to extend my deepest sympathy to his wife Sheila, his daughter Tracy, and his grandson Bryce. It was a great privilege and honor to serve with LARKIN SMITH, although it was all too short a time.

Mr. MONTGOMERY. I thank the gentleman for his comments.

Mr. Speaker, I yield to my colleague, the gentleman from Mississippi, Mr. MIKE ESPY, also a colleague of LARKIN'S.

Mr. ESPY. Mr. Speaker, I thank the gentleman from Mississippi for calling this special order to give us a chance to reflect on the life and the contribution of our good friend and our colleague, LARKIN SMITH.

Mr. Speaker, I join my colleagues as we express our sorrow and loss over the death of fellow Mississippian U.S. Representative LARKIN SMITH.

For just over 20 years, LARKIN SMITH, 45, dedicated his life to public service. As according to the Gospel of Matthew: "Well done, thou good and faithful servant."

While most of us in Washington knew LARKIN as a Congressman, he was best known in his Fifth Congressional District as a lawman. For 20 years, he wore a badge. He served as Gulfport chief of police from 1977 to 1983 and Harrison County sheriff from 1984 to 1988.

LARKIN SMITH, the sheriff, won credit for cleaning up an office haunted by scandals. At his funeral, officers from throughout Mississippi and surrounding States came to honor one of their own—he was going to represent them in Washington. Some inmates of the Harrison County Jail, sent flowers to his funeral, indicating he was respected even by those he disciplined.

He came to Washington in January and for about 8 months he faithfully represented his constituents living in southern Mississippi. As the robust freshman Congressman swiftly rushed to his meetings and appointments on the Hill, you knew he was a dedicated public servant.

Though we were of different parties, LARKIN SMITH and I were working together on issues to benefit Mississippi. We had just flown together while in Mississippi. We enjoyed discussing the diverse needs of our State. Though our districts have different needs, Mr. SMITH backed my rural development initiatives and my Mississippi Heritage Corridor Act. I supported his drug interdiction and anticrime package.

There is no doubt that LARKIN SMITH brought to Congress a solid law enforcement background, which is

needed as we develop our antidrug legislation.

I am saddened by the loss of this fellow Mississippian, friend and Congressman. To his wife, Sheila, and daughter, Tracy, I offer my prayers.

Mr. MONTGOMERY. Mr. Speaker, I would like to comment that I know the gentleman was on a hunger mission following up what Mickey Leland had done, and after he heard what had happened to LARKIN, he took about 20 hours of bad plane connections and he got there right at the funeral, but he was determined to come, and the family, as well as his own delegation appreciates that.

Mr. ESPY. I just wanted to pay tribute to LARKIN, and I thank the gentleman for yielding.

Mr. MONTGOMERY. Mr. Speaker, I yield to the gentleman from Missouri [Mr. HANCOCK].

□ 1800

Mr. HANCOCK. Mr. Speaker, before I begin, I just want to say thank you to my colleague from Mississippi for organizing this special order in honor of our late colleague, LARKIN SMITH. It is right and fitting that we honor him here tonight.

As freshman Congressmen, LARKIN and I were in the same class. LARKIN'S office was also just around the corner from mine. I had the opportunity to observe him at work. There is no question but that he was well on his way to greatness.

When I think of the type of people we need in the Congress today, LARKIN SMITH comes to mind as a perfect example.

He was an honest, decent, caring family man who well represented the common sense, conservative values of his constituents. He was a man of honor and integrity.

The legacy that LARKIN SMITH will leave with us, however, will be his unending and principled fight against illegal drugs. Both as a law enforcer and a lawmaker he dedicated himself to winning this war.

As has been mentioned, one of his most important efforts was to consolidate the bizarre maze of congressional committees claiming jurisdiction over the drug war.

LARKIN was tired of the publicity-seeking on this issue. He wanted action. That is why he championed Congressman BILL PAXON'S bill to reform our oversight of the national drug crisis.

Perhaps one of the most fitting ways to pay tribute to him is to follow through on the cause that so moved him. We must continue the fight, even though we have lost a great ally and friend. In his name and memory, we must carry on.

Mr. MONTGOMERY. I thank the gentleman.

Mr. Speaker, LARKIN SMITH thought much of the gentleman from Missouri [Mr. HANCOCK]. They were both in the same class.

Mr. Speaker, I yield to the gentleman from Kentucky [Mr. HUBBARD].

Mr. HUBBARD. I thank the gentleman from Mississippi, SONNY MONTGOMERY, for taking out this special order for our deceased colleague LARKIN SMITH. I thank the gentleman for taking time to yield to this Kentuckian to pay tribute to his friend from Mississippi who was killed in the tragic plane crash of August 13.

Indeed all of us in the House, as we were in different parts of the country, even beyond the country, some in Russia, during August were shocked to first hear about Mickey Leland's tragedy and the tragedy that befell so many with him on that plane in Ethiopia. It seems just a few days later that we heard then of the missing plane of LARKIN SMITH and they found the plane and they found the pilot and LARKIN SMITH both dead.

It is sobering for all of us in the House who travel frequently by plane to realize how uncertain life is and how dangerous it is for the flights we take. Only today my staff lined my wife Carol and me to fly up on the Saturday, September 23, from Evansville, IN, to Fulton, KY, to Murray, KY, to Madisonville, KY, to Henderson, KY. We could not tell you right now who the pilots are or what kind of a plane it is that we are going to be headed toward that plane when we land in Evansville early Saturday morning on the 23d; the chances we take.

These two tragedies certainly caused us to be more careful and to realize that these both were killed in the service of their country, first Mickey Leland over in Ethiopia, and, yes, LARKIN SMITH, doing what so many of us do, going to most of the things we are invited to, trying to be of service.

He was there to pitch out the first ball of the Little League all-stars game in Hattiesburg, MS. That night following the game he got on a single-engine plane with one pilot and the plane crashed on his way to Gulfport, MS.

Yes, LARKIN SMITH served only 7 months in Congress. Obviously by the many who speak to his good life and service for our country this evening, he was well liked both by Republicans and Democrats. It was a joy for me to know him and to work with him during the 101st Congress.

To his wife Sheila, to his daughter Tracey, to his grandson Brice and other members of the family, naturally, all of us extend to them our sympathy, our prayers and wish God's richest blessings on them all.

In closing, Mr. Speaker, I would say that knowing of LARKIN SMITH'S devotion to law enforcement and the less-

ening of the crime problem and the vanishing of the drug problem, knowing of his outstanding service in southern Mississippi as the chief law enforcement officer and sheriff for his home county and knowing of his devotion to the problems of crime and drugs here in the House, the best monument that we can provide LARKIN SMITH would be for us to pass meaningful legislation this year, to see to it, as President Bush and others have urged us, to help wipe out this serious, serious problem of drugs which LARKIN SMITH spent so much of his time fighting.

May the memory of LARKIN SMITH always be that he was one of the pioneers who helped us in the House to realize that we need to do more to wipe out the drug problem in our country.

I thank the gentleman for providing me this time.

Mr. MONTGOMERY. I thank the gentleman from Kentucky.

Mr. Speaker, I yield to the gentleman from Tennessee [Mr. DUNCAN].

Mr. DUNCAN. I thank the distinguished gentleman from Mississippi for yielding this time to me.

I would like to briefly pay tribute to my friend and colleague, LARKIN SMITH. I first met LARKIN SMITH when we attended a candidates school here in Washington in June of last year. He and I, I felt, hit it off right from the start.

We came from adjoining States, we came from somewhat similar backgrounds, with his in law enforcement and mine as a criminal court judge.

We got together again at the orientation for new Congressmen in December. After that we saw each other on an almost daily basis when the House was in session.

Our offices were on the same floor of the Cannon Building.

I counted LARKIN SMITH as one of my very best friends in Congress.

Everyone liked LARKIN SMITH. He was one of the finest men I ever knew and was well on his way to becoming a great Congressman and a true leader of this House.

My grandfather was a farmer and carpenter in Scott County, TN, and had his own Presbyterian church there. As I mentioned recently at the congressional prayer breakfast, he never missed a day at Sunday school or church for 63 years from the time he came back from the Spanish-American War until shortly before his death in 1961.

He knew the Bible backward and forward. One time I came across a note that my grandfather had made and he had written on these notes my favorite battle verse from Micah 6:8. As many people know, that verse leading into it says, "The Lord does not want from us a thousand lambs or even 10,000 rivers of oil, as great as

that would be, or even the sacrifice of our first-born." Micah 6:8 says, "It shows you, o man, what is good and what does the Lord require of you but to do justice, to love kindness, and to walk humbly with your God."

I said at the prayer breakfast recently I thought that verse summed up the entire Bible. What the Lord wants from us is to be fair and to be kind and to be humble and to realize that if we achieve any greatness in this world, that it comes not from our meager talents or abilities but from the good gifts of a great God.

I think that verse can sum up the life of LARKIN SMITH.

He did justice. He was a fair man. There is no question that he was a kind man, as some have mentioned here, even to the prisoners who served in his jail. He certainly was a humble man. He did not boast or take a lot of credit for things that he did or for the successes that he had achieved.

My favorite quote of all time is from Theodore Roosevelt. He said the credit goes to the man in the arena, the man whose face is marred by dust and sweat and tears, the man who strives and falls short again and again because there is no effort without shortcoming and failure, but the man who in the end, if he succeeds, knows the triumph of high achievement. And with that verse, if he fails, he fails while daring to do greatly, so that he knows that his place will never be with those cold and timid souls who know neither victory nor defeat.

I think what that quote says is that it is not always important whether we win or lose, that is not the most important thing in life. But the most important thing is to be involved and to participate and to be in the arena.

LARKIN SMITH was such a man. He was in the arena. He tried to make, in his own way, to make this country a better place in which to live. I know this, I certainly will miss him personally, and I know this country will miss him and I extend my sympathies to his family and I appreciate very much Mr. MONTGOMERY yielding this time to me to say these words about LARKIN SMITH.

Mr. MONTGOMERY. The gentleman mentioned about the congressional prayer breakfast. I recall that the gentleman spoke there and it was most helpful to all of us. Really about the last thing that I said to LARKIN SMITH, being with him that night on August 13, we talked, as I said, about being careful, and he said to me, "Save my place at the prayer breakfast, Thursday a week."

□ 1810

I will be there and look forward to seeing the gentleman. That was the last thing I recall. He always came to that prayer breakfast and sat toward

the back. He really enjoyed the prayer breakfast.

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman from Tennessee [Mr. DUNCAN]. I yield to the gentleman from Texas [Mr. LAUGHLIN].

Mr. LAUGHLIN. Mr. Speaker, I thank the gentleman from Mississippi [Mr. MONTGOMERY] for taking out this special order on our colleague and friend, LARKIN SMITH. LARKIN was more than a colleague and a freshman Congressman to me. We had become friends because we were neighbors. I got to know him quite well, because we had the common things between each other—we are both from the South, both had law enforcement in our background, and often I rode home with LARKIN when we were in session late at night. All the trips home we would talk about that common interest in law enforcement, and he always shared the sheriff and the chief of police's perspective. I would put in the prosecutor's perspective, and we had a great joy in talking about those things of interest.

He certainly was a leader in this war on drugs. It is an area in our country that his leadership and his knowledge and his eloquence not only in this House but throughout our country will be missed.

The thing I appreciated so much about LARKIN, the big, burly, former sheriff, and former chief of police, he had a tremendous personality and sense of humor, and he demonstrated his love for children in so many ways. To me it was personal, because he and his wife, Sheila, would drive by in front of the house, and my son, Brad, or daughter, Mary, would be in the front and he would yell out, "Hey, boy," or, "Hi there, young lady," to my daughter. My children loved LARKIN SMITH, and they were as hurt as all the Members in this House when their neighbor and friend met his death.

I guess the time that I appreciated his humor the most was we were all freshmen, and had not even taken the oath of office, and sitting around talking about this much discussed pay raise that we were to talk about, that was going to come up in January. It was all Members-elect, sitting there that had their different theories and ideas and discussions and reasonings about what they were going to do, and it got my turn and I felt compelled that I had to say something, and so I said, in my best southern voice, "I am going to say I am LARKIN SMITH from Mississippi and I favor the pay raise," at which time he got a grin and he said, "Boy, I am still sheriff, and I will be until January 3, and you get on television and around a newspaperman and say that, and I will arrest you," and from then on LARKIN SMITH and I

had a great relationship. I appreciated his humor so much.

He had a tremendous compassion, a person of strength. I heard the reputation about his integrity in Mississippi, taking over a sheriff's office that by reputation was ridden with disgrace, and he straightened that out and brought his kind of integrity to that office.

I was fortunate that I could attend his funeral, and it was truly a remarkable thing to see the Mississippians, both in law enforcement and those people he protected that filled that Coliseum, and showed their love and respect and affection for LARKIN SMITH, and the way they did feel, but even more tremendous than that was, driving from the funeral service at the Coliseum to the cemetery, and seeing the highway lined with people holding flags of our Nation, American flags, and the symbol of our Nation, that LARKIN loved and respected so much, and to see the people from all walks of life, some in swimming suits because the drive was right there on the beautiful Gulf of Mexico, and to see all walks of life standing there to show their respect for LARKIN SMITH, drove home absolutely to me what a great man this was, and for the people of Mississippi to stand out for long periods of time, that amounted to several hours, to show their respects on his final trip, made me so proud that I could tell people that LARKIN SMITH was my friend. He packed so many good contributions to the people of Mississippi into those few short years, and I am just proud to say he was my neighbor. I will miss my neighbor as all Members are going to miss LARKIN, because he was a good man.

I appreciate the gentleman from Mississippi [Mr. MONTGOMERY] yielding and say we are certainly going to miss LARKIN. The gentleman from Mississippi knew him as well as any Members did.

Mr. MONTGOMERY. Mr. Speaker, I would like to recognize the gentleman from Florida [Mr. JAMES].

Mr. JAMES. Mr. Speaker, as we all know, on Sunday night, August 13, Congressman LARKIN SMITH, of Mississippi, was killed in a small plane crash while traveling within his district. Coming on the heels of the death of Congressman MICKEY LELAND, the twin tragedies serve to remind us that public service is not always a desk job in a safe office. LARKIN SMITH's death has a more profound impact for me, however. Not only was he a fellow freshman Republican, he also served with me on the House Judiciary Subcommittee on Administrative Law and Governmental Relations. LARKIN SMITH was a dedicated servant of the people who wanted to make a difference, and one of the strongest accomplishments that he had in his all too brief career here was to bring his

strong sense of commitment in the war on drugs to the U.S. Congress.

As chief of police for the town of Gulfport and later as sheriff for Harrison County, LARKIN brought with him a clear sense of what needs to be done in the war on drugs. One of his biggest concerns was the lack of a coordinated approach to the war on drugs that should have been coming from Washington. For 28 days, with one example each day, LARKIN wanted to bring this problem of the unending maze of regulatory bodies to our attention. His hope was to bring to Members attention the incredible maze that our drug policy must pass through in order to become law. It was obvious that LARKIN believed in what he was speaking about. His forceful manner in showing us what should be common sense to all was both noble and effective.

Of course, LARKIN was unable to finish his important work. However, his efforts did not go unnoticed among his fellow Members. I would like to call to the Members' attention the fact that many of us in the freshman Republican class are continuing to give 1 minute speeches each morning, trying to bring home the message. It is a fitting tribute to a man who cared so much about the war on drugs. But a more fitting tribute would be to adopt the proposals that LARKIN made to streamline the process on regulation and oversight of our drug war. Both Congressman SMITH and myself were original cosponsors of the bill to establish a single committee with jurisdiction over the war on drugs. I urge all members to work immediately toward its adoption.

I will always remember LARKIN as a sincere man who believed in himself and cared deeply for America. My heart goes out to his family, who has endured this tragic loss. Their loss is our loss as well. We shall miss him deeply.

Mr. MONTGOMERY. I thank the gentleman from Florida.

I yield to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Speaker, I thank my colleague for calling this special order for our good friend, LARKIN SMITH. Obviously, our friendship with him, for some Members outside of Mississippi was cut short so tragically, but in the very short time LARKIN was here, he made a positive impression on all Members with his good humor, which many colleagues have referred to, his hard work, and deep commitment.

When he arrived it was clear he loved being in Congress. It was a real triumph for him to be here, and he would make his mark. He would make it in a way that we would all remember. We did not realize it would be so short.

LARKIN, as the chairman of the subcommittee, the gentleman from New York [Mr. WEISS] stated, was the ranking minority member on the Subcommittee on Human Resources and Intergovernmental Relations, on which I serve. We have already heard of his fine work on that committee, but I wanted to add my comments that it was such a pleasure to work with him because even though we disagreed on almost every issue, he conducted his work diligently and in such a gracious manner. Although we disagreed, he was never a person to be disagreeable.

□ 1820

Mr. Speaker, we used to have a little contest, two of them. One was to make sure; we would match and compare votes to make sure that we had not voted the same by accident, and we used to also have a little contest to see which of us could get our calls returned by the administration quicker. I hope LARKIN won that contest.

But in any case, as my colleagues can tell, it was a joy to work with him, and because he conducted himself so graciously and with such good humor, he had tremendous communication with Members on both sides of the aisle.

The strength of his commitment; he was admired for the strength of his commitment, which has been mentioned, to stop the flow of illegal drugs flooding our Nation. As we all know, prior to being elected to Congress, we have heard over and over that LARKIN was a sheriff, and he served on the White House Conference for a Drug-Free America. As we work to serve the youth of our Nation by combating drugs, we can do it knowing that we are carrying on LARKIN's agenda.

My sincere condolences go to his wife, Sheila, and his family. LARKIN SMITH died in the services of his country. We will miss him fondly and will work for the goals he set for himself and for us all. I know that he is a proud son of Mississippi, but I thank God that he had a chance to receive national recognition for his work, and I know that made him happy.

To my colleagues: It is obvious that this is a sad week for us, special orders for Mickey yesterday, special orders for LARKIN today. To my colleagues who are so driven by their concern and commitment for our country, I join those who have said, "Be careful."

Mr. Speaker, it was an honor and a pleasure to work with LARKIN SMITH. He will be sorely missed.

Mr. MONTGOMERY. Mr. Speaker, I thank the gentlewoman from California [Ms. PELOSI], and what she said at the last, well, this was just a freak accident, but Members have to be more careful. We could have more sadnesses that we have had here in the

last 30 days. Sometimes we think we have to get there, but the people, as I said, at the other end, they understand if we cannot make it.

Ms. PELOSI. Mr. Speaker, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentlewoman from California.

Ms. PELOSI. Mr. Speaker, it is clear from the affection for LARKIN that is being demonstrated on both sides of the aisle that even though God's time may have been up for him, it has had a sad, sad effect on all of us in this respect, and admiration and love for him crosses the aisle, and so to our colleagues, "Your time may be up." God may want to take you home, but you take a little bit of each of us when you go. So, please, please, be careful.

Mr. MONTGOMERY. Mr. Speaker, I yield to the gentleman from Florida [Mr. STEARNS].

Mr. STEARNS. Mr. Speaker, I thank the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. Speaker, I also want to compliment the gentleman from Mississippi [Mr. MONTGOMERY] and thank him for setting aside this time that we might speak on behalf of LARKIN SMITH. I think today, as the gentlewoman from California [Mr. PELOSI] has pointed out, that the love and care we have for LARKIN transcends philosophies. I say, "Whether you are a conservative or a liberal, you knew when you met LARKIN that you met a man of character, decency, and he had a way about him that you just loved him and cared for him."

So, Mr. Speaker, it is with a great loss that I share the sentiments of the rest of the colleagues here about LARKIN.

As my colleagues know, when I thought about speaking about LARKIN, there is one thing that came to mind about him. He seized the day for Our Heavenly Father. In this respect he thought and acted each day with a reverence for life and for his fellow man and woman. He had a way when we were with him in a group of making fun, and he helped us to not take ourselves so seriously and to look upon him and the way he joked about others and himself to create this bond of friendship. It was unique, and I know in our freshman class we had several freshman social functions, and one was at my colleague's, the gentleman from Vermont [Mr. SMITH], house in Virginia, and several of the jokes that he gave to us at that time almost put us in tears. I mean it was just a wonderful evening because of his friendship and because of his humor, and we have all spoken about it.

Mr. Speaker, I think that that sense of humor is something that we will all sorely miss here today.

In addition to helping us not take ourselves too seriously, he sort of

lightened the load, not just with his humor, but by his way of approaching the problems. He talked about priorities in America. He talked about drugs, and he talked about the criminal justice system.

As my colleagues know, I had the honor of putting his name into nomination at the committee on committees on the Republican side. He wanted to be on the Committee on the Judiciary, and, as my colleagues know, Mr. Speaker, everybody on that committee is a lawyer, and LARKIN SMITH was an individual who was not a lawyer, but with his broad background in criminal justice he was appointed. So, I had that honor during the committee on committees. He seemed to have a sense of Congress, and like the gentlewoman from California [Ms. PELOSI] said, he just relished in this job.

Several times I went up to his office in the Cannon Building and visited with him, and talked about the job, and I got a lot of good pointers from him as a freshman. I think he made my job improve because of his insight.

I would just like to conclude by wishing my condolences and offering my sympathy to Sheila, his wife and family, and just say, "God bless you, LARKIN. We miss you very much."

Mr. MONTGOMERY. Mr. Speaker, I want to thank the gentleman from Florida [Mr. STEARNS] and, Mr. Speaker, I have about 3 minutes left.

Mr. Speaker, let me close by some quotes and some Bible statements that I made at LARKIN's memorial when we had it here in Washington, and these quotes remind me of our friend today, and I quote:

"It matters not how a man dies, but how he lives."

From Revelation 14, "Blessed are the dead which die in the Lord. They may rest from their labors, and their works do follow them."

And I close with the verses and the writings of Paul in Second Timothy which describe LARKIN.

"I fought the good fight. I have finished the race. I have kept the faith."

TRIBUTE TO LARKIN SMITH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Hampshire Mr. DOUGLAS is recognized for 60 minutes.

Mr. DOUGLAS. Mr. Speaker, I yield 5 minutes to the gentleman from Virginia [Mr. PAYNE].

Mr. PAYNE of Virginia. Mr. Speaker, I thank the gentleman from Mississippi [Mr. MONTGOMERY] and the gentleman from New Hampshire [Mr. DOUGLAS] for arranging this tribute to a very fine colleague and fine Member of Congress.

Mr. Speaker, I rise today to join with others in the House in remembering our colleague, LARKIN SMITH.

I did not know LARKIN before he came to Congress, but I had the opportunity to attend the seminar for freshman congressmen with him and learned more about LARKIN and we both regularly attended the Thursday morning prayer breakfast.

Regularly we would see each other in the center aisle at the back of this Chamber, and talk about what was going on in our lives. Neither LARKIN nor I had ever served in a legislative body before and I benefited from sharing his views and experiences. In short order, I came to like and respect LARKIN, and because he was a genuine, hardworking person who was here because he cared, and because he truly wanted to make a difference.

LARKIN was not with us for long, but it was long enough to recognize that there was a man who could have made a superb contribution to the Nation. LARKIN brought to the House a new perspective in our efforts at drug eradication. As Harrison County sheriff, he had worked in the field in this never-ending war. As an experienced law-enforcement officer the contributions he could have made to the work of the Judiciary and Government Operations Committees can only be imagined. What need not be imagined, however, is that they would have been very real, very concrete, no-nonsense initiatives.

He was so concerned about the drug menace, and our need to be more effective in battling it. He spoke on the floor, time after time, about some of the inefficiencies that we needed to know about and correct. He would have taught us so much, if it had not been for his tragic accident.

It was apparent to everyone who knew LARKIN SMITH that, from his first day on the job, he was deeply committed to moving forward the interests of his constituent and the work of the committees on which he served. He would undoubtedly have served as a model for future members, as a legislator dedicated to the service of his district, the Nation, and especially of future generations.

Our hearts go out to LARKIN's wife Sheila and to his daughter Tracey and grandson Bryce. We will miss LARKIN very much.

□ 1830

Mr. DOUGLAS. Mr. Speaker, I appreciate the gentleman's remarks.

I just wanted to thank the gentleman from Mississippi [Mr. MONTGOMERY] for working with us in what I think has been an excellent tribute tonight.

Mr. Speaker, I yield to the gentleman from New York [Mr. WALSH].

Mr. WALSH. Mr. Speaker, I thank the distinguished gentleman from New Hampshire for yielding to me.

I would also like to thank the distinguished chairman of the Veterans' Committee, the gentleman from Mississippi [Mr. MONTGOMERY] for calling this special order.

This has been a tumultuous year for this Congress, for this House. We have all suffered as we watched the events of this year occur. LARKIN noticed these changes and these events, along with the rest of us. We, as freshmen, felt that this has been an exceptional year and we commented on it, on the changes that had taken place in the House. Little did LARKIN know that he would become part of the tumult that has affected this House. This House has been called a living body, an organism similar to the society that we represent. To lose an individual of LARKIN's character and ability is a tragedy in any community.

Mr. Speaker, I am honored to stand today to pay tribute to the late Representative LARKIN I. SMITH of Mississippi, a man I knew a short time as a fellow freshman Representative and a strong spokesman for our war on drugs.

Before his swearing-in on January 3 this year, LARKIN was the Sheriff in Harrison County, and before that he was Chief of Police in his hometown of Gulfport. He made drugs a campaign issue like no one else could.

I remember a videotape that was shown at a freshman dinner held before we all took the oath of office. It was a campaign commercial of LARKIN in his uniform on a police boat, setting out to patrol his area of responsibility in the Gulf of Mexico. His words were strong. He was committed. He wanted Federal involvement, more money for interdiction. He wanted to fight in the war on drugs. To him that meant keeping drugs out of the country. LARKIN SMITH was the motivator in a coordinated effort among Gulf Coast States to stop the flow of drugs into the United States.

He never lost that drive once the voters of his district chose to send this humble and likable man to the Nation's capital to represent them. The depth of his commitment to fight the war on drugs is an inspiration for me.

His strength of character and the impression he made on me in such a short acquaintance make it all the easier for me to support the President's new initiative against the scourge of drugs in America.

I want to take this opportunity to send publicly my condolences to LARKIN's wife Sheila, his daughter Tracy and his young grandson. He was a good man and we will miss him here where he did a rare thing by making an impact in such a short period of time.

Mr. DOUGLAS. Mr. Speaker, I appreciate the gentleman's remarks on behalf of our departed freshman colleague.

Mr. Speaker, I yield to the gentleman from Illinois [Mr. POSHARD] who is a Member of this freshman class.

Mr. POSHARD. Mr. Speaker, I thank the gentleman from New Hampshire and my freshman colleagues for giving me an opportunity to participate in this special order and tribute to our friend, LARKIN SMITH.

Mr. Speaker, LARKIN SMITH and I came to Congress together as Members of the 1989 freshman class. It has been well-stated here how LARKIN was considered a rising star here in the Congress, a man able to match his skills to his ideals, and now we can only guess as to what great things he would have accomplished.

As newcomers to the Congress, LARKIN and I spent some time together at our orientation sessions, as we were both trying to learn how to be the best possible Representatives we could be to our districts. We sat next to each other at the freshman orientation conference on issues at Harvard University for an entire week. It was there that I got to know LARKIN and to talk to him about a lot of different things, sometimes on issues, but most often about other things that we cared a lot about.

I remember one thing that LARKIN expressed to me was how difficult it was going to be to find a way to spend time with his family now and how much he really wanted to try to do that. I learned there firsthand about his commitment toward stopping the drug epidemic that is sweeping this Nation. His background in law enforcement has been well-stated here, and that was certainly part of his motivation, but I believe there was something much deeper at work in LARKIN SMITH.

When you talked to LARKIN, you knew that he absolutely loved the gulf coast area which he represented here in the Congress. He was very angry at the drug pirates that were moving in because they have been forced out of other places. He was a man who saw his community at risk, and he decided he was not going to take that without a fight. It is one thing to say that we should fight the war on drugs, but it is another to step up to the firing line, and that is where LARKIN SMITH could always be found in this war on drugs.

He died in a plane crash while he was trying to reach the people of his large rural district. I can relate to that, because my district in southern Illinois is a couple of hundred miles from one end to the other, and the temptation to try to be in two places at the same time is tremendous. Obviously, you cannot do that, so you make up a schedule that is tight and sometimes unforgiving. When LARKIN SMITH died, he was trying to give the people of his district what he promised them, service, despite all the potential risks to his personal safety, and I am

sure the good people of Mississippi appreciate his sacrifice.

Mr. Speaker, when someone dies, they leave behind a family, and LARKIN SMITH loved his family more than anything else he knew or did. Our hearts go out to them in this time of grief.

Mr. Speaker, LARKIN was just a good and decent man. He was just a very solid human being, and I know he is the kind of person that people ought to feel proud to send to represent them in this Congress. I know the people of Mississippi do. We are going to miss him a great deal here, and again I appreciate this opportunity to participate.

Mr. DOUGLAS. Those were great words and I know the folks in Mississippi will appreciate those comments.

Mr. Speaker, I yield to the distinguished gentleman from Pennsylvania [Mr. GEKAS], who is also a member of the Judiciary Committee and someone who knows LARKIN from having served with him at least in that capacity, among many others.

□ 1840

Mr. GEKAS. Mr. Speaker, I thank the gentleman for yielding. I also add my thanks to the gentleman from Mississippi for cojoining with the gentleman from New Hampshire to make this hour possible for us.

LARKIN, that is a unique name for a unique man. I had never heard the name before, LARKIN. Perhaps we will never hear it again. Perhaps he will be the only Member of Congress in the history of the United States who will have the name of LARKIN attached to his honored role or call in the Congress. LARKIN, it means a spirited, high-soaring individual with great gallant who would influence the atmosphere around him. That is a pretty good description of our friend, LARKIN SMITH.

As a matter of fact, the dictionary—and I am taking some liberty in describing the lark—calls it a songbird of the Old World, and LARKIN was our songbird as it were of the Old South, combining the chivalry and the gentlemanliness and the demeanor of the Old South and the courage of the New South.

LARKIN was a joy to be with and was properly given the name LARKIN by his parents and his family.

It is true that my short friendship with LARKIN was curtailed by the tragic events, but that friendship was a meaningful one even for that short time, and as it has been mentioned, his brief service on the Committee on the Judiciary bore fruits almost immediately, engaged in some of the heavier debates of that committee right from the start and was involved in the maneuverings and the negotiations that

always accompany a good committee's work.

Yes, his flight, the flight of our songbird, has been ended, but he did soar to a high place in our minds and in our hearts, and the atmosphere that he flew around and matched with his own spirit has made us all better Members of Congress.

Mr. DOUGLAS. Mr. Speaker, I thank the gentleman for those remarks. We appreciate it.

Mr. Speaker, I yield to the distinguished delegate from American Samoa, the gentleman from American Samoa [Mr. FALOMAVEGA].

Mr. FALOMAVEGA. Mr. Speaker, I thank the gentleman from New Hampshire for giving me this time to say a few words. Also, I thank the distinguished chairman of the Committee on Veterans' Affairs, also, the dean of the delegation for Mississippi, my good friend, the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. Speaker, I find this to be a very unpleasant experience, especially as a new Member here in this great institution, of having to give speeches, and it was just yesterday that I was here in the well and trying to share my thoughts of how much my friend, Mickey Leland, meant to me, and now today I have had to do the same for another dear friend whom I have had the opportunity to meet and to learn from his very much, not only in drug enforcement but in other aspects of our living here in this great place in Washington.

As a member of the freshman class, I had the privilege of getting to know LARKIN SMITH at our orientation course last January at Harvard University Schools of Government. I found him to be a very warm, friendly, and happy person. His charm and warmth made me feel welcome in this hectic and sometimes cold and unfriendly place like Washington, DC.

Mr. Speaker, the saddest thoughts that I have on LARKIN's death are that he was so young and just starting a great political career. His previous service at levels of law enforcement are to his credit. He brought a unique perspective to this body, and that perspective will be sorely missed. I learned a lot from this man about drug enforcement.

Mr. Speaker, we have a saying in the islands about a fish, and the first part of the fish, when it starts to rot, is the head, and one of the things that I learned from LARKIN SMITH is what we need to do in these drug enforcement problems that we have sometimes, we need to go after the drug barons of America if we are really serious about doing anything about stopping this insane problem that we are facing here in this country.

Mr. Speaker, I would like to conclude this tribute with the following scripture lines that I feel touch on the

life of this committed and dedicated public servant:

Behold, my soul delighteth in the things of the Lord; and my heart pondereth continually upon the things which I have seen and heard.

My God hath been my support; he hath led me through mine afflictions in the wilderness; and he hath preserved me upon the waters of the great deep.

He hath filled me with his love, even unto the consuming of my flesh.

He hath confounded mine enemies, unto the causing of them to quake before me.

Behold, he hath heard my cry by day, and he hath given me knowledge by visions in the nighttime.

And by day have I waxed bold in mighty prayer before him; yea, my voice have I sent up on high; and angels came down and ministered unto me.

Rejoice, O my heart, and cry unto the Lord, and say: O Lord, I will praise thee forever; yea, my soul will rejoice in thee, my God, and the rock of my salvation.

May the gates of hell be shut continually before me, because that my heart is broken and my spirits is contrite! O Lord, wilt thou not shut the gates of thy righteousness before me, that I may walk in the path of the low valley, that I may be strict in the plain road!

Yea, I know that God will give liberally to him that asketh. Yea, my God will give me, if I ask not amiss; therefore I will lift up my voice unto thee; yea, I will cry unto thee, my God, the rock of my righteousness. Behold, my voice shall forever ascend up unto thee, my rock and mine everlasting God. Amen.

I pay this special tribute to you, LARKIN SMITH, a true gentleman, not only from the South but representing this great country of ours.

Mr. DOUGLAS. I thank the gentleman for those very, very excellent remarks, and I know as fellow freshmen, there are a number of us who still want to speak.

Mr. Speaker, I yield to one of my distinguished colleagues from New England, from the little State of Rhode Island, the gentleman from Rhode Island [Mr. MACHTELEY].

Mr. MACHTELEY. Mr. Speaker, I thank the gentleman for yielding. I want to thank the gentleman and the distinguished gentleman from Mississippi [Mr. MONTGOMERY] for giving us the opportunity to talk about our friend and for some of us, our classmate and our leader, LARKIN SMITH.

Many of us give speeches about many subjects in this very historic Chamber. None is more difficult than to talk about the loss of a friend, talk about the loss of a colleague, particularly when that loss occurs at the beginning of his career, a career which has so much hope, so much greatness in store.

LARKIN SMITH, I know, had a great relationship with his God, and he understood a personal relationship which few people are ever able to obtain. I think it is that personal relationship which permitted him to enjoy and accept life and accept the things

which life provides for us, often tragic, often unexpected.

It is difficult for us within our limited experiences and with our limited knowledge to articulate and explain death. We are saddened by death, and we are saddened at the loss of a good friend.

Opportunities like this help us reflect, to search inside our hearts, and to try and articulate and to grow and to learn from his life and even from his death.

LARKIN and I came from different States. Until we were elected to Congress, we did not know one another. We came from different backgrounds and had different experiences. We both came to this Congress with the hope that we might make this country a better place for our efforts here.

None was more committed to making this country better than LARKIN SMITH. SHERIFF LARKIN SMITH, he came to this Congress committed to a moral fiber. He came committed to integrity and to his family. He was a kind and he was a great man. He stood for law and order, and his life reflected that.

He spoke daily here as I stand with charts about a menace to our society which none of us had the experience that he had, the personal experience of being a sheriff dealing with drugs on a daily basis. There are few of us who have a vision for our own lives and few of us who have a vision for this country. Unfortunately, there are even fewer who work toward that vision.

□ 1850

LARKIN SMITH was one of those lucky individuals who had a vision for this country and for himself, and was able to work toward that vision.

Today we paid tribute earlier to Mickey Leland who recently passed away. I went to that service and came to this floor with the hope of giving a tribute to these late Congressmen. But like in their life, they gave to me in their death spiritual encouragement to continue to carry on the things which were important to them and which are so important to our country.

We are all saddened by both of their deaths. We will miss LARKIN SMITH's strength and his commitment, his purpose. We will miss his good nature and his love of country and his love of Mississippi. We will miss his friendship.

As a fellow member of the Prayer Breakfast, I know LARKIN SMITH is still giving. He is still going strong, giving speeches, only now his audience are the great former Members of this institution who preceded him to that special House chamber in Heaven. We are better for having known LARKIN SMITH. The world is better for his life.

Our prayers today and always are with his family as they put their life

together without their dear father and friend. Our freshman class, this Congress and Mississippi, and the whole country will miss LARKIN SMITH.

Thank you, LARKIN, for your life. It was important for all of us.

Mr. DOUGLAS. I thank the gentleman for his comments. I know tomorrow morning when the Prayer Breakfast meets that RON and LARKIN and a number of us including myself attend regularly, we are going to be saddened by the fact that we will not have that great smile and booming voice that we always used to enjoy having greet us.

Mr. Speaker, at this time also to give some of his personal observations and remembrances, I yield to the distinguished gentleman from Florida [Mr. GOSS].

Mr. GOSS. Mr. Speaker, I thank the distinguished gentleman from New Hampshire, and of course the distinguished gentleman from Mississippi for making this opportunity possible. Obviously I would like to associate myself with all of the fine testimonial that has been made on behalf of LARKIN by our classmates and other colleagues in this body.

I think that it is very hard to express the depth of feeling, and it may be hard for people to understand in the 10 months or so or the 7 months or whatever it was, the different spans of time that we knew LARKIN, how strong a bond, how meaningful a relationship had developed with him. I will never forget his camaraderie or his friendship.

We were part of the fifth floor Cannon gang together up there on freshman row sharing the frustrations of the elevator, the frustrations of not quite enough space to take care of staff, and all of those other little things that we got a chance to talk about from time to time, and laugh about when we got all through commiserating about our minor little problems.

I guess I can express as so many of us can that there are gaps, there are already gaps in our day, significant gaps that come from the loss of LARKIN, whether it is at the Prayer Breakfast, whether it is just walking back. Quite often I used to seek LARKIN out. He was good company to walk back with, and to get the latest stories, and to hear the latest news from Mississippi, and it was a good walk back to the fifth floor in the Cannon Building. And he often made it a lot more pleasurable than it would have been otherwise.

LARKIN and I shared some background in common being from Florida, and being a product of local government service. In that sphere I had seen firsthand some of the law enforcement problems and drug-related crime problems, their effect on the quality of life in our communities, the cost to our pocketbooks, to our citizens

and to our communities as that terrible plague has come about upon us. LARKIN and I were very serious about it. I do not think we ever took ourselves very seriously, but we were very serious, and I always would say, "LARKIN, I am going to chase them out of my district and chase them up to your district." And he said, "I'm ready. You send them up and we will catch them, and we will put them in jail." And he did, and he would still be doing it if he were here.

We talked about a lot of issues in the Southern Caucus and about the gulf coast issues particularly. I think LARKIN and I were actually on somewhat opposing sides of an issue that is still before us on the turtle-excluder devices on our shrimpers. I think of the discussions that we had on that, and I have a district that is very partial to making sure that the turtles get a fair break, and LARKIN was making sure that the shrimpers get a fair break. The good part of that is that with a lot of good humor, and a lot of understanding, of equity, I think that LARKIN came up with a workable solution to it that both the turtle champions and the shrimpers can embrace. I hope that is a piece of legislation we are going to get to see more of before we are through.

There is just no doubt that that kind of approach, even though we came at it from a different side, LARKIN made easier with his humor and with his special understanding.

I really got a glimpse of just how special that understanding was when we traveled down to Gulfport and Biloxi for the remarkable service at the civic center there. Others have spoken of this today, and it is hard to express. I think perhaps that the two law enforcement officers who escorted us back to our plane, and we were flying commercially and had a tight schedule, and they escorted us back to the airport so that we could make our plane, they were very tight-lipped, of course, and very saddened by the event, and the only comment they made was to the effect that folks thought a lot about LARKIN down in that part of the world, and they said it in such a way that you knew that they meant it, and that they knew if you disagreed with them you would be wise not to say so. Of course, I do not think there would be anybody who would have disagreed, certainly nobody who knew LARKIN.

I guess that as we have gone along, the other memories that I have being a freshman and sharing some of the wonderful revelations that come to freshmen as they come to this town, and to this marvelous institution, and accept their responsibilities and take up their tasks, we all learn things, and we get together once a week or so and try to share them. And we do it in a way that we try and be helpful to each

other. I think LARKIN had a special knack for finding out some of the things we needed to do, and some of the things we needed to avoid, and he shared them in such a good, neighborly and thoughtful way that I think he has probably saved all of us a lot of embarrassment at one point or another. I know that some things that are happening in my office now would not have been happening unless LARKIN had brought them to our attention.

So I think finally I would like to offer my condolences to his constituents, to all of the people of Mississippi, of course, who showed their love and respect for this man by filling that civic center so dramatically, and for the tenderness and the feeling of that memorial service. And of course to his wife, Sheila, and Tracey, and Bryce, may God bless them all.

Mr. DOUGLAS. I thank the gentleman very much.

Another neighboring State of Mississippi is Louisiana, and the gentleman from Louisiana [Mr. HOLLOWAY] is someone who I know all of us in the freshman class have looked to for his inspiration, especially in the area of child care where he has been one of the leaders who has inspired a lot of us with his alternatives. It is a pleasure to yield to my distinguished colleague from Louisiana [Mr. HOLLOWAY].

Mr. HOLLOWAY. I thank the gentleman from New Hampshire as well as also my neighboring friend from Mississippi. I will just make it very brief because we have said many good things about LARKIN, and I am a person that is very hard to impress, one who would not go to the next corner to see Paul Newman or anyone else, but LARKIN impressed me as an individual. He really impressed me and his wife, Sheila, impressed my wife so. I am sorry that we did not get to know them better than we did.

This Chamber has many champions for many causes. Our friend from Mississippi [Mr. MONTGOMERY] is definitely a champion for the veterans of this country. Our friend from Florida who just passed away, Mr. Pepper, was definitely a champion for the senior citizens of this country. The gentleman from Pennsylvania, Mr. CURT WELDON, is very definitely the champion for the fireman of this country, and I say very much so that LARKIN SMITH would have been a champion for the law enforcement officers of this country, a group who really needs a champion at this point, because I think they are unfairly treated at times. When we speak of brutality, so often we would rather have 100 murders sometimes I think than accept that we had one brutality. So I think LARKIN was very badly needed in this country, someone who would have offered

something to championing a cause for law enforcement officers of this country.

I thought a great deal of just getting to chat with him here on the floor. But the one thing that I will end in remembering was we had rumors that, and I guess we could not call him an American, but that Greg Johnson was going to be here to burn another flag on the grounds of the Capitol. And of course it drew a big crowd of us. But as the crowd dwindled down, the picture I have is LARKIN and myself signing autographs of a couple of children there, and we were probably the last two left over in front of the Methodist building, but we were there, and if he would have come out, we would have taken the flag away from him. I do believe LARKIN was there with the same support that I had, and that he would not have burned that flag on the grounds of this Capitol.

□ 1900

So that is the picture that I have that I will be left with, as a reminder of LARKIN. I have to say he was a great American.

I thank the gentleman for yielding.

Mr. DOUGLAS. I thank the gentleman for his comments. We appreciate them.

I think we will all remember that get-together over there that would have been quite a surprise if Gregory Lee Johnson had decided to burn his second flag.

Mr. Speaker, at this time I yield to another freshman colleague, someone who has the same good humor and spirit that LARKIN had and who loved him, I know, as a brother and a fellow freshman, the gentleman from California [Mr. ROHRBACHER].

Mr. ROHRBACHER. I want to express my appreciation to my colleagues from Mississippi and New Hampshire for making this tribute possible. It is hard to imagine that LARKIN is not going to be with us. I mean I feel such a sense of loss, and I know our whole class feels such a sense of loss. But I recall the very first moment that LARKIN SMITH became a part of my consciousness. I was looking through the documents concerning our freshman class and certainly LARKIN's picture was there, and I looked at it and then at his background.

I said to myself, "Oh, boy, just what we need, a sheriff from Mississippi." And I fell right into the media-generated stereotype of Southerners, especially southern sheriffs.

I expected to meet a yahoo, somebody with a red neck and no mind.

When I got to our first freshman meetings I guess I was a little standoffish. Then listening to LARKIN, just meeting that man once, just absolutely overwhelmed that negative stereotype.

He was a wonderful and decent and caring human being. This is a man who grew up as a law enforcement person, a person involved in law enforcement, having to deal with force, having to deal with the criminal element. Yet, he had kept such a positive spirit about himself. The positive nature that LARKIN just gave to those around him was something that we could draw on from LARKIN. Even today, every time I walk into this Hall and miss that positive spirit, and I look over, looking for that head of gray hair, sitting here thinking I could sit down beside him and have my spirits lifted.

LARKIN was a lawman in his life. In his 25 years of adulthood he spent that time fighting for honesty, for justice and for American liberty. He asked for honesty because LARKIN, as we know, was a lawman who risked his life and gave his career to cleanup organized crime in his own county, in his own area of Mississippi. We knew that he knew that honesty was so important to a public official. He fought for justice. He was committed not just to getting the criminal but protecting the innocent. That is what justice is all about in this society. It is not just putting the guilty people away in jails; it is making sure that those innocent people are protected. That was part of LARKIN's positive spirit that you could sense about him every time you talked to him about whatever issue it was.

He was a man dedicated to human liberty.

What does America stand for? That is what LARKIN SMITH stood for. He was proud to be an American. I know that LARKIN understood law enforcement better than anybody else in the freshman class and perhaps better than anybody else here on the floor of the House of Representatives.

He knew that the law should not be focused on criminals but it should be focused also on protecting the innocent. But to the degree that force was exercised, he knew that the law had to be effective in dealing with criminals.

I remember talking about the AK-47 issue, he managed to take members of the Committee on the Judiciary to a firing range and had a shooting contest between an AK-47 and a shotgun, just to demonstrate to people on the Committee on the Judiciary the difference between these weapons and what it meant in terms of taking these weapons out of the hands of the criminals and the issues that confronted us dealing with gun control.

He knew that government itself had to be effective at the top here in Washington, DC, if we were going to fight an effective war against drugs. We have all heard that today in these tributes to LARKIN, that he was committed to making sure that we could manage this fight in this war against drugs more effectively, trying to make

sure that all of the authority that is now dispersed amongst so many committees here in the House of Representatives could be brought together into one committee.

Mr. Speaker, I would just close by saying that I feel a great personal loss that LARKIN is not with us. I know that Sheila, Tracy, Bryce are feeling a sense of loss that we cannot imagine, but I do feel a sense of loss and I empathize with them. I feel a loss not only for myself, but I feel a loss for America because I know that as I continue in my career and I hope to be here for a few years, perhaps 10, God willing, with the voters voting, but I know that during that entire career I will be thinking what would LARKIN SMITH be doing here, what contribution would he be doing?

So we have a sense of loss today for those of us who knew him and a sense of loss for his family certainly, but we have a sense of loss for America and for his constituents.

LARKIN, wherever you are, God bless you, we will not forget you. Your life is really worth something. We just feel a sense of pain that you are gone, and I know that when we all die we will see you up in Heaven. God bless you, LARKIN.

Mr. DOUGLAS. I yield to my colleague from New Hampshire, someone who has been very helpful to me and a great inspiration for conservative values in our Granite State, my distinguished colleague BOB SMITH.

Mr. SMITH of New Hampshire. I thank the gentleman for yielding.

Mr. Speaker, it is a very sad time to have to be here to remember our colleague who was such a great person. I think one of the things I will always regret is the fact that I did not get to know him better.

The freshman class had a lot of esprit de corps, the best that I have seen in any freshman class since I have been here. Certainly I think better esprit de corps than we had in our own freshman class a few years ago.

But I think what bothers me the most about the passing of LARKIN SMITH is the fact that he was everything good about America. He was everything good about the people who serve in this institution. He was everything good about the American people. He was a patriot, a great patriot. The gentleman from New Hampshire's story about the flag, I remember State day so well and that story is such a great story. But he was a tough law-and-order man, a sheriff.

As DANA ROHRBACHER said, you get the imagery of this tough southern sheriff, yet and even more important, he was kind, he was compassionate, he was gentle. You remember him as a loving, caring father and husband.

That gives so much dimension to this man that we all love so much.

I guess a way to put it would be that he had it together. I think that as we send our condolences today, remembering LARKIN, we send condolences to Sheila and her family.

I tried to think as I listened to previous speakers, I was trying to think of something that LARKIN would like to write if he could write his own epitaph.

I just came up with these three or four lines.

I think it would be: LARKIN SMITH loved his God, he loved America, he loved Mississippi, he loved Sheila and his family and he served them all very well.

I thank the gentleman for yielding.

Mr. DOUGLAS. I thank the gentleman. My colleague I think has summed up very well the essence of our good friend and departed colleague, LARKIN SMITH.

Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. WELDON].

□ 1910

Mr. WELDON. Mr. Speaker, I thank the gentleman for yielding, and I thank my good friend and colleague, the gentleman from Mississippi [Mr. MONTGOMERY], for joining with Members in this special order to pay tribute to an outstanding Member of this institution, and someone whose reputation, hard work, and dedication will long be remembered by the Members of this body, as well as by the American people.

In coming to Congress, one of the nice things about this institution is that Members are able to meet, interact with a wide diversity of individuals representing all walks of life in America, all backgrounds, and all professions. We have teachers, educators, lawyers, military personnel, housewives. We have those who work as community activists, and we have people like LARKIN SMITH who dedicated his life, and others who had dedicated their lives, to protecting all Americans in their work in law enforcement.

I think that the people that have the most credibility in this body in speaking to specific issues, are those who have a specific hands-on background before coming to this body and dealing with the problems which they are so closely identified with. That was the special thing about LARKIN. LARKIN was a career law enforcement individual. When he talked about the problems of crime and drugs, it was not because it sounded good in a political commercial or because it was the right thing to say, but because the American people were concerned. It was because here was a man who had dedicated his entire life to working on the concerns, and his local community

involved with criminal activities, with those who would break the law, with the enforcement of our legislation, and our laws, and with the problems of drugs and drug dealing. It was natural that when LARKIN came to Washington, he would take up this issue and be a champion. The reason why, in such a short period of time, less than 8 months, that LARKIN SMITH was able to grab so much interest and support from the Members of this body is because LARKIN had credibility. He knew the issues inside and out. He had been there, down there where the rubber meets the road, working on the problems that law enforcement officers all across America have to deal with on a day-in and day-out basis. He arrested drug dealers, was involved in tense situations, and those kind of experiences are what relate best to helping Members solve America's problems.

LARKIN SMITH truly was a special person in this body. He was someone that we all looked up to and admired, but perhaps even more importantly, he was a symbol for the law enforcement community, across America. He was someone the average police officer, the sheriff, a district attorney, could identify with, because he was someone who had really spent a great deal of his time working in a very firsthand real way in dealing with these problems with a local community. We are going to miss that. We will miss that special expertise and special dedication.

Another group of people that LARKIN identified with very quickly, and this group of people I feel very strongly about, are those millions of people across America who dedicate their lives to the fire and emergency services network. One of the first things that LARKIN did when he came to Washington besides working on law enforcement issues, was to lend his effort to support, support mechanisms, and to support new initiatives to help his volunteers and paid fire and emergency service people back home in his State. They recognized him for that effort. I think because police and fire and emergency services tend to go together. I can recall LARKIN, time and again, coming to me and saying, "CURT, what can I be doing to help not only the people back in my district but across America, who are serving our citizens during times of emergency?" LARKIN SMITH was that kind of a person.

The most vivid memory of LARKIN SMITH that I have, I think has been captured forever by the Congressional Quarterly, the weekly publication that comes out here in Washington, distributed across America, that focuses on our activities as legislators in Washington. The July 22 issue of Congressional Quarterly, they captured the essence of LARKIN SMITH. If Members

get a copy of that issue, Members will see a photograph, on the section entitled "Law and Judiciary," and a headline identifying House Republicans all out to extinguish a flag threat, when the burner of the American flag, from Texas, came to Capitol Hill and threatened to burn the flag on the steps of the Capitol. There in the newspaper is a photograph of LARKIN SMITH with the Supreme Court Building behind him and the American flag over his head, carrying a portable fire extinguisher and saying, "Let that fellow dare come up the steps of the Capitol, or dare come to the Supreme Court steps, and I guarantee you that flag will be extinguished before he can begin to ignite it." That was LARKIN SMITH, out there, once again, using those experiences that made him the kind of man that he was, and allowing Members to remember him for the kind of person that he had become, in our minds, and who will continue to provide the spirit and the ability to motivate Members as we go on and continue our jobs as legislators in this body. A true American, a true patriot, and one who really was the essence of knowing how to deal with a problem in a very real way here in Washington, where sometimes we get caught up in our own concerns, not realizing the impact that we can and should be having locally.

It was a real honor for me to know LARKIN SMITH, and while he has passed on and while my heart goes out to his wife and to his daughter and for his grandchild that he loved so dearly, LARKIN SMITH is going to stay with Members, for as long as all of us Members are in the body, as well as the spirit of Mickey Leland and those others who have gone on before us.

Let me say, LARKIN, that we will continue to fight the strong fight because of what you did for these Members and because of the spirit that you provided for these Members in helping these Members to better understand the problems of these people in America who are trying to come to grips with law enforcement issues, and with the drug problem that we are suffering across our Nation.

Mr. DOUGLAS. Mr. Speaker, as I remember it, the gentleman from Pennsylvania [Mr. WELDON] was also in that photograph, was he not?

I do appreciate that, because I think it means a lot that the uniformed services that LARKIN served in and, of course, that the gentleman from Pennsylvania worked so hard for, and the fire caucus were here tonight.

Mr. Speaker, I yield to another freshman colleague, someone who I know worked well and closely with LARKIN on a number of projects, the distinguished gentleman from California [Mr. COX].

Mr. COX. Mr. Speaker, I could not help but think when I was listening to the distinguished gentleman from Pennsylvania, that when he died and when a flag was draped over his coffin, there could have been no more suitable use of our American flag than to honor such a man.

If anyone who had known LARKIN SMITH, and I know many people watching on C-SPAN from Mississippi did know LARKIN, as they worked to get him here, if these people had the opportunity to get to know LARKIN SMITH, he probably would have been their best friend. His office, as it turned out in our freshman class, was just down the hall from mine, and I used to drop in on him once in a while and he on me during the week. He had that infectious personality, that wry wit, genuine concern for others that is the mark of the truly likable person. As a result, he was a natural in politics. People just loved him, and so did we, all of us freshman classmates.

So the discovery, when we were on our August recess, that he had died in a plane crash, could not have come as a more hurtful shock to all Members, and we were scattered, his classmates, all over the country. Quickly, we were in telephone contact, and in the 7½ months that we had been together, we had already grown close. This tragic occurrence brought Members even closer together still. For half a day, all we knew was that LARKIN's single engine plane had disappeared, disappeared from radar screens about 9:25, on Sunday evening. It was not until the next morning that we found out, for certain, that he had hit a tree and he had been killed instantly in a small plane.

President Bush personally directed the personnel from Kessler Air Force Base in their ground search, and the Customs Service, with which LARKIN used to work in drug interdiction. More than 500 people spread out in that effort, and each new detail and news report came as a surge of electricity to all. Of course, in the end, we found out LARKIN was no longer to be here. Just 7½ months after our journey started together, one of our fellows is gone, but this tragedy, I think, has brought all Members closer together than ever before.

We will all remember LARKIN as someone who towered among the Members of this body. His beliefs were so strong, and his arguments in behalf of those beliefs so strong that each Member could not help but feel that we were proud to be part of LARKIN's team. I think we have discussed tonight, and Members have heard about the series of 28 speeches that he began, because he was so discomfited as a member of the law enforcement community for 23 years, that up here on Capitol Hill we were setting up road blocks, getting in the way on the

war on drugs and in this series of speeches he pointed out the more than 80 committees and subcommittees and task forces were hampering the efforts of our drug czar, Bill Bennett. I still remember the day he took the floor and challenged the Members, Members on both sides of the aisle, with the following words which I would like to quote verbatim.

Mr. Speaker, with the recent introduction of the Administration's comprehensive crime bill, I would like to take this opportunity to issue a challenge to my distinguished colleagues on both sides of the aisle.

It has become increasingly apparent that the war on drugs and crime cannot be fairly characterized as such. What we are currently waging is, at best, a public relations campaign. The war on drugs, in my opinion, has not even begun.

□ 1920

Mr. Speaker, imagine LARKIN SMITH, this big guy, this Mississippi county sheriff, standing out here and challenging all the Congress and saying this.

We need to reduce the bureaucratic mire of 80-plus congressional committees overseeing the work of the drug czar into one single oversight committee. The lines of command need to be clearly drawn, and the battle plans must be laid. Congress has the opportunity to seize the offensive and to declare a sunset for the end of this war on drugs and crime.

I urge my fellow soldiers not to grow weary, but to put on the full armor of battle. If we are serious about the scourge of drugs and crime in our nation, we would be advised to adopt General MacArthur's admonition to Congress in 1951, when he stated: In war, there is no substitute for victory.

LARKIN, we are not going to grow weary. We will remember your words. We are going to fight on in your name and in your stead, all of us, the freshman Members of your class, and I hope and I know all of us here today hope and pray that we will be successful in those efforts because they meant so much to LARKIN, to the people of Mississippi who sent him here and to all the people of America.

Mr. DOUGLAS. Mr. Speaker, I want to conclude by thanking the gentleman from Illinois [Mr. LIPINSKI] who was kind enough to allow my special order to follow the special order of the gentleman from Mississippi [Mr. MONTGOMERY], and I know that it meant that he had to wait longer. I appreciate it because I think it enabled us to work together, the gentleman from Mississippi [Mr. MONTGOMERY] and I, to enable each side of the aisle, as well as freshmen and other Members, to get the flow and the continuity of what has been 2 hours of tribute to someone who only served 7 months in this Chamber.

Mr. BROOKS. Mr. Speaker, I want to take this opportunity to join my colleagues in expressing our sense of deep sadness at the death of our friend and colleague, Congressman LARKIN I. SMITH.

Congressman SMITH joined this body at the beginning of the 101st Congress after a 22-year career as a law enforcement officer in Mississippi. He was the chief deputy sheriff of the Pearl River County Sheriff's Department from 1966 through 1972. He served as chief investigator in the Harrison County Sheriff's Department from 1972 to 1977. From 1977 to 1983, LARKIN SMITH was chief of police of the Gulfport Police Department and in 1984, he became sheriff of Harrison County, MS, a position he held until entering the House of Representatives.

It was my honor and privilege to have Congressman SMITH on my House Judiciary Committee. He was an outstanding member of my committee and because of his background in law enforcement, he served on both the Subcommittee on Crime and the Subcommittee on Criminal Justice.

During his short time on my committee, he became known as a hard-working, concerned member who brought a wealth of experience to our discussions about the American criminal justice system.

The people of Mississippi's Fifth District had a very capable Representative here in Washington who demonstrated repeatedly a spirit of determination to pursue goals important to his constituency.

My deepest sympathy is with his wife, Sheila, and his child, Tracy.

Mr. NATCHER. Mr. Speaker, I enjoyed serving in the Congress with our friend, LARKIN SMITH. Although he was with us just a short time he, from his character, his achievements and his faithful service, impressed all of the Members of the House of Representatives.

In every position he held, either private or public, he achieved distinction and his service in all of his assignments was marked by a high sense of conscience and duty. He was always a gentleman and sincerely believed that if you take care of the health of your people and educate your children, you continue to live in the strongest country in the world.

I want to extend my deepest sympathy to his lovely wife and to the members of his family.

Mr. HORTON. Mr. Speaker, today we pay tribute to a second colleague who perished in a plane crash during the August recess, though LARKIN SMITH had only served in the House for about 7 months, he had already shown promise as one of the standouts of the freshman class of the 101st Congress.

As the ranking Republican on the Government Operations Committee, I was happy when LARKIN came to the panel as a newly elected Member of Congress. The day he was given his assignment on Government Operations, he called me to find out how he could best serve on the committee as well as to make several suggestions for the committee to investigate. His initiative told me right then that he was a Member with a great deal of potential.

My first impressions of LARKIN lead me to conclude that he was the right man to be selected as the ranking Republican on the Subcommittee on Human Resources and Intergovernmental Relations. Yes, as a freshman, LARKIN SMITH was selected to serve as the ranking Republican on a subcommittee. In

fact, he was the only freshman afforded this opportunity. Already, LARKIN SMITH was beginning to stand out among his peers.

Since his election, I have come to know LARKIN well. What impressed me during his short time in the House and on the Government Operations Committee was his ability to be an effective legislator and negotiator. His effectiveness as a legislator stemmed in part from his ability to gain the respect of his colleagues from both sides of the aisle. He knew when to negotiate and compromise to achieve a solution and he knew when to hold firm to his principles. His ability to balance these two demonstrated his maturity as a legislator.

LARKIN was also working hard at home in Mississippi for the citizens of the Fifth District. From day one, he worked hard to save Mississippi's Army Ammunition Factory which employed many people from his district. He realized the importance that this plant held for his constituents in terms of jobs and its importance to the Nation as a whole since its closure meant that the Pentagon was going to become more dependent on foreign manufacturers. This is just one example of his efforts.

On August 13, 1989, the House of Representatives lost one of its rising stars with the death of LARKIN SMITH. The people of Mississippi's Fifth Congressional District lost their outstanding man in Washington. Both groups benefited greatly for having been served by LARKIN SMITH even if only for a short time. He was gaining respect and recognition from both groups who saw tremendous potential for leadership in him. And while we are all saddened that he is no longer with us, we can find some solace in having been given the privilege of knowing him.

My wife Nancy and I want to extend our most heartfelt sympathies to LARKIN's wife, Sheila, and his family. I know you are proud of him for he certainly made a difference.

Mr. SPENCE. Mr. Speaker, I want to thank my dear friend and colleague, SONNY MONTGOMERY, for taking this special order to pay tribute to the Honorable LARKIN SMITH, whose untimely passing has shocked all of us who were privileged to have known him.

As so many of our colleagues have pointed out, LARKIN was truly a rising star in our midst. He was incredibly energetic and devoted to his job, and from every indication it was obvious that he was going to make a mark on Congress and the Nation. It is just difficult to understand why someone so young and promising could be taken from us when he was just launching a career. Nevertheless, in a brief span of time he inspired us with his love of country and devotion to duty.

It is indeed ironic that at the time of LARKIN's tragic death, the Nation's attention was focused on the President's initiative in the war on drugs, a war that LARKIN not only advocated but helped to launch. He was a law enforcement officer without equal, and his career in law enforcement was characterized by an unrelenting struggle against illegal drugs and the criminals involved in this activity.

Mr. Speaker, all of us are going to miss LARKIN SMITH very much, just as his friends and constituents in Mississippi's Fifth Congressional District are going to miss him. Like his immediate predecessors, our good friend Senator TRENT LOTT and the late William

Colmer, chairman of the Rules Committee, LARKIN SMITH was a distinguished son of the great State of Mississippi, and the people of Mississippi can take solace in the fact that he represented them well and carried on in the finest traditions of that State. To his family and friends, I extend my heartfelt sympathy and condolences at this sad time.

Mr. HUGHES. Mr. Speaker, it is with great sadness that I rise to join in paying tribute to our late friend and colleague, Congressman LARKIN SMITH of Mississippi.

Although LARKIN only served in the Congress for some 7 months prior to his tragic death on August 13, I had the opportunity to get to know him very well. That's because LARKIN was a member of my Subcommittee on Crime, and we worked together on many important drug abuse and law enforcement issues.

As a former sheriff, LARKIN brought a unique perspective to our subcommittee. He understood the needs of our law enforcement officers, and the problems of our criminal justice system, because he spent most of his adult life in that field. He had the respect and support of our Nation's law enforcement community because he was one of them. When LARKIN spoke, it was not only for himself, but also for the hundreds of thousands of police officers, judges, and other law enforcement officials who put their lives on the line every day to help defend our country against crime. When LARKIN died, every police officer in America lost a great friend.

LARKIN first joined my subcommittee last January, and I'm proud to say that we hit it off at once. Even though we didn't agree on every issue, LARKIN was my kind of guy—a tough, no-nonsense law and order practitioner. You never had to wonder about where LARKIN stood on an issue because he always told you face to face. He had the courage to stand up for what he believed in and he never compromised his integrity. LARKIN had all the qualities of greatness in a Federal legislator. There's no question in my mind but that he had a brilliant career ahead of him in Congress.

Underneath the tough demeanor, however, LARKIN had a great sense of humor. I kidded him constantly about his love of street sweepers, which is a type of semiautomatic weapon, and he always enjoyed the joke. He was that rare kind of individual who knew when to take things seriously and when to have a little fun.

Just last week the Crime Subcommittee held its first hearing on President Bush's new antidrug strategy. It saddened me greatly to look down the aisle and see an empty seat at LARKIN's desk, for there was no one in the Congress who wanted to be there more than LARKIN.

LARKIN's goal in Congress was to have a hand in developing a national strategy to fight drugs: a strategy that would cut through the rhetoric, the turf battles, the politics, the bureaucratic infighting and simply get the job done. We're going to do that this year, and I regret very much that LARKIN won't be here to see his dream realized.

LARKIN SMITH was a great friend, a devoted husband and father, and a strong believer in God. I'm grateful that I had the opportunity to work with LARKIN and to get to know him. Like

so many other people who knew and admired LARKIN, I'm going to miss him very much. Thank you.

Mr. SUNDQUIST. Mr. Speaker, I join my colleagues today to mark the passing of one who had too little time among us. LARKIN SMITH came to Washington excited about being in Congress, about being in a position to do good for his friends and neighbors back home. You could see the enthusiasm he brought to the task. You could feel the honest conviction he brought to the issues he took on, like the fight against drugs.

Many of us regarded LARKIN as a man well on his way to a productive, even distinguished career in the Congress. It is our loss, and the country's loss, that he died in the prime of his life. Let it be said, however, that he served honorably in this House and kept faith with the people who sent him to Washington.

My condolences to the Smith family and to the many who called LARKIN a friend. I know this House is a bit better for LARKIN's service and that we are diminished by his passing.

Mr. QUILLLEN. Mr. Speaker, I have long had a special interest in the district represented so ably by LARKIN SMITH. When I was first assigned to the Rules Committee back in 1965, that district was represented by Bill Colmer of Mississippi. When he retired as chairman of the Rules Committee in 1972, that seat was taken by TRENT LOTT who became a member of the Rules Committee a few years later. After he decided to run for the Senate, TRENT used to keep those of us who served with him on the Rules Committee posted as to how the campaign of his prospective successor, LARKIN SMITH, was coming along. So, Mr. Speaker, I had a special interest in him before he was even elected to Congress.

In the short time he was here LARKIN got off to a strong start. He was the only nonlawyer serving on the Judiciary Committee.

As a former sheriff, he had front-line exposure in fighting the war on drugs and he was putting that experience to good use in Congress. He spoke out frequently on the need for additional steps to deal with the problem of drug abuse in this country.

In his last day in the House, LARKIN made a 1-minute speech stressing his concern about the ability of our current House committee structure to deal with the drug problem. He noted that "80 committees, subcommittees, select committees * * * have jurisdiction over our national drug strategy * * *". He concluded as follows:

I call on my colleagues on both sides of the aisle today to join me in supporting bills in the House and the Senate to put the drug war jurisdiction under one single committee.

Mr. Speaker, LARKIN SMITH was right in expressing concern about the ability of our committee structure to meet the challenge posed by drug abuse. We should pursue our fight against drugs with renewed zeal, in his memory.

Mr. Speaker, I join my colleagues in extending sympathy to LARKIN's wife, Sheila. His untimely death was a terrible loss to his family, his district and our Nation.

Mr. BLILEY. Mr. Speaker, today we are paying tribute to our colleague and friend Congressman LARKIN I. SMITH, who tragically died

in a freak plane accident exactly 1 month ago today. I had a personal fondness of LARKIN, not only because he was a fellow southerner with a background in city government like myself, but because he chose to sit on the Select Committee on Children, Youth and the Family during his first term in Congress.

Many have called LARKIN SMITH a rising star in the freshman class. It is unfortunate that he had only 7½ short months to show his leadership abilities as a Member of Congress. During that brief period he showed us his great potential.

A former sheriff from Gulfport, SMITH understood that to beat the country's drug problem we have to be tough on criminals. He had already offered the benefit of his experience in law enforcement to his colleagues, working with his fellow members on the Judiciary Committee to formulate a bill that would once and for all stop the national scourge of drugs. Congress will feel a definite loss as we strive to pass a new drug policy, for LARKIN would have played an important role in those negotiations.

More than anything else, I admired LARKIN's zest for life. He had gusto and wasn't afraid to show it. It showed in the seriousness with which he approached his job as a Congressman. It showed in the way he loved his country. It showed in his belief in justice. And it showed in the way he loved his family, his country and his God.

Mr. LOWERY of California. Mr. Speaker, former Speaker of the House Tip O'Neill wrote of being a freshman Congressman in his book, "Man of the House"

In these days, new members, like children, were expected to be seen and not heard. Our job was simple and basic: learn the ropes, follow the party line, and pay attention to what's going on around you.

Many have adhered to those strictures over the years. But LARKIN SMITH was not one of them. He arrived in Congress 8 months ago with a burden of commitment on his shoulders that would not allow him to keep silent. He was a foot soldier in the drug war and he came to Congress armed with an eloquence that brought that war into the Chamber. We listened and we learned. And we only wish he could have continued.

But perhaps that is the challenge he leaves: for the Congress to see beyond legislation to the people it affects—to see the drug tragedy through the eyes of a man who spent 23 years in law enforcement. LARKIN knew from the firsthand experience the scourge of drugs on the lives of everyone touched by them. He saw the devastation to families, the cost of lives and careers, and the grip of crime on the addict—all because of drugs.

LARKIN SMITH could not keep silent, and neither should we.

Mr. Speaker, I counted LARKIN as a friend and looked to him as a leader on the issue of the drug war. Katie and I express our regard and our deep sympathy to his wife Shelia, their family and to all his supporters and friends.

Mr. WOLF. Mr. Speaker, I rise today to salute our late colleague, Congressman LARKIN SMITH.

His death on August 13 was a great tragedy. It was a tragedy for his family and every-

one who loved him, and the unfulfilled promise he leaves behind is a tragedy for this House and this Nation.

LARKIN SMITH was a law enforcement officer for 20 years. During his career he served as the Chief of police of Gulfport, MS, and was most recently sheriff of Harrison County.

He built his reputation as a tough and creative leader. He helped clean up a scandal-plagued sheriff's office and served on the White House Conference for a Drug-Free America.

LARKIN SMITH came to Washington just in time to help America with her fight against crime and illegal drugs. This House was expecting to rely on his firsthand law enforcement experience to guide us in shaping national antidrug policy.

He provided a great service to the House by pointing out the great number of committees and subcommittees that maintained competing jurisdictions over antidrug policy. He wanted to streamline the process so that we could move faster in our efforts to combat illegal drugs.

LARKIN SMITH challenged this Congress. He challenged us to work harder against the violence and drug abuse that affects every community in this country.

Mr. Speaker, we must accept that challenge.

I want to extend the sympathy of this House to Congressman SMITH's wife, Shelia, and their family, and say to them that LARKIN SMITH made a difference.

Mr. GILMAN. Mr. Speaker, I rise to pay tribute to one of our distinguished fallen colleagues, Congressman LARKIN SMITH of the Fifth District of Mississippi. Though only a Member of the House for a brief 8 months, LARKIN had made an impression on his colleagues that will last far beyond his House tenure.

As a senior figure in the Mississippi law enforcement community, LARKIN SMITH brought with him extensive expertise and a fresh perspective that will be sorely missed in the Congress. As the Harrison County sheriff for 5 years from 1984-89, LARKIN was heralded for his efforts in spearheading the creation of the Blue Lightning Strike Force, a multijurisdictional task force established to interdict illegal narcotics coming across the borders of Mississippi, Louisiana, and Alabama. LARKIN's accomplishment is evidence of his creative thinking, and it was this potential which was recognized when LARKIN was bestowed the honor of being the only nonlawyer appointed to serve on the House Judiciary Committee. He also served on the National Advisory Committee on Law Enforcement.

Tragically, LARKIN's potential was never afforded the time necessary to blossom into full fruition, yet it is evident that LARKIN has left a lasting legacy for the House of Representatives, for the State of Mississippi, and for our Nation. To LARKIN's wife, Shelia, his daughter, Tracy, and his grandson, Bryce, our hearts go out during this difficult period. We wish them the comfort of knowing that LARKIN was highly regarded by his colleagues as a good man, a great legislator, and an outstanding citizen.

Mr. BUECHNER. Mr. Speaker, there are many soldiers who do not wear uniforms, there are many battles which are not fought

on battlefields, and there are many losses in these wars which are not recorded casualties. Today we mourn a man whose crusade sought to liberate America from the shadow of drugs. LARKIN SMITH, of Mississippi devoted himself to protecting America from crime, and that fight took him from a patrol car to the U.S. House of Representatives. Although his death was not on the front lines, his commitment should undoubtedly mark him as one of the heroes in this fight.

The tragedy of LARKIN's death is in no way lessened by the fact that he was new to Congress, for there are many Members of this body who missed the opportunity to get to know him. LARKIN was not a lawyer, nor a career civil servant; he had no desire to serve political purposes. Rather, LARKIN was a county sheriff who had grown weary of seeing our Nation stumble in the face of a mounting drug problem, and took what he perceived as the best possible course of action to fight it.

A longtime veteran of the real war on drugs, LARKIN came to Washington and was immediately a strong voice in the legislative theater of this war. His attempts to bring light to the scope and gravity of the drug problem were not limited to his district, as he tried to rally national support for this undeclared war. As our Government finally moves this problem to the forefront of the national agenda, I believe that somewhere LARKIN is heartened by the fact that he played an important role.

Perhaps as we mourn the loss of our colleague from Mississippi, we can once again be reminded of the principles for which he stood, not only for a drug-free America, but the traditional values that have shaped our society. Regardless of politics, we cannot help but admire his constant fight for a better America, and these principles will undoubtedly survive him.

Mr. Speaker, as this assembly honors LARKIN, I would simply state that he was a man with the courage to fight for his convictions, and though he is no longer among us, he may rest assured that we will continue his fight. LARKIN SMITH was a good man, he was my colleague, and he will be missed.

Mr. BENNETT. Mr. Speaker, I was deeply touched, as were all Members of the Congress, on account of the tragic death of our colleague, Representative LARKIN SMITH. Although he had only a short time in Congress, he demonstrated real leadership here and we are all going to miss him as will his constituency and the country.

Our deepest sympathy goes out to his family. We know his loss is very personal to them; and it is also very personal to each Member of Congress since we know of his fine service and comradeship here in our daily work in Congress. I particularly enjoyed visiting with him each Thursday morning in the House Prayer Breakfasts.

Mr. BEVILL. Mr. Speaker, I rise today to pay tribute to the late LARKIN SMITH, who died so tragically during the August congressional recess.

LARKIN was an outstanding person and a bright addition to the U.S. House of Representatives.

I was most impressed with LARKIN from the occasions I had to talk with him. He was sin-

cere, knowledgeable, and concerned for the welfare of his constituents he so ably represented.

Although he was a new Member of Congress, LARKIN exerted his leadership in the field of law enforcement.

The Congress has lost a rising star. We will miss LARKIN and we will not forget his contributions to our Nation.

Mr. MAZZOLI. Mr. Speaker, the accidental deaths of two of our colleagues during the August recess has cast a sobering pall over the House Chamber.

First, came the death of Representative Mickey Leland of Texas, and then, in the same week, came the death of Representative LARKIN SMITH of Mississippi. These tragic losses—both by plane crashes—remind us vividly of the fragility of life and the sacrifices which may accompany one's devotion to public service.

Although LARKIN SMITH's tenure in the House was brief, the time he served with us showed great promise and an eagerness to conquer the complex as well as the more mundane aspects of his new responsibilities as a Member of the House of Representatives. He had "taken the bit" and was well on his way to establishing a solid career in the House.

I had the privilege of serving with LARKIN on the Judiciary Committee's Crime Subcommittee, where a good deal of our time and energy has been devoted lately to legislation fighting the epidemic of illegal drugs across our Nation. LARKIN SMITH has been a valuable asset through this process.

His extensive background in law enforcement and practical, hands-on knowledge brought unique insight to the subcommittee's deliberations. Undoubtedly, he would have continued to aggressively make important contributions serving on the Crime Subcommittee and the full Committee.

The qualities which endeared him to his constituents and earned him wide respect in his native Mississippi were much in evidence here in Washington. And, I am confident that if allowed the opportunity, LARKIN would have built upon a record of achievement in the House which would have received only greater respect and pride at home. I hope that the "can-do" spirit which LARKIN SMITH brought to his responsibilities as Member of the House will continue to flourish here.

At this time of great sadness, I know that I join with all Members of the House in expressing our deepest sympathies to LARKIN's family and friends.

GENERAL LEAVE

Mr. DOUGLAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore (Mr. SARPALIS). Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. DOUGLAS. Mr. Speaker, Harry Truman said once that: "If you want a friend in Washington, DC, buy a dog."

Mr. Speaker, I do not have a dog, but I have LARKIN SMITH, and that is

the real friend that I have and had here in this city.

As my colleagues know, it is a month since his death. This is the 13th, and he died on August 13. I felt a special affinity to LARKIN because we served together on both of our committees, both on the Committee on Government Operations as well as the Committee on the Judiciary, and we sat next to each other in those two committees.

I know the printed word will never pick it up in the manner in which he used to say it, but I always enjoyed my mornings when the sheriff would turn to me and say: "Judge, how are you doing today?"

Mr. Speaker, he always clapped me on the back with a tremendous hand, and I of course then had to banter with him as the sheriff, and that was pretty much a ritual we had every day either on the Committee on the Judiciary or the Committee on Government Operations. LARKIN and I had both been involved in the court system, but in different roles; he as sheriff, me as a judge, and we respected and understood each other. We also respected and understood the different roles that are required of a judge and of a sheriff.

Frankly, Mr. Speaker, with all the lawyers we have got on the Committee on the Judiciary, we are going to miss that sheriff and his input especially as we begin looking into the President's crime and drug initiatives.

I really wish we had LARKIN with us, and all I can say, LARKIN, is I hope we can keep that in mind as we go through our deliberations. It was LARKIN, as my colleagues know, and most of the speakers here have alluded to it, who led the fight to consolidate the war on drugs so that we could actually have a war on drugs rather than a skirmish.

I would like to place into the RECORD immediately following my remarks what appeared in the RECORD on August 3. That was the day before we adjourned in August, and it was a special order, or rather it was a 1-minute that LARKIN and I were doing on the drug war. I know that just 1 day before we finished in August we were still talking about that very subject, and the freshman intends to keep this up because LARKIN's legacy, at least one of them that we all know, is his concern that frankly we not have 80 different committees and subcommittees picking around trying to fight a war. We need one committee to do it.

However, Mr. Speaker, most of all I will just miss his friendship, his good humor. All of us in the freshman class will. All of us who are Members of this body will miss LARKIN, and I know the people of Mississippi will also miss him. He is someone who I am very confident would have gone on to serve in the other body at some point and

would have always provided great inspiration. He will not be here to do that, but we who remain will provide, I hope, some of the leadership, some of the inspiration, from our colleague, LARKIN SMITH.

The remarks mentioned follow:

[From the Congressional Record, Aug. 3, 1989]

CONGRESS MUST TRULY FIGHT THE DRUG WAR

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

Mr. DOUGLAS. Mr. Speaker, for 28 days, the gentleman from Mississippi [Mr. SMITH] has been rising and will rise to point out that this House has not yet entered the drug war. In fact, we are not even fighting a good skirmish yet.

We have 28 standing committees and 46 subcommittees spread over this so-called drug war. I just wanted to praise the gentleman from Mississippi for pointing out that by the time we get back here in September and Mr. Bennett gives us his action plan for that drug war, it is going to be fanned out over so many committees nothing is going to be done.

(If World War II had been fought that way, one committee would deal with helmets, one committee would do tanks, one would do jeeps, another would do uniforms, and we would probably still be fighting World War II.)

I think it is obvious that we need one committee, as the gentleman from Mississippi has pointed out. He is one of the few Members who has actually has to fight the drug war when he served as sheriff, and I think we ought to listen to him, and we ought to act, and we ought to make this House streamlined so that we can enter the drug war rather than pretend we are fighting the drug war.

□ 1930

THE UNITED STATES IRON CURTAIN—OUR IMMIGRATION POLICY

Mr. SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. LIPINSKI] is recognized for 60 minutes.

Mr. LIPINSKI. Mr. Speaker, today's newspapers made interesting reading—both for what was there and what was not.

The front page of the New York Times had a story about thousands of East Germans escaping communism—fleeing to the West, first through Hungary and then Austria.

There was not any story, however, about people fleeing democracy—escaping into the Iron Curtain—that says a lot.

To those who have watched in horror the refugee camps in Southeast Asia and Africa, it made interesting reading that the refugee camps for East Germans have job want ads posted. According to a recent survey by the West German Government, those fleeing from the East are disproportionately young—educated and skilled. Over half are under 30 years

old and over 80 percent under 40 years old; 86 percent have completed job training and 87 percent actually held a job the day they fled their country.

This talent drain from East Germany is turning into an unexpected boon for West Germany and is ending fears that Soviet bloc refugees can only be a drain on the West German economy.

It was interesting to read the story—also on the front page of the *New York Times*—warning us that unless preventative steps are taken soon, American colleges and universities will face a major shortage of faculty members in the next several years. Such a shortage will again hurt America's chances to compete in the 21st century. A dwindling available work force that will not be as highly educated as other industrial nations will injure America's competitive edge.

I also found the placement of this story interesting—right next to the story about the quality of people fleeing East Germany and I had to wonder what contributions these and other Soviet bloc refugees could offer our country.

There was more interesting reading in the *Washington Post* today. A column by Ben Wattenberg which surrounded a picture of a blindfolded Statue of Liberty. It is worth reading.

[From the *Washington Times*, Sept. 13, 1989]

THE UNINVITED

(By Ben Wattenberg)

"Professor Einstein, I understand that you have a background in science. But we don't have enough officials at our consulate to process your request to come to America."

"I'm sorry Mr. Iacocca. I'm sure you would work hard in America, and so would your children. But we have this budget deficit, and it costs \$7,000 per immigrant. Too bad."

"Heinz Kissinger? Hello there young fellow! Sorry, you can't come in. If we put more consular officials in Europe, the Europeans would put more in America—and some of them might be spies."

"You say you're a tailor, Mr. Muskie? Nice. But if we let too many people in, some of the immigrants might be spies. Can't do it."

"Sorry, Dr. Teller, we're turning you down because New Zealand would accept you."

Such are some of the bizarre sorts of reasons offered today by the U.S. State Department as they craft policies that would have the effect of keeping Soviet Jews and evangelical Christians, Poles, Hungarians and other Europeans out of America.

Spies? Consular officials? Is this serious? Is \$7,000 too high a cost for Toscanini, a John F. Kennedy, a DiMaggio, a Salk or a Cuomo?

If you like an America without Michael Dukakis, Anthony Fauci, Martina Navratilova, Mikhail Baryshnikov and Ted Kennedy, you'll love recent government immigration philosophy.

Democrats, finally sensing an issue that is both good policy and good politics, are responding. After years of losing votes of ethnic East Europeans, they may have found a good cause.

The proximate cause of the current maximum myopia is the Russian Jewish situation. But it is only the latest symptom of an on-going government mentality—in the White House and Congress—devoid of imagination, not thinking about what makes nations great, viewing immigration as a problem not a promise.

Like the Poles and the Hungarians, the Soviets are now easing up on emigration, at least for Jews and evangelical Christians. The Israelis want the Jews to come to Israel, but most Soviet Jews want to come to America. The State Department, and a few American Jewish organizations, agree with the Israelis that many Russian Jews should not be granted U.S. refugee status—in effect pushing them to Israel.

Is this in the American interest? No. Nor is our current policy of denying refugee status to Poles and Hungarians. Immigrants, particularly skilled immigrants from Europe, are an asset to America.

In the 1950s, more than 70 percent of American immigrants were from Europe—it's now 16 percent. Today, it is much harder for Europeans to get into America than it is for Asians, Hispanics and Moslems.

Non-European immigration has been good for America, but many Americans are nervous about the changing complexion of the nation. That can poison the climate for immigration—from everywhere. An America with low immigration will stop growing. A no-growth America in a growing world will not be the dominant superpower of the next century.

Despite appearances, we're also too stingy on non-Europeans. Have we been hurt by people like Colin Powell (father from Jamaica) or I.M. Pei (China)?

Perhaps politics will bail us out. Democratic Rep. William Lipinski, of Illinois, from a heavily ethnic area of Chicago, and Majority Leader Richard Gephardt of Missouri have written President George Bush recommending a one-year bump of 100,000 in the refugee total from the Soviet Union and Eastern Europe. That would help accommodate Poles, Jews and other Europeans. Significantly, at the press conference releasing the letter, Democratic National Committee Chairman Ron Brown issued his own statement of vigorous support.

More important, opinion at the House immigration committee is increasingly leaning toward a short-term immigration boost. The long-range view at the committee is a wise one: Revise America's immigration code, permanently raising the number of immigrants, particularly short-changed Europeans. That would welcome future generations of Einsteins and DeMaggios.

Later in the article he wrote—perhaps politics will bail us out—for those people trapped behind the crumbling Iron Curtain, I hope so—but for our country's sake it shouldn't have to be this way.

As I read and watch and listen to the developments behind the Iron Curtain, I'm struck by what I am not reading. I am not reading about what the United States is offering to those longing to be free. And I find that the most interesting.

Has America become so bankrupt that we no longer can offer anything except rhetoric? Last week a spokesman for our State Department, commenting on the refugee issue, said that

East Germany should realize that their form of government is bankrupt—people are leaving because East Germany has nothing to offer.

That is it—that is all we have to offer—editorial comment.

Today, on Capitol Hill, Jewel Lafontant, a spokesperson for the Bush administration said, and I quote,

Just because the United States fought for that right does not mean we must accept all refugees of the world.

Nice, huh—what were we fighting for—what have we spent billions of dollars for—why did we do the Berlin airlift—or go to war in Korea? The list goes on. Did we do all this just so we could tell the people we were fighting to protect and liberate? Well, we are glad you're free—just don't think about moving into my neighborhood.

I said earlier that it would be unfortunate to have politics bail us out. I would rather arrive at doing the right thing the right way. This should not become a partisan issue—but if that is the only way to have the right thing happen, so be it.

Last week I was joined by Congressman RICHARD GEPHARDT, DNC Chairman Ron Brown and various ethnic leaders in proposing an initiative to the President to deal with the issue of Eastern European immigration.

We sent him the following letter:

HOUSE OF REPRESENTATIVES

Washington, DC, September 7, 1989.

HON. GEORGE BUSH,

The White House, Washington, DC.

DEAR PRESIDENT BUSH: The liberalization under way in Eastern Europe and the Soviet Union is living proof that despite years of communist suppression, the flame of freedom has never been extinguished for the peoples of the Soviet Bloc nations. In fact, it is the dream of freedom which led to Mikhail Gorbachev's Glasnost and the positive revitalization we see today in Eastern Europe.

For the most part, positive developments in Eastern Europe and the Soviet Union have been met by supportive American reactions, such as successful nuclear arms reductions and the easing of military tension in Europe.

However, one aspect of Glasnost, the liberalization of emigration policy has gone largely unanswered by an appropriate United States reaction. While many great leaders, such as Lech Walesa in Poland, are guiding their homeland towards democracy and freedom, we must not forget that religious and political persecution still exists behind the Iron Curtain. Hundreds of thousands still look to the West as the only opportunity for true freedom of thought and action. Attesting to this fact, 108,342 residents of the Soviet Union and Eastern Europe applied for refugee status with United States consulates from October 1988 through June 1989. A far greater number of disenfranchised Eastern Europeans have fled to Western European countries like West Germany, Austria, Greece, and Italy. West Germany alone has accepted over 180,000 from the Soviet bloc, including 120,000 Poles, since January 1989.

Unfortunately, the gates to America for those who have suffered under communist

regimes are closed. While the United States reaction to Glasnost has greatly improved relations with Soviet Bloc governments, it has done little for the individuals, those who choose to leave communism when given the chance. United States immigration policy, primarily its preference system, greatly disfavors Eastern Europeans. 74,000 immigrants from Eastern Europe and the Soviet Union entered the United States between 1981 and 1988, only 3 percent of our Country's total. The preference system, which focuses on family reunification and professional skills, is a generally correct approach to immigration. However, it has prevented American policy from reacting to the increase in emigration from Eastern Europe. Given the overwhelming contribution of Eastern European immigrants to our Country, we believe this imbalance must be corrected.

With one stroke of your pen, Mr. President, you can take the first step towards affording the refugees from the Soviet Union and Eastern Europe the freedom they deserve. You can provide the political and religious dissidents of the Soviet Bloc the same compassion and refugee privilege which President Reagan afforded political and war refugees of Southeast Asia. We call on you to use your authority [granted by Section 207(b) of title VIII of the U.S. Code 1157(b)] to create a 12-month refugee category for those who have fled communist regimes in the Soviet Union and Eastern Europe. The United States should immediately grant refugee status to 100,000 such emigres, with refugees from each captive nation represented in the total.

The United States has granted refugee status to approximately one million people since 1980, yet only 66,000 Soviet bloc refugees have benefited. While there has been significant political and social liberalization in most Eastern European nations since 1985, the notion that persecution, human rights abuses and denial of basic freedoms no longer exists is simply untrue. Ongoing suppression and persecution in these communist countries justifies America's acceptance of Eastern European and Soviet nationalist refugees.

While a one-year refugee category does not solve the long running imbalance disfavoring Eastern Europe in America's refugee policy, it is a necessary first step. The strong Eastern European-American communities in the United States will help accommodate the influx of 100,000.

Finally, we believe you should address the long term imbalance and the current refugee situation with two important steps. First, the United States should immediately open negotiations to discuss free emigration policy with the Soviet Union, stressing that legitimate liberalization and openness must include free emigration for Soviet Bloc citizens. Second, we urge you to submit to Congress a plan, such as the one outlined above, which would provide Soviet Bloc emigres with refugee status to allow them deserved freedom in America.

Just as the Soviet Union could not extinguish the flame of freedom in their captive peoples' hearts, the United States must not allow the flame of hope, freedom, and opportunity, symbolized by our Statue of Liberty, to be extinguished. We ask that you rekindle the flame of hope for hundreds of thousands in Eastern Europe longing to be free.

We look forward to cooperating with you to ensure the success of this initiative.

Sincerely,

WILLIAM O. LIPINSKI.

RICHARD GEPHARDT.

I want to underscore that last line—the offer made by myself and the majority leader to cooperate in this initiative. Although today's statements by the Bush administration seem to say we are not interested, I want to say, Mr. President, the offer still stands. But if it takes politics to bail this out, so be it.

Since 1965, the basis of the U.S. immigration policy has been the preference system, which focuses on family reunification and job skills. While this is a correct focus for our immigration policy, it has created a great imbalance, disfavoring immigrants from Eastern Europe.

Following are some facts on immigration:

[Fact Sheet]

Immigration to the U.S. from Eastern Europe and the USSR decreased over 50 percent from 27,480 in 1982 to 12,838 in 1987.

While Europe accounted for 72.3 percent of U.S. immigrants in the 50's, and 62.4 percent in the 60's, only 16 percent of U.S. immigrants came from Europe between 1981 and 1987. Only 4% were from Eastern Europe.

During this same period, total immigration has increased from an average of 251,000 a year in the 50's to 601,000 in 1987.

These numbers do not indicate the true extent of emigration of refugees from Eastern Europe:

West Germany alone has accepted 180,000 Soviet Bloc refugees from January to July 1989, including 120,000 Poles.

Under the Refugee Act of 1989, the President may specify an additional number of refugees to be allowed into the United States during the succeeding 12 month period.

This authority was used by President Reagan in 1988 to allow 15,000 Eastern Europeans into the United States.

In 1980 alone the United States admitted 168,000 refugees from Southeast Asia. Between 1980 and 1984, over 500,000 refugees from Southeast Asia were authorized.

What is this country all about? Last year the Pledge of Allegiance was made a political issue by the opposition party.

I read where pollsters for the Democratic Party say that Republicans have captured the symbols of God, flag and country.

Capturing is one thing—understanding apparently is another.

The last line of the Pledge of Allegiance reads: For liberty and justice for all.

Liberty—the dictionary defines liberty, in part, as freedom from unjust or undue government.

Do those who have captured the symbol of the Pledge of Allegiance really want to change from all to only certain people—or say this only applies to people already here?

I would remind Ms. Lafontant what the inscription on the Statue of Liberty says:

Give me your tired, your poor, your huddled masses yearning to breathe free. The

wretched refuse of your teeming shore. Send these homeless, tempest-tost to me, I lift my lamp beside the golden door.

Last year President Reagan and then Vice President Bush stood before our Statue of Liberty with Mikhail Gorbachev for a photo opportunity. I wish our leaders had used that moment for more than a photo opportunity. Remembering what this lady represents, they should have put freer immigration policy on the table for discussion with Mr. Gorbachev.

I also wish that President Bush, in formulating his present position, had remembered those words inscribed on the Statue of Liberty. I doubt that He would have reached the same position. He would not have allowed his spokeswoman to tell Congress that "just because the United States fought for people to be free, doesn't mean we must allow them to live here."

Last week, along with millions of other Americans, I watched David Frost interview President Bush. In a dramatic and emotional moment during that program, President Bush predicted that the Berlin Wall, the symbol of the Iron Curtain, would come down in our lifetime.

He spoke about the feeling that swelled up inside of him during his last visit to Hungary, as their Chief of State handed him a piece of barbed wire which had been used to shut its border to the West—a piece of the Iron Curtain, through which thousands now legally flee West.

President Bush is right to swell with pride. Democracy is winning. People who yearn to be free still look to the United States of America as the place to realize freedom and opportunity.

For the people of Eastern Europe who have suffered almost 50 years of political oppression, who dream of freedom and opportunity, tearing down the Iron Curtain will not be enough. For even with it down, any attempt to immigrate to the United States, will be blocked by yet another curtain. A curtain constructed not by Communists in an attempt to prevent people from leaving, but by Americans acting in such a way to prevent people from entering.

This curtain is our immigration policy. A policy which has been more successful in blocking entrance into our country by Eastern Europeans, than the Iron Curtain has been in preventing them from fleeing oppression in the Eastern bloc.

Just as the Soviet Union could not extinguish the flame of freedom in their captive people's hearts, the United States must not allow the flame of hope, freedom, and opportunity, symbolized by our Statue of Liberty to be extinguished. Even during a period when our budgetary restrictions are increasingly impacting our

ability to conduct our foreign policy— we can still act with boldness.

President Bush, with one stroke of his pen, has the power to tear down our immigration paper curtain, and to rekindle the flame of hope for those hundreds of thousands of Eastern Europeans still longing to be free.

It is time to return to our historical mandate. It's time to rekindle the flame of the Statue of Liberty. She stands ready.

□ 1940

CHANGING THE RULES OF CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. Upton] is recognized for 60 minutes.

Mr. UPTON. Mr. Speaker, I rise this evening on the first of what we expect to be many special orders during the next couple of weeks to talk about changing some of the rules, trying to tell the American public a little bit about what goes on in Congress, and that is going to take a long time. I know, because of the weather and the lateness of the hour, we may not have as many Members as we originally thought we would have come this evening, but we will certainly see what happens this evening.

Mr. Speaker, there is something that really has gone wrong in the House. Why do legislators seem to have so much trouble legislating? Why do we seem so unable and often so reluctant to confront the most important issues of the day? Why does it seem that we lawmakers cannot make decent laws?

We on the Republican Leadership Task Force on Congressional Reform headed by our good and able colleague, the gentleman from Oklahoma [Mr. EDWARDS], are trying to address these problems. We may not have all the answers, but we think we can identify some of the roots of our problems.

We are trying to bring these to the Speaker's attention as well as to the American public through these special orders that will be seen on Wednesday night for the next couple of weeks.

One of the key problems, and the issue that we are going to address this evening, is what we call bottled-up bills. These are bills that have been drafted, they have been advertised and introduced, and often the American public supports them in large magnitude. Yet, they are not seen again for months and months and months if ever.

I want to talk about some of the bottled-up bills and some of the issues that I have been referring to. Just to give an idea of how deeply this problem runs, here are some of the bills that are now tied up in committee: balanced budget amendment, constitutional amendment to balance the budget. Last year, last session of Con-

gress, the 100th Congress, we had 235 cosponsors of this important bill, 235. The American public knows we are a body of 435, and if we have 218 on any issue it is going to win. That is a lock. Two hundred thirty-five cosponsors, yet we were never able to bring this legislation up on the House floor for debate, or certainly even not for a vote, and I think that is wrong.

This year already in the 101st Congress, 243 cosponsors, yet again, to my knowledge, we have not even had a hearing in the Committee on the Judiciary let alone anyone holding their breath hoping that we would have a debate or even a vote on the House floor. The American public supports this legislation, a constitutional amendment to balance the budget. Seventy-five to eighty percent of Americans, when asked that question, are going to say yes; yet, here on the House floor, the greatest deliberative body in the world, terrific democracy, we are never able to even bring this legislation up for debate on the House floor. It is bottled up in committee.

Section 89: We have gotten a lot of letters, certainly in my office, and I am sure in other offices, up on the House floor, and in the House we have had a tremendous number of hearings, and business interest groups, whether it be the Chamber of Commerce or the National Federation of Independent Business People or whatever, section 89, people know what it means. It comes up in town meetings all across certainly my district in Michigan, and I am sure across the country.

We had hearings in our Small Business Committee, in fact, just today. We had Governor Baliles of Virginia come and testify on competitiveness and what the State Governors' associations are doing, and in my remarks, as I commented to the Governor, and we talked a little bit about section 89 and how this was an issue that Congress had grossly mismanaged. It was included in the tax bill of 1986. No one knew that it was going to be there, and it was going to be terribly destructive to businesses, small businesses particularly across our great land.

We had hearings in our Small Business Committee even last January before most people knew what it was. Three hundred fifteen cosponsors, and it took us forever, and we actually had to work on a parliamentary procedure to get legislative activity on an appropriation bill, something that is clearly against the rules of this House and is often subject to a point of order, but we were able to win. We were able to say no funds in that appropriation bill for the Department of the Treasury shall be used to implement section 89. We won because we had forced so much attention on that issue, but we really never were able to debate the merits of the issue. Again, it had been bottled in committee, in this case, the

Committee on Ways and Means, and we never were able to get it up until we used the appropriation method to finally, hopefully get it defeated.

Comprehensive Crime Control Act of 1989: I will say it is certainly a relatively important measure that President Bush has supported and sent it up to the Hill again. Here it is the middle of September and no action at all taken.

Let us talk a little bit about the line-item veto. I spoke at a couple of groups today, one, the American Business Conference downtown, CEO's from across the country. They raised the line-item veto.

I spoke at another conference this afternoon, the Northeast-Midwest Coalition, where we were able to get business and education leaders from around the Northeast and Midwest, and somehow again the line-item veto came up.

Even Mike Dukakis, and I have said this on the House floor, Gov. Mike Dukakis of Massachusetts in 1988 in the Presidential campaign came out in favor of the line-item veto. President Bush obviously supports the line-item veto. So did Ronald Reagan.

1950

So do a large number of our colleagues here in the House, both Republicans as well as Democrats. Yet again, the chances of this legislation getting out of committee, coming up for a vote on the House floor are slim to none, and I think is wrong. They are bottled up in committee.

Take our environmental laws the last couple of years, and of course I am hopeful that we will have some action taken on renewing the Clean Air Act, some action taken on acid rain, important issues for the American public, for the United States, even for our relations with our neighbor to the north, Canada. Yet again all of this legislation has not gotten out of committee. We have known about the problem. Heaven knows, we know about the problem with acid rain in the northeast, yet we were never able to really get hearings out of the committee, get it debated here on the House floor. And it took President Bush's leadership, bipartisan leadership I must say, to finally put a package together, send it to the House and to the Senate, and hopefully later this year we are going to see some action taken on that bill.

Last year in the 100th Congress, boy, I can remember talking about closing those unneeded military bases across this land. I was here on this floor with my good friend, the gentleman from Texas, Mr. DICK ARMEY, on a number of occasions. The Defense Department has come out year after year for decades talking about the need to close unneeded military bases. I can remem-

ber on Christmas vacation out in Utah, Salt Lake City, skiing in the wintertime last year, and they have a place out there called Fort Douglas, and I know we have run this through the mill before, but here was a fort built in the 1860's to defend the stage coach trails against the Indians, and yet it is still a military installation in 1989, 130 years later. The Defense Department had tried to close it for years and it was able to stay open.

We saw other bases around the country with the same story. I do not mean to pick on the folks out in Utah if they are watching this evening, but let us let the military make some decisions on their own. If they say they do not need some bases, let us let them close them down. We need to save some money.

In effect, the savings that came out was \$5 billion, that is "b" as in boy, and certainly we can use those savings not only for our general Federal budget, but also in the Defense budget as well.

Again, time after time, year after year, this bill was bottled up in committee. We were not ever able to get it out on the House floor, and finally, miraculously so, through the tenacity of our good friend, the gentleman from Texas, Mr. DICK ARMEY, we were finally able to bring this measure up for a vote. And of course it passed overwhelmingly.

But that is not the issue. It should have come up years ago. It should not have come up last year. It should have been dealt with way before I even entered this Congress. And in fact we almost had a test vote later on on the defense bill earlier this summer. Some people thought that they would try and renew the debate on that bill, maybe they could get enough votes, that no funds shall be spent, implemented or spent to fund the implementation of that bill, and we were able to defeat it because Members knew they would have to be on record as opposing the very same thing this body decided to do last year.

I will talk about a little case of our sophomore class. We are a pretty close sophomore class, our Republican class here, those who came in the 100th Congress. We decided to take up a little challenge this year. We wanted to have our own project that we could try and claim a little credit for maybe, called the Social Security earnings test limitation, that needed to be changed. This is not a new idea. We did not try and steal the idea from anybody. It has been around here for a long, long time. In fact, the gentleman from Texas, Mr. BILL ARCHER, our ranking member on the Ways and Means Committee, has introduced this legislation year after year for probably 20 years, or maybe not quite that long.

I want to read a couple of things here. Elderly workers today are cur-

rently losing 50 cents in Social Security benefits for every dollar in wages above the earnings limit, reflecting a marginal tax rate of, if you can imagine this, senior citizens working part-time jobs of a 50-percent marginal tax rate. That is wrong, and that in fact is one of the reasons why so many of the elderly have abandoned the workplace, because the Federal Government has imposed those extraordinarily high marginal taxes on the wages that they earn.

For some middle-income elderly workers, Federal taxes take at least 75 cents out of each additional dollar of wage income. In fact, if the retirement earnings penalty were eliminated, like we would like to do, at least 700,000 elderly folks, by some estimates, would come into the workplace. That is a marvelous idea.

Mr. SMITH of New Hampshire. Mr. Speaker, will the gentleman yield?

Mr. UPTON. I yield to my good friend, the gentleman from New Hampshire.

Mr. SMITH of New Hampshire. Mr. Speaker, I thank the gentleman for yielding and want to commend him for calling this to the attention of the American people, because this is a very serious problem in this institution. There is a great deal of should I say hypocrisy too, because I share the frustrations the gentleman has with the pieces of legislation he is discussing, and of course there are many others, and I know the gentleman will be getting to them.

But the interesting thing is many Members get off the hook, so to speak, with their constituents by saying that they cosponsored that bill, and "I cannot understand why we cannot get a repeal of the Social Security earnings limitation. I have cosponsored it," they tell their constituents. But did they go down into the well and sign what is called a discharge petition which provides that this legislation will get unbottled, if you will, and be able to get to the floor for a vote? I think one of the things that constituents of all of us should understand is through this procedure, which is perfectly legitimate as a procedure, we can in fact get these pieces of legislation that we would like to vote on, and the gentleman named a few, certainly the balanced budget amendment, the earnings limitation, and so many others, we could get them to the floor, but in fact we get more Members who are willing to cosponsor but frankly are unwilling to sign the discharge petition.

Of course, as the gentleman knows, the big argument about the discharge petition is if it is a bad piece of legislation we do not want it to get to the floor. But the truth of the matter is, if the American people show in survey after survey, poll after poll, or indicate to us that they would like this legisla-

tion considered, I think they deserve that consideration. That is not happening in this institution, and I want to commend the gentleman for calling that to the attention of the American people with his special order.

Mr. UPTON. That is a very, very good point. I will take the case of section 89. As I indicated, and we checked this morning, 315 cosponsors have signed on to repeal section 89. Nearly every businessman and woman across the country is aware of this terrible situation of the burden that it is going to impose. It is going to act the opposite way that Congress intended the legislation to help those who are uninsured. It is just rotten, let us just put it out that way. We have 315 cosponsors. If we had a vote it would pass by a majority, and that is certainly more than a majority.

I am sure when Members of Congress write their constituents they say oh yes, I am a cosponsor, but when you ask whether they signed the discharge petition, it was only this summer, probably in July when I found out about it, and I was only the 89th person, which I was glad to be No. 89 on the discharge petition to repeal section 89. Only 89 Members of Congress were willing to go down to the well and put their name down in ink saying that they would like to discharge the committee, and that is what it stands for, a discharge petition to discharge the committee of its responsibility, abrogate the responsibility and bring it actually to the House floor for a vote. So many constituents may write to the Members and the Members may reply that oh, yes, they are a cosponsor, but that does not mean anything, it really does not, not until they put their name on the line on the discharge petition on an important issue like that, an issue that means for some life and death.

Mr. SMITH of New Hampshire. If the gentleman will yield further, I think the interesting thing is that certainly the Founding Fathers in writing the Constitution and laying out the legislative responsibilities of the Congress of the United States had no intention of something coming up in the rules of the House which would deny the American people the right to get an up or down vote on an issue of concern to them.

□ 2000

I think that all of us ought to take a good look in the mirror in terms of some of the legislation that we know ought to be brought out here, ought to be voted on. If we lose the vote, fine, but we get the vote.

That is why the discharge petition I think is an abused rule in this House because it is abused to the extent that it is not used; that if more people did use it and those same people who co-

sponsor legislation, especially when we get over 218 Members—and obviously when you get 218 Members who agree to support a piece of legislation, there is no parliamentary reason why that piece of legislation cannot get to this House floor for a vote because it is a majority of the Members. If they say they support it, they ought to back up that support by going down in the well and signing that petition saying if it is good enough to have 218 representatives of the American people to say they want it passed, then why can we not get it to the floor for a vote?

Theoretically, we should get it to the floor and we should get a minimum of 218 votes. It does not happen on many, many pieces of legislation which the gentleman has so eloquently described. This is very, very frustrating because as in the case of the base-closing legislation, when we finally get it to the floor we have wasted hundreds of millions of dollars in taxpayers' money, in that particular case because we did not get it to the floor soon enough.

There are many other bases other than the one in Utah that the gentleman described. That is very frustrating.

I think the American people need to know this and need to realize that each Member, each one of us should be held accountable for following through on what we say we do.

This cosponsor stuff, you know, there is a great emphasis in this place on cosponsorship. The "dear colleague" letters say, "I invite you to cosponsor this," or, "I invite you to cosponsor that;" that does not mean anything if you are not willing to back it up with action here by saying, "I feel so strongly about this bill, yes, I cosponsored it, but secondly, I am willing to see that the American people get an up or down vote on it."

Now we cannot deal with every piece of legislation; if you get a bill with only 15 cosponsors, that does not deserve to get to the floor. When you get 218 or more, the gentleman mentioned on one they had over 300—

Mr. UPTON. Yes, on section 89 repeal, 315 cosponsors.

Mr. SMITH of New Hampshire. And we cannot get a vote.

Mr. UPTON. We really had to use—sort of out-fox the opposition, sneak it in, we were finally able to get it in on an unusual parliamentary procedure.

Mr. Speaker, the gentleman made a very good point talking about fairness. We know that as Republicans we are in the minority, 106 Members out of roughly 435. Now we are talking about fairness. Sure if we have a partisan vote on an issue we will probably lose every time. One hundred seventy-six votes is all we are going to get.

But we were elected to make tough choices. We were elected to make decisions, not to avoid them.

So we lose. It is going to hurt us all, all us Republicans; when we go to bed at night we would wish that we had won this battle or won that battle. But at least we would have the opportunity to bring it up for our constituents across the country who would have an opportunity to see how their Congressman or Congresswoman voted on a particular issue. Things should not be bottled up because they do not want a vote. I think that is wrong.

That is one of the things that hopefully will come out of these special orders that we are taking, particularly on bottled-up bills; to get them out.

The American people know what a constitutional amendment to balance the budget means, they know about section 89 and other things. We have a strong majority in the Congress which has been involved in most of the Presidential campaigns the last couple of times and there is no reason why we should not have a vote on these issues, debate them right here on the House floor. So we lose. Maybe we will lose some of those issues. But at least we have the opportunity to bring it up on the House floor instead of taking a special order like this evening where our colleagues are going to have to read about tomorrow in the CONGRESSIONAL RECORD.

Mr. SMITH of New Hampshire. On the line-item veto, this particular piece of legislation has overwhelming support of the American people. It is so obvious. I know when I walk through my district and discuss the line-item veto, especially with the business folks—

Mr. UPTON. It comes up every time.

Mr. SMITH of New Hampshire [continuing]. Every person who runs a small business, from a mom-and-pop store to a big company, will tell you the same thing, "Why can't we have the line-item veto? Why can't we have fiscal responsibility?"

The answer is because the leadership does not want fiscal responsibility because then they have to be accountable. It is easier to deficit spend when you are not accountable.

This line-item veto is directly linked to the fiscal problems that we have today.

As you well know, and the gentleman has been here during some of these years, the clashes that this Congress has had with President Reagan and now with President Bush over fiscal matters, over what the priorities are, what they should be, should not be, the truth of the matter is the Constitution and certainly the Founding Fathers never meant that the President of the United States should get an omnibus bill, a huge supplemental, if you will, with all of these things in it, that he cannot line out anything out of it without losing the entire bill.

That certainly was not the intent. The people in here know that. The American people know that.

I think that is why just that particular item, the line-item veto, were we to have the courage collectively, in this institution to go down in that well and sign a discharge petition that says, "We want to vote on the line-item veto," it would put pressure on a lot of Members who may not want to vote on it but who will have to vote on it if we bring it down here. And we would win that vote.

So this is a perfect example of a powerful few, a powerful few in this Congress who control the destiny, in this case the fiscal destiny of America.

That is exactly what is happening. I think if more people know that, there may be more pressure on some Members to get down there and sign these discharge petitions.

Again let the chips fall where they may.

I think also—and this is why it is so important that the gentleman is doing this special order—it also I think is going to make us more honest as Members in terms of what we sign onto in terms of legislation.

Somebody told me I think the first few weeks that I was in the Congress that if we had a rule that every time a Member introduces a bill we have to take away 10, we will probably be much better off. We have more bills and laws than we can enforce now.

It would probably be better to remove them.

But the fiscal responsibility is what the American people want out of this place. Yet time after time after time we do not exercise it on vote after vote after vote. And then when we get the opportunity because we have the support of some of our colleagues to have a piece of legislation which will force us to have fiscal responsibility, or at least if we are not willing to in the case of the line-item veto to give the President the power to do it, we are unwilling to go down and sign the petition to do it. The truth of the matter is we should not have to sign a petition. We should be willing to listen to the American people and bring it up. But it does not happen.

I hope sometime before we leave, the gentleman and I and others, before we leave this House of Representatives, that we will see some fiscal sanity and one way to get it would be to do what the gentleman suggests, which is to bring these bills to the floor for a vote.

The American people certainly owe the gentleman a great debt of gratitude for bringing this to their attention.

Mr. UPTON. I know, as I wish the gentleman well in his career, that the audience may not know he is a potential candidate for the other body, the lower body, I should like to add. I

hope that we undertake some real fiscal constraint and change some of these rules before we leave the House.

You know, an interesting point, I know we talked a little bit about bills that are introduced; I have had some people actually come up to me and say, "Fred, why don't you double your salary and for every bill you introduce, subtract \$10,000 and the country would be a lot better off." I think they are probably right.

You know, the gentleman brings up the continuing resolution. I can remember 2 years ago, about December 23, at 1 in the morning, we were all wondering if we are going to have to do our Christmas shopping here in the District of Columbia instead of going back to Michigan or New Hampshire or anyplace else, wondering whether we were going to have to actually spend it with our families, with airline reservations as they were and all that.

They were working on this massive continuing resolution, 13 appropriation bills, 600 pages of documents. No one knew what was in those.

Six hundred pages is about like this. They brought it out, something like three copies were available, one for our side of the aisle, the Republicans, one for the Democrats, and one for the Speaker. It sat right here on this desk. People came and thumbed through it, trying to see if their projects were in it. I remember looking at—and I used this example before when I actually ended up with, as I walked away, the cloakroom people said I could take the bill, stuff it underneath my chair and haul it all the way home and look at it on the airplane the next morning going home for Christmas. I can remember finding the Department of Army budget in there. There had been a typo in that Army budget. It was \$16 million, "m" as in Mary. That would not make one payday for the Department of the Army. It was supposed to be \$16 billion.

Thank goodness some clerk had taken a pen and put a little line off to the side and added three zeroes in the margin. Well, we would not have caught that in the hour of the day that we had it, 1:30 in the morning, on page 364. They could have put people's names and phone numbers, girlfriends' and boyfriends' names, people just jotted down and they could actually have been enacted into law. That is one reason why we need the line-item veto. In fact, they are still discovering things that were in the bill, just like section 89.

□ 2010

I was not here to vote yes or no on the tax reform bill of 1986. I was not in Congress. However, I can assure Members, the gentleman from New Hampshire was here. He did not know

about section 89 when the bill was up for an up or down vote.

Mr. SMITH of New Hampshire. If the gentleman will yield, the catastrophic health insurance is a perfect example. The same people who were out there crusading for this bill saying it was the greatest thing for the senior citizens since sliced bread, and here we now hear the same people saying, many of them, saying it was a mistake. "We made a mistake." Why was a mistake like that made? As Members know, the mistake was made because we did not do our homework first, or listen to our constituents. If we asked the senior citizens of America, they would have said, "I don't need a surtax of 15 percent on top of the money that I already paid Uncle Sam, when my tax return is due." They would have told Members, but they were not asked. So we are reactive, rather than proactive, reacting to undo the damage done to senior citizens of this country. With this piece of legislation, bad piece of legislation, section 89, we are trying to undo the damage it has done to business. We are reacting to these things, and it happens because these bills are not thought through, and when Members get a good one, one that 80 percent of the American people want, we cannot even get it voted upon, let alone get it passed. It is reprehensible.

Mr. UPTON. Mr. Speaker, those are good examples the gentleman from New Hampshire is talking about with section 89 and catastrophic health. We know and see the mail that comes in. I sign all my Washington mail. I see all my letters that come in from my constituents in the Fourth District of Michigan. That is the No. 1 concern, without a doubt, more than anything else.

I had a reporter with me this afternoon for a lunch on a number of issues. We talked about catastrophic health, which was the No. 1 issue in terms of numbers of letters of concerned individuals in my district. It affects every person over the age of 65 years old, but yet unlike what we learned in poly sci 101 or ninth grade civics, as a Member of the U.S. Congress or State legislature or whatever, boy, Members have power and can offer amendments and change bills. It ain't that way.

Mr. SMITH of New Hampshire. If the gentleman will yield, how many people, Members, go back home and say to their senior citizen constituencies, "If we could only get that bill repealed?"

The truth of the matter is there is legislation in by our colleague, the gentleman from Illinois [Mr. FAWELL] and some other Members, that will repeal that legislation. That has not had the opportunity to have action yet, although it is being worked on. It

took a lot of action from a lot of senior citizens.

Mr. UPTON. We just about had one Member of the Illinois delegation run over because they were so angry with him with regard to what was going on, from what some of the news accounts were saying.

However, again, here is a cause, FRED UPTON is not on the Committee on Ways and Means. Neither is the gentleman from New Hampshire [Mr. SMITH] or most Members and colleagues in this great institution. We all get mail. Yes, we all have ideas and bills that we have cosponsored, but try to get it to the House floor and fixed. It has trouble getting bottled up in the committee, and it is unlikely to have a vote.

Take the situation of tonight here and Social Security. I tell my constituents it is not going to happen. They look at me with a blank stare. "Why not, you are a Member of Congress?" I say it will not get out of committee. FRED UPTON, and I know I look rather youthful, 36 years of age, can be here 50 years, and I will not be because my wife will kill me. Regardless of that fact, it is not going to come up because it is bottled up in committee. Yes, they had a hearing, but it is not going to come out.

The focus of this debate, another clear example of a good issue that the American public knows about. We will never discuss the merits or demerits of that legislation here on the House floor.

Let me say a couple of other things, and my colleague from Pennsylvania is here, and I thank him for coming across as it is still raining outside. I know it is wet.

Mr. Speaker, I yield to the gentleman from Pennsylvania, [Mr. WELDON].

Mr. WELDON. Mr. Speaker, I thank my colleague and friend, and I thank my good friend also from New Hampshire [Mr. SMITH], for his support in this special order on a very timely and critical and important issue—not just to the operation of this body, but the future financial well-being of this country, and that is our inability to get access to legislation that strong support, and in some cases overwhelming support from the Members of this body, and yet this cannot be considered on the floor for an up-or-down vote.

That is a tragic case when Members talk about the world's most prestigious deliberative body, that we cannot proceed with a piece of legislation that has overwhelming support of the majority of the people, representing the majority of the people in this country. The Members have given outstanding cases and excellent examples of bills, most of which I have cosponsored, including the balanced budget amend-

ment, line-item veto, and efforts by our friend, the gentleman from Pennsylvania [Mr. GEEKAS] to deal with section 89, and a number of other issues that really are on the front burner in terms of concern by the American people. We have to change this process.

I am here tonight to share in your special order and highlight one specific issue that I attempted to deal with in the last session in cooperation with all of my colleagues who are members of the now sophomore class. My first year in office I became aware of the ability of members of the Committee on Ways and Means to place what are called rifle shot single taxpayer targeted relief provisions onto bills anonymously. These provisions benefit individual citizens or very small selected groups of citizens and companies, and in fact, have cost the Government on a continuing basis, millions and hundreds of millions, and in some case billions of dollars of lost revenues. In finding this out, in my first year of office, I brought it to the attention of my colleagues in the Republican freshmen class and suggested perhaps as a class project we could take up this initiative and attempt to deal with it and to bring some light into this process that I felt was desperately needed.

We put together what was called the Targeted Tax Relief Disclosure Act of 1988, a very simple bill, a bill that ended up with almost 90 cosponsors in the last session of this body. The bill simply said that any Member of Congress who wishes to give five or fewer taxpayers a special interest tax break, would have to identify themselves up front, so that we would know who was putting the provision in the bill, would have to identify the beneficiary of the specific provision or beneficiaries; and third, would have to identify the estimated amount of fiscal loss that would occur to the U.S. Treasury because of this rifle shot tax provision.

Now, that to me, and I think to most American people, sounds like common sense if we are going to give a tax break to five or fewer taxpayers, why not let the American people know why we are doing it. Why not identify this Member of Congress. My point, and the point of our freshman class, was not there are not times when a special transition rule, as they are often called when we have changes in the tax law, are not necessary and could not be defended. I, myself, could see cases where I could defend a company's specific hurt caused by a change in the tax law, but I would be more than happy to stand down in the well and defend my actions in requesting that special assistance, and I would hope that my colleagues would have the decency and the fairness to consider that action with me. All that our bill said, and it says this session, because it is reintroduced, is to get Mem-

bers to look at these targeted tax provisions up front. Let Members know who they are going to, and let Members know the cost to the American taxpayer. Today we have no such ability.

The Philadelphia Inquirer in a Pulitzer-prize-winning series in May of 1988, after we developed the Targeted Tax Relief Disclosure Act, did a 6-day series that estimates that in one bill, the 1986 Tax Reform Act alone, there was in excess of \$10 billion—not millions—\$10 billion of targeted tax relief giveaways that were all inserted anonymously. In fact, in most cases, no one could even identify who the beneficiaries of these targeted tax giveaways were. Here we are, in the floor of the House, and Members all the time crisscrossing America, saying to the American people, is not a tragedy what Ronald Reagan and George Bush did in terms of spending more money? Is it not terrible the way that we misuse the Federal dollar? We hear about the \$500 toilet seats and the hammers in the military, why have we not heard about the \$10 billion in targeted tax giveaways? Why has that not been a front issue with the American press and the American media, and why do these kinds of special interest provisions go on and on, totally unchecked, and all done anonymously?

We tried to stop that in the last session. We developed collectively, among our class, a piece of legislation. We introduced it, and until this point in time and in the last session entirely, we were not even given the consideration for a hearing in the appropriate committees of jurisdiction.

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Mr. Speaker, I argued the merits of the bills and amendment to the Budget Reconciliation Act, and again I was turned down by the standing Rules Committee by a 2-to-1 margin not being allowed to offer this bill as an amendment, simply to identify these anonymous tax provisions that are given especially on tax bills and tax legislation.

Again we have reintroduced this bill. We had almost 90 cosponsors in the last session. This session we are already over 50 cosponsors, and with some additional effort I feel confident that we will very aggressively go over 100 cosponsors for this very important piece of legislation.

But once again it does not matter how many cosponsors we get. We will continuously see the leadership thwart our efforts to bring this commonsense legislation to the forefront so the American people can see and judge it on its merit.

What is the downside of this legislation? Well, to be honest with my colleagues, I do not know any downside. If there is a transitional rule or a single taxpayer, rifle-shot provision

that is worth fighting for, all we are saying is, "Fight for it in the open, and allow everyone to know who we are fighting for up front, not do it anonymously because, when you do it anonymously and when no one knows who put it in, and who is benefiting and what the cost is, obviously no one is there to take the blame."

What are some of the examples? In the 1986 Tax Act we had an \$8 million tax break for a couple of wealthy individuals to refinish a 562-foot cruise ship at the expense of the American people. We had a \$500 million tax break for an oil company in violation of the Federal security laws, and can anyone justify to me why we gave anonymously an \$8 million tax break to a company which built two ships in Japan that are today hauling foreign cars, Toyotas specifically, to our American ports?

Mr. Speaker, we hear people rail about foreign trade problems. We hear people rail about the way we spend our tax money, yet here are specific provisions, all of which and each of which were inserted anonymously in tax legislation that eventually passed through this body and the other body and eventually became law.

One might say, "Well, why didn't the President wipe those out?" He has no ability because he does not have line item veto, so we could blame the President all we want. He does not have that authority to take that type of action. We need basic reform.

We are not saying that this is any one group of people engineering this. What we are saying is the leadership has got to open up and allow us to consider these items on the floor, if a majority of the Members agree with the provision, to vote it up or down, and if it is defeated, fine. We walk away knowing that in good conscience we have debated the issue.

However, Mr. Speaker, what frustrates so many of us on both sides of the aisle is the fact that we just cannot get these issues up to the floor for consideration for debate and for final vote up or down, yea or nay, and that is a real tragedy especially when we are talking about the greatest democracy on the face of the Earth.

So, I applaud my colleagues for their efforts. I would hope that this special order will convey the feelings that many of us have in terms of dealing with this problem, not just here, but with our citizens across America, to let them know the real story, and perhaps we can begin to see some action take place to try to change some of these efforts that we are trying to bring up and deal with.

Mr. UPTON. Mr. Speaker, my friend, the gentleman from Pennsylvania [Mr. WELDON] makes a very, very good point about his idea, his important piece of legislation. I was proud

to be a cosponsor, both in the 100th Congress and again now in the 101st Congress, and to just take his example one step further, earlier this year we voted on an S&L bill, and we had to resort to a parliamentary procedure on one of the amendments. It is a motion to recommit, which is terribly technical for most of the folks out there in the United States listening this evening, but we had a motion to recommit with instruction that was offered by my good friend, the gentleman from Iowa [Mr. LEACH], and his motion of instruction included the provision that there can be no special interest provision in that S&L bill. They were not able to get this bill up on the House floor. We are not able to hold hearings, and debate it, and vote it up or down on the merits of it and let the Members stand behind that vote, yea or nay.

Mr. Speaker, we had to resort to a parliamentary procedure devised at the last minute so as to not tip our hand to be superseded by another amendment, thus not allowing this idea to come up, and we had a vote on eliminating those special interest provisions benefiting one or two specific S&L's because of a member on the committee from a particular State, or whatever the reason. No one even knew how many S&L's or how many special provisions were in that bill when it came up because again it was late at night when we dealt with this thing, no line item veto, and it passed overwhelmingly.

In fact, Mr. Speaker, as the votes started coming up, those watching that evening saw that it was pretty close, and all of a sudden our side took the lead and said, "Well, this thing is going to win," and people started changing their votes. In fact, one of my friends on the other side started waving a white handkerchief.

Mr. WELDON. Mr. Speaker, the gentleman from Michigan [Mr. UPTON] makes a very good point. I recall the evening very well because it was a late night session. As that amendment came up in a similar manner, removed special interest single provisions from that S&L bill, we saw the individual Members of the House jump off of that yea vote on that issue, or on the nay vote, like mice jumping off of a sinking ship because they knew it was going to pass overwhelmingly. I think there were less than 10 Members who eventually disagreed with us on that issue of removing special interest provisions, and I think that shows the overwhelming support in this body once we get the issue up for consideration on debate.

Mr. Speaker, the problem is we cannot get it up.

Mr. UPTON. Mr. Speaker, that is the very point we are trying to make this evening, whether it is the line-item veto, or constitutional amend-

ment to balance the budget or, as my colleagues know, let the Members stand and be identified for those special interest provisions.

I had one 2 years ago. I protected a company in our district. They were working on a retirement plan. They had been for years. All of a sudden there was a Tax Code change that they did not know about. They were not large enough for lobbyists, to have their own special lobbyists. They clearly had the paperwork and the legal expertise and had gone about this for a long, long time, and all of a sudden out of the blue, gosh, there was a change, and it would have maybe taken 700 or 800 people out of a job, that pension fund.

Mr. Speaker, I would have been glad to stand up, and no problem at all. I went to the committee members on the Committee on Ways and Means. I told them why and got my delegation of Republicans and Democrats alike to support my provision, Indiana and Michigan as well. It is very important to our economy, and we were able to get it changed, and it was fair, and I am not afraid to stand up and say, "We saved hundreds of jobs that might have gone someplace else."

Mr. WELDON. Mr. Speaker, the gentleman from Michigan [Mr. UPTON] raises a good point. He says that he is proud of the effort that he took there because, the reasoning and the logic behind the action that he took, he could readily justify in the light of public scrutiny, and what we are saying very clearly, and I think have to repeat continuously, is that there are specific times where transition rules are necessary because changes in the tax laws do adversely affect one, two or three individuals or companies, and those special cases deserve to be considered.

Mr. Speaker, what we are saying is: Do this in the light of public scrutiny so that we can really weigh those issues and not have to unfairly try to defend an investigative paper like the Inquirer when it comes up with a whole series of these, most of which cannot be properly defended.

I thank the gentleman from Michigan [Mr. UPTON] for his efforts, and I thank him for yielding time to me.

Mr. UPTON. Mr. Speaker, I yield to the gentleman from New Hampshire [Mr. SMITH].

Mr. SMITH of New Hampshire. Mr. Speaker, I thank the gentleman from Michigan [Mr. UPTON] for yielding.

As I listened to the debate between the gentleman from Michigan [Mr. UPTON] and the gentleman from Pennsylvania [Mr. WELDON], it was very interesting that the types of legislation, when a piece of legislation is something that a majority of the American people want, like the balanced budget amendment or the line-item veto, we cannot get it to the floor. And when

there is a piece of legislation that has some bad provision in it, the same minority, small, powerful minority in the Congress that keeps that legislation from getting to the floor, this same minority, when it does allow a piece of legislation to come to the floor, uses what is called the closed rule to keep us from amending it and taking out the bad provisions from it.

So, again I think it further emphasizes that one of the real needs for reform in the U.S. Congress is to move the power away from a select few and move it out among all of us the way the Founding Fathers meant it to be.

We represent, each of us, approximately 500,000 people, and nobody has any more power than anybody else in terms of how they represent those constituents. Nobody is any better than anybody else. We might get elevated to different positions of power, committee chairmen, ranking committee members and all that, but we still represent approximately the same number of constituents, and it is not fair when a select few can say that this legislation will come. It is not decided by all of us, by a majority. It was not denied by a majority. It was simply decided by a few, and then when it is decided, it comes to the floor, and by the closed rule says, "You can't vote to take this or that out or to put something in."

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Sometimes there are ample opportunities for amendments, but many times, as these gentlemen both know, we do not have any opportunity for amendments. I think the gentlemen's analysis on those special privileged tax credits certainly makes the point.

Mr. UPTON. Talking about that Rules Committee is very important. You know, most of my constituents, I imagine, do not know about the Rules Committee; nine Democrats, four Republicans. Every bill practically that comes to this House floor, unless we suspend the rules, which is a special procedure meaning a two-thirds vote instead of a simple majority, has to go through that Rules Committee. They decide what amendments, if any, can be offered. We are going to save that for another evening in the next couple weeks.

Let me just make one other point and then I will yield back the balance of my time.

This year we have seen another issue that is going to be coming up, I hope, this campaign finance reform. We really need that in this institution. I have been talking about it for a number of years since I have been in office, even before I was in office. Let us hope that we get that issue up here on the House floor so we can debate it in time for the 1990 elections. That is going to be another special order that

we will take up in the near future as well, but whether it is the constitutional amendment to balance the budget or the Crime Control Act or the line-item veto or acid rain legislation, clean air, closing military bases or earnings limitations on Social Security, all these, the idea of my good friend, the gentleman from Pennsylvania, on identifying those rifle shot special interest provisions, all of them are very decent, well thought out ideas that I think generally the American public, certainly in my district, would strongly support; yet as Members of Congress, we are really only offered this chance after hours, with the House out of session, to really come in and talk about them a little bit, get a little lively debate going. I wish we could have a few of my colleagues from the other side participate and make some arguments. Some have in the past, and they say, "Boy, that line-item veto, you do not want to give the administration all that power."

Well, we get a chance to have an override vote. That happens every now and then. As an example, I voted to override Ronald Reagan's veto on the clean water bill a couple years ago. I believe in clean water. That happens. We overrode that vote with a resounding majority; 20 or 30 people voted the other way around. That happens. If someone thinks they have an idea that is taken out on the line-item veto, let them stand up in this well and defend it, be identified and defend it, especially if the administration says no, Republican or Democrat down there. That is why I was pleased to see that both Mike Dukakis as well as George Bush supported the line-item veto, and I saved that Washington Times headline when it came out in October of 1988.

Some of these issues do have bipartisan support. They have to when we have 176 Republicans and we get 315 Members of this institution that co-sponsor the repeal of section 89 and 243 for the constitutional amendment to balance the budget.

Mr. Speaker, even though we in this House may disagree vigorously on important issues that these bills represent, we all know that we ought to have, and we learned back in school as well, that we need a fair and open shot at debating the issues. Let them stand or fall based on some of those votes and let us then return to our districts and defend ourselves, yea or nay.

We strongly urge members of our caucus to urge that the House move forward and get this key legislation out in the open for debate so that we can all do the job that we were elected to do.

Mr. Speaker, in closing, because I know there are Members who want to speak yet this evening, and the staffs are here and the hour is getting quite late, and I will make this request.

Mr. GOSS. Mr. Speaker, we are taking time today to discuss a matter of extreme importance to the ability of this great body to carry out the Nation's business in an efficient and democratic way.

Today we are here to discuss the very mechanics upon which the House of Representatives was founded—we are here to discuss the legislative process.

In civics classes across the Nation, our children learn about how a bill becomes law in the U.S. Congress. Beginning with an idea, a bill is written, it is introduced and referred to a committee in the Congress. Then it is considered, revised, and—eventually—brought to the floor of the House for full debate and a vote.

That's how it's supposed to work.

Now I haven't been in Congress very long, but in my brief tenure, I have become increasingly troubled by the fact that many important topics are not being debated fully and openly on the floor of this House, but are instead being kept bottled up indefinitely behind the closed doors of House committees.

Many of these are issues that are of utmost importance to this country—issues that affect our economy, our environment, our families—issues that the American people care a great deal about and expect us to address.

Let me offer one important example—although there are many that could have been chosen to illustrate the point that our legislative process has become bogged down by excessive partisan maneuvering.

But I have an example that is, I think, not only timely but certainly hits very close to home for me and my constituents in southwest Florida.

Since I took office in January, the public outcry over the Medicare Catastrophic Health Act has reached a crescendo. Our Nation's seniors are fed up—and they are demanding that the Congress take the bull by the horns and address the issue.

Well, as we all know, those of us fighting to repeal or drastically modify the Catastrophic Health Care Act have faced a steep uphill battle that often seemed impossible to win.

We've tried every legislative maneuver in the books to bring the subject up on the House floor—in full public view—for open discussion, honest disagreement, and eventual resolution.

But so far we've been stopped dead in our tracks by a leadership that refuses to allow the democratic process to work as it should.

In fact, my colleagues and I have become so frustrated with our inability to achieve a floor debate on the issue of the Catastrophic Health Care Act that we've set in motion our last resort—a little used, seldom successful procedure to force leadership to bring the subject up for a vote before the full House called a discharge petition.

It's a real shame that such extreme efforts should be necessary to achieve a floor debate on this issue.

So today I join with my colleagues in urging the House leadership to reopen our legislative process and allow bills of national significance a fair and complete hearing on the floor of this House.

After all, that is the democratic way.

Mr. BALLENGER. Mr. Speaker, I take the floor today to share my concern and express

my outrage over the practice of the liberal democratic leadership to "bottle up" in committee, legislation that has the overwhelming support of the American people.

The most blatant example of this suppression of the people's will is the balanced budget amendment (H.J. Res. 268). This legislation has 243 cosponsors and yet it has been sitting in the Judiciary Committee since mid-May with no action taken.

House Joint Resolution 268 would require the President to submit a balanced budget for each fiscal year, and Congress and the President would agree by joint resolution on a single revenue estimate. An exception to this rule would require a three-fifths vote in both Houses or a declaration of war. A call for higher taxes would be voted on by both Houses and require a majority vote. A two-thirds vote in the House and Senate would be required to submit a constitutional amendment to the States for ratification.

Numerous opinion polls demonstrate that a constitutional amendment requiring a balanced budget has the support of over 75 percent of the American people. It is outrageous that the liberal Democratic leadership of the House of Representatives, also known as the people's House would thwart the will of the people.

This legislation deserves a fair hearing before the House. Perhaps the legislation remains "bottled up" in committee because the Democratic leadership is afraid of what might happen. We are not being fair to the American people if we fail to debate and vote on this issue.

GENERAL LEAVE

Mr. UPTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order tonight.

The SPEAKER pro tempore (Mr. SARPALIUS). Is there objection to the request of the gentleman from Michigan?

There was no objection.

THE SO-CALLED WAR ON DRUGS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Hampshire [Mr. SMITH] is recognized for 60 minutes.

Mr. SMITH of New Hampshire. Mr. Speaker, I do not intend to use the full hour this evening, but I would like to shift gears a bit, based on the previous special order, and go back to something that has been in the headlines of late, and that is the so-called war on drugs. I want to take a little different approach tonight, rather than to talk about the problems of drugs. I think we all know what they are and how serious those problems are, but I would like to take a look at the method of dealing with it at the Federal level.

President Bush recently announced his national drug control strategy. It was a comprehensive and a good plan

to fight, and I believe finally win the war on drugs. For years and years, we have had rhetoric, lots of rhetoric, about the war on drugs, but we have not had any action to speak of. The President of the United States, Mr. Bush, laid it on the table loud and clear. He said,

You know, there is a problem in this country and if we are going to deal with it and we are going to win this war, we have got to work together to do it.

It is not going to take a huge grant of a number of billions of dollars from the Federal Treasury. It is going to take cooperation. It is going to take partnership. It is going to take people working together. It is going to take the casual user of drugs who has to stop. It is going to have to take the criminal, the drug lord, and the guy that sells it on the street, we have got to stop them, put them in jail, keep them from selling anymore. It is going to take a concern and a compassion for those who are addicted as we try to help them, and it is going to take a monumental effort on the part of all of us through the education process to see that our children do not get afflicted by this horrible scourge.

Now, how do we do that? How do we accomplish these goals? Well, President Bush said it very well when he said:

We have to work together. I want the individual in the community, I want the business leaders in the community, I want the parents in the community, I want the parents and the kids in the community, I want the state and local governments and the Federal Government working together to solve this problem.

President Bush's package calls for nearly \$2.2 billion in antidrug funding at the Federal level for fiscal year 1990. Let us discuss briefly what these fundings include. There is \$200 million in funding for State and local law enforcement, an increase in funding of more than \$500 million for treatment and education, and an increase of almost \$200 million in funding for military and law enforcement assistance to support efforts to eradicate drugs in the nations where they are grown and, of course, Columbia is very much in the news these days.

But in all honesty, Mr. Speaker, I have been disgusted by the response of some of my colleagues about the President's plan. The President barely made it out of the Oval Office before he was assaulted by indeed the so-called opposition response, assaulted by calls for more money and higher taxes.

Well, right away, the opposition before even giving the President the opportunity to let this thing unfold, to let the American people digest what he said, we get the response, "More taxes." We have heard it over and over again from our good friends on the

other side, my liberal friends, who say, "We need more taxes."

Well, if you look back over your lifetime and you think about how many times your taxes went down, compared to how many times they went up, I think you are going to say that they went up a lot more often than they went down. Government spending has gone up and your taxes still went up and we still have a drug problem and we still have a lot of other problems, including a deficit, a huge one, a debt today of almost \$3 trillion.

The official response of the other party was to ignore the President's request for a bipartisan effort to fight this problem. We all know that the drug problem in America is not a partisan issue.

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Democrat kids, Republican kids, liberal kids, conservative kids, we all face these problems. Some of the opposition said it is not tough enough. It is not bold enough. It is not imaginative enough. These are some of the words that were used.

I am not sure just how much money it takes to be tough and how much it takes to be bold. If the President had requested \$10 billion, some would say it should have been \$20. If he had requested \$20, some would have said \$40. So I think the response was already designed, was already put together. It was just filling in the blanks, "Whatever the President says, we will say it was not enough." That is essentially what happened. Everyone knows it, and I know it.

What does imaginative mean? One does not have to have very much imagination to figure out what imaginative means. It means more taxes, pure and simple, more taxes on the American people. That is what the opposition wants. That is what the response to a bipartisan statement made by the President of the United States asking for the support of the American people, all of us, liberal, conservative, Republican, Democrat, men, women, black, white, whatever to work together, together with a national commitment to resolve this crisis.

We have now framed the debate. If we do not raise taxes, we cannot fight the drug problem. That is essentially what the opposition has said. The only way we can finance the war on drugs is with a major tax increase. As a matter of fact, a number of bills have already been introduced to do just that. We do not have enough money to fight the drug problem, so we have to raise taxes.

The last 8 years, Federal revenues have increased. One says, well, not enough. \$517 billion in 1980 to \$900 billion in 1988, and nearly \$1 trillion this year. That is a lot of new revenues. How much more do the American people have to take in taxes?

There are some who say we ought to pay more. That is not the problem. The problem is priority.

What do they want to spend the money on? We have enough money. I want to spend it to balance the budget, reduce the debt, and to prioritize for programs like drug enforcement that we ought to be prioritizing that we are not prioritizing, because, frankly, we are demagoging it rather than working to solve it.

Let us use an example. The other body passed an amendment last week, and I commend them for it, that would transfer some \$45 million, \$45 million from congressional mass mailings to a drug treatment program for pregnant women. We are now getting started. But what has happened to that proposal here in the House? We are trying to bottle it up, as my colleague from Michigan pointed out so well in the last special order.

This is a case where some in this House want really badly to bottle up that particular provision which passed in the other body recently. Why? Very simple. We do not want to lose the advantage of \$45 million in mass mailings, unsolicited mass mailings.

I support that provision, because drug treatment for pregnant women is more important than self-fulfilling mailings of Members of Congress, but it is easier to say ignore that, keep spending the money on the mailings, keep getting reelected and demagog in the well and to the constituents and say that we need more tax money to fight drugs.

That is the tip of the iceberg. That is only \$45 million. In my view, there is a long, long list of programs that we can afford to reduce. I am going to mention some of them here tonight. People do not have to agree with my priorities. All I am saying is it is not a question of revenues, higher taxes. On the contrary, it is a question of priorities. If people do not agree with my priorities, let it come to the floor for a debate, Mr. Speaker, so that we can decide what priorities we want, and I think we will find that the American people will tell Members of Congress that the priority they want is drug-fighting, not mass mailings, to use an example.

Let us look at some more. A 10-percent cut in the amount that this House has appropriated for Amtrak in 1990, a 10-percent cut, not wiping the program out, but a 10-percent cut, could save more than \$60 million. Amtrak is roughly \$600 million. That is a subsidy that we provide so that wealthy and middle-class Americans can ride the train to work and home. I love trains. I ride Amtrak myself. But should the taxpayers subsidize my ride? They do every time I ride it. That is not right. I believe that the taxpayers would want me to take some

of that money, if not all of it, and fight the war on drugs or reduce the deficit or do something that is more positive than subsidizing wealthy people and middle-income people riding the train.

We see again, no, we do not talk about that up here. We do not talk about a \$20 million cut or a \$40 million cut or a \$2 million cut or a \$2 cut in Amtrak.

We talk about higher taxes. We have to solve the drug problem, we cannot cut Amtrak, we cannot cut mass mailings, so we have to raise taxes so we can fight the drug war. Hypocrisy. A 20-percent cut in Amtrak would be \$120 million.

Bear in mind, the President's provision or the President's proposal was to find \$2.2 billion roughly in new revenues, more money for the drug fight, not new revenues, but money for the drug fight. Here is a good chunk of it right there in Amtrak and mass mailings. If we take all of the money out of Amtrak, which I would support, we could fund one-fourth of what is needed.

Let us stick with the 10- to 15- to 20-percent cut. We could get roughly \$100 million to \$120 million to fight drugs.

There are more. The President proposed recently eliminating the Economic Development Administration. The EDA was created to provide Federal financial aid to severely depressed areas, a worthwhile goal. I am not opposed to that. Unfortunately, it is no longer used for just that. It now dispenses money to virtually every area of the country regardless of their economic condition. That is a fact. The EDA, quite frankly and quite bluntly, is not as important as the war on drugs. Spending can be cut in that program.

Reducing funding for EDA, again, by 10 percent would save \$19 million. That is enough to fund the President's proposed increase in support for prisons in his proposal. EDA money to communities that do not need it or money for Federal prisons to put the drug addicts in jail where they belong. It is our choice. But we do not get the choice.

The other side says higher taxes. We need more taxes. We would rather spend the \$19 million for EDA and raise taxes.

If we eliminated EDA, an option which I favor and have supported on this floor in the past, we would save \$190 million, enough almost to finance the President's proposed increase in international drug assistance, almost enough to fund the international drug assistance request of the President.

We could also reduce or eliminate funding for Legal Services Corporation. For years this program has been a very controversial one in part because it has been heavily involved in

political lobbying and other forms of political activity. A 10-percent cut in this program from last year's level would provide us with an additional \$30 million, just a 10-percent cut. I am not wiping the program out. It is almost enough to fund the President's proposed increase in funding for U.S. marshals. Here we go again, a political activity and legal assistance, a very controversial program, or Federal marshals, new marshals for drug enforcement, law enforcement against drugs.

Do we make that choice? No. Let us raise taxes; that is what the other side says; we do not have any money; got to raise taxes.

□ 2050

Another program has been the subject of a great deal of controversy, the National Endowment for the Arts. This year the House has provided \$170 million for the NEA. A simple 10-percent cut in this program would mean \$17 million more for the war on drugs, half of what is needed to finance the President's proposed increase for the Department of Education antidrug programs, half of what the President needs for that if we cut out 10 percent of the National Endowment for the Arts.

Some say we do not want to cut the arts in this country. The National Endowment for the Arts sponsored the famous or infamous Mr. Mapplethorpe's exhibit. So what we have chosen to do is say to the American people, and I want to make this very clear because this is exactly what we are doing, Mr. Speaker, we have said we prefer to fund, we prefer to fund an artist with our taxpayer dollars who urinates in a bottle and places a crucifix in that bottle and displays it as art. We prefer to fund that rather than fund the war on drugs. And then we say we need to raise taxes on the American people to continue funding.

That is what we are saying. People may not like that, they may not like to hear the truth, but let us call it like it is, because that is exactly what we are saying.

Do the American people want their tax dollars spent on this stuff? I ask my colleagues to read their mail. They know the American people do not, and they know they would like us to spend it on drug enforcement or almost anything else other than that.

Some people say that is censorship. It is not censorship at all. It is sponsorship. Do the taxpayers of this country have a right to determine what they want to spend their money on? You bet they do, and it is about time some of the Members in this body understood that, that they are the ones that we are supposed to be representing, not the other way around. They want their children to be educated against illegal drugs. They would rather have that than some artist on

display, so-called artist with that disgusting material that I already mentioned.

Again, we could reduce funding in community bloc grants, another example. This program is supposed to be targeted to the Nation's neediest urban communities. Unfortunately, that is not how the program works.

The Congressional Budget Office complains that the entitlement component of the program now provides aid regardless of need, regardless of need. Let us go to 5 percent now and take away the 10 percent, let us go to 5 percent, and a mere 5-percent cut in the amount that the House has appropriated for this program would achieve \$150 million in savings to put toward the drug program, more than enough, more than enough to fund the President's increase for DEA, FBI, and the Coast Guard.

What is the response of our liberal friends? They do not want to take the money away from the community bloc grant program. They want to continue to give it to communities that do not need it, and they want your tax dollars so that they can fund DEA, the FBI, and the Coast Guard. That is what we are doing.

Domestic programs. Some say that is all these conservatives in the House ever talk about, cutting all of the domestic programs. This may surprise Members, but there is a heck of a lot more we could look at. There is a lot of room to reduce spending on foreign aid and in a number of other international programs.

As another example, a 10-percent cut in funding for international organizations, including the United Nations, could achieve \$70 million in savings, almost enough to finance the President's proposed increase for drug prevention programs under the Department of Health and Human Services, almost enough to fund his increase, just in that amount of money. As a matter of fact, Members might be interested to know that a large number of the countries that are in the United Nations do not even vote with us more than 30 percent of the time, and they get a lot of funding and of foreign aid. The gentleman from Illinois [Mr. CRANE] has a bill, H.R. 1148, which would limit United States contributions to the United Nations. We could take that money and put that into the drug fight, but no, no, that is not the answer, is it? That is not what our friends on the other side say. They say no, no, we do not want to take money away from countries that bash us in the United Nations, bash us constantly in the United Nations all of the time. We would rather continue to give them that money and take it away from the farmers, take it away from drug enforcement, take it away from the other necessary areas,

the poor people in our country. We would rather give to those countries and raise taxes.

They love to do that in this place, and they have been doing it very well.

A 10-percent cut in funding for international financial institutions such as the World Bank would result in savings of \$160 million, a 10-percent cut, \$160 million, enough to fund the proposed increase in funding for drug treatment programs under HHS. Think of that, enough to fund the drug treatment programs under HHS.

But no, we do not do that. We continue to fund, excessively in my opinion, the World Bank who makes bad loans and then asks the taxpayers to pay for them when they lose the money. No, we continue to do that, not to put the money in drugs and then say to the American people we need a tax increase, we need you to reach in your wallets and help us in this drug fight because we do not have the money.

The war on drugs, my colleagues, is going to give us a lot more return on our investment than the World Bank, who makes bad loans all across this globe.

Let anybody think I have not included military programs, I am sorry to disappoint, but here it goes. The Pentagon is not sacred. There are a large number of areas in the Defense Department that could be cut with the savings being transferred to the war on drugs.

First, we have a billion dollar plus funding for the F-14B, a fighter that the administration did not request, does not believe is needed for national security, and if we adhere to the administration's funding request we could save \$570 million on that plane alone, which is enough to fund more than half of the President's \$867 million proposed increase for the Federal prison system, half of it.

Why is this plane in there? Because somebody builds that plane in a Member's district, and they think that is more important than the drug fight, and because they feel that they are going to get the tax increase from the American people, and then they will be able to keep their plane, keep the contract in their district, get their plane, get the money for the drugs and the taxpayers will ante up.

We could require our allies, my colleagues, to pick up a larger share of our common defense burden. We ought to require additional allied support for United States bases overseas, in Europe and Japan and other places around the globe. The CBO estimates that \$3.2 billion could be saved in 1990 alone, 1990 alone \$3.2 billion if our allies increased their spending on base operation support such as utility costs and providing base security. Just that alone, utility costs and base security, \$3.2 billion.

But no, no, we do not deal with that, do we? We do not say we can get \$3.2 billion out of this area of our budget, out of the Pentagon, and we can put that \$3.2 billion in on the drug fight. But no, we do not do that. We need a tax increase. The American people will ante up so we will ask for a tax increase, and then we can keep this waste and at the same time get the \$3.2 billion if we get the tax increase. And if we do not get the tax increase, we will rail on George Bush. We will say it is George Bush's fault if we do not win the war on drugs. And before that it was Ronald Reagan's fault that we did not win the war on drugs. Ronald Reagan was accused of everything from African mumps to dishpan hands to you name it, he was accused of it. Some even said he was responsible for AIDS. It is preposterous, but those are the kinds of things that are said, when the truth of the matter is, the truth of the matter is the President's proposal is sound. Our budget has the money, and if we do not want to put it in drugs, then how about putting it on the deficit? Would it not be nice if we put some of this money on to the deficit around here in addition to fighting the war on drugs?

Mr. Speaker, I do not expect every Member of Congress or all of the American people to agree with the cuts that I have outlined. That is not the point.

□ 2100

The point is that new taxes are not needed to fight the drug fight, they are not needed to fight any fight. We do not need more revenues.

We will spend it and we will not reduce the deficit and we will be right where we were before.

As I said before, you may have disagreement on priorities, that is fine, I welcome the opportunity to debate. I am sorry there are not Members here to debate me, to come down here and say, "Well, you are wrong, SMITH; I don't agree with you on this particular cut, but here is where I would cut."

Or it would be nice if some of my colleagues who favor this tax increase could come down here and be courageous enough to say so in front of the American people.

The idea of across-the-board cuts is more appropriate than a tax increase. It is not the best solution, it is not. It is not the best solution to best understand our dilemma.

Let me give you an analogy: Imagine if the Federal Government is a library and it is filled with thousands of different books. You walk into the library and the shelves are all full. The librarian is forced to make changes in order to find more space.

A new library is out of the question. There are two options available. The first and the most reasonable, remove several unpopular books from the li-

brary, make room for new volumes. The second option is take one page out of every book. That alternative would create space but it would destroy the integrity of the library.

Well, that is what we are doing, we are just destroying the integrity of the library. We are not dealing with the problem in a forthright manner. We are saying we need more taxes, we need more money, we need to spend more money, waste more money. Money is not the answer. This drug problem in this country has gone right to the heart of America. It has gone to the moral fiber of this country.

The casual user is just as bad as the drug kingpin because without demand there would not be any supply.

Across-the-board cuts are easy, we can do it to everything, but that is not the answer. That is not the way to do it. We ought to have the courage to prioritize. We ought to have the courage to say that, "My kids' safety from a drug kingpin is more important than a subsidized ride by the taxpayer on Amtrak trains. My kids' safety from drugs is more important than funding nations in this world who do not pay us back. My kids' safety is more important than funding block grants to communities that do not need it."

But we do not get the opportunity to make those choices. We frankly, for want of a better word, really mislead the American people by saying, "Mr. President, we need more taxes."

How wrong that is.

I commend George Bush on this issue. He said it like it is. He told the truth. He said, "We are not going to whip this problem, we are not going to win this war unless we make this commitment together to do it."

Yes, we need money, of course we need money; but we need the help of every single man, woman and child in this country to make the commitment to be drug-free, to set the example in our business, in our homes, in our families, in our churches, in our communities, in our States, in our country.

If we do that, combined with a good prioritization of money that we have already there and the courage to move that money around where it belongs in the drug fight and not raise taxes, we will whip this problem and the American taxpayer and the American people will be better for it.

Mr. Speaker, the illegal drug crisis is ravaging this Nation. There is virtually no city or town in our Nation that has not been touched by it.

If we are serious, we should be willing to sacrifice some outdated, unnecessary or marginally useful programs to fund it.

Mr. Speaker, I urge my colleagues to do just that, give us the opportunity on the floor of this House to debate those priorities that I mentioned. If

not those priorities, other priorities. I am willing to take my chances.

I am willing to have my opportunity to debate. If I lose on one of my priorities, I am willing to take the chance that we might lose on a priority I might not like to lose on, but in any case there are priorities that need to be made.

The ones I outlined are not as important as the drug fight.

So I call on my colleagues to dispense, to dispel this talk of taxes, new taxes, to fight the war on drugs and be honest with your constituents, be honest with the American people and say, "We can win this war on drugs by making the commitment and using the tax dollars that this country, the American people have already so generously given this Congress to work with." We have, frankly, not been very good at spending it in terms of responsible spending.

That is the problem in this country, fiscal irresponsibility. That is the problem in this Congress.

I call on my colleagues to move away from the talk of new taxes and move into the fight against drugs.

The war on drugs, as outlined by President Bush, need not be a war upon the pocketbook of the American taxpayer.

GENERAL LEAVE

Mr. SMITH of New Hampshire. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore (Mr. SARPALIUS). Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

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. GEKAS) to revise and extend their remarks and include extraneous material:)

Mr. GEKAS, for 5 minutes, today.

Mrs. BENTLEY, for 60 minutes, each day on September 26 and 27.

(The following Members (at the request of Mr. HARRIS) to revise and extend their remarks and include extraneous material:)

Mr. WEISS, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. HUBBARD, for 5 minutes, today.

Mr. WISE, for 60 minutes, today.

Mr. DINGELL, for 60 minutes, on September 14.

Mr. LIPINSKI, for 60 minutes, on September 18.

Mr. WISE, for 30 minutes, on September 20.

Mr. SARPALIUS, for 60 minutes, on September 19.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. GEKAS) and to include extraneous material:)

Mr. SCHAEFER.

Mr. SCHUETTE.

Mr. CRANE.

Mr. GREEN.

Mr. LIGHTFOOT.

Mr. SCHULZE.

Mr. McEWEN.

Mr. GEKAS.

Mr. HUNTER.

(The following Members (at the request of Mr. HARRIS) and to include extraneous matter:)

Mr. MARKEY.

Mr. CROCKETT.

Mr. DYMALLY.

Mr. OLIN.

Mr. KANJORSKI in two instances.

Mr. ACKERMAN.

Mr. FLORIO.

Mr. MARTINEZ.

Mr. TORRICELLI.

Mr. FOGLIETTA.

Mr. HAMILTON in two instances.

Mr. COLEMAN of Texas in two instances.

Mr. MAZZOLI.

Mr. MONTGOMERY.

Mr. TALLON.

Mr. MANTON.

Mr. FUSTER.

Mr. KANJORSKI.

Mr. SKAGGS.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1075. An act to authorize appropriations for the American Folklife Center for fiscal years 1990, 1991, and 1992.

ADJOURNMENT

Mr. SMITH of New Hampshire. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 6 minutes p.m.) the House adjourned until tomorrow, Thursday, September 14, 1989, at 10 a.m.

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. ASPIN: Committee on Armed Services. H.R. 2748. A bill to authorize appro-

priations for fiscal year 1990 for intelligence and intelligence-related activities of the U.S. Government, the Intelligence Community Staff, and the Central Intelligence Agency Retirement and Disability System, and for other purposes (Rept. 101-215, Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. ANDERSON: Committee on Public Works and Transportation. H.R. 3027. A bill to provide liability for damages resulting from oil pollution, to establish a fund for the payment of compensation for such damages, to improve oil pollution prevention and response, and for other purposes; with an amendment (Rept. 101-241, Pt. 1). Ordered to be printed.

SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

Under clause 5 of rule X, the following action was taken by the Speaker:

The Committees on Foreign Affairs and Post Office and Civil Service discharged from further consideration of H.R. 2748; H.R. 2748 referred to the Committee of the Whole House on the State of the Union.

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. SCHUMER (for himself, Mr. MORRISON of Connecticut, Mr. FRANK, and Mr. MAZZOLI):

H.R. 3259. A bill to amend the Immigration and Nationality Act to provide for adjustment of status, without regard to numerical limitations, for certain H-1 nonimmigrant nurses and to establish conditions for the admission during a 5-year period, of nurses as temporary workers; to the Committee on Judiciary.

By Mr. FRANK:

H.R. 3260. A bill to amend section 2401 of title 28, United States Code, to extend the time for presenting tort claims of persons under the age of 18 years; to the Committee on Judiciary.

H.R. 3261. A bill to amend section 2401 of title 28, United States Code, to extend the time for presenting tort claims of persons under legal disability; to the Committee on the Judiciary.

By Mr. HAMMERSCHMIDT:

H.R. 3262. A bill to repeal the Medicare Catastrophic Coverage Act of 1988; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. LEHMAN of California (for himself and Mr. HILER):

H.R. 3263. A bill to authorize appropriations for the Bureau of the Mint for fiscal year 1990; to the Committee on Banking, Finance and Urban Affairs.

By Mr. McDADE:

H.R. 3264. A bill to prohibit disposal of solid waste in any State other than the State in which the waste was generated, to require a refund value for certain beverage containers, to require a study on degradable materials and recycling, and to establish an office of recycling research and information in the Department of Commerce; jointly, to the Committees on Energy and Commerce and Science, Space, and Technology.

By Mr. MARKEY (for himself and Mr. RINALDO):

H.R. 3265. A bill to amend the Communications Act of 1934 to provide authorization of appropriations for the Federal Communications Commission, and for other purposes; to the Committee on Energy and Commerce.

By Mr. MARTINEZ:

H.R. 3266. A bill to amend the Job Training Partnership Act to enhance access to services for those individuals with the greatest need for skills training assistance so that such individuals may contribute to the mainstream work force; to the Committee on Education and Labor.

By Ms. OAKAR (for herself, Mr. GLICKMAN, Mr. RAHALL, and Ms. KAPTUR):

H.R. 3267. A bill to amend the Immigration and Nationality Act to provide for temporary protected status for Lebanese nationals; to the Committee on the Judiciary.

By Mr. OLIN (for himself and Mr. BOUCHER):

H.R. 3268. A bill to amend the Solid Waste Disposal Act to place certain restrictions on the interstate disposal of solid waste; to the Committee on Energy and Commerce.

By Mr. SOLOMON:

H.R. 3269. A bill to require random drug testing of Federal employees; to the Committee on Post Office and Civil Service.

By Mr. STENHOLM (for himself, Mr. DE LA GARZA, Mr. MADIGAN, Mr. HUCKABY, Mr. COLEMAN of Missouri, Mr. GLICKMAN, Mr. MARLENEE, Mr. VOLKMER, Mr. STANGELAND, Mr. HATCHER, Mr. ROBERTS, Mr. TALLON, Mr. EMERSON, Mr. STAGGERS, Mr. MORRISON of Washington, Mr. OLIN, Mr. GUNDERSON, Mr. PENNY, Mr. LEWIS of Florida, Mr. STALLINGS, Mr. ROBERT F. SMITH, Mr. NAGLE, Mr. COMBEST, Mr. JONTZ, Mr. SCHUETTE, Mr. JOHNSON of South Dakota, Mr. GRANDY, Mr. HARRIS, Mr. HERGER, Mr. CAMPBELL of Colorado, Mr. HOLLOWAY, Mr. ESPY, Mr. WALSH, Mr. SARPALIUS, Mr. GRANT, Ms. LONG, Mr. DYSON, Mr. LANCASTER, Mr. WATKINS, Mr. KOLBE, Mr. WEBER, Mr. STUMP, Mr. THOMAS of Georgia, Mr. RICHARDSON, Mrs. SMITH of Nebraska, and Mr. HAMMERSCHMIDT):

H.R. 3270. A bill entitled, "The Farm Animal and Research Facilities Protection Act of 1989"; to the Committee on Agriculture.

By Mr. TAUKE (for himself, Mr. PENNY, Mr. CRAIG, and Mrs. MARTIN of Illinois):

H.R. 3271. A bill to grant the power to the President to reduce budget authority; jointly, to the Committees on Government Operations and Rules.

By Mr. HORTON (for himself and Ms. SLAUGHTER of New York):

H.R. 3272. A bill to amend title XVIII of the Social Security Act with respect to the terminology used in the notices to nonparticipating physicians providing services for which payment is denied; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. SCHULZE:

H.J. Res. 404. Joint resolution designating the period of September 15, 1989, through September 23, 1989, as "American Mushroom Week"; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII.

Mr. SOLOMON introduced a bill (H.R. 3273) for the relief of Oliver L. North; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 45: Mr. AKAKA, Ms. SLAUGHTER of New York, Mr. HAWKINS, Mr. BONIOR, and Mr. TOWNS.

H.R. 109: Mr. VOLKMER.

H.R. 149: Mr. COX.

H.R. 169: Mr. SOLOMON and Mr. COBLE.

H.R. 214: Ms. PELOSI.

H.R. 215: Mrs. KENNELLY, Mr. BROWN of California, Ms. PELOSI, Mr. DICKS, Mr. LANTOS, and Mr. McNULTY.

H.R. 358: Mr. SOLOMON.

H.R. 358: Mr. STOKES, Mr. NEAL of North Carolina, and Mr. MILLER of Washington.

H.R. 567: Mr. ANDERSON and Mr. JOHNSTON of Florida.

H.R. 645: Mr. BENNETT and Mr. SWIFT.

H.R. 697: Mr. SOLOMON.

H.R. 702: Mr. BUSTAMANTE, Mr. FAUNTROY, Mr. OWENS of New York, and Mr. FUSTER.

H.R. 775: Ms. SLAUGHTER of New York.

H.R. 794: Mr. McCLOSKEY.

H.R. 864: Mr. COX and Mr. SOLOMON.

H.R. 1074: Mr. FALCOMA, Mr. MADIGAN, and Mr. LEWIS of California.

H.R. 1094: Mr. BARNARD.

H.R. 1112: Mr. CROCKETT.

H.R. 1140: Mr. ROWLAND of Connecticut, Mrs. BOXER, and Mr. WISE.

H.R. 1207: Mr. RINALDO.

H.R. 1237: Mr. BUSTAMANTE, Mr. OBERSTAR, Mr. HAYES of Louisiana, Mr. PAYNE of New Jersey, and Mr. MACHLEY.

H.R. 1292: Ms. SLAUGHTER of New York.

H.R. 1307: Mr. WOLF, Mr. COX, Mr. DEWINE, and Mr. MCCREY.

H.R. 1441: Mrs. JOHNSON of Connecticut.

H.R. 1454: Mr. ACKERMAN, Mr. ATKINS, Mr. BATES, Mr. BERMAN, Mr. BOEHLERT, Mr. BORSKI, Mr. BOSCO, Mrs. BOXER, Mr. BROOKS, Mr. BRYANT, Mr. BUSTAMANTE, Mr. CAMPBELL of Colorado, Mr. CARDIN, Mr. CARPER, Mr. CHAPMAN, Mr. CLAY, Mr. CLEMENT, Mr. DEFazio, Mr. DE LUGO, Mr. DELLUMS, Mr. DIXON, Mr. DOWNEY, Mr. DURBIN, Mr. DWYER of New Jersey, Mr. DYMALLY, Mr. DYSON, Mr. ENGEL, Mr. ENGLISH, Mr. ESPY, Mr. EVANS, Mr. FAUNTROY, Mr. FAZIO, Mr. FEIGHAN, Mr. FLAKE, Mr. FOGLIETTA, Mr. FORD of Tennessee, Mr. FROST, Mr. GARCIA, Mr. GEJDENSON, Mr. GILMAN, Mr. GRAY, Mr. GUARINI, Mr. HAWKINS, Mr. HAYES of Illinois, Mr. HAYES of Louisiana, Mr. HILER, Mr. HOCHBRUECKNER, Mr. HOLLOWAY, Mr. HOYER, Mr. HUGHES, Mr. JACOBS, Mr. JONES of Georgia, Mr. JONES of North Carolina, Mr. KANJORSKI, Ms. KAPTUR, Mr. KASICH, Mr. KENNEDY, Mr. LANCASTER, Mr. LEWIS of Georgia, Mr. LIPINSKI, Ms. LONG, Mr. MANTON, Mr. MARTINEZ, Mr. MARKEY, Mr. McCLOSKEY, Mr. MCFUME, Mr. MOODY, Mr. MORRISON of Washington, Mr. MRAZEK, Mr. MURTHA, Ms. OAKAR, Mr. OBERSTAR, Mr. OLIN, Mr. ORTIZ, Mr. OWENS of New York, Mr. PALLONE, Mr. PARKER, Mr. PAYNE of New Jersey, Mr. PAYNE of Virginia, Ms. PELOSI, Mr. PERKINS, Mr. PRICE, Mr. RAHALL, Mr. RANGEL, Mr. RAVENEL, Mr. RIDGE, Mr. ROE, Mr. SAVAGE, Mr. SAWYER, Mr. SCHUMER, Mr. SLATTERY, Ms. SLAUGHTER of New York, Mr. SMITH of Florida, Mr. SOLARZ, Mr. STAGGERS,

Mr. STUDDS, Mr. TALLON, Mr. TANNER, Mr. TAUZIN, Mr. TORRES, Mr. TORRICELLI, Mr. TRAFICANT, Mrs. UNSOELD, Mr. VISCLOSKEY, Mr. WALSH, Mr. WAXMAN, Mr. WHEAT, and Mr. WILSON.

H.R. 1564: Mr. ROHRBACHER, Mr. ROE, Mr. WILSON, and Mr. RHODES.

H.R. 1632: Mr. EVANS, Mr. JACOBS, Mr. BOUCHER, and Ms. KAPTUR.

H.R. 1699: Mr. FUSTER, Mr. EMERSON, Mr. WOLPE, Mr. WALSH, Mr. MOLLOHAN, Mr. McNULTY, Mr. PANETTA, Mr. HUGHES, Mr. McEWEN, and Mr. FISH.

H.R. 1730: Mr. FAWELL and Mr. BILIRAKIS.

H.R. 1870: Mr. SCHUETTE.

H.R. 2043: Mr. CAMPBELL of California and Mr. TRAFICANT.

H.R. 2170: Mr. KASICH and Mr. EDWARDS of Oklahoma.

H.R. 2285: Mr. SOLOMON.

H.R. 2294: Mrs. SMITH of Nebraska.

H.R. 2328: Mr. SOLOMON.

H.R. 2406: Mr. SIKORSKI.

H.R. 2460: Mr. SOLOMON.

H.R. 2611: Ms. SLAUGHTER of New York.

H.R. 2647: Mr. ATKINS, Mr. TORRES, and Mr. SCHEUER.

H.R. 2700: Mr. PETRI.

H.R. 2765: Mr. ARMEY, Mr. BUSTAMANTE, Mrs. COLLINS, Mr. COURTER, Mr. CRANE, Mr. DEFazio, Mr. DICKINSON, Mr. DORNAN of California, Mr. FEIGHAN, Mr. FROST, Mr. GALLEGLY, Mr. GREEN, Mr. LAGOMARSINO, Mr. LANTOS, Mr. DONALD E. LUKENS, Mr. McGRATH, Mr. MILLER of Washington, Mr. MURPHY, Mr. PALLONE, Mr. RHODES, Mr. RINALDO, Mr. ROHRBACHER, Mrs. SCHROEDER, Mr. SHAW, Mr. SHAYS, Mr. SIKORSKI, Mr. TOWNS, Mrs. UNSOELD, Mr. WALKER, and Mr. YATRON.

H.R. 2782: Mr. SAXTON.

H.R. 2852: Ms. PELOSI, Mr. ATKINS, Mr. PANETTA, Mr. WOLPE, Mr. MOAKLEY, Mr. BUSTAMANTE, Mr. KENNEDY, Mr. WHEAT, and Mr. DEFazio.

H.R. 2856: Mr. TAUKE and Mr. PARKER.

H.R. 2857: Mr. TAUKE and Mr. PARKER.

H.R. 2876: Mr. McNULTY.

H.R. 2911: Mr. CHAPMAN.

H.R. 2958: Mr. BUECHNER, Mr. MRAZEK, Mr. WYDEN, Mr. BILBRAY, Mr. BONIOR, Mr. MINETA, Mr. JONES of North Carolina, Mr. TOWNS, Mr. LEVINE of California, Mr. MORRISON of Connecticut, and Mr. SOLARZ.

H.R. 2968: Ms. SLAUGHTER of New York.

H.R. 2995: Mr. ATKINS.

H.R. 2997: Mr. DYMALLY and Mr. CAMPBELL of California.

H.R. 3004: Mr. DAVIS, Mr. OLIN, Mr. PRICE, Mr. QUILLLEN, and Ms. SCHNEIDER.

H.R. 3030: Mr. DICKINSON, Mr. KYL, Mr. PAYNE of New Jersey, Mr. GEKAS, Mr. RANGEL, and Mr. PASHAYAN.

H.R. 3037: Mr. HAWKINS, Mr. HUGHES, and Mr. DOWNEY.

H.R. 3051: Mr. PAXON, Mr. DANNEMEYER, Mr. LAGOMARSINO, Mr. DENNY SMITH, Mr. RINALDO, Mr. PALLONE, Mr. HANSEN, Mr. WALKER, Mr. HYDE, Mrs. MEYERS of Kansas, Mr. SMITH of New Jersey, Mr. LEATH of Texas, Mr. BENNETT, Mr. WHITTAKER, Mr. McGRATH, Mr. GILMAN, Mr. POSHARD, Mr. WALSH, Mr. LEWIS of Florida, Mr. OXLEY, Mrs. MARTIN of Illinois, Mr. HANCOCK, Mr. ENGLISH, Mr. MADIGAN, Mr. NELSON of Florida, Mr. CHAPMAN, and Mr. GINGRICH.

H.R. 3068: Mr. PENNY, Mr. DELLUMS, and Mr. JONTZ.

H.R. 3082: Mr. LANCASTER, Mr. DE LUGO, Mr. KOLTER, Mr. DERRICK, and Mr. TALLON.

H.R. 3107: Mr. ROYBAL, Mr. TOWNS, Mr. SMITH of Florida, Mr. ROE, Mr. MILLER of California, Mr. FROST, and Mrs. COLLINS.

H.R. 3109: Mr. ROYBAL, Mr. TOWNS, Mr. SMITH of Florida, Mr. ROE, Mr. MILLER of California, Mr. FROST, and Mrs. COLLINS.

H.R. 3145: Mr. JONTZ and Mr. KOLTER.

H.R. 3156: Mr. SCHAEFER.

H.J. Res. 133: Mr. STARK, Mr. WALSH, Mr. MONTGOMERY, Mr. HUBBARD, Mr. PAYNE of New Jersey, Mr. PICKLE, Mr. MURTHA, Mrs. JOHNSON of Connecticut, Mr. RUSSO, Mr. MOODY, Mr. CLARKE, Mr. VENTO, Mr. ATKINS, Mr. DYSON, Mr. HOPKINS, Mr. LIVINGSTON, Mr. RINALDO, Mr. TAUKE, Mr. DORNAN of California, Mr. HYDE, Mr. WELDON, Mr. MCCOLLUM, Mr. PERKINS, Mr. IRELAND, Mr. OWENS of Utah, Mr. DEFazio, Mrs. SAIKI, Mr. HAYES of Louisiana, Mr. COSTELLO, Mr. MCHUGH, Mr. POSHARD, Mr. STOKES, Mrs. MORELLA, Mr. SABO, Mr. SMITH of New Jersey, Mr. BURTON of Indiana, Mr. SPENCE, Mr. MILLER of California, Mr. WOLFE, Ms. OAKAR, Mr. KASICH, Mr. SKELTON, Mr. MARTIN of New York, Mr. FAWELL, Mr. GALLEGLY, Mr. JONES of North Carolina, Mr. CARDIN, Mr. BORSKI, Mr. DONNELLY, Mr. FUSTER, Mr. LEWIS of Florida, Mr. MCCLOSKEY, Mr. MURPHY, Mr. TALLON, Mr. WILSON, Mr. BOUCHER, Mrs. BENTLEY, Mr. BERMAN, Mr. PALLONE, Mr. TRAFICANT, Mr. TRAXLER, Mr. BRENNAN, Mr. HAYES of Illinois, Mr. VANDER JAGT, Mr. RAVENEL, Mr. SMITH of Iowa, Mr. TAUZIN, Mrs. BYRON, Mr. DELLUMS, Mr. APPELEGATE, Mr. MFUME, Mr. VALENTINE, Mr. HOYER, Mr. SAWYER, Mr. McDERMOTT, Mr. COURTER, Mr. HAWKINS, Mr. SCHUMER, Mr. DARDEN, Mr. SMITH of Texas, Mr. FLAKE, Mr. TORRICELLI, Mr. SKAGGS, Mr. BROWDER, Mrs. LOWEY of New York, Mr. WYDEN, Mr. CLINGER, Mr. CHAPMAN, Mr. MILLER of Washington, Mrs. UNSOELD, Mr. GEKAS, Mr. MICHEL, Mr. ROTH, Mr. BATEMAN, Mr. SAXTON, Mr. ORTIZ, Mrs. KENNELLY, Mr. BRYANT, and Mr. SCHEUER.

H.J. Res. 241: Mr. SCHIFF, Mrs. JOHNSON of Connecticut, Mr. OWENS of Utah, Mr. DAVIS, Mr. NAGLE, Mr. PURSELL, Mr. BERMAN, Mr. HARRIS, Mr. SKAGGS, Mr. McNULTY, Mr. BUECHNER, Mr. FORD of Michigan, Mrs. BOGGS, Mr. KOSTMAYER, Mr. YATRON, and Mr. COYNE.

H.J. Res. 255: Mr. OWENS of Utah, Mr. ASPIN, Mr. QUILLLEN, Mr. NOWAK, Mr. ROE, Mr. SKELTON, Mr. MURTHA, and Mr. MURPHY.

H.J. Res. 278: Mr. CONYERS, Mrs. MARTIN of Illinois, Mr. SARPALUS, and Mr. HAYES of Illinois.

H.J. Res. 320: Mr. ANNUNZIO, Mr. BENNETT, Mr. BILBRAY, Mr. BOEHLERT, Mr. BROOKS,

Mr. BRUCE, Mr. CLINGER, Mr. DELLUMS, Mr. DOWNEY, Mr. FALEOMAVAEGA, Mr. GILMAN, Mr. GORDON, Mr. GRAY, Mr. KASTENMEIER, Mr. LIPINSKI, Mr. MFUME, Mr. NAGLE, Mr. NOWAK, Mr. PANETTA, Mr. PICKETT, Mr. QUILLLEN, Mr. RICHARDSON, Mr. RINALDO, Mr. RUSSO, Mr. SABO, Mr. SANGMEISTER, Mr. SISISKY, Mr. SKAGGS, Mr. SMITH of Florida, Mr. SOLOMON, Mr. STAGGERS, Mr. VOLKMER, and Mr. WHITTEN.

H.J. Res. 345: Mr. BEVILL, Mr. CALLAHAN, Mr. COURTER, Mr. FLIPPO, Mr. HARRIS, Mr. KASICH, Mr. McEWEN, Mr. PALLONE, Mr. PURSELL, Mr. PICKLE, Mr. RAVENEL, Mr. SMITH of Texas, Mr. SPENCE, Mr. FORD of Michigan, Mr. DICKINSON, Mr. STUMP, Mr. COSTELLO, Mrs. MARTIN of Illinois, Mr. WILSON, Mrs. BOGGS, Mr. SPRATT, Mr. HAYES of Louisiana, Mr. EVANS, Mr. LIVINGSTON, Mr. HENRY, and Mr. TANNER.

H.J. Res. 346: Mr. LIGHTFOOT, Mr. GALLO, Mr. FEIGHAN, Mr. FAWELL, Mr. BEVILL, Mr. BLILEY, Mr. PALLONE, Mr. MANTON, Mrs. COLLINS, Mr. FRENZEL, Mr. QUILLLEN, Mr. WOLF, Mr. DYSON, Mr. SMITH of Florida, Mr. KASTENMEIER, Mr. OBERSTAR, Mr. SISISKY, Mr. BARNARD, Mr. BILIRAKIS, Mr. JONES of North Carolina, Mr. WALSH, Ms. KAPTUR, Mr. MARTIN of New York, Mr. HORTON, Mr. FROST, Mr. FAZIO, Mr. WHITTAKER, Mr. BUSAMANTE, Mr. FLORIO, Mr. BURTON of Indiana, Mr. COBLE, Mr. CLEMENT, Mr. EVANS, Mrs. BYRON, Mr. NEAL of North Carolina, Mr. DORNAN of California, Mr. BROOMFIELD, Mr. BENNETT, Mr. DWYER of New Jersey, Mr. LIPINSKI, Mr. RINALDO, Mr. BOSCO, Mr. BATES, Mr. CROCKETT, Mr. CALLAHAN, Mr. CARDIN, Mr. BATEMAN, Mr. IRELAND, Mr. HAYES of Louisiana, Mr. SABO, Mr. DONALD E. LUKENS, Mr. WEISS, Mr. HENRY, Mr. TRAFICANT, Mr. TRAXLER, Mr. EMERSON, Mr. SCHUETTE, Mr. ROWLAND of Connecticut, Mr. TAUZIN, Mr. ENGEL, Mr. GUARINI, Mr. VALENTINE, Mr. LAGOMARSINO, Mr. FALEOMAVAEGA, Mr. KENNEDY, Mr. TANNER, Ms. PELOSI, Mr. HAMMERSCHMIDT, Mr. MCCOLLUM, Mr. McNULTY, Mr. YATRON, Mr. MONTGOMERY, Mr. RICHARDSON, Mr. LIVINGSTON, Mr. HEFNER, Mr. McGRATH, Mr. OWENS of Utah, Ms. LONG, and Mrs. MORELLA.

H.J. Res. 352: Mr. COSTELLO, Mr. BLILEY, Mr. FAUNTROY, Mr. McGRATH, Mr. BEVILL, Mr. SKELTON, Mr. PARRIS, Mr. NATCHER, Mr. SCHUETTE, Mr. PAYNE of Virginia, Mr. LANTOS, Mr. BORSKI, Mr. FROST, Mr. HUBBARD, Mr. HAMMERSCHMIDT, Mr. DYMALLY, Mr. TALLON, Mr. DARDEN, Mr. McEWEN, Mrs. COLLINS, Mr. CLEMENT, Mr. WALSH, Mr.

RANGEL, Mr. LIPINSKI, Mr. HORTON, Mr. WOLPE, Ms. KAPTUR, Mr. EVANS, Mr. HAYES of Louisiana, Mr. FAZIO, Mrs. BENTLEY, Mr. CARPER, Mr. FUSTER, Mr. DORNAN of California, Mr. INHOFE, Mr. ESPY, Mr. TOWNS, Mr. VOLKMER, Mr. SKEEN, Mr. WOLF, Mr. DONALD E. LUKENS, Mr. MATSUI, Mr. RITTER, Mr. FRENZEL, Mr. PURSELL, Mr. ANNUNZIO, Mr. KILDEE, Mr. RINALDO, Mrs. SAIKI, Mr. THOMAS of Georgia, Mr. GONZALEZ, Mr. RICHARDSON, Mr. McDADDE, Mr. FAWELL, Mrs. PATTERSON, Mr. SMITH of Texas, Mr. OBEY, Mr. JONES of North Carolina, Mr. LANCASTER, Mr. PICKETT, Mr. SCHAEFER, Mr. JACOBS, Mr. RUSSO, Mr. CHANDLER, and Mr. ENGEL.

H.J. Res. 369: Mr. WILSON and Mr. LANTOS.

H.J. Res. 373: Mr. BRUCE, Mr. TAUKE, and Mr. PETRI.

H.J. Res. 378: Mr. MRAZEK, Mr. EVANS, Mrs. COLLINS, Mr. SISISKY, Mr. ACKERMAN, Mrs. KENNELLY, Mr. BUSAMANTE, Mr. KOLTER, Mr. FAZIO, Mr. OWENS of New York, Mr. FROST, Mr. SHAYS, Mr. GUARINI, Mr. FUSTER, Mrs. BOXER, Mr. WALSH, Mr. ENGEL, Mr. RANGEL, Mr. LANTOS, Mr. FEIGHAN, Mr. DONALD E. LUKENS, Ms. KAPTUR, Mr. FALEOMAVAEGA, and Mr. MILLER of California.

H.J. Res. 389: Mr. DEFazio, Mr. EVANS, Mr. FALEOMAVAEGA, Mr. MANTON, Mr. PACKARD, Mr. SPENCE, and Mr. WHITTAKER.

H. Con. Res. 140: Mr. ROGERS and Mr. NIELSON of Utah.

H. Con. Res. 162: Mr. RIDGE, Mr. EDWARDS of Oklahoma, and Mr. LOWERY of California.

H. Con. Res. 191: Mr. DE LUGO, Mr. PANETTA, and Mr. UPTON.

H. Con. Res. 194: Mr. LEVINE of California, Mr. FAWELL, Mr. SOLARZ, Mr. HORTON, Mrs. LOWERY of New York, Mr. PALLONE, Mr. PAXON, Mr. HENRY, Mrs. JOHNSON of Connecticut, Mr. PENNY, Mr. LEATH of Texas, Mr. HUGHES, Mr. BROWN of California, Mr. INHOFE, Mr. FRANK, Mr. GORDON, Mr. McGRATH, and Mr. BRENNAN.

H. Res. 191: Mr. PAXON and Mr. COX.

H. Res. 206: Mr. OXLEY, Mr. ATKINS, Mr. PAYNE of New Jersey, Mr. COOPER, Mr. COSTELLO, Mr. GARCIA, Mr. INHOFE, Mr. KENNEDY, Mr. MANTON, Mr. MARKEY, Mr. CARPER, Mr. MORRISON of Connecticut, Mr. HANCOCK, Mr. SMITH of Florida, Mr. FORD of Tennessee, Mr. McDERMOTT, Mr. GREEN, Mr. JOHNSON of South Dakota, Mr. JONTZ, Mr. EMERSON, and Mrs. LLOYD.

H. Res. 231: Mr. PAXON and Mr. COX.